



Appendix 8

16.7 Financial Plan 2021–2031

Financial Plan 2021–2031

Ordinary Meeting of Council

Wednesday 27 October 2021 at 7:00pm

Via Videoconference (Zoom)



Financial Plan 2021-22 to 2030-31

| Contents | Page |
|--|-------------|
| INTRODUCTION | 3 |
| 1.1 Financial Plan | 3 |
| 1.2 Strategic Planning Principles | 3 |
| 1.3 Financial Management Principles | 3 |
| 1.4 Legislative Requirements | 4 |
| 1.5 Service Performance Principles | 5 |
| 1.6 Asset Plan Integration | 5 |
| FINANCIAL PLAN CONTEXT | 6 |
| 2.1 Financial Policy Statement (Financial Sustainability Indicators) | 6 |
| 2.2 Strategic Actions | 7 |
| 2.3 Assumptions to the Financial Plan Statements | 7 |
| 2.4 Financial Risk | 9 |
| FINANCIAL SNAPSHOT | 10 |
| FINANCIAL STATEMENTS | 13 |
| 3.1 Comprehensive Income Statement | 13 |
| 3.2 Balance Sheet | 14 |
| 3.3 Statement of Changes in Equity | 15 |
| 3.4 Statement of Cash Flows | 16 |
| 3.5 Statement of Capital Works | 17 |
| 3.6 Statement of Human Resources | 18 |
| 3.6 Planned Human Resource Expenditure | 21 |
| FINANCIAL PERFORMANCE INDICATORS | 24 |
| STRATEGIES AND PLANS | 26 |
| 5.1 Borrowing Strategy | 26 |
| 5.2 Reserves Strategy | 26 |
| 5.3 Revenue and Rating Plan | 31 |
| 5.4 Waste Management Strategy | 31 |
| 5.5 Workforce Plan | 31 |

Introduction

1.1 Financial Plan

The Local Government Act 2020 has introduced a requirement for Council to prepare a 10 year Financial Plan. The Financial Plan provides a strategic overview of the financial resources available to Council over next 10 years and sets out how the resources will be used to implement the actions of the Council Plan and achieve the Community Vision.

The purpose of the Financial Plan is to provide stability, predictability and establish a framework for the effective mitigation and management of strategic financial risk. Importantly, the Plan should show how the viability and financial sustainability of Council will be achieved and maintained over the 10-year period.

1.2 Strategic Planning Principles

The Financial Plan is developed in the context of the following strategic planning principles:

- Council has an integrated approach to planning, monitoring and performance reporting;
- Council financial plan addresses the Community Vision by funding the aspirations of the Council Plan. The Council Plan aspirations and actions are formulated in the context of the Community Vision;
- The Financial Plan statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the Council Plan to achieve the Community Vision;
- Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan. The financial risks are included at section 2.4 below;
- The Financial Plan provides for the strategic planning principles of progress monitoring and reviews to identify and adapt to changing circumstances.

1.3 Financial Management Principles

Council manages significant funds on behalf of its community. The responsible management of these finances is essential in order for Council to continue meeting its legislative responsibilities and to keep providing services and facilities needed by the community.

Section 101 of the Local Government Act 2020 provides four principles of sound financial management, which all councils are required to implement within their financial planning and reporting frameworks. They are:

- Revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with Council's financial policies and strategic plans;
- Financial risks must be monitored and managed prudently, having regard to economic circumstances;
- Financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community;
- Accounts and records that explain the financial operations and financial position of the Council must be kept.

For the purposes of the financial management principles, financial risk includes any risk relating to the following;

- the financial viability of the Council;

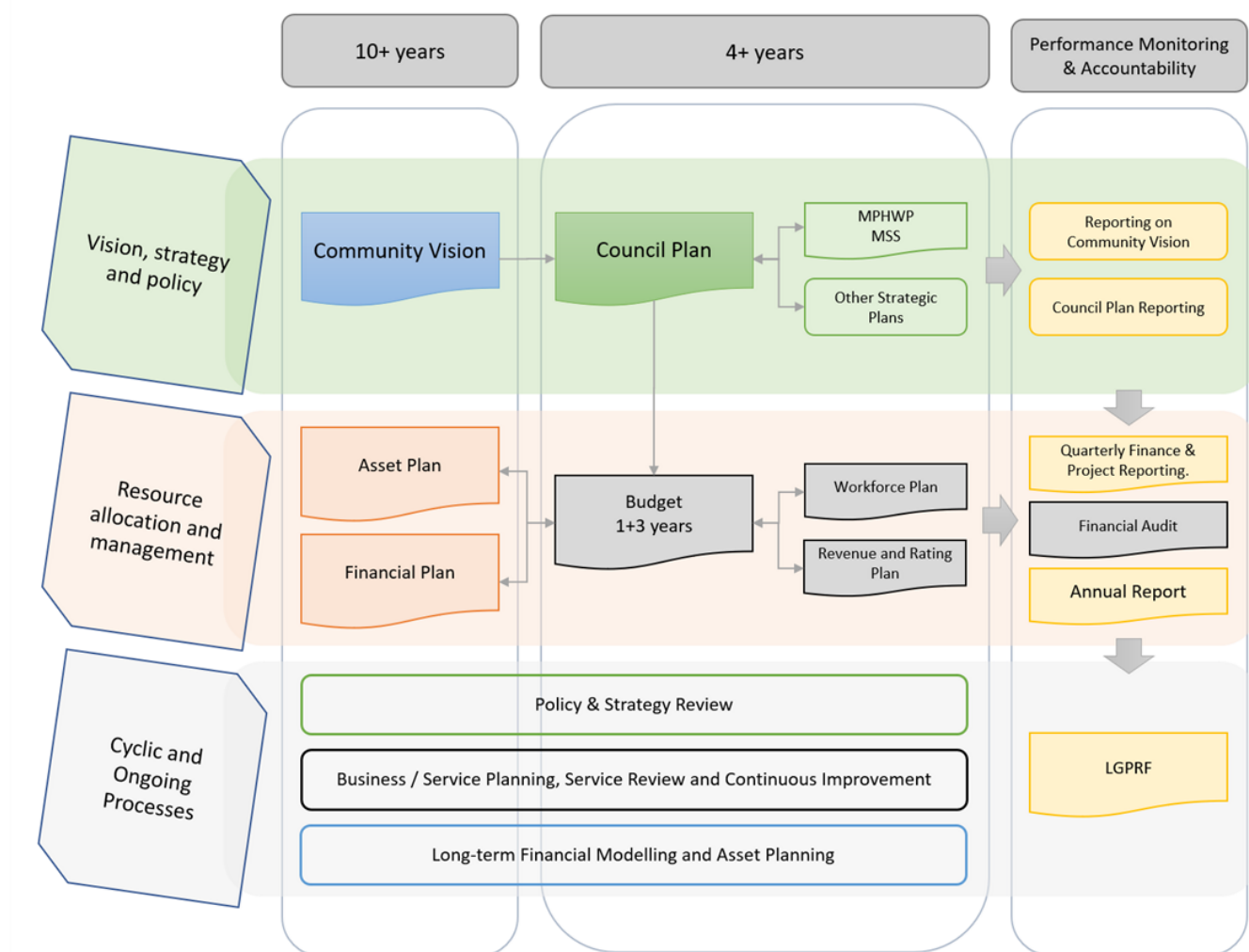
- the management of current and future liabilities of the Council;
- the beneficial enterprises of the Council.

The Financial Plan provides a strategic overview of the financial resources available to Council over next 10 years and sets out how the resources will be used to implement the actions of the Council Plan and achieve the Community Vision.

1.4 Legislative Requirements

This section describes how the Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning and Reporting framework. This framework guides Borough of Queenscliffe in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Budget) and then holding itself accountable (Annual Report).

The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework.



Source: Department of Jobs, Precincts and Regions

1.5 Service Performance Principles

Council services are designed to have purpose, targeted to community needs and to provide value for money. The service performance principles are listed below:

- Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify the key services and projects to be delivered to the community. The Financial Plan provides the mechanism to demonstrate how the service aspirations within the Council Plan may be funded;
- Services are accessible to the relevant users within the community;
- Council provides quality services that provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) is designed to communicate council's performance regarding the provision of quality and efficient services;
- Council has a performance monitoring framework to continuously improve its service delivery standards;
- Council has a service delivery framework that considers and responds to community feedback and complaints regarding service provision.

1.6 Asset Plan Integration

Reciprocal interaction between the Asset Plan and the Plan is a key principle of the Council's strategic financial planning principles. The purpose of this integration is to ensure that future funding is allocated in a manner that supports service delivery in terms of the plans and the effective management of Council's assets into the future.

