



GLENELG SHIRE COUNCIL

ANNUAL BUDGET

2026/27

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Disclaimer

The information contained in this document is for general guidance only. It is not professional advice and should not be used, relied upon or treated as a substitute for specific professional advice. Given the changing nature of laws, rules and regulations, and the inherent hazards of electronic communication, there may be delays, omissions or inaccuracies in information contained in this document.

The model budget, including financial statements, has been prepared in accordance with the requirements of the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020. While every effort has been made to ensure that the information contained in this document has been accurate and complies with relevant Victorian legislation, each Council remains responsible to ensure that the budget they prepare is compliant with all statutory requirements.

BUDGET FOREWORD

Mayor and CEO's introduction

As Mayor of the Glenelg Shire Council, I am pleased to present the Draft 2026/27 budget alongside our CEO.

Prepared in a challenging economic environment, this budget reflects a balanced and forward-looking approach that supports our community today while planning for the future.

A central focus of this budget is the renewal of the assets that underpin day-to-day life across our community. An additional \$1 million has been allocated to asset renewal, recognising the importance of maintaining Council owned facilities and infrastructure so they remain safe, functional and able to support community needs into the future. Council's Asset Plan highlighted the ageing nature of many of these assets, and this budget prioritises their ongoing renewal.

To support this investment, savings in operational expenditure have been identified for 2026/27, allowing Council to direct funding to priority areas whilst continuing to deliver essential services.

The budget has been shaped by community feedback and aligns with the Council and Wellbeing Plan 2025–2029 together with the Long Term Financial Plan 2025–2035. Through engagement, we heard strong support for practical, local projects that improve access to facilities, that maintain essential infrastructure and respond to the needs of our communities.

Council's \$16 million capital works program delivers on these priorities through targeted investment in renewal, community-informed projects and future planning. This includes:

- \$8.5 million for the 2026/27 renewal program, including \$5.6 million for local roads;
- \$500,000 in new capital projects informed by community feedback, including Flinders Park Oval lighting and the Dartmoor footpath projects;
- \$800,000 allocated to increased building renewal works to maintain community facilities;
- \$200,000 for renewal works at the Casterton Saleyards; and
- Increased investment in parks, open space and streetscapes across the Shire.

In addition, Council is investing \$300,000 in pipeline and key project planning to support future capital project opportunities and positioning to secure external funding. Key projects include the Portland Recreation Facility, Heywood Recreation Reserve and all abilities change facilities in the CBD amenities to name a few.

Alongside capital investment, the 2026/27 draft budget provides ongoing support for community services and day-to-day operations, including:

- More than \$210,000 for the Community Grants program
- Over \$170,000 for school crossings
- Over \$90,000 for youth services
- Nearly \$90,000 for community events and activities
- More than \$670,000 in contributions to maternal and child health services

Within the constraints of the 2.75% rate cap under the Fair Go Rates System, this budget reflects a carefully considered approach to balancing essential services, infrastructure investment and long-term financial sustainability.

Waste management remains challenging for Glenelg as a large rural council. Legislation and environmental regulations continue to create compliance obligations and cost increases for ratepayers. While Council continues to closely monitor these requirements, reducing costs through responsible waste practices within every household is essential. This year, Council will charge \$512 for the three bin system, equivalent to \$9.85 per week per household.

Council is not immune to the international fuel crisis and has immediately reviewed its services and committed projects to assess the impact now and into the future. Council will take a responsible approach in assessing all factors and determining the most financially responsible way forward, while delivering the best outcomes and value for money.

While the Emergency Services Volunteer Fund (ESVF) levy does not form part of this budget, Council acts as the government collection agency and the amount payable will appear on rates notices. Council has continued to advocate for recognition of the impact these increases have on every household and farming property.

We look forward to continuing to work with our community to deliver these priorities over the year ahead.



Karen Stephens
Mayor



Helen Havercroft
CEO

2026/27 Budget at a glance

Summary of Operating Result

Summary of Operational Result	Budget 2026/27 \$'000
Income/Revenue	60,167
Expenses	(66,104)
Total Comprehensive Result	(5,937)

Summary of cash flows

Cash Position - Operational	Budget 2026/27 \$'000
Income/Revenue	49,449
Expenses	(50,182)
Net Cash Flow - Operational	(733)

Cash Position - Capital Program	Budget 2026/27 \$'000
Capital Grants Income	5,638
Proceeds on Sale of Capital Items	512
Capital Works Program - Asset Expenditure - New	(2,217)
Capital Works Program - Asset Expenditure - Renewal	(13,492)
Capital Works Program - Asset Expenditure - Upgrade	(1,144)
Net Cash Flow - Capital Program	(10,703)

Cash Position - Financing	Budget 2026/27 \$'000
Proceeds on Borrowings (net of repayments)	2,213
Lease Liabilities	(238)
Net Cash Flow - Financing	1,975

Net Cash Result - Operational, Capital & Financing	(9,461)
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Every dollar of your rates



Key Services and Programs

Service Area	Specific Programs	2026/27	2026/27
		Budgeted Inc.	Budgeted Exp.
Corporate Governance	Councillor Training		10
Community Engagement and Planning	Customer Satisfaction Survey		12
Aboriginal Partnership	Indigenous Scholarships		6
Local Laws	Parking	35	51
	Animal Welfare Centre	18	472
	Local Laws Review		25
Community Development	L2P Program	93	121
Sport and Recreation	Sport and Community Facility Improvements		47
Tourism and Events Management	Tourism - Strategic Marketing		96
	Christmas		42
	New Years		100
	Hooked on Portland	32	79
	Iconic Event Funding		78
	Volunteer Recognition and Community Awards		4
Community Grants and Support	Community Grants Program (including Ageing Well)		211
	Community Support - Christmas & New Years Eve		20
Environmental and Sustainability Services	Roadside Weed and Pest Management	78	78
Waste Management	Free Green Waste initiative	75	75
Infrastructure, Management and Planning	Project Planning, Scoping and Design (including Major and Priority Projects)		300
Road Infrastructure Maintenance	Bridges & Major Culverts		80
	Footpaths		200
	Roads		1,621
	Roadside Vegetation		268
	Line Marking		100
	Urban Drainage		325
Planning Services	Strategic Planning and Planning Scheme Amendments		60

Key Assumptions

Rate Cap: The rate cap for 2026/27 is 2.75% and estimated to be 2.5% for the projected years per the Long Term Financial Plan.

Borrowing Interest Rate: \$4M TCV Fixed Rate loan (12 years) = 4.8915%

Future estimated TCV Fixed Loan Interest Rate is 5.69% (\$3 million in 2026/27 & \$10 million in 2028/29 loan at 12 years per the Long Term Financial Plan).

CPI: CPI is estimated to stay at 2.5% per the Long Term Financial Plan.

BUDGET REPORTS

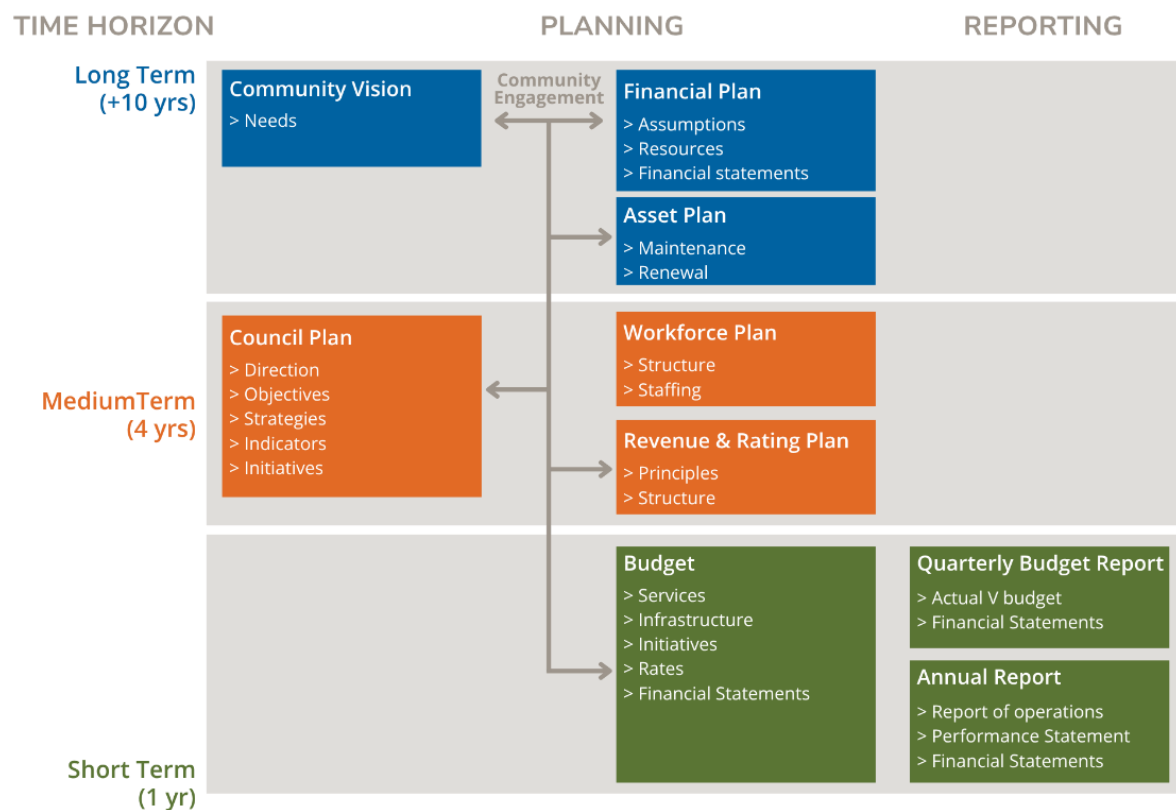
1. Link to the Integrated Strategic Planning and Reporting Framework

This section describes how the Budget links to the achievement of the Community Vision and Council and Wellbeing Plan within an overall integrated strategic planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision, Financial Plan and Asset Plan), medium term (Council Plan, Workforce Plan, and Revenue and Rating Plan) and short term (Budget) and then holding itself accountable (Annual Report).