The Asset Plan identifies the operational and strategic practices which will ensure that Council manages assets across their life cycle in a financially sustainable manner. The Asset Plan, and associated asset management policies, provide council with a sound base to understand the risk associated with managing its assets for the communities benefit.

The Asset Plan is designed to inform the 10-year Financial Plan by identifying the amount of capital renewal, backlog and maintenance funding that is required over the life of each asset category. The level of funding will incorporate knowledge of asset condition, the risk assessment issues as well as the impact of reviewing and setting intervention and service levels for each asset class.

In addition to identifying the operational and strategic practices that ensure that Council manages assets across their life cycle in a financially sustainable manner, the Asset Plan quantifies the asset portfolio and the financial implications of those practices. Together the Financial Plan and Asset Plan seek to balance projected investment requirements against projected budgets.

Council is in the process of reviewing its Asset Plan in line with the requirements of the Local Government Act 2020.

Asset renewal demand projections included in this Financial Plan generally follows the expenditure identified in the following asset management documents:

- Roads expenditure follows the recommendations in the 2019 road condition and renewal modelling report;
- Buildings expenditure follows the 2018 building condition assessment modelling report;
- Storm water drainage follows the 2019 asset management plan;
- Open space follows the 2019 open space asset management plan in combination with the playground strategy.

The current Asset Plan does not cover all asset categories managed by Council. However, the new Asset Plan will cover all asset categories and once completed the Financial Plan will be reviewed and updated.

Financial Plan Context

2.1 Financial Policy Statement (Financial Sustainability Indicators)

This section defines the policy statements, and associated measures, that demonstrates Council's financial sustainability to fund the aspirations of the Community Vision and the Council Plan.

| Policy Statement | Measure | BoQ Target | Comment |
|--|---|-------------------|---|
| Consistent operating results. | Adjusted underlying result (excluding one-off operating income and expenses) | greater than \$0 | Adjusted for the timing of recurring operating grants, one-off operating projects (including operating grants if applicable), assets write-offs and any other non-recurrent transactions. |
| Ensure Council maintains sufficient working capital to meet its debt obligations as they fall due. | The value of our current assets divided by our current liabilities | greater than 1 | Non-current assets classified as held for sale |
| Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash imposts if required. | The percentage of our current liabilities as a proportion of our unrestricted cash reserves (based on the remaining maturity) | greater than 100% | Cash and cash equivalents include all items at call and short-term deposits with remaining maturity of less than three months |
| That Council applies loan funding to new capital and maintains total borrowings in line with rate income and growth of the municipality. | The percentage of our total borrowings as a proportion of our rate revenue | less than 15% | Council policy: CP040 Borrowings |
| Allocate adequate funds towards renewal capital in order to replace assets and infrastructure as they reach the end of their service life. | The financial investment in asset renewal and upgrade expenses divided by the cost of depreciation (based on a three years rolling average) | greater than 100% | Three years rolling average taking into the dependency on external funding for major capital projects |
| Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for new and renewal capital | Council's contribution to asset renewal and upgrade expenses as a percentage of Own Source Revenue | greater than 10% | Based on the net contribution from the Council for asset renewal and upgrade work |

2.2 Strategic Actions

Council has identified the following strategic actions that will support the aspirations of the Council Plan.

The Financial Plan has been developed based on these strategic actions.

- Prioritise capital expenditure for investment in renewal capital to reduce the escalating risk and maintenance of aging infrastructure;
- Avoid or minimise capital projects that will create new assets resulting in additional asset renewal requirements in the future;
- Only applying proceeds from asset sales to invest in projects that will generate additional revenue streams;
- Debt funding to be applied only to projects that will generate additional revenue streams;
- Additional funding to address climate change.
- Manage salaries and wages growth in line with the rate cap;
- Emphasis on innovation, productivity and efficiencies that lead to reduced costs or the minimisation of waste and duplication;
- Maintaining current service levels until Council complete a full review of its service delivery programs.

2.3 Assumptions to the Financial Plan Statements

The Financial Plan will be updated annually as a part of the annual budget process following a review of internal financial results and changes in the external environment. The financial information used for 2021-22 (the base year) is based on the 2021-22 financial budget.

The following table provides a detailed explanation of planning assumptions. The Financial Plan outcomes are disclosed in the Financial Statements section.

| Key Elements | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 |
|---|--|-------|-------|-------|-------|-------|-------|-------|-------|
| Consumer Price Index (CPI) | 1.75 | 2.00 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 |
| | Based on the macroeconomic indicators - Department of Treasury and Finance. | | | | | | | | |
| Rates cap - ESC recommended methodology | 1.75 | 2.00 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 |
| | There remains some uncertainty regarding the level of the rates cap in future years. For the purposes of the Financial Plan, Council has linked rates cap to CPI forecast. | | | | | | | | |
| Growth in the rate base | 0.45 | 0.65 | 0.20 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |
| | No material growth in population is expected for the next 10 years. Predominantly, BoQ has a stagnated rate base. Have factored in potential property developments based on the development applications are being considered. | | | | | | | | |
| User fees and charges - Tourist parks income | 5.00 | 3.00 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 |
| | Income from tourist parks to return to pre-COVID levels (2018-19) in the base year. In minimum pre-COVID occupancy levels to be achieved in 2022-23 resulting in 5%+ growth in revenue. Revenue to grow at least in line with CPI from the year 2024-25 onwards. | | | | | | | | |

| Key Elements | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 |
|---------------------------------------|--|-------|-------|-------|-------|-------|-------|-------|-------|
| User fees and charges - Others | Other user fees and charges are linked to the CPI. | | | | | | | | |
| Interest income | 1.0 | 2.0 | 2.0 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 |
| | Council expects interest rates to rise closer to pre-COVID levels by the year 2025-26. | | | | | | | | |
| Government Grants | Ongoing grants are steady with CPI indexation. Capital grants are estimated based on funding requirements of major capital renewal/upgrade projects. No operating grant from Better Boating Victoria is factored in after the financial year 2021-22. | | | | | | | | |
| Employee costs | 2.5 | 2.5 | 2.75 | 2.75 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 |
| | The current Enterprise Agreement ends in the financial year 2021-22. The Plan assumes EA linking to rates cap subject to a minimum increase of 2% as in the current EA. No increase in staff numbers is projected during this planning period. (reduction in headcount in 2022/23 and 2023/24 due to expiry of fixed-term contracts) | | | | | | | | |
| Insurance | 3.0 | 3.5 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| | Insurance premium is predominantly influenced by the performance of the overall insurance industry. Financial Plan is based on historical increases and assuming hard market conditions to continue. | | | | | | | | |
| Other operating cost | 0.00 | 0.00 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 |
| | BoQ expects initiatives started in the year 2021-22 to enhance the productivity and efficiencies which will lead to maintaining other operating expenses at the base year level for the next two years. Expenses to grow in line with the CPI thereafter. | | | | | | | | |
| Borrowing | Zero borrowings, new borrowing if any in the future only for projects that will generate additional revenue streams. | | | | | | | | |
| Waste management cost/charges | 4.20 | 3.90 | 2.60 | -9.70 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 |
| | Continue with the full cost recovery strategy. The increase in cost/charges due the implementation of FOGO and glass collection services. Thereafter steady with CPI indexation. Cost associated with the roll out of FOGO and glass services to be recovered over a period of 4 years. (refer to the note below for various assumptions used) | | | | | | | | |
| Capital projects | Prioritised renewal and upgrade work. The exact scope and timing of capital projects will be finalised after community consultations as appropriate. | | | | | | | | |
| Asset sales/proceeds | No new property sale is planned except for the annual replacement of motor vehicles. Have not identified investment opportunities for proceeds from the sale of Murray Road land in this Plan. The Financial Plan will be updated during the next review cycle. | | | | | | | | |

Note to waste management cost/charges assumptions:

The following assumptions have been used in determining waste management cost;

- The kerbside transition plan will be implemented with Food Organics Garden Organics (FOGO) collection operational for the full year in 2022-23. The glass collection service will be operational in 2023-24;
- Diversion of 80% of the organics in the waste bin to the FOGO service will be achieved;
- A 20% increase of garden organics collected due to an increased frequency of collection;
- State Government Landfill Levy will increase by only CPI from 2023-24 onward;
- Diversion of 80% of glass from the comingled recycling bin to the new glass service is achieved from 2023-24 onward;
- Kerbside material disposal and processing costs are based on historic volumes and 2018 waste audits;
- Impacts of a Container Deposit Scheme (CDS) have not been incorporated into this Plan. A review will be undertaken when details of the CDS are finalised.

2.4 Financial Risk

There are many financial risks that Council must mitigate to remain financially sustainable. One of the most significant financial risks is the impact of rate capping. Our sound financial position - zero debt and a healthy reserve balance - will enable Council to respond to these financial risks over the 10-year period. The following table highlights the financial risks and their impact to Council.

| Risk | Level of Risk | Mitigation |
|--|---------------|---|
| Impacts of COVID-19 (immediate, medium and long term) | Medium | The development of current and future budgets has been modelled and assumptions are constantly reviewed. Active monitoring of financial performance. |
| Failure to close asset management gap | Medium | Monitor and seek new grants opportunities for renewal and upgrade work. Development of a comprehensive asset plan in line with the LG Act 2020, covering all assets categories. |
| Lower rate cap (lower than CPI) | Medium | Financial levers adjusted to ensure Council is financially sustainable. Service reviews if required. |
| EBA outcomes could be greater than CPI | Medium | EBA to link with CPI and any upward deviation to be subjected to efficiencies in operational expenses elsewhere. |
| Caravan Park revenue downturn | Medium | Review of caravan park operations for a more effective and efficient management model. Additional investments in caravan parks to enhance revenue potential. |
| Not realising full benefits of current initiatives to achieve efficiency improvements (new organisational structure, new corporate system) | Medium | Implement proper governance framework including progress tracking framework with report to Council and Executive team. |
| Future unfunded defined benefits superannuation call occurring | Low | Monitors the Vested Benefits index on a quarterly basis to avoid material shortfall calls. Maintain a separate reserve to manage any potential impact. |

Financial snapshot

Our decision-making reflects principles of sound financial management. This Financial Plan assesses our financial performance using key financial indicators specified in the Council Plan. Refer to the Financial Policy Statement section (2.1) for more details about the indicators used to assess the financial outcome of the Borough over the planning period covered in this Financial Plan.

Cash surplus/deficit

This is a measure of the cash inflows from all sources of revenue and the cash outflows for all expenditure (capital and operating expenditure). The Financial Plan presents a balanced budget over the 10-year horizon.

Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives, the underlying result is calculated by deducting non-recurrent capital funding (grants and contributions) from the operating surplus/(deficit) for the year.

Further, Council excludes impact one-off transactions in calculating the adjusted underlying result as explained in the Financial Policy Statement section (2.1).

Council is projecting a modest underlying surplus for each year from the year 2023-24 onwards. Council expects to benefit from the various initiatives started in the year 2021-22 to enhance the productivity and efficiencies of Council operations.

An increase in depreciation expenses due to the new Queenscliffe Hub and the upgraded Queenscliff Boat Ramp has resulted in an estimated underlying deficit for the 2022-23 financial year. The BoQ expects that the additional income from tourist parks and operational efficiencies will be sufficient enough to cover additional depreciation from the year 2023-24 onwards.

Council has been receiving an average annual operating grant of \$115,000 from Better Boating Victoria (BBV) as compensation for the loss of income from boat ramp parking fees. However, no grant income from BBV is factored into this Plan after the financial year 2021-22 as Council has not received any confirmation from BBV about the future grant arrangements.

Working capital

This is a measure of current assets to current liabilities (our ability to pay existing liabilities that fall within the next 12 months). The Financial Plan expects this measure to stay well above 100 per cent over the 10-year horizon.

Borrowings

No borrowings are planned over the 10-year horizon.

Asset renewal and upgrade expenses

A ratio of 100 per cent or higher shows that spending on existing assets is moving at a faster rate than asset deterioration. The Financial Plan forecasts significant investment in existing assets over the next 10 years. Key asset renewal and upgrade projects considered over the 10-year horizon are listed below. However, only high-level cost estimates have been used in the Plan and the scope and timing of these projects are subject to community consultations and detailed feasibility assessments.

- Toch H toilet facilities renewal
- Weeroona pde toilet facilities renewal

- Princess park toilet facilities renewal
- New toilet facilities in Hesse street
- Royal park changing rooms upgrade
- Royal park oval upgrade
- New corporate system
- Paths and walking tracks (based on the pathway strategy, will be linked to active transport strategy when developed)
- Convert to solar generation and install battery storage on council buildings
- Fast track transition of Council fleet to electric vehicles
- Restoration and upgrade of P1 hut at Point Lonsdale lighthouse reserve
- New skate and bike park
- Integrated storm water management plan (soak pit upgrade and ocean outfall improvements)
- Murray Road shared path
- Upgrade of town hall

Financial sustainability indicators - Council Plan

| Indicator | Target | 21-22 | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 | Average 10-year horizon |
|--|--------|-------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------------------------|
| Sustainable operating result | | | | | | | | | | | | |
| Our adjusted underlying result | > \$0 | \$44 | -\$154 | \$13 | \$24 | \$20 | \$95 | \$111 | \$91 | \$80 | \$88 | \$41 |
| Working capital | | | | | | | | | | | | |
| Current assets vs current liabilities | > 1.0 | 3.02 | 3.62 | 3.25 | 3.39 | 3.20 | 3.25 | 3.47 | 3.54 | 3.52 | 3.75 | 3.40 |
| Level of unrestricted cash reserve against current liabilities | > 100% | 136% | 114% | 93% | 104% | 93% | 91% | 113% | 132% | 141% | 161% | 118% |
| Borrowings | | | | | | | | | | | | |
| Total borrowings against rate revenue | < 15% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Commitment for asset renewals | | | | | | | | | | | | |
| Asset renewal and upgrade expenses against depreciation | > 100% | 263% | 290% | 283% | 142% | 163% | 139% | 114% | 103% | 119% | 125% | 174% |
| Council's contribution to asset renewal and upgrade | > 10% | 42% | 17% | 17% | 13% | 15% | 14% | 10% | 10% | 12% | 10% | 16% |

As per the above financial sustainability indicators, overall, Council's financial plan 2021-31 satisfies financial sustainability indicators specified in the Council Plan, subject to the planning assumptions detailed in section 2.3.

Crown land management

The Borough is a small coastal town, and except for very few assets, all buildings and infrastructure assets including roads, used to provide various services to the community are located or built on Crown land.

Based on the value of land Council manages, 60% is Crown land and 17% is Land under roads. Only 23% of the land is owned freehold by the Borough.

Council is aware of the risk of the dependency on income from caravan parks (all caravan parks are situated on Crown land except for parts of Golightly Park). The council mitigates this risk by ensuring that the current operating model is financially sustainable.

Council's current record-keeping and accounting systems are not designed to separate the expenditure associated with Crown land and other land types. . However, indicative values provided below satisfy the requirement that revenue generated from Crown land is applied in full to meet expenditure requirements for managing Crown land.

| Description | 21-22 | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | 29-30 | 30-31 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Net contribution from Crown land | | | | | | | | | | |
| Surplus projected from tourist parks | 807 | 887 | 929 | 947 | 967 | 988 | 1,009 | 1,032 | 1,055 | 1,077 |
| Lease income projected from Crown Land properties | 148 | 151 | 154 | 157 | 161 | 164 | 168 | 172 | 176 | 180 |
| Net contribution from Crown land | 955 | 1,038 | 1,083 | 1,104 | 1,128 | 1,153 | 1,177 | 1,204 | 1,231 | 1,256 |
| Used to fund services in Crown land | | | | | | | | | | |
| Projected net expenditure on asset management and appearance of public places on Crown land | (783) | (785) | (788) | (805) | (824) | (842) | (861) | (881) | (900) | (921) |
| Net expenditure on coastal protection | (321) | (353) | (357) | (365) | (374) | (382) | (391) | (400) | (409) | (418) |
| Net deficit funded via rates and operating grant | (148) | (100) | (62) | (66) | (70) | (72) | (75) | (76) | (78) | (82) |

Projected surplus from tourist parks includes income from the Golightly Park as well. Council's current financial system is not designed to record operating expenses of the Golightly park separately to ascertain the net contribution only from the Golightly park. However, if apportioned based on the gross income, a net contribution of \$162,000 can be attributable to the Golightly park for 2021-22.

Projected net expenditure on asset management and appearance of public places on Crown land does not include any asset renewal and upgrade expenditure. Projected net expenditure does not include any expenditure associated with road, drainage and footpath infrastructure.