1.1 Legislative Planning and Accountability Framework

The Budget is a rolling four-year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The diagram below depicts the integrated strategic planning and reporting framework that applies to local government in Victoria. At each stage of the integrated strategic planning and reporting framework there are opportunities for community and stakeholder input. This is important to ensure transparency and accountability to both residents and ratepayers.

The timing of each component of the integrated strategic planning and reporting framework is critical to the successful achievement of the planned outcomes.



Source: Mark Davies (Financial Professional Solutions)

1.1.2 Key Planning Considerations

Service Level Planning

Although councils have a legal obligation to provide some services - such as animal management, local roads, food safety and statutory planning - most council services are not legally mandated, including some services closely associated with councils, such as libraries, building permits and sporting facilities. Councils regularly engage with communities to determine how to prioritise resources and balance service provision against other responsibilities such as asset maintenance and capital works.

Community consultation is undertaken in accordance with council's adopted Community Engagement Policy.

1.2 Our Purpose

Our Vision

The Council and Wellbeing Plan 2025-2029 sets out our direction and priorities for the four-year Council term. This Council Plan incorporates the Community Vision, Municipal Health and Wellbeing Plan including the Disability Action Plan and addresses the legislative requirements of the Local Government Act 2020, the Public Health and Wellbeing Act 2008, and the Disability Act 2006.

Our Values

Respect | **Integrity** | **Service Excellence** | **Teamwork** | **Innovation**

1.3 Strategic Objectives



Leading and engaging

Being an active and transparent leader set up to deliver on our priorities.



Essential services and facilities

Quality, fit for purpose facilities, infrastructure and services that support our community.



Thriving towns and communities

Fostering proud, safe and inclusive communities that support and promote wellbeing and opportunities for all.



Moving around Glenelg

Improving transport options to connect our towns for community, industry and visitors.



Sustainable environment

Achieving a balance between protecting the environment and supporting sustainable growth and development.



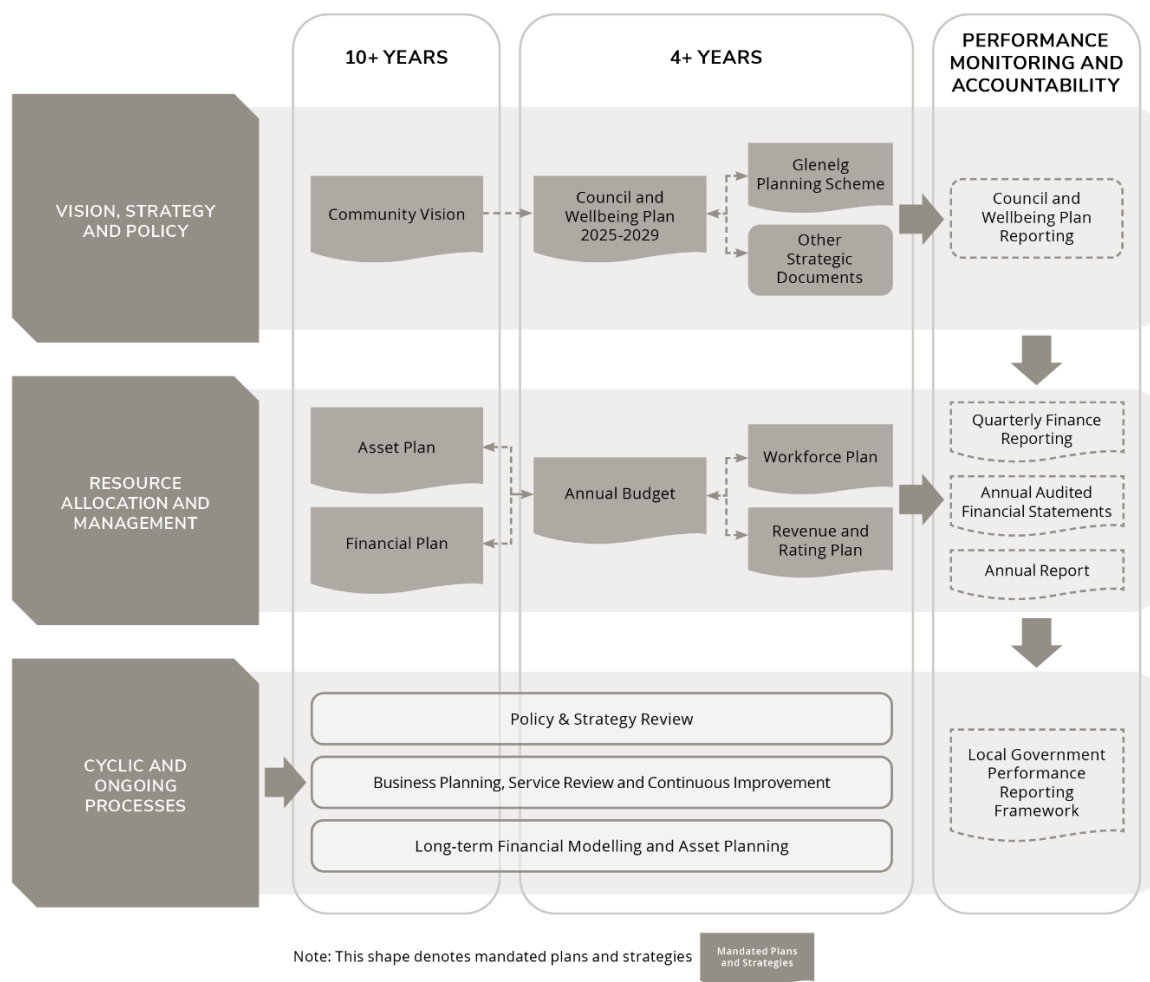
Growing economy

Striving to be a vibrant place to live, work, and invest, with a strong economy and diverse opportunities.

2. Services and Service Performance Outcomes Indicators

This section outlines a description of the services and initiatives to be funded in the Budget for the 2026/27 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes several initiatives and service performance outcome indicators for key areas of Council's operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. Refer to table at 2.7 for information on the calculation of Service Performance Outcome Indicators.

The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.





2.1 Strategic Objective – Leading and engaging

Vision: For Council to be an active and transparent leader, engaging and communicating meaningfully with our community including First Nations people, partnering with others to drive positive outcomes, using resources wisely, leveraging what we have more effectively and doing fewer things well.

Service area	Description of services provided		2024/25	2025/26	2026/27
			Actual	Forecast	Budget
			\$'000	\$'000	\$'000
Mayor and Council	The role of the Mayor and Councillors is to provide good governance and strategic direction to achieve the best outcomes for the benefit of the community, including future generations.	<i>Inc</i>	27	0	0
		<i>Exp</i>	563	512	519
		<i>Surplus / (deficit)</i>	(536)	(512)	(519)
Chief Executive Officer and Leadership Team	Oversee administrative function of council ensuring good governance practices, providing advice to both the Mayor and Councillors. The Executive Leadership Team provide strategic direction and high level advice to enable policies and decisions of council to be implemented.	<i>Inc</i>	250	64	62
		<i>Exp</i>	2,147	2,560	1,995
		<i>Surplus / (deficit)</i>	(1,897)	(2,496)	(1,933)
People & Culture	Provides strategic advice to the organisation on a range of staffing matters. These include employee relations, industrial relations, learning and development, as well as performance management.	<i>Inc</i>	0	0	0
		<i>Exp</i>	1,137	1,180	1,282
		<i>Surplus / (deficit)</i>	(1,137)	(1,180)	(1,282)
Communication and Media	Provide timely information and promotion on all council activities and programs, both internally and externally.	<i>Inc</i>	0	0	0
		<i>Exp</i>	179	157	101
		<i>Surplus / (deficit)</i>	(179)	(157)	(101)
Corporate Governance	Statutory and corporate support to council. This includes coordinating agendas, minutes of council meetings, maintenance of statutory registers and the conduct of municipal elections.	<i>Inc</i>	0	8	5
		<i>Exp</i>	452	227	164
		<i>Surplus / (deficit)</i>	(452)	(219)	(159)