Financial statements

3.1 Comprehensive Income Statement

| Comprehensive Income Statement | 2021-22 Budget | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|---|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | | | | | | | | | | |
| Rates and charges | 7,946 | 8,144 | 8,376 | 8,583 | 8,627 | 8,825 | 9,027 | 9,234 | 9,446 | 9,663 |
| Statutory fees and fines | 132 | 134 | 137 | 140 | 143 | 146 | 149 | 153 | 156 | 160 |
| User fees | 1,977 | 2,068 | 2,127 | 2,175 | 2,224 | 2,274 | 2,326 | 2,378 | 2,431 | 2,486 |
| Grants - operating | 1,017 | 1,096 | 1,141 | 1,129 | 1,155 | 1,181 | 1,207 | 1,234 | 1,262 | 1,291 |
| Grants - capital | 6,495 | 0 | 1,021 | 990 | 990 | 165 | 165 | 728 | 1,165 | 603 |
| Contributions - monetary - capital | 35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other income | 268 | 285 | 353 | 358 | 389 | 394 | 400 | 406 | 411 | 417 |
| Total income | 17,870 | 11,728 | 13,155 | 13,376 | 13,528 | 12,985 | 13,274 | 14,132 | 14,872 | 14,619 |
| Expenses | | | | | | | | | | |
| Employee costs | 4,873 | 4,955 | 5,015 | 5,153 | 5,294 | 5,413 | 5,535 | 5,660 | 5,787 | 5,917 |
| Materials and services | 5,733 | 5,386 | 5,331 | 5,254 | 5,405 | 5,476 | 5,626 | 5,755 | 5,897 | 6,026 |
| Depreciation | 1,373 | 1,456 | 1,474 | 1,507 | 1,512 | 1,522 | 1,515 | 1,569 | 1,605 | 1,638 |
| Bad and doubtful debts | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Borrowing costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other expenses | 325 | 326 | 328 | 335 | 343 | 351 | 359 | 367 | 375 | 384 |
| Total expenses | 12,307 | 12,126 | 12,151 | 12,252 | 12,557 | 12,765 | 13,038 | 13,354 | 13,667 | 13,968 |
| Surplus / (deficit) for the year | 5,563 | (399) | 1,004 | 1,124 | 970 | 220 | 236 | 778 | 1,205 | 651 |
| Other comprehensive income | | | | | | | | | | |
| Net asset revaluation increment / (decrement) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total comprehensive result | 5,563 | (399) | 1,004 | 1,124 | 970 | 220 | 236 | 778 | 1,205 | 651 |

3.2 Balance Sheet

| Balance Sheet | 2021-22 Budget | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|---|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | | | | | | | |
| Current assets | | | | | | | | | | |
| Cash and cash equivalents | 6,774 | 5,140 | 4,881 | 5,057 | 4,903 | 4,818 | 5,250 | 5,755 | 6,088 | 6,486 |
| Other financial assets | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Trade and other receivables | 330 | 330 | 330 | 330 | 330 | 330 | 330 | 330 | 330 | 330 |
| Inventories | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Other assets | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 |
| Total current assets | 8,333 | 6,699 | 6,440 | 6,616 | 6,463 | 6,377 | 6,809 | 7,314 | 7,647 | 8,045 |
| Non-current assets | | | | | | | | | | |
| Investments in associates | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 |
| Property, infrastructure, plant and equipment | 145,073 | 145,399 | 146,794 | 147,719 | 148,916 | 149,166 | 148,971 | 149,353 | 150,336 | 150,563 |
| Total non-current assets | 145,313 | 145,638 | 147,034 | 147,959 | 149,156 | 149,406 | 149,211 | 149,593 | 150,576 | 150,803 |
| Total assets | 153,646 | 152,337 | 153,474 | 154,575 | 155,618 | 155,783 | 156,021 | 156,907 | 158,223 | 158,848 |
| Liabilities | | | | | | | | | | |
| Current liabilities | | | | | | | | | | |
| Trade and other payables | 1,688 | 751 | 857 | 805 | 849 | 763 | 734 | 810 | 889 | 831 |
| Trust funds and deposits | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Provisions | 976 | 1,001 | 1,026 | 1,051 | 1,078 | 1,105 | 1,132 | 1,160 | 1,189 | 1,219 |
| Other liabilities | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 |
| Total current liabilities | 2,761 | 1,848 | 1,979 | 1,953 | 2,022 | 1,964 | 1,962 | 2,067 | 2,175 | 2,146 |
| Non-current liabilities | | | | | | | | | | |
| Provisions | 109 | 111 | 114 | 117 | 120 | 123 | 126 | 129 | 132 | 136 |
| Total non-current liabilities | 109 | 111 | 114 | 117 | 120 | 123 | 126 | 129 | 132 | 136 |
| Total liabilities | 2,870 | 1,960 | 2,093 | 2,070 | 2,142 | 2,087 | 2,088 | 2,196 | 2,307 | 2,282 |
| Net assets | 150,776 | 150,377 | 151,381 | 152,505 | 153,476 | 153,696 | 153,933 | 154,711 | 155,916 | 156,566 |
| Equity | | | | | | | | | | |
| Accumulated surplus | 101,819 | 102,147 | 103,546 | 104,474 | 105,674 | 105,927 | 105,735 | 106,120 | 107,106 | 107,336 |
| Revaluation Reserve | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 |
| Other reserves | 5,459 | 4,732 | 4,337 | 4,533 | 4,304 | 4,271 | 4,699 | 5,092 | 5,311 | 5,732 |
| Total equity | 150,776 | 150,377 | 151,381 | 152,505 | 153,476 | 153,696 | 153,933 | 154,711 | 155,915 | 156,566 |

3.3 Statement of Changes in Equity

| Statement of Changes in Equity | 2021-22 Budget | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|---|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Accumulated Surplus | | | | | | | | | | |
| Opening Balance 1st July | 92,702 | 101,819 | 102,147 | 103,546 | 104,474 | 105,674 | 105,927 | 105,735 | 106,120 | 107,106 |
| Adjustment on change in accounting policy | | | | | | | | | | |
| Surplus / (deficit) for the year | 5,563 | (399) | 1,004 | 1,124 | 970 | 220 | 236 | 778 | 1,205 | 651 |
| Transfer to other reserves | (63) | (48) | 0 | (196) | 0 | 0 | (428) | (393) | (219) | (421) |
| Transfer from other reserves | 3,616 | 776 | 395 | 0 | 229 | 33 | 0 | 0 | 0 | 0 |
| Closing Balance 30th June | 101,819 | 102,147 | 103,546 | 104,474 | 105,674 | 105,927 | 105,735 | 106,120 | 107,106 | 107,336 |
| Revaluation Reserve | | | | | | | | | | |
| Opening Balance 1st July | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 |
| Net asset revaluation increment/(decrement) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing Balance 30th June | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 | 43,498 |
| Other Reserves | | | | | | | | | | |
| Opening Balance 1st July | 9,013 | 5,459 | 4,732 | 4,337 | 4,533 | 4,304 | 4,271 | 4,699 | 5,092 | 5,311 |
| Transfer to other reserves | 63 | 48 | 0 | 196 | 0 | 0 | 428 | 393 | 219 | 421 |
| Transfer from other reserves | (3,616) | (776) | (395) | 0 | (229) | (33) | 0 | 0 | 0 | 0 |
| Closing Balance 30th June | 5,459 | 4,732 | 4,337 | 4,533 | 4,304 | 4,271 | 4,699 | 5,092 | 5,311 | 5,732 |
| Total Equity | | | | | | | | | | |
| Opening Balance 1st July | 145,213 | 150,776 | 150,377 | 151,381 | 152,505 | 153,476 | 153,696 | 153,933 | 154,711 | 155,915 |
| Surplus / (deficit) for the year | 5,563 | (399) | 1,004 | 1,124 | 970 | 220 | 236 | 778 | 1,205 | 651 |
| Closing Balance 30th June | 150,776 | 150,377 | 151,381 | 152,505 | 153,476 | 153,696 | 153,933 | 154,711 | 155,915 | 156,566 |

3.4 Statement of Cash Flows

| Statement of Cash Flows | 2021-22 Budget \$'000 | 2022-23 \$'000 | 2023-24 \$'000 | 2024-25 \$'000 | 2025-26 \$'000 | 2026-27 \$'000 | 2027-28 \$'000 | 2028-29 \$'000 | 2029-30 \$'000 | 2030-31 \$'000 |
|---|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Cash flows from operating activities | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Rates and charges | 7,946 | 8,144 | 8,376 | 8,583 | 8,627 | 8,825 | 9,027 | 9,234 | 9,446 | 9,663 |
| Statutory fees and fines | 132 | 134 | 137 | 140 | 143 | 146 | 149 | 153 | 156 | 160 |
| User fees | 1,977 | 2,068 | 2,127 | 2,175 | 2,224 | 2,274 | 2,326 | 2,378 | 2,431 | 2,486 |
| Grants - Operating | 1,017 | 1,096 | 1,141 | 1,129 | 1,155 | 1,181 | 1,207 | 1,234 | 1,262 | 1,291 |
| Grants - Capital | 6,495 | 0 | 1,021 | 990 | 990 | 165 | 165 | 728 | 1,165 | 603 |
| Interest received | 50 | 63 | 125 | 125 | 151 | 151 | 151 | 151 | 151 | 151 |
| Other receipts | 218 | 223 | 227 | 233 | 238 | 244 | 249 | 255 | 261 | 267 |
| Total receipts | 17,870 | 11,728 | 13,155 | 13,376 | 13,528 | 12,985 | 13,274 | 14,132 | 14,872 | 14,619 |
| Payments | | | | | | | | | | |
| Employee costs | (4,846) | (4,928) | (4,987) | (5,124) | (5,265) | (5,383) | (5,504) | (5,628) | (5,755) | (5,884) |
| Materials and services | (5,733) | (5,400) | (5,315) | (5,240) | (5,368) | (5,446) | (5,588) | (5,719) | (5,859) | (5,989) |
| Short-term, low value and variable lease payments | (21) | (21) | (21) | (21) | (22) | (22) | (23) | (23) | (24) | (24) |
| Other payments | (332) | (326) | (328) | (335) | (342) | (350) | (358) | (366) | (374) | (383) |
| Total payments | (10,932) | (10,675) | (10,651) | (10,720) | (10,997) | (11,202) | (11,473) | (11,736) | (12,012) | (12,280) |
| Net cash provided by operating activities | 6,938 | 1,053 | 2,503 | 2,656 | 2,531 | 1,783 | 1,801 | 2,396 | 2,860 | 2,339 |
| Cash flows from investing activities | | | | | | | | | | |
| Payments for property, infrastructure, plant and equipment | (10,234) | (2,705) | (2,799) | (2,506) | (2,710) | (1,895) | (1,396) | (1,919) | (2,556) | (1,969) |
| Proceeds from sale of property, infrastructure, plant and equipment | 27 | 18 | 37 | 26 | 26 | 27 | 27 | 28 | 29 | 29 |
| Net cash provided by / (used in) investing activities | (10,206) | (2,687) | (2,762) | (2,480) | (2,684) | (1,869) | (1,369) | (1,891) | (2,528) | (1,940) |
| Cash flows from financing activities | | | | | | | | | | |
| Net cash provided by / (used in) financing activities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net increase / (decrease) in cash and cash equivalents | (3,268) | (1,634) | (259) | 176 | (153) | (85) | 432 | 505 | 333 | 399 |
| Cash and cash equivalents at the beginning of the financial year | 10,042 | 6,774 | 5,140 | 4,881 | 5,057 | 4,903 | 4,818 | 5,250 | 5,755 | 6,088 |
| Cash and cash equivalents at the end of the financial year | 6,774 | 5,140 | 4,881 | 5,057 | 4,903 | 4,818 | 5,250 | 5,755 | 6,088 | 6,486 |

3.5 Statement of Capital Works

| Statement of Capital Works | 2021-22 Budget \$'000 | 2022-23 \$'000 | 2023-24 \$'000 | 2024-25 \$'000 | 2025-26 \$'000 | 2026-27 \$'000 | 2027-28 \$'000 | 2028-29 \$'000 | 2029-30 \$'000 | 2030-31 \$'000 |
|--|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Property | | | | | | | | | | |
| Buildings | 4,729 | 683 | 1,008 | 1,764 | 1,770 | 626 | 283 | 1,039 | 1,795 | 1,052 |
| Total buildings | 4,729 | 683 | 1,008 | 1,764 | 1,770 | 626 | 283 | 1,039 | 1,795 | 1,052 |
| Total property | 4,729 | 683 | 1,008 | 1,764 | 1,770 | 626 | 283 | 1,039 | 1,795 | 1,052 |
| Plant and equipment | | | | | | | | | | |
| Plant, machinery and equipment | 119 | 280 | 208 | 162 | 133 | 173 | 270 | 163 | 168 | 174 |
| Fixtures, fittings and furniture | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 6 | 6 |
| Computers and telecommunications | 201 | 237 | 86 | 47 | 48 | 49 | 50 | 51 | 52 | 54 |
| Total plant and equipment | 325 | 522 | 299 | 215 | 186 | 227 | 326 | 220 | 226 | 234 |
| Infrastructure | | | | | | | | | | |
| Roads | 771 | 110 | 112 | 115 | 117 | 120 | 123 | 125 | 128 | 131 |
| Footpaths and cycle ways | 198 | 104 | 700 | 21 | 360 | 147 | 22 | 23 | 138 | 141 |
| Drainage | 174 | 200 | 102 | 154 | 107 | 229 | 141 | 114 | 117 | 119 |
| Recreational, leisure and community facilities | 823 | 97 | 99 | 102 | 104 | 357 | 359 | 362 | 114 | 117 |
| Parks, open space and streetscapes | 727 | 77 | 79 | 80 | 82 | 84 | 86 | 88 | 90 | 92 |
| Other infrastructure | 2,652 | 10 | 510 | 10 | 11 | 11 | 11 | 11 | 12 | 12 |
| Total infrastructure | 5,770 | 598 | 1,603 | 482 | 781 | 948 | 743 | 723 | 598 | 611 |
| Total capital works expenditure | 10,825 | 1,802 | 2,910 | 2,461 | 2,737 | 1,802 | 1,351 | 1,982 | 2,620 | 1,897 |
| Represented by: | | | | | | | | | | |
| New asset expenditure | 2,579 | 530 | 268 | 80 | 420 | 207 | 82 | 83 | 199 | 201 |
| Asset renewal expenditure | 2,432 | 960 | 1,674 | 1,313 | 1,299 | 1,206 | 869 | 1,254 | 1,651 | 1,300 |
| Asset upgrade expenditure | 5,813 | 313 | 968 | 1,068 | 1,019 | 389 | 399 | 645 | 770 | 396 |
| Total capital works expenditure | 10,825 | 1,802 | 2,910 | 2,461 | 2,737 | 1,802 | 1,351 | 1,982 | 2,620 | 1,897 |

3.6 Statement of Human Resources

| Staff Expenditure | 2021-22 Budget | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|--|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Total staff expenditure | | | | | | | | | | |
| Male | 1,692 | 1,734 | 1,776 | 1,824 | 1,875 | 1,917 | 1,959 | 2,004 | 2,049 | 2,095 |
| Female | 2,615 | 2,680 | 2,747 | 2,823 | 2,901 | 2,966 | 3,033 | 3,101 | 3,171 | 3,242 |
| Self-described gender | - | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | |
| Casuals, temporary and other expenditure | 566 | 541 | 492 | 505 | 519 | 531 | 543 | 555 | 567 | 580 |
| Capitalised labour costs | 111 | 114 | 117 | 120 | 123 | 126 | 129 | 132 | 135 | 138 |
| Total staff expenditure | 4,984 | 5,069 | 5,132 | 5,272 | 5,417 | 5,539 | 5,663 | 5,792 | 5,922 | 6,055 |
| | | | | | | | | | | |
| Permanent full time | | | | | | | | | | |
| Male | 1,519 | 1,557 | 1,594 | 1,637 | 1,683 | 1,720 | 1,759 | 1,799 | 1,839 | 1,880 |
| Female | 1,001 | 1,026 | 1,052 | 1,081 | 1,110 | 1,135 | 1,161 | 1,187 | 1,214 | 1,241 |
| Self-described gender | - | - | - | - | - | - | - | - | - | - |
| Total | 2,520 | 2,583 | 2,646 | 2,718 | 2,793 | 2,856 | 2,920 | 2,986 | 3,053 | 3,121 |
| | | | | | | | | | | |
| Permanent part time | | | | | | | | | | |
| Male | 173 | 177 | 182 | 187 | 192 | 196 | 201 | 205 | 210 | 214 |
| Female | 1,614 | 1,654 | 1,696 | 1,742 | 1,790 | 1,831 | 1,872 | 1,914 | 1,957 | 2,001 |
| Self-described gender | - | - | - | - | - | - | - | - | - | - |
| Total | 1,787 | 1,832 | 1,877 | 1,929 | 1,982 | 2,027 | 2,072 | 2,119 | 2,167 | 2,215 |