Finance	Development of the annual Council Budget, annual Financial Report and the Strategic Financial Plan. Co-ordination of external auditors and input into the audit and risk committee requirements. Administer the accounts payable and accounts receivables services for the council.	<i>Inc</i>	0	0	0
		<i>Exp</i>	864	833	740
		<i>Surplus / (deficit)</i>	(864)	(833)	(740)
Rating and Property Services	Rating and valuation services including raising and collection of rates and charges and valuation of properties throughout the shire. Assist Victorian Electoral Commission in preparation for the Voters Roll for council elections.	<i>Inc</i>	124	290	102
		<i>Exp</i>	455	445	470
		<i>Surplus / (deficit)</i>	(331)	(155)	(368)
Internal Audit	Council's Internal Audit function provides assurance on the effectiveness of internal controls, systems and processes by improving performance, reducing risk and increasing accountability.	<i>Inc</i>	0	0	0
		<i>Exp</i>	177	227	211
		<i>Surplus / (deficit)</i>	(177)	(227)	(211)
Community Engagement and Planning	Provision of the Your Say Engagement Platform, ensuring Principles of Engagement are adhered to, and the voice of community is incorporated into planning and strategic development across the business.	<i>Inc</i>	0	0	0
		<i>Exp</i>	222	150	142
		<i>Surplus / (deficit)</i>	(222)	(150)	(142)
Aboriginal Partnership	Ongoing partnership between Gunditj Mirring Traditional Owners Aboriginal Corporation, Dhauwurrd Wurrung Elderly and Community Health Services, Winda Mara Aboriginal Corporation and Glenelg Shire Council.	<i>Inc</i>	0	0	0
		<i>Exp</i>	21	22	20
		<i>Surplus / (deficit)</i>	(21)	(22)	(20)
Digital Glenelg	Digital Glenelg leads the implementation of Councils Business Transformation program.	<i>Inc</i>	0	0	0
		<i>Exp</i>	944	807	568
		<i>Surplus / (deficit)</i>	(944)	(807)	(568)

Leading and engaging - Major initiatives

- 1) Develop and adopt an Advocacy Plan and Priority Projects
- 2) Develop and implement a Project Management Framework

Service Performance Outcome Indicators

Service	Indicator	2024/25 Actual	2025/26 Actual	2026/27 Budget
Governance	Community engagement	43	51	51

* 2025/26 is our result from the published Customer Satisfaction Survey. Refer to table in section 2.7 for information on the calculation of Service performance outcome indicators for 2026/27.



2.2 Strategic Objective – Thriving towns and communities

Vision: Our communities maintain distinct identities and have a strong sense of community spirit and pride. Community members have good mental wellbeing throughout all life stages because they look out for each other, are inclusive and respectful of everyone, work together, get involved in volunteering, and have great opportunities to work, learn, create, play, and participate locally.

Service area	Description of services provided		2024/25	2025/26	2026/27
			Actual \$'000	Forecast \$'000	Budget \$'000
Local Laws	Education, regulation and enforcement of General Local Law and relevant State legislation. Conducts reactive and proactive inspections including footpath trading, litter control, fire prevention, issue and management of permits and offence prosecutions. Provides resources for supervision of school crossings and animal management.	<i>Inc</i>	358	381	450
		<i>Exp</i>	1,542	1,643	1,667
		<i>Surplus / (deficit)</i>	(1,184)	(1,261)	(1,217)
Maternal Child Health	Family orientated support services including maternal and child health, immunisation and playgroup support.	<i>Inc</i>	503	483	521
		<i>Exp</i>	683	626	678
		<i>Surplus / (deficit)</i>	(180)	(143)	(157)
Access and Inclusion	Provide information, advocacy and resources to support access and inclusion across the shire.	<i>Inc</i>	0	0	0
		<i>Exp</i>	93	87	84
		<i>Surplus / (deficit)</i>	(93)	(87)	(84)
Customer Service	First line response for customer enquiries at the 3 customer service centres at Portland, Heywood and Casterton.	<i>Inc</i>	53	45	48
		<i>Exp</i>	794	824	811
		<i>Surplus / (deficit)</i>	(741)	(779)	(764)
Community Development and Wellbeing	Key facilitator of community strengthening activities and strategic planning. Initiating and partnering with agencies to address disadvantage, inequity, resilience, wellbeing and public health.	<i>Inc</i>	122	86	95
		<i>Exp</i>	348	460	384
		<i>Surplus / (deficit)</i>	(226)	(374)	(289)

Sports and Recreation	Provide access and opportunities to a range of activities and sporting facilities, playgrounds and open space recreation areas.	<i>Inc</i>	46	47	40
		<i>Exp</i>	912	478	492
		<i>Surplus / (deficit)</i>	(866)	(431)	(452)
Children's Services	Family orientated support services including kindergarten, long day care, occasional care, immunisation and playgroup support.	<i>Inc</i>	4,146	4,441	4,289
		<i>Exp</i>	4,415	4,985	5,000
		<i>Surplus / (deficit)</i>	(269)	(544)	(711)
Library Services	To provide user-friendly accessible library services across the Shire, through our branches in Casterton, Heywood and Portland and our Library Outreach services.	<i>Inc</i>	235	327	229
		<i>Exp</i>	853	909	761
		<i>Surplus / (deficit)</i>	(618)	(582)	(531)
Youth Services	Co-design and implement programs and events with, and for young people to support their development, and positive mental wellbeing and connection to community.	<i>Inc</i>	82	153	122
		<i>Exp</i>	316	326	309
		<i>Surplus / (deficit)</i>	(233)	(173)	(187)
Community Grants and Support	Council grants and contributions for various categories and projects including recreation, public halls, tourism, events funding, arts and culture and community support.	<i>Inc</i>	0	0	0
		<i>Exp</i>	327	428	396
		<i>Surplus / (deficit)</i>	(327)	(428)	(396)
Facilities Maintenance	Ensuring Council facilities are kept to a standard, ensuring safety and appropriate maintenance for the community keeping them clean, safe and hygienic.	<i>Inc</i>	0	0	0
		<i>Exp</i>	1,515	1,466	1,462
		<i>Surplus / (deficit)</i>	(1,515)	(1,466)	(1,462)
Arts and Culture	Delivery of a range of creative experiences for the Community and support of local not-for-profit arts organisations. Council provides an annual program of professional touring performances with support from State Government, as well as promoting the development of our creative economy and community outcomes.	<i>Inc</i>	313	326	187
		<i>Exp</i>	886	807	633
		<i>Surplus / (deficit)</i>	(573)	(481)	(446)
Parks and Gardens	Upkeep of playgrounds, recreation reserves, garden beds, street and park trees including crown land reserves.	<i>Inc</i>	12	5	6
		<i>Exp</i>	2,340	2,685	2,742
		<i>Surplus / (deficit)</i>	(2,328)	(2,680)	(2,736)

Thriving towns and communities - Major initiatives

- 1) Provide support for iconic festivals
- 2) Progress year 1 actions within the Domestic Animal Management Plan
- 3) Undertake a review of the General Local Law

Service Performance Outcome Indicators

Service	Indicator	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Libraries	Participation	25%	35%	49%
Animal Management	Health and Safety	100%	100%	100%
Maternal Child Health	Participation	90%	90%	90%

* refer to table in section 2.7 for information on the calculation of Service performance outcome indicators



2.3 Strategic Objective – Sustainable environment

Vision: Achieving a sustainable balance between protecting and nurturing the natural environment for future generations and supporting appropriate growth and development. Our communities are well placed to respond to the changing climate and its impact on our environment and our health and wellbeing.

Service area	Description of services provided		2024/25	2025/26	2026/27
			Actual	Forecast	Budget
			\$'000	\$'000	\$'000
Emergency Response	Emergency Management Act 1986 and 2013 requires councils to play a key role in emergency management, providing support to lead agencies in emergency relief and to lead emergency recovery on behalf of communities.	<i>Inc</i>	120	120	120
		<i>Exp</i>	201	266	251
		<i>Surplus / (deficit)</i>	(81)	(146)	(131)
Public Health	Ensure health and safety of the community in accordance with statutory requirements of the Food, Public Health and Wellbeing, Environment Protection and Residential Tenancies Acts.	<i>Inc</i>	165	103	114
		<i>Exp</i>	356	364	353
		<i>Surplus / (deficit)</i>	(191)	(261)	(239)
Environmental and Sustainability Services	Strategic direction, advice and implementation on environmental and sustainability issues and actions of council's operations. Includes climate change, flora and fauna protection, coastal management, utility management and carbon footprint reduction in areas such as waste minimisation, renewable energy and water use.	<i>Inc</i>	77	77	78
		<i>Exp</i>	376	805	802
		<i>Surplus / (deficit)</i>	(299)	(728)	(724)

Waste Management	Kerbside and Public Place collection of waste and recyclables from most urban and selected rural areas. Includes the operation of 6 Waste Transfer Stations. Includes initiatives implemented by Council to adhere with the requirements from the Circular Economy Act which was introduced to minimise waste, increase recycling and divert waste from landfill.	<i>Inc</i>	4,170	5,756	5,807
		<i>Exp</i>	6,133	6,655	6,845
		<i>Surplus / (deficit)</i>	(1,963)	(899)	(1,038)

Sustainable environment - Major initiatives

- 1) Continue implementation of the Waste Education Strategy to support improved waste and environmental outcomes.
- 2) Complete draft and adopt the Environment and Sustainability (E&S) Strategy.