3.6 Statement of Human Resources – cont.

| Staff Numbers | 2021-22 Budget | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|--|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE |
| Total staff numbers | | | | | | | | | | |
| Male | 12.8 | 12.8 | 12.8 | 12.8 | 12.8 | 12.8 | 12.8 | 12.8 | 12.8 | 12.8 |
| Female | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 |
| Self-described gender | - | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | |
| Casuals and temporary staff | 5.5 | 4.5 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 |
| Capitalised labour costs | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Total staff numbers | 46.6 | 45.6 | 45.0 | 45.0 | 45.0 | 45.0 | 45.0 | 45.0 | 45.0 | 45.0 |
| | | | | | | | | | | |
| Permanent full time | | | | | | | | | | |
| Male | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 |
| Female | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 |
| Self-described gender | - | - | - | - | - | - | - | - | - | - |
| Total | 21.0 | 21.0 | 21.0 | 21.0 | 21.0 | 21.0 | 21.0 | 21.0 | 21.0 | 21.0 |
| | | | | | | | | | | |
| Permanent part time | | | | | | | | | | |
| Male | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 |
| Female | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 |
| Self-described gender | - | - | - | - | - | - | - | - | - | - |
| Total | 19.1 | 19.1 | 19.1 | 19.1 | 19.1 | 19.1 | 19.1 | 19.1 | 19.1 | 19.1 |
| Staff Head count | | | | | | | | | | |
| Employees (head count including casual and temporary staff) | 71.0 | 70.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 |
| Total staff numbers | 71.0 | 70.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 |

3.6 Statement of Human Resources – cont.

| Staff Expenditure Core Area Wise | Permanent Full Time | | | | Permanent Part Time | | | | Grand Total |
|--|---------------------|---------------|----------------|---------------|---------------------|---------------|----------------|---------------|---------------|
| | Male | Female | Self-described | Total | Male | Female | Self-described | Total | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Community Wellbeing | 3,672 | 325 | - | 3,997 | 1,120 | 8,397 | - | 9,517 | 13,514 |
| Environmental Sustainability | 569 | 1,064 | - | 1,633 | - | 884 | - | 884 | 2,517 |
| Local Economy | - | 3,325 | - | 3,325 | 817 | 1,366 | - | 2,183 | 5,509 |
| Planning and Heritage | 2,250 | 2,676 | - | 4,926 | - | 1,455 | - | 1,455 | 6,382 |
| Governance and Performance | 10,496 | 3,818 | - | 14,314 | - | 5,968 | - | 5,968 | 20,281 |
| Total permanent staff expenditure | 16,988 | 11,207 | - | 28,195 | 1,937 | 18,071 | - | 20,008 | 48,203 |
| Casuals, temporary and other expenditure | | | | | | | | | 5,399 |
| Capitalised labour costs | | | | | | | | | 1,243 |
| Total staff | 16,988 | 11,207 | - | 28,195 | 1,937 | 18,071 | - | 20,008 | 54,844 |

3.6 Planned Human Resource Expenditure

| Staff Expenditure Core Area Wise | 2021-22 Budget | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|---|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Community Wellbeing | | | | | | | | | | |
| Permanent - Full time | 357 | 366 | 375 | 385 | 396 | 405 | 414 | 423 | 433 | 443 |
| Female | 29 | 30 | 30 | 31 | 32 | 33 | 34 | 34 | 35 | 36 |
| Male | 328 | 336 | 345 | 354 | 364 | 372 | 380 | 389 | 398 | 407 |
| Permanent - Part time | 850 | 871 | 893 | 918 | 943 | 964 | 986 | 1,008 | 1,031 | 1,054 |
| Female | 750 | 769 | 788 | 810 | 832 | 851 | 870 | 889 | 909 | 930 |
| Male | 100 | 103 | 105 | 108 | 111 | 113 | 116 | 119 | 121 | 124 |
| Total Community Wellbeing | 1,207 | 1,237 | 1,268 | 1,303 | 1,339 | 1,369 | 1,400 | 1,431 | 1,463 | 1,496 |
| Environmental Sustainability | | | | | | | | | | |
| Permanent - Full time | 151 | 154 | 157 | 160 | 162 | 165 | 167 | 170 | 172 | 175 |
| Female | 95 | 97 | 100 | 103 | 105 | 108 | 110 | 113 | 115 | 118 |
| Male | 56 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 |
| Permanent - Part time | 79 | 81 | 83 | 85 | 88 | 90 | 92 | 94 | 96 | 98 |
| Female | 79 | 81 | 83 | 85 | 88 | 90 | 92 | 94 | 96 | 98 |
| Male | - | - | - | - | - | - | - | - | - | - |
| Total Environmental Sustainability | 230 | 235 | 240 | 245 | 250 | 254 | 259 | 263 | 268 | 273 |
| Local Economy | | | | | | | | | | |
| Permanent - Full time | 297 | 304 | 312 | 321 | 329 | 337 | 344 | 352 | 360 | 368 |
| Female | 297 | 304 | 312 | 321 | 329 | 337 | 344 | 352 | 360 | 368 |
| Male | - | - | - | - | - | - | - | - | - | - |
| Permanent - Part time | 195 | 200 | 205 | 211 | 216 | 221 | 226 | 231 | 236 | 242 |
| Female | 122 | 125 | 128 | 132 | 135 | 138 | 141 | 145 | 148 | 151 |
| Male | 73 | 75 | 77 | 79 | 81 | 83 | 85 | 87 | 89 | 91 |
| Total Local Economy | 492 | 504 | 517 | 531 | 546 | 558 | 571 | 583 | 597 | 610 |

| Staff Expenditure Core Area Wise | 2021- 22 Budget | 2022- 23 | 2023- 24 | 2024- 25 | 2025- 26 | 2026- 27 | 2027- 28 | 2028- 29 | 2029- 30 | 2030- 31 |
|---|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Planning and Heritage | | | | | | | | | | |
| Permanent - Full time | 440 | 451 | 462 | 475 | 488 | 499 | 510 | 522 | 533 | 545 |
| Female | 239 | 245 | 251 | 258 | 265 | 271 | 277 | 283 | 290 | 296 |
| Male | 201 | 206 | 211 | 217 | 223 | 228 | 233 | 238 | 244 | 249 |
| Permanent - Part time | 130 | 133 | 137 | 140 | 144 | 147 | 151 | 154 | 158 | 161 |
| Female | 130 | 133 | 137 | 140 | 144 | 147 | 151 | 154 | 158 | 161 |
| Male | - | - | - | - | - | - | - | - | - | - |
| Total Planning and Heritage | 570 | 584 | 599 | 615 | 632 | 646 | 661 | 676 | 691 | 707 |
| Governance and Performance | | | | | | | | | | |
| Permanent - Full time | 1,275 | 1,307 | 1,340 | 1,377 | 1,417 | 1,450 | 1,484 | 1,519 | 1,554 | 1,590 |
| Female | 341 | 350 | 358 | 368 | 378 | 387 | 395 | 404 | 413 | 423 |
| Male | 934 | 957 | 981 | 1,009 | 1,039 | 1,063 | 1,088 | 1,115 | 1,141 | 1,168 |
| Permanent - Part time | 533 | 546 | 560 | 575 | 591 | 605 | 618 | 632 | 646 | 661 |
| Female | 533 | 546 | 560 | 575 | 591 | 605 | 618 | 632 | 646 | 661 |
| Male | - | - | - | - | - | - | - | - | - | - |
| Total Governance and Performance | 1,808 | 1,853 | 1,900 | 1,953 | 2,008 | 2,055 | 2,102 | 2,151 | 2,201 | 2,251 |
| Casuals, temporary and other expenditure | 566 | 541 | 492 | 505 | 519 | 531 | 543 | 555 | 567 | 580 |
| Capitalised labour costs | 111 | 114 | 117 | 120 | 123 | 126 | 129 | 132 | 135 | 138 |
| Total staff expenditure | 4,984 | 5,069 | 5,132 | 5,272 | 5,417 | 5,539 | 5,663 | 5,792 | 5,922 | 6,055 |