Service Performance Outcome Indicators

Service	Indicator	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Food Safety	Health and Safety	92%	100%	100%
Waste Management	Waste Diversion	29%	35%	35%

* refer to table in section 2.7 for information on the calculation of Service performance outcome indicators



2.4 Strategic Objective – Essential services and facilities

Vision: Our community has access to high quality services and facilities which support good health and wellbeing across all life stages. Our essential services and facilities support individuals and families, make it possible for young people to stay living locally, support older community members to be healthy and active, empower communities to come together, and build confidence in the future.

Service area	Description of services provided		2024/25	2025/26	2026/27
			Actual \$'000	Forecast \$'000	Budget \$'000
Contracts and Procurement	Administers Council Contracts, lease agreements and procurement protocols.	<i>Inc</i>	125	125	131
		<i>Exp</i>	266	276	241
		<i>Surplus / (deficit)</i>	(141)	(151)	(111)
Risk Management	Risk management and insurance advice, best practice management to minimise council's exposure to liability and management of work cover and insurance obligations.	<i>Inc</i>	391	200	202
		<i>Exp</i>	1,993	2,093	2,108
		<i>Surplus / (deficit)</i>	(1,602)	(1,893)	(1,906)
Asset Maintenance	Sustainably maintain assets and ensure service requirements of council assets are met.	<i>Inc</i>	(64)	0	0
		<i>Exp</i>	1,059	838	897
		<i>Surplus / (deficit)</i>	(1,123)	(838)	(897)
Public Buildings and Foreshore Management	Council provides a large range of services many utilising a council building or facility.	<i>Inc</i>	0	2	5
		<i>Exp</i>	1,359	2,171	2,069
		<i>Surplus / (deficit)</i>	(1,359)	(2,169)	(2,064)
Information and Data Management	Document, archival and information management including compliance with relevant legislation.	<i>Inc</i>	0	0	0
		<i>Exp</i>	379	441	396
		<i>Surplus / (deficit)</i>	(379)	(441)	(396)
Information Technology	Support and maintain reliable and cost effective communications and computing systems, facilities and infrastructure.	<i>Inc</i>	0	0	0
		<i>Exp</i>	2,000	2,621	2,484
		<i>Surplus / (deficit)</i>	(2,000)	(2,621)	(2,484)
Aquatic Facilities	Swimming Pools are located at Portland, Heywood, Merino and Casterton allowing a range of leisure activities.	<i>Inc</i>	0	0	0
		<i>Exp</i>	1,824	1,582	1,736
		<i>Surplus / (deficit)</i>	(1,824)	(1,582)	(1,736)

Infrastructure Management and Planning	Management of Assets to ensure service requirements of council assets are met. Design, tender and project management of a broad range of council capital works.	<i>Inc</i>	12	69	8
		<i>Exp</i>	1,319	1,616	1,920
		<i>Surplus / (deficit)</i>	(1,307)	(1,547)	(1,913)

Essential services and facilities - Major initiatives

- 1) Undertake sports oval lighting upgrade at Flinders Park, Portland
- 2) Deliver increased asset renewal program with a focus on Buildings and Casterton Saleyards

Service Performance Outcome Indicators

Service	Indicator	2024/25	2025/26	2026/27
		Actual	Forecast	Budget
Aquatic Facilities	Utilisation	4%	4%	4%
Statutory Planning	Service Standard	88%	85%	85%

* refer to table in section 2.7 for information on the calculation of Service performance outcome indicators

2.5 Strategic Objective – Moving around Glenelg

Vision: Our local community, industry and visitors can move safely and easily within and between towns, to neighbouring regional centres, to Melbourne and to South Australia. Our aim is to enable easier movement around and through our communities.

Service area	Description of services provided		2024/25	2025/26	2026/27
			Actual \$'000	Forecast \$'000	Budget \$'000
Aerodromes	Council owned and operated airport at Portland.	<i>Inc</i>	111	99	112
		<i>Exp</i>	385	361	439
		<i>Surplus / (deficit)</i>	(274)	(262)	(327)
Local Port	Management of multiple maritime facilities within the Portland Harbour including commercial and recreational fishing and boating.	<i>Inc</i>	744	1,040	1,012
		<i>Exp</i>	1,157	1,042	1,000
		<i>Surplus / (deficit)</i>	(413)	(2)	12
Road Infrastructure Maintenance	Regulatory compliance of Road and pavement and related infrastructure within a Road Reserve. Includes costs associated with limestone quarry for materials to maintain and construct roads.	<i>Inc</i>	263	0	0
		<i>Exp</i>	4,121	5,318	4,940
		<i>Surplus / (deficit)</i>	(3,858)	(5,318)	(4,940)

Moving around Glenelg - Major initiatives

- 1) Deliver the Dartmoor footpath project to the Dartmoor Bush Nursing Centre
- 2) Undertake Safe Local Roads upgrade projects to improve pedestrian access and road user safety in identified locations

Service Performance Outcome Indicators

Service	Indicator	2024/25	2025/26	2026/27
		Actual	Forecast	Budget
Roads	Condition	95%	97%	97%

* refer to table in section 2.7 for information on the calculation of Service performance outcome indicators



2.6 Strategic Objective – Growing economy

Vision: Our local community, industry and visitors can move safely and easily within and between towns, to neighbouring regional centres, to Melbourne and to South Australia. Our aim is to enable easier movement around and through our communities.

Service area	Description of services provided		2024/25	2025/26	2026/27
			Actual \$'000	Forecast \$'000	Budget \$'000
Planning Services	Statutory planning services including Heritage Planning, assessment of planning permits, associated customer service and compliance with the Planning and Environment Act 1987. Strategic planning services including local policy development, amendments to the Glenelg Planning Scheme and representation at Panels and Tribunals.	<i>Inc</i>	352	240	150
		<i>Exp</i>	1,061	1,100	968
		<i>Surplus / (deficit)</i>	(709)	(860)	(818)
Building Services	Responsible for compliance with Building Act 1993 and Building Regulations 2018. This includes assessment of Building permit applications, report and consents, undertake building audits, swimming pool and essential safety measure inspections.	<i>Inc</i>	300	290	290
		<i>Exp</i>	697	688	653
		<i>Surplus / (deficit)</i>	(396)	(398)	(363)
Caravan Parks	Leases have been entered into with Operators to manage the Portland and Casterton Caravan Parks.	<i>Inc</i>	187	202	206
		<i>Exp</i>	46	9	13
		<i>Surplus / (deficit)</i>	142	193	194
Visitor Information Centres	Manage three Visitor Information Centres; Portland, Casterton and Nelson. Provide local and Regional tourist advice.	<i>Inc</i>	131	145	173
		<i>Exp</i>	705	681	645
		<i>Surplus / (deficit)</i>	(574)	(536)	(473)
Casterton Saleyards	Operation of saleyards, hosting up to 6 cattle sales plus a summer sheep sale per year.	<i>Inc</i>	93	98	98
		<i>Exp</i>	141	130	103
		<i>Surplus / (deficit)</i>	(49)	(32)	(5)

Economy and Investment	Manages development and business enquiries, acts as a central support for local business capability and employment, and advocates for new initiatives and projects for the region.	<i>Inc</i>	0	93	0
		<i>Exp</i>	145	243	123
		<i>Surplus / (deficit)</i>	(145)	(150)	(123)
Tourism and Events Management	Manages tourism marketing initiatives and projects, supports local event organisers with event planning and delivers Council's annual community events calendar.	<i>Inc</i>	32	67	32
		<i>Exp</i>	659	687	521
		<i>Surplus / (deficit)</i>	(627)	(620)	(489)

Growing economy - Major initiatives

- 1) Implement Actions within the Tourism Strategy
- 2) Undertake and progress strategic land use planning projects and planning scheme amendments

Service Performance Outcome Indicators

Service	Indicator	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Governance	Community engagement	43	51	51

* 2025/26 is our result from the published Customer Satisfaction Survey. Refer to table in section 2.7 for information on the calculation of Service performance outcome indicators for 2026/27.

2.7 Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance			
Community engagement	Satisfaction with the opportunities offered by Council to be consulted on or engaged in Council decisions (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)		Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement
Financial decisions	Total unpaid rates and charges (total unpaid rates and charges and unpaid interest on rates and charges for all financial years as a percentage of all rates and charges for the financial year)		[Sum of unpaid rates and charges and unpaid interest on rates and charges for all financial years / Sum of all rates and charges for the financial year] x100
Community			
Library services	Library membership (Percentage of the population that are registered library members)		[Number of registered library members / Population] x100
Maternal and child health services	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service)		[Number of children who attend the MCH service at least once (in the financial year) / Number of children enrolled in the MCH service] x100
	Participation in the MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)		[Number of Aboriginal children who attend the MCH service at least once (in the financial year) / Number of Aboriginal children enrolled in the MCH service] x100
Environment			
Roads	Sealed local roads below the intervention level (percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)		[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100
Waste management	Kerbside collection waste to landfill per serviced property (amount of waste collected from kerbside waste collection services that is sent to landfill per serviced property)		Amount of waste in tonnes (t) collected from kerbside waste collection services that is sent to landfill / Number of serviced properties

Cost

Library services	Cost of library services (direct cost of library services per head of population)	Direct cost of library services / Population
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Waste management	Cost of kerbside waste collection services (direct cost of kerbside waste collection services per serviced property)	Direct cost of kerbside waste collection services / Number of serviced properties
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Responsiveness

Food safety	Critical and major non-compliance outcome notifications. (Percentage of critical and major non-compliance outcome notifications that are followed up by Council)	[Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises] x100
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Statutory planning	Planning applications decided within the relevant required time (percentage of regular and VicSmart planning application decisions made within the relevant required time)	[Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits / Number of planning application decisions made] x100
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2.8 Reconciliation with budget operating result

	Surplus/ (Deficit) \$'000	Expenditure \$'000	Income \$'000
Strategic Objective 1 - Leading and engaging	(6,042)	6,212	170
Strategic Objective 2 - Thriving towns and communities	(9,431)	15,418	5,988
Strategic Objective 3 - Sustainable environment	(2,133)	8,251	6,118
Strategic Objective 4 - Essential services and facilities	(11,507)	11,853	346
Strategic Objective 5 - Moving around Glenelg	(5,255)	6,379	1,124
Strategic Objective 6 - Growing economy	(2,076)	3,025	949
Total	(36,444)	51,138	14,693
Expenses added in:			
Depreciation	(15,083)		
Borrowing costs - Loans	(345)		
Landfill Provision adjustment	215		
ERP Project	(507)		
Other Expenses	754		
Deficit before funding sources	(51,410)		
Funding sources added in:			
Rates and charges revenue (Excl Waste charge revenue)		32,347	
VLGGC Funding - General Purpose & Roads		2,411	
Net Gain on sale of Non Current Assets		510	
Capital Grants Income		10,090	
Finance Income - Interest		100	
Other Income		16	
Total funding sources		45,474	
Operating Surplus for the year	(5,937)		

2.9 Adjusted Underlying Surplus/Deficit

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items. This is not reflected in the operating result reporting figure under accountancy standards.

	Forecast	
	Budget	Budget
	2025/26	2026/27
	\$'000	\$'000
Total Income	69,102	60,167
Total Expenses	66,504	66,104
Operational Surplus (deficit) for the year	2,598	(5,937)
Grants - Capital Non-Recurrent	2,650	5,770
Contributions - Non Monetary Assets	65	75
Adjusted Underlying Result	(117)	(11,781)

Reconciliation to 2026/27 Draft Budget Result

Adjusted Underlying result per 2026-27 Budget	(117)	(11,781)
VLGGC Funding reallocated to 2025-26 Financial year on advice from the VLGGC Commission	(9,600)	9,600
Changes due to 2025-26 carry forwards and other minor adjustments	(216)	(50)
Adjusted Underlying result per 2026-27 Draft Budget	9,933	2,231
Variance	(0)	(0)

The adjusted underlying result for the 2026/27 Budget is an expected deficit of \$11.8M.

This adjusted underlying result has been revised from the -\$2.2M reported in the 2026/27 Draft Budget to -\$11.8M due to advice from the Victorian Local Government Grants Commission that council would receive 80% (\$9.6M) of its 2026/27 federal grant funding prior to 30 June 2026.

Due to confirmation of this early payment, Council has reflected this in its final Budget document. This has had the effect of improving the result for the 2025/26 Forecast Budget and worsened the result for the 2026/27 Budget.

Note - Council is required to report the Victorian Local Government Grant funding as income in the financial year that it is received. Due to the size of the funding amount, this has a sizeable impact on Council's financial ratios despite the funding allocation for a financial year remaining relatively similar. Council is also unable to predict in advance when it will receive

this funding as it is at the discretion of the funding commission and they advise Council at the end of May of its intentions once the Federal budget has been announced.

It is important that Council continues to reduce the Adjusted Underlying surplus gap as part of prudent financial management. This will be an ongoing challenge as revenue streams are limited and Council is operating within a rate capped environment. Increased scrutiny of operating services budgets will be at the forefront of Council's focus to ensure financial sustainability. Further reference to this financial performance indicator is made in Section 5 of this document.

3. Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the year 2026/27 has been supplemented with projections to 2029/30.

This section includes the following financial statements prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

Comprehensive Income Statement
Balance Sheet
Statement of Changes in Equity
Statement of Cash Flows
Statement of Capital Works
Statement of Human Resources

Comprehensive Income Statement
For the four years ending 30 June 2030

		Forecast	Budget	Projections		
	Notes	2025/26	2026/27	2027/28	2028/29	2029/30
		\$'000	\$'000	\$'000	\$'000	\$'000
Rates and Charges *	4.1.1	31,987	36,657	37,500	38,373	39,268
Statutory Fees and Fines	4.1.2	712	883	761	784	808
User Fees	4.1.3	2,938	2,836	3,048	3,140	3,234
Grants - Operating	4.1.4	23,425	6,097	15,580	16,018	16,469
Grants - Capital	4.1.4	6,288	10,090	4,547	14,547	4,684
Contributions - Monetary	4.1.5	82	5	69	32	69
Contributions - Non-Monetary	4.1.5	65	75	65	65	67
Net gain on disposal of Property, Infrastructure, Plant and Equip		472	512	393	321	390
Other Income	4.1.6	3,134	3,014	3,358	3,445	3,534
Total Income		69,102	60,167	65,324	76,725	68,522
Expenses						
Employee Costs	4.1.7	28,260	27,064	27,750	28,444	29,155
Materials and Services	4.1.8	21,351	20,868	21,430	22,073	22,865
Depreciation	4.1.9	13,170	15,083	15,622	15,622	16,022
Depreciation - Right-of-Use Assets	4.1.10	226	210	254	254	254
Borrowing Costs		363	345	292	435	693
Finance Costs - Leases		27	29	27	27	27
Other Expenses	4.1.11	2,270	2,213	2,495	2,557	2,621
Other Expenses - ERP Project		1,287	507	244	256	-
Other Expenses - Landfill Provision Adjustment		(450)	(215)	(215)	(215)	(215)
Total Expenses		66,504	66,104	67,898	69,451	71,421
Surplus/(deficit) for the year		2,598	(5,937)	(2,574)	7,274	(2,898)
Total Comprehensive Result		2,598	(5,937)	(2,574)	7,274	(2,898)

* 2025/26 Rates and charges have been reduced by a \$4.1M Non recurrent Government grant that provided a rates rebate for eligible ratepayers

Balance Sheet

For the four years ending 30 June 2030

		Forecast Budget 2025/26 \$'000	Budget 2026/27 \$'000	2027/28 \$'000	Projections 2028/29 \$'000	2029/30 \$'000
Assets						
Current Assets						
Cash and Cash Equivalents		17,113	7,653	9,715	10,436	10,354
Trade and Other Receivables		3,700	3,900	4,100	4,300	4,500
Inventories		300	300	300	300	300
Prepayments		550	550	550	550	550
Other Assets		100	100	100	100	100
Total Current Assets	4.2.1	21,763	12,503	14,765	15,686	15,804
Non-Current Assets						
Property, Infrastructure, Plant and Equipment		572,559	575,171	569,947	585,759	581,861
Right-of-Use Assets	4.2.4	422	125	200	200	200
Total Non-Current Assets	4.2.1	572,981	575,295	570,147	585,959	582,061
Total Assets		594,744	587,798	584,912	601,645	597,865
Liabilities						
Current Liabilities						
Trade and Other Payables		3,000	3,000	3,000	3,000	3,000
Trust Funds and Deposits		1,400	1,400	1,400	1,400	1,400
Contract and Other Liabilities		4,480	500	500	500	500
Provisions		5,600	5,800	5,850	5,900	5,950
Interest-bearing Liabilities	4.2.3	263	465	491	982	1,035
Lease Liabilities	4.2.4	130	59	197	197	197
Total Current Liabilities	4.2.2	14,873	11,224	11,438	11,979	12,082
Non-Current Liabilities						
Provisions		5,300	5,300	5,350	5,400	5,450
Interest-bearing Liabilities	4.2.3	3,507	5,862	5,371	14,239	13,204
Lease Liabilities	4.2.4	-	285	200	200	200
Total Non-Current Liabilities	4.2.2	8,807	11,447	10,921	19,839	18,854
Total Liabilities		23,680	22,671	22,359	31,818	30,936
Net Assets		571,064	565,127	562,553	569,827	566,929
Equity						
Accumulated surplus		137,394	131,457	128,883	136,157	133,259
Reserves		433,670	433,670	433,670	433,670	433,670
Total Equity		571,064	565,127	562,553	569,827	566,929