3.7 Planned Human Resource Expenditure – cont.

| Staff Numbers Core Area Wise | 2021-22 Budget | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|---|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE |
| Community Wellbeing | | | | | | | | | | |
| Permanent - Full time | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 |
| Female | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Male | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Permanent - Part time | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 |
| Female | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 |
| Male | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Total Community Wellbeing | 12.3 | 12.3 | 12.3 | 12.3 | 12.3 | 12.3 | 12.3 | 12.3 | 12.3 | 12.3 |
| Environmental Sustainability | | | | | | | | | | |
| Permanent - Full time | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Female | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Male | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Permanent - Part time | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Female | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Male | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Environmental Sustainability | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 |
| Local Economy | | | | | | | | | | |
| Permanent - Full time | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 |
| Female | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 |
| Male | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Permanent - Part time | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Female | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Male | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Local Economy | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 |
| Planning and Heritage | | | | | | | | | | |
| Permanent - Full time | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 |
| Female | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Male | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Permanent - Part time | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 |
| Female | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 |
| Male | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Planning and Heritage | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 |
| Governance and Performance | | | | | | | | | | |
| Permanent - Full time | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Female | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Male | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Permanent - Part time | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 |
| Female | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 |
| Male | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Governance and Performance | 15.4 | 15.4 | 15.4 | 15.4 | 15.4 | 15.4 | 15.4 | 15.4 | 15.4 | 15.4 |
| Casuals and temporary staff | 5.5 | 4.5 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 |
| Capitalised labour | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total staff numbers | 46.6 | 45.6 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 |

Financial Performance Indicators

The following table highlights Council's projected performance across a range of key financial performance indicators specified in the Local Government Performance Reporting Framework (LGPRF). These indicators provide an analysis of Council's 10-year financial projections and should be interpreted in the context of the organisation's objectives and financial management principles.

| Indicator | Measure | Note | Expected Range | 2021-22 Budget | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | Trend +/O/- |
|----------------------------|---|------|--------------------|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Operating position | | | | | | | | | | | | | | |
| Adjusted underlying result | Adjusted underlying surplus or (deficit) / adjusted underlying revenue | 1 | -20% to 20% | (8.5%) | (3.4%) | (0.1%) | 1.4% | 0.2% | 0.7% | 0.8% | 0.7% | 0.6% | 0.6% | + |
| Liquidity | | | | | | | | | | | | | | |
| Working Capital | Current assets / current liabilities | | 100% to 400% | 301.8% | 362.4% | 325.5% | 338.8% | 319.5% | 324.8% | 347.1% | 353.8% | 351.6% | 374.9% | o |
| Unrestricted cash | Unrestricted cash / current liabilities | | 10% to 300% | 135.6% | 114.1% | 93.5% | 103.7% | 92.6% | 91.0% | 113.1% | 131.7% | 140.5% | 161.0% | + |
| Obligations | | | | | | | | | | | | | | |
| Loans and borrowings | Interest bearing loans and borrowings / rate revenue | | 0% to 70% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | o |
| Loans and borrowings | Interest and principal repayments on interest bearing loans and borrowings / rate revenue | | 0% to 20% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | o |
| Indebtedness | Non-current liabilities / own source revenue | | 2% to 70% | 1.1% | 1.0% | 1.0% | 1.0% | 1.1% | 1.1% | 1.1% | 1.1% | 1.1% | 1.1% | o |
| Asset renewal | Asset renewal and asset upgrade expenses / asset depreciation | 2 | 40% to 130% | 600.7% | 87.4% | 179.2% | 158.0% | 85.9% | 79.2% | 57.4% | 79.9% | 102.8% | 79.3% | o |
| Stability | | | | | | | | | | | | | | |
| Rates concentration | Rate revenue / adjusted underlying revenue | | 30% to 80% | 70.1% | 69.4% | 69.0% | 69.1% | 68.6% | 68.6% | 68.7% | 68.7% | 68.7% | 68.7% | o |
| Rates effort | Rate revenue / CIV of rateable properties in the municipality | | 0.15% to 0.75% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.3% | o |
| Efficiency | | | | | | | | | | | | | | |
| Expenditure level | Total expenses / number of property assessments | 3 | \$2,000 to \$5,000 | \$3,966 | \$3,908 | \$3,916 | \$3,948 | \$4,047 | \$4,114 | \$4,202 | \$4,304 | \$4,405 | \$4,502 | - |
| Revenue level | General rate revenue / number of property assessments | 4 | \$700 to \$2,000 | \$2,186 | \$2,234 | \$2,293 | \$2,350 | \$2,404 | \$2,459 | \$2,516 | \$2,574 | \$2,633 | \$2,693 | - |

Key to Forecast Trend:

- “+” Forecasts improvement in Council’s financial performance / financial position indicator
- “O” Forecasts that Council’s financial performance / financial position indicator will be steady
- “-” Forecasts deterioration in Council’s financial performance / financial position indicator

Some of these indicators cannot be directly related to the financial sustainability indicators specified in the Council Plan. As detailed in section 2.1 of this Financial Plan, Council uses different measures for some of these indicators considering the scale and the nature of its operations.

Notes to indicators

1. Adjusted underlying result – This is an important measure of financial sustainability and an indicator of the operating result required to enable Council to continue to provide core services and meet its objectives.

An increase in depreciation expenses due to the new Queenscliffe Hub and the upgraded Queenscliff Boat Ramp together with one-off operating expenses included in the Financial Plan have resulted in projected underlying deficits for the 2022-23 and 2023-24 financial years. The additional income from tourist parks and operational efficiencies will eventually off-set the additional depreciation from the year 2024-25 onwards.

Council has been receiving an average annual operating grant of \$115,000 from Better Boating Victoria (BBV) as compensation for the loss of income from boat ramp parking fees. However, no grant income from BBV is factored into this Plan after the financial year 2021-22 as Council has not received any confirmation from BBV about the future grant arrangements.

2. Asset renewal – Though the asset renewal ratio is below 100% for some years during the 10-year planning horizon, Council will achieve above 100% asset renewal ratio for all years based on the 3-year rolling average as detailed in the “Financial Snapshot” section of this Plan.
3. Expenditure level – The majority of expenditure incurred by Queenscliffe is non-discretionary and part of managing the services expected of a local council. Given the very small and no-growth ratepayer base, this translates into a level of expenditure per property assessment which is higher than the outcome for most of the other local councils.
4. Revenue level – Rate revenue represents a high proportion of Queenscliffe's revenue. Given the very small and no-growth ratepayer base, this translates into a level of rate revenue per property assessment which is higher than the outcome for most of the other local councils.

Strategies and Plans

5.1 Borrowing Strategy

Council policy CP040, Borrowings, establishes objectives and principles that outline when it is appropriate for Council to undertake borrowing.

<https://www.queenscliffe.vic.gov.au/files/assets/public/documents/your-council/policies/cp040-borrowings-adopted-170221.pdf>

Any new borrowings to be considered by Council will be used for:

- Investing in specific major infrastructure, which is inter-generational (long-term);
- Investing in projects which generate income; and/or
- Matching government grants for priority capital projects.

To ensure the overall sustainability of Council, total borrowings of Council will be subject to the following limits (ratios)

| Indicator | Measure | BoQ target |
|---|---|-------------|
| Indebtedness (%) | Non-current liabilities / own sourced revenue | 10% or less |
| Loans and borrowings compared to rates (%) | Interest bearing loans and borrowings / Rate revenue | 15% or less |
| Loans and borrowings repayments compared to rates | Interest and principal repayments on interest bearing loans and borrowings / Rate revenue | 2% or less |

No new borrowings are planned during the 10-year planning horizon covered in this Plan.

5.2 Reserves Strategy

Council policy CP039, Discretionary Reserves, provides for responsible financial management of general revenue allocations for specific reserves, as well as tied government grants and community contributions that have not been utilised in the year of receipt.

<https://www.queenscliffe.vic.gov.au/files/assets/public/documents/your-council/policies/cp039-discretionary-reserves-adopted-170221.pdf>

The Borough of Queenscliffe holds a range of discretionary reserves within Equity on its Balance Sheet.

Carry forward reserves

The bulk of funds held in discretionary reserves each financial year is with respect to operating and capital projects to be carried forward for completion in future years.

Asset replacement reserve (allocated)

Funds are held in this reserve to meet future asset renewal requirements for specific projects earmarked by Council. A minimum allocation for a transfer to reserve of \$40,000 p.a. (approximately 5% of annual asset renewal budget) is included in Council's Adopted Budget.

General/Unallocated Cash Reserve

This reserve comprises of the cash surpluses achieved in previous financial years, which have not yet been allocated by Council to specific projects within the Annual Budget. Council aims to hold a minimum of \$500,000 (approximately 5% of annual cash operating expenses) in this reserve.

Waste management reserves

For each of these waste streams, the costs incurred by Council, net of any income received with respect to the particular waste service is compared with the waste charges collected from ratepayers for that waste service, with the resulting net surplus/(deficit) calculated at the end of each financial year and adjusted against existing waste reserve balances.