Statement of changes in equity
For the four years ending 30 June 2030

	Notes	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2026 Forecast					
Balance at beginning of the financial year		568,466	134,796	432,989	681
Surplus/(deficit) for the year		2,598	2,598	-	-
Balance at end of the Financial Year		571,064	137,394	432,989	681
2027 Budget					
Balance at beginning of the financial year		571,064	137,394	432,989	681
Surplus/(deficit) for the year		(5,937)	(5,937)	-	-
Balance at end of the Financial Year		565,127	131,457	432,989	681
2028					
Balance at beginning of the financial year		565,127	131,457	432,989	681
Surplus/(deficit) for the year		(2,574)	(2,574)	-	-
Balance at end of the Financial Year		562,553	128,883	432,989	681
2029					
Balance at beginning of the financial year		562,553	128,883	432,989	681
Surplus/(deficit) for the year		7,274	7,274	-	-
Balance at end of the Financial Year		569,827	136,157	432,989	681
2030					
Balance at beginning of the financial year		569,827	136,157	432,989	681
Surplus/(deficit) for the year		(2,898)	(2,898)	-	-
Balance at end of the Financial Year		566,929	133,259	432,989	681

Statement of cash flows

For the four years ending 30 June 2030

		Forecast	Budget	Projections		
	Notes	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from Operating Activities						
Rates and charges		31,987	36,657	37,501	38,373	39,268
Statutory fees and fines		718	883	761	784	808
User fees		2,873	2,836	3,048	3,140	3,234
Grants - Operating		23,154	6,055	15,580	16,018	16,469
Grants - Capital		7,134	5,638	4,547	14,547	4,684
Contributions - Monetary		69	5	69	32	69
Interest received		50	100	50	50	50
Other receipts		3,143	2,914	3,308	3,395	3,484
Employee costs		(28,781)	(26,013)	(27,750)	(28,444)	(29,155)
Materials and Services		(23,021)	(21,449)	(21,964)	(22,625)	(23,435)
Short-term, low value and variable lease payments		(10)	-	(60)	(60)	(60)
Other Expenses - ERP Project		(1,287)	(507)	(244)	(256)	-
Other payments		(2,374)	(2,213)	(2,495)	(2,557)	(2,621)
Net cash provided by Operating Activities	4.3.2	13,654	4,905	12,353	22,399	12,795
Cash flows from Investing Activities						
Payments for Property, Infrastructure & Plant		(10,165)	(16,853)	(9,784)	(30,474)	(10,334)
Proceeds from sale of Plant & Equipment		617	512	490	611	805
Net cash used in Investing Activities	4.3.2	(9,548)	(16,341)	(9,294)	(29,863)	(9,529)
Cash flows from Financing Activities						
Finance Costs		(363)	(345)	(292)	(435)	(693)
Proceeds from Borrowings		-	3,000	-	10,000	-
Repayment of Borrowings		(314)	(442)	(481)	(1,155)	(2,431)
Interest paid - Lease Liability		(27)	(29)	(27)	(27)	(27)
Repayment of Lease Liabilities		(221)	(209)	(197)	(197)	(197)
Net cash provided by/(used in) Financing Activities	4.3.3	(926)	1,975	(997)	8,186	(3,348)
Net increase/(decrease) in cash & cash equivalents		3,180	(9,461)	2,062	722	(82)
Cash and cash equivalents at the beginning of the financial year		13,933	17,113	7,653	9,715	10,436
Cash and Cash Equivalents at the end of the Financial Year		17,113	7,653	9,715	10,436	10,354

Statement of capital works

For the four years ending 30 June 2030

	Notes	Forecast	Budget	Projections		
		2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000
Property						
Buildings						
Renewal Program - Building		494	1,130	320	320	320
Renewal Program - DDA Compliance		39	25	25	25	25
Renewal Program - Saleyard		20	220	30	30	30
Other Buildings		69	22	-	-	-
Other Building Upgrades - Gymnastics Building		-	1,144	-	-	-
Other Buildings - LRCI Program		866	-	-	-	-
Other Building Renewals - Portland Foreshore Comm. Infra. Refurb		16	3,483	-	-	-
Other Buildings - Additional Renewals		-	-	1,000	1,000	1,000
Total Buildings		1,504	6,025	1,375	1,375	1,375
Total Property		1,504	6,025	1,375	1,375	1,375
Plant and Equipment						
Renewal Program - Collection Conservation		15	10	10	10	10
Renewal Program - Heavy Plant, Light Fleet & Plant		1,661	2,220	1,535	1,725	1,585
Renewal Program - Fixtures, Fittings and Furniture		10	10	10	10	10
Renewal Program - Library Resources		95	89	95	95	95
Total Plant and Equipment		1,781	2,329	1,650	1,840	1,700
Infrastructure						
Renewal Program - Road		4,464	4,900	5,127	5,127	5,127
Renewal Program - Bridge		170	380	200	200	200
Renewal Program - Footpath and Cycleways		110	182	182	182	182
Renewal Program - Stormwater		190	130	130	130	130
Renewal Program - Car Park		50	60	60	60	60
Renewal Program - Rec Leisure and Community Facilities		287	200	200	200	200
Renewal Program - Waste Management Facilities		20	20	20	20	20
Renewal Program - Parks, open space and streetscapes		40	240	240	240	240
Renewal Program - Aerodrome		24	76	50	50	50
Renewal Program - Local Port		-	50	50	50	50
Other Infrastructure		17	44	-	-	-
Other Infrastructure - SLRSP Program		46	1,717	-	-	-
Other Infrastructure - LRCI Program		613	-	-	-	-
Other Infrastructure - New Capital Projects		-	500	500	21,000	1,000
Total Infrastructure		6,032	8,499	6,759	27,259	7,259
Total Capital Works Expenditure	4.4.1	9,317	16,853	9,784	30,474	10,334
Represented by:						
New asset expenditure		46	2,217	500	20,500	1,000
Asset renewal expenditure		8,609	13,492	9,284	9,974	9,334
Asset upgrade expenditure		662	1,144	-	-	-
Total Capital Works Expenditure	4.4.1	9,317	16,853	9,784	30,474	10,334
Funding sources represented by:						
Grants		3,742	5,650	4,547	14,547	4,547
Borrowings		-	3,000	-	10,000	-
Council cash		5,575	8,203	5,237	5,927	5,787
Total Capital Works Expenditure	4.4.1	9,317	16,853	9,784	30,474	10,334

Statement of human resources

For the four years ending 30 June 2030

	Forecast	Budget	Projections		
	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff Expenditure					
Total Staff Expenditure	28,594	27,369	27,969	28,669	29,379
Staff Expenditure - Capital	(206)	(263)	(219)	(225)	(224)
Staff Expenditure - ERP	(128)	(42)	-	-	-
Total Staff Expenditure - Operating	4.1.7	28,260	27,064	27,750	28,444
Staff Numbers	FTE	FTE	FTE	FTE	FTE
Employees - Operating	267.6	265.6	260.9	260.9	260.9
Employees - Capital	3.0	3.0	3.0	3.0	3.0
Employees - ERP Project	0.9	0.9	-	-	-
Total Staff Numbers	271.5	269.5	263.9	263.9	263.90

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

	Notes	Comprises				
		Budget	Permanent		Casual	Temporary
		2026/27	Full Time	Part Time		
		\$'000	\$'000	\$'000	\$'000	
Operating - Chief Executive Office		1,460	971	488	-	-
Operating - Glenelg Futures		1,474	1,043	280	-	151
Operating - Corporate Services		5,135	3,299	1,707	94	35
Operating - Community Services		8,488	4,569	3,394	357	168
Operating - Infrastructure Services		10,508	7,675	2,389	341	103
Capital Projects		263	-	42	-	-
ERP Project		42	263	-	-	-
Total Staff Expenditure		27,369	17,820	8,301	792	456
Staff Expenditure - Capital		(263)	(263)	-	-	-
Staff Expenditure - ERP Project		(42)	-	(42)	-	-
Total Staff Expenditure - Operating	4.1.7	27,064	17,557	8,259	792	456

Staff Expenditure - Capital & ERP Staff expenditure is removed from Staff Expenditure to reconcile with the 4.1.7 in the CIS

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

	Notes	Budget 2026/27 \$'000	Comprises			
			Permanent Full Time \$'000	Permanent Part Time \$'000	Casual \$'000	Temporary \$'000
Chief Executive Office		12.0	7.0	5.0	-	-
Glenelg Futures		13.7	10.0	2.7	-	1.0
Corporate Services		47.1	27.0	18.7	1.0	0.4
Community Services		88.0	43.0	39.2	3.4	2.4
Infrastructure Services		104.8	75.8	25.3	2.7	1.0
Capital Projects		3.0	3.0	-	-	-
ERP Project		0.9	-	0.9	-	-
Total Staff Expenditure		269.5	165.8	91.8	7.1	4.8
Staff Expenditure - Capital		(3.0)	(3.0)	-	-	-
Staff Expenditure - ERP Project		(0.9)	-	-	-	(0.9)
Total Staff Expenditure - Operating		265.6	162.8	91.8	7.1	3.9