Council will consider the year-end forecast balance of each waste management reserve as part of its annual budget preparation process, to determine what (if any) balance will be transferred from waste reserves to offset the costs of each waste service, before providing direction to officers regarding the amount of waste management charges to be applied in the next financial year to ensure achievement of full cost recovery of each of the three waste services provided by Council to its ratepayers.

Unfunded superannuation liability reserve

Council set aside \$20,000 in each of the 2014/15 and 2015/16 budget years, as a hedge against future calls which may be made by Vision Super on the unfunded superannuation liability (defined benefits scheme).

Council monitors the likelihood of a call on this scheme via quarterly finance reports. The current balance held in this reserve totals \$40,000 (the last call on the fund was \$218,000 in 2011/12).

Sales Proceeds - Murray Road Land

Proceeds from the sale of the Murray Road Land is kept in this reserve until Council identify potential investment opportunities in line with the Council policy, CP044, Sale, Exchange or Transfer of Council Land.

https://www.queenscliffe.vic.gov.au/files/assets/public/documents/your-council/policies/cp044_sale_exchange_or_transfer_of_land_adopted_240119.pdf

Investment opportunities have not been identified for the proceeds from the sale of Murray Road land in this Plan. The Financial Plan will be updated when Council makes a decision.

Reserve Usage Projections

| Reserves | Restricted / Discretionary | 2021- 22 \$000's | 2022- 23 \$000's | 2023- 24 \$000's | 2024- 25 \$000's | 2025- 26 \$000's | 2026- 27 \$000's | 2027- 28 \$000's | 2028- 29 \$000's | 2029- 30 \$000's | 2030- 31 \$000's |
|----------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|----------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|

| Carry Forward Reserves | Discretionary | | | | | | | | | | |
|------------------------|---------------|---------|-------|-------|---|---|---|---|---|---|---|
| Opening balance | | 4,399 | 920 | 176 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer to reserve | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer from reserve | | (3,479) | (744) | (176) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance | | 920 | 176 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Asset Replacement Reserve (Allocated) | Discretionary | | | | | | | | | | |
|--|---------------|------|-----|-------|-----|-------|------|-----|-------|-------|-------|
| Opening balance | | 640 | 580 | 620 | 431 | 525 | 296 | 264 | 651 | 1,045 | 1,263 |
| Transfer to reserve | | 0 | 40 | 0 | 94 | 0 | 0 | 388 | 393 | 219 | 421 |
| Transfer from reserve | | (60) | 0 | (189) | 0 | (229) | (33) | 0 | 0 | 0 | 0 |
| Closing balance | | 580 | 620 | 431 | 525 | 296 | 264 | 651 | 1,045 | 1,263 | 1,685 |

| General/Unallocated Cash Reserve | Discretionary | | | | | | | | | | |
|----------------------------------|---------------|-----|------|------|-----|-----|-----|-----|-----|-----|-----|
| Opening balance | | 447 | 467 | 395 | 365 | 467 | 467 | 467 | 507 | 507 | 507 |
| Transfer to reserve | | 20 | 0 | 0 | 102 | 0 | 0 | 40 | 0 | 0 | 0 |
| Transfer from reserve | | 0 | (72) | (30) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance | | 467 | 395 | 365 | 467 | 467 | 467 | 507 | 507 | 507 | 507 |

| Reserves Summary | Total Discretionary | | | | | | | | | | |
|-----------------------|------------------------|---------|-------|-------|-----|-------|------|-------|-------|-------|-------|
| Opening balance | | 5,487 | 1,967 | 1,192 | 797 | 993 | 764 | 731 | 1,159 | 1,552 | 1,771 |
| Transfer to reserve | | 20 | 40 | 0 | 196 | 0 | 0 | 428 | 393 | 219 | 421 |
| Transfer from reserve | | (3,539) | (816) | (395) | 0 | (229) | (33) | 0 | 0 | 0 | 0 |
| Closing balance | | 1,967 | 1,192 | 797 | 993 | 764 | 731 | 1,159 | 1,552 | 1,771 | 2,192 |

| Reserves | Restricted / Discretionary | 2021- 22 | 2022- 23 | 2023- 24 | 2024- 25 | 2025- 26 | 2026- 27 | 2027- 28 | 2028- 29 | 2029- 30 | 2030- 31 |
|----------|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |

| Waste Management Reserves | Restricted | | | | | | | | | | |
|---------------------------|------------|------|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Opening balance | | (14) | (48) | (0) | (0) | (0) | (0) | (0) | (0) | (0) | (0) |
| Transfer to reserve | | 43 | 48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer from reserve | | (77) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance | | (48) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Unfunded Superannuation Liability Reserve | Restricted | | | | | | | | | | |
|---|------------|----|----|----|----|----|----|----|----|----|----|
| Opening balance | | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Transfer to reserve | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer from reserve | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance | | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 |

| Sales Proceeds - Murray Road Land | Restricted | | | | | | | | | | |
|-----------------------------------|------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Opening balance | | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |
| Transfer to reserve | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer from reserve | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance | | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |

| Reserves Summary | Total Restricted | | | | | | | | | | |
|-----------------------|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Opening balance | | 3,526 | 3,492 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 |
| Transfer to reserve | | 43 | 48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer from reserve | | (77) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance | | 3,492 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 | 3,540 |

| Reserves | Restricted / Discretionary | 2021- 22 \$000's | 2022- 23 \$000's | 2023- 24 \$000's | 2024- 25 \$000's | 2025- 26 \$000's | 2026- 27 \$000's | 2027- 28 \$000's | 2028- 29 \$000's | 2029- 30 \$000's | 2030- 31 \$000's |
|------------------------------|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Reserves Summary | Restricted & Discretionary | | | | | | | | | | |
| Opening balance | | 9,012 | 5,459 | 4,732 | 4,337 | 4,533 | 4,304 | 4,271 | 4,699 | 5,092 | 5,311 |
| Transfer to reserve | | 63 | 88 | 0 | 196 | 0 | 0 | 428 | 393 | 219 | 421 |
| Transfer from reserve | | (3,616) | (816) | (395) | 0 | (229) | (33) | 0 | 0 | 0 | 0 |
| Closing balance | | 5,459 | 4,732 | 4,337 | 4,533 | 4,304 | 4,271 | 4,699 | 5,092 | 5,311 | 5,732 |

5.3 Revenue and Rating Plan

The Revenue and Rating Plan determines the most appropriate and affordable revenue and rating approach for the Borough of Queenscliffe, which in conjunction with other income sources will adequately finance the objectives in the council plan.

<https://www.queenscliffe.vic.gov.au/files/assets/public/documents/your-council/budget-and-finance/bog-2021-22-revenue-and-rating-plan-final.pdf>

Considering the impact on the ratepayers in the municipality, Council will always endeavour to maintain future rates increases at or within the capped rate as determined by the Minister for Local Government.

With the introduction of State Government rating capping legislation from 1 July 2016, capped rate increases as determined by the Minister for Local Government have been applied to Borough of Queenscliffe rate budgets. The rate cap has a significant impact on the resources available to fund operating budgets, major projects and capital works.

The challenge faced by the Borough, as with many small rural councils, is the low growth in rateable properties (and therefore rate income), and unavoidable increases in costs related to meeting legislative compliance requirements, increasing expectations and demand for Council services and the challenge of meeting infrastructure renewal needs.

More recently, the State Government election commitment to remove boat ramp parking fees has had a significant impact on Council, with a total loss of income to Council above one million dollars over ten years.

Council's annual rate setting objective is developed within a framework that takes into account the projects and services that implement the strategic objectives set out in the Council Plan, and the resources required to deliver statutory services. The rate setting also considers the objectives of the Financial Plan, and the resources required to manage and renew our assets and infrastructure.

5.4 Waste Management Strategy

Council policy CP038, Waste Management, outline the arrangements for waste management services provided to properties in the Borough of Queenscliffe that are entitled to receive such services and to raise revenue in an equitable manner, to fully recover the cost of Council's kerbside, green and public waste services.

<https://www.queenscliffe.vic.gov.au/files/assets/public/documents/your-council/policies/cp038-waste-management-adopted-230621.pdf>

5.5 Workforce Plan

Council is in the process of developing a Workforce Plan in line with the requirements of the Local Government Act 2020. The Workforce Plan will systematically identify, analyse and plan Council's needs in terms of people.

The Statement of Human Resources and Planned Human Resource Expenditure included in this Plan will be updated in the future in line with the Workforce Plan.