Summary of planned human resources expenditure

For the four years ending 30 June 2030

Chief Executive Office				
Permanent - Full time	971	996	1,021	1,046
Women	971	996	1,021	1,046
Permanent - Part time	488	500	513	526
Women	488	500	513	526
Total Chief Executive Office	1,460	1,497	1,534	1,572
Glenelg Futures				
Permanent - Full time	1,043	1,069	1,096	1,123
Women	357	367	376	385
Men	685	703	720	738
Permanent - Part time	280	288	295	302
Women	280	288	295	302
Total Glenelg Futures	1,323	1,357	1,391	1,425
Corporate Services				
Permanent - Full time	3,299	3,383	3,467	3,554
Women	2,551	2,616	2,681	2,748
Men	748	767	787	806
Permanent - Part time	1,707	1,750	1,794	1,839
Women	1,435	1,472	1,509	1,546
Men	272	279	285	293
Total Corporate Services	5,006	5,133	5,262	5,393
Community Services				
Permanent - Full time	4,569	4,685	4,802	4,922
Women	3,279	3,362	3,446	3,532
Men	1,290	1,323	1,356	1,389
Permanent - Part time	3,394	3,480	3,567	3,656
Women	3,394	3,480	3,567	3,656
Total Community Services	7,963	8,165	8,369	8,578
Infrastructure Services				
Permanent - Full time	7,675	7,869	8,066	8,268
Women	908	931	954	978
Men	6,767	6,939	7,112	7,290
Permanent - Part time	2,389	2,450	2,511	2,574
Women	562	576	590	605
Men	1,827	1,874	1,921	1,969
Total Infrastructure Services	10,064	10,319	10,577	10,842
Capital Projects				
Permanent - Full time	263	269	276	283
Men	263	269	276	283
Total Capital Projects	263	269	276	283
ERP Project				
Permanent - Part time	42	0	0	0
Women	42	0	0	0
Total ERP Projects	42	0	0	0
Total Permanent Staff Expenditure	26,121	26,740	27,408	28,094
Casuals, Temporary and Other Expenditure	1,248	1,279	1,311	1,344
Staff Expenditure - Capital	-263	-269	-276	-283
Staff Expenditure - ERP Project	-42	0	0	0
Total Staff Expenditure - Operating	27,064	27,750	28,444	29,155

	FTE	FTE	FTE	FTE
Chief Executive Office				
Permanent - Full time	7.0	7.0	7.0	7.0
Women	7.0	7.0	7.0	7.0
Permanent - Part time	5.0	5.0	5.0	5.0
Women	5.0	5.0	5.0	5.0
Total Permanent Staff - Chief Executive Office	12.0	12.0	12.0	12.0
Glenelg Futures				
Permanent - Full time	10.0	10.0	10.0	10.0
Women	3.0	3.0	3.0	3.0
Men	7.0	7.0	7.0	7.0
Permanent - Part time	2.7	2.7	2.7	2.7
Women	2.7	2.7	2.7	2.7
Total Permanent Staff - Glenelg Futures	12.7	12.7	12.7	12.7
Corporate Services				
Permanent - Full time	27.0	27.0	27.0	27.0
Women	21.0	21.0	21.0	21.0
Men	6.0	6.0	6.0	6.0
Permanent - Part time	18.7	18.7	18.7	18.7
Women	15.5	15.5	15.5	15.5
Total Permanent Staff - Corporate Services	45.7	45.7	45.7	45.7
Community Services				
Permanent - Full time	43.0	43.0	43.0	43.0
Women	33.0	33.0	33.0	33.0
Men	10.0	10.0	10.0	10.0
Permanent - Part time	39.2	39.2	39.2	39.2
Women	39.2	39.2	39.2	39.2
Total Permanent Staff - Community Services	82.2	82.2	82.2	82.2
Infrastructure Services				
Permanent - Full time	75.8	75.8	75.8	75.8
Women	8.0	8.0	8.0	8.0
Men	67.8	67.8	67.8	67.8
Permanent - Part time	25.3	25.3	25.3	25.3
Women	6.6	6.6	6.6	6.6
Men	18.7	18.7	18.7	18.7
Total Permanent Staff - Infrastructure Services	101.1	101.1	101.1	101.1
Capital Projects				
Permanent - Full time	3.0	3.0	3.0	3.0
Men	3.0	3.0	3.0	3.0
Total Permanent Staff - Capital Projects	3.0	3.0	3.0	3.0
ERP Project				
Permanent - Part time	0.9	0.0	0.0	0.0
Women	0.9	0.0	0.0	0.0
Total Permanent Staff - Infrastructure Services	0.9	0.0	0.0	0.0
Total Staff Numbers Permanent	257.9	256.7	256.7	256.7
Casuals, Temporary and Other Expenditure	11.9	11.9	11.9	11.9
Staff Expenditure - Capital	-3.0	-3.0	-3.0	-3.0
Staff Expenditure - ERP Project	-0.9	0.0	0.0	0.0
Total Staff Expenditure - Operational	265.6	265.6	265.6	265.6

4. Notes to the Financial Statements

This section presents detailed information on material components of the financial statements. Council needs to assess which components are material, considering the dollar amounts and nature of these components.

4.1 Comprehensive income statement

4.1.1 Rates and charges

Rates and charges are required by the Act and the Regulations to be disclosed in Council's budget.

As per the *Local Government Act 2020*, Council is required to have a Revenue and Rating Plan which is a four year plan for how Council will generate income to deliver the Council and Wellbeing Plan, program and services and capital works commitments over a four-year period.

In developing the Budget, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the financial planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2026/27 the FGRS cap has been set at 2.75%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the community.

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate will increase by 2.75% in line with the rate cap.

The proposed annual charge for Kerbside Collection for 2026/27 is budgeted to decrease by \$59k to \$4.3M. This will raise total rates and charges for 2026/27 to \$36.7M.

This will raise total rates and charges for 2026/27 to \$36.7M.

4.1.1(a) The reconciliation of the total Rates and Charges to the Comprehensive Income Statement is as follows:

	2025/26 Forecast \$'000	2026/27 Budget \$'000	Change \$'000	%
General rates*	26,817	27,554	737	2.75%
Primary Production rebate	(3,961)	-	3,961	-100.0%
Rates and Charges - Cultural and Recreational Lands Act	30	30	-	0.0%
Special Rates and Charges - Rating Agreements	4,723	4,723	-	0.0%
Supplementary Rates and Rate adjustments	10	40	30	300.0%
Waste Management Charge - Kerbside Collection	4,368	4,309	(59)	-1.3%
Interest on Rates and Charges	-	-	-	0.0%
Total Rates and Charges	31,987	36,657	4,669	14.6%

*These items are subject to the rate cap established under the Fair Go Rates System

4.1.1(b) The rate in the dollar to be levied as general rates under section 158 of the 1989 Local Government Act for each type or class of land compared with the previous financial year:

Type or class of land	2025/26 cents/\$CIV	2026/27 cents/\$CIV	Change
General rate for rateable General Land	0.003710	0.003780	1.89%
General rate for rateable Vacant General Land	0.003710	0.003780	1.90%
General rate for rateable Commercial Land	0.003710	0.003780	1.90%
General rate for rateable Industrial Land	0.003710	0.003780	1.90%
General rate for rateable Primary Production Land (70% differential)	0.002597	0.002646	1.89%
General rate for Cultural and Recreational Land	0.001855	0.001890	1.89%

4.1.1(c) The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year:

Type or class of land	2025/26 \$'000	2026/27 \$'000	Change \$'000	%
General Land	14,420	14,755	335	2.32%
Vacant General Land	570	547	(23)	-4.08%
Commercial Land	1,203	1,218	14	1.2%
Industrial Land	714	764	50	7.02%
Primary Production Land	9,910	10,271	361	3.64%
Total amount to be raised by General Rates	26,817	27,554	737	2.75%

4.1.1(d) The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year:

Type or class of land	2025/26 Number	2026/27 Number	Change Number	%
General Land	9,497	9,497	0	0.00%
Vacant General Land	849	849	0	0.00%
Commercial Land	679	679	0	0.00%
Industrial Land	296	296	0	0.00%
Primary Production Land	2,752	2,752	0	0.00%
Cultural and Recreational Land	30	30	0	0.00%
Rating Agreements	6	6	0	0.00%
Total number of Rates Assessments	14,109	14,109	-	0.00%

4.1.1(e) The basis of valuation to be used is the Capital Improved Value (CIV)

4.1.1(f) The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year:

Type or class of land	2025/26 \$'000	2026/27 \$'000	Change \$'000	%
General Land	3,886,719	3,903,321	16,602	0.43%
Vacant General Land	153,727	144,721	(9,006)	-5.86%
Commercial Land	324,299	322,117	(2,182)	-0.67%
Industrial Land	192,438	202,125	9,687	5.03%
Primary Production Land	3,815,910	3,881,611	65,701	1.72%
Cultural and Recreational Land	16,060	15,850	(210)	-1.31%
Rating Agreements	459,448	433,053	(26,395)	-5.74%
Total Value of Land	8,848,601	8,902,798	53,673	0.61%

4.1.1(g) The municipal charge under Section 159 of the 1989 Local Government Act compared with the previous financial year:

Type of Charge	Per Rateable property	Per Rateable property	Change \$'000	%
	2025/26 \$'000	2026/27 \$'000		
Municipal	-	-	-	0.00%

* Council does not charge any Municipal charges

4.1.1(h) The estimated total amount to be raised by municipal charges compared with the previous financial year:

Type of Charge	2025/26 \$'000	2026/27 \$'000	Change \$'000	%
Municipal	-	-	-	0.00%

* Council does not charge any Municipal charges

4.1.1(i) The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year and detailed disclosure of the actual service/s rendered for the amount levied:

Type of Charge	Per Rateable property	Per Rateable property	Change \$'000	%
	2025/26 \$'000	2026/27 \$'000		
Waste Management Charge - General Waste	302	287	(15)	-4.85%
Waste Management Charge - Recycling	112	112	(1)	-0.81%
Waste Management Charge - FOGO	84	113	30	35.31%
Total Waste Management Charge	498	512	14	2.83%

4.1.1(j) The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year:

Type of Charge	2025/26	2026/27	Change	
	\$'000	\$'000	\$'000	%
Waste Management Charge - General Waste	2,648	2,508	(140)	-5.29%
Waste Management Charge - Recycling	985	965	(20)	-2.03%
Waste Management Charge - FOGO	735	836	101	13.79%
Total Waste Management Charge	4,368	4,309	(59)	-1.35%

4.1.1(k) The estimated total amount to be raised by all rates and charges compared with the previous financial year:

Type of Charge	2025/26	2026/27	Change	
	\$'000	\$'000	\$'000	%
General rates (at the end of the year including valuation changes)	26,817	27,554	737	2.75%
Primary Production rebate	(3,961)	-	3,961	-100.00%
Rates and Charges - Cultural and Recreational Lands Act	30	30	0	1.64%
Special Rates and Charges - Rating Agreements	4,723	4,723	0	0.00%
Supplementary Rates and Rate adjustments	10	40	30	300.00%
Waste Management Charge - Kerbside Collection	4,368	4,309	(59)	-1.34%
Interest on Rates and Charges -	-	-	-	0.00%
Total Rates and Charges	31,987	36,657	4,669	

4.1.1(l) Fair Go Rates System Compliance

Glenelg Shire Council is required to comply with the State Government's Fair Go Rates System (FGRS). The table below details the budget assumptions consistent with the requirements of the Fair Go Rates System.

	2025/26*	2026/27	Change
	'000	'000	'000
Total General Rates excluding rate agreements (at the start of the year)	\$26,656	\$27,554	\$898
Number of rateable properties	14,020	14,073	53
Base Average Rate	\$1,846	\$1,906	\$60
Maximum Rate Increase (set by the State Government)	3.00%	2.75%	
Capped Average Rate	\$1,901	\$1,958	\$57
Maximum General Rates and Municipal Charges Revenue	\$26,656	\$27,554	\$898
Budgeted General Rates and Municipal Charges Revenue	\$26,656	\$27,554	\$898
Budgeted Supplementary Rates	\$40	\$40	\$0
Budgeted Total Rates and Municipal Charges Revenue	\$31,449	\$32,346	\$897

* 2025/26 data is based on the ESC return for 2025/26

4.1.1(m) Any significant changes that may affect the estimated amounts to be raised by rates and charges

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations (estimated at \$10k for 2025/26 and estimated at \$40k for 2026/27)
- The variation of returned levels of value (e.g. valuation appeals)
- Changes of use of land such that rateable land becomes non-rateable land and vice versa
- Changes of use of land such that residential land becomes business land and vice versa.

4.1.1(n) Differential rates

Differential Rates Schedule	
General Land	100%
Vacant General Land	100%
Commercial Land	100%
Industrial Land	100%
Primary Production Land	70%
Cultural and recreational land	50%

For 2026/27, General Rates will be calculated by applying a Differential Rate to the CIV.

Under Section 161 (2) of the Local Government Act 1989, by declaring a differential rate Council must specify the objectives of the differential rate by including a definition, identification of the types of classes and specific characteristics of the land.

Definitions and Specific Characteristics of Land for Rating

Council has the following rate categories within its rating structure for 2026/27:

General Land

Definition:

General land is any rateable land which does not have the characteristics of Primary Producer Land, Commercial Land, Industrial Land and Vacant Land.

Objectives:

To ensure that Council has adequate funding to undertake its strategic, statutory, service provision and community services obligations and to ensure that any differential rate in the dollar declared for defined general rate land properties is fair and equitable, having regard to the cost and the level of benefits derived from provision of Council services.

Types and Classes:

Rateable land having the relevant characteristics described below:

- used primarily for residential purposes; or
- any land that is not defined as Vacant General land, Commercial land, Industrial land or Primary Production land.

Level of Rate:

100% of General Rate.

Geographic Location:

Wherever located within the municipal district.

Vacant General Land

Definition:

Vacant General land is any land that does not have the characteristics of Primary Producer Land, Commercial or Industrial Land and has no buildings or permanent structures erected on it.

Objectives:

To ensure that Council has:

- effective tools to encourage the construction of new houses or units by making vacant land less financially attractive to hold onto helping to address housing demand.
- ensures that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of the Council.

Types and Classes:

Vacant land having the relevant characteristics described below:

- Land that is unused or not currently developed, meaning it does not contain residential, commercial, industrial, or agricultural buildings or improvements
- any land that is not defined as General land, Commercial land, Industrial land or Primary Production land.

Level of Rate:

100% of the General Rate.

Geographic Location:

Wherever located within the municipal district.

Commercial Land

Definition:

Commercial Land is any land, which is used primarily for commercial purposes and/or for the sale of goods or services and if developed, would likely be used primarily for commercial purposes or for the sale of goods or services.

Objectives:

To ensure that Council has adequate funding to undertake its strategic, statutory, service provision and community services obligations and to ensure that the rate in the dollar declared for defined Commercial Rate land properties is fair and equitable, having regard to the cost and the level of benefits derived from provision of Council services. The commercial businesses of Glenelg Shire Council benefit from ongoing significant investment by Council in services and infrastructure. Council also notes the tax deductibility of Council rates for commercial properties which is not available to the residential sector, and the income generating capability of commercial based properties. The Commercial differential rate is applied to recognise the economic development objectives for the Glenelg Shire Council as outlined in the Council Plan. These objectives include an ongoing significant investment to create a vibrant economy.

Types and Classes:

Commercial having the relevant characteristics described below:

- used primarily for commercial purposes; or
- any land that is not defined as General Land, Vacant General land, Industrial land or Primary Production Land.

Level of Rate:

100% of the General Rate.

Geographic Location:

Wherever located within the municipal district.

Industrial Land

Definition:

Industrial land is any land that does not have the characteristics of Primary Producer Land, Vacant Land or Commercial land and has no buildings or permanent structures erected on it. Industrial land is used predominantly for industrial purposes incl manufacturing, repairing, servicing, re/processing or warehousing.

Objectives:

The Industrial businesses of Glenelg Shire Council benefit from ongoing significant investment by Council in services and infrastructure. Council also notes the tax deductibility of Council rates for commercial properties which is not available to the residential sector, and the income generating capability of commercial based properties. The Commercial differential rate is applied to recognise the economic development objectives for the Glenelg Shire Council as outlined in the Council Plan. These objectives include an ongoing significant investment to create a vibrant economy.

Types and Classes:

Industrial land having the relevant characteristics described below:

- Land that does not have the characteristics of Primary Producer Land, Vacant land or Commercial land and is used predominantly per the definition above.

Level of Rate:

100% of the General Rate.

Geographic Location:

Wherever located within the municipal district.

Primary Production Land

Definition:

Primary Production land being defined as greater than 40 hectares (with some specified exceptions such as horticulture, viticulture etc).

Objectives:

To ensure that Council has adequate funding to undertake its strategic, statutory, service provision and community services obligations and to ensure that the rate in the dollar declared for defined Primary Production land properties is fair and equitable, having regard to the cost and the level of benefits derived from provision of Council services with considerations to maintain agriculture as a major industry in the municipal district and achieve a balance between providing for municipal sustainability and retaining the important agricultural economic base.

Types and Classes:

Primary Production land having the relevant characteristics described below:

- used primarily for primary production purposes; or
- any land that is not defined as General Land or Commercial/Industrial Land.

Level of Rate:

70% of the General Rate.

Geographic Location:

Wherever located within the municipal district.

Cultural and Recreation

Land which falls within the definition of the Cultural and Recreational Lands Act 1963 which has the purpose of providing or promoting cultural or sporting recreational or similar facilities for outdoor use and have a widespread community benefit.

Specific Rating Agreements

Land that is ratable and where specific rating agreements have been approved by relevant parties.

4.1.2 Statutory fees and fines

	Forecast 2025/26*	Budget 2026/27	Change	
	\$'000	\$'000	\$'000	%
Animal Management and Welfare including Animal Registration fees	270	252	(18)	-6.67%
Environmental Health Services - Application/License/Permit Fees	90	102	12	12.89%
Governance - Council Election Income	8	5	(3)	-37.50%
Infrastructure Services - Application/License/Permit Fees	25	25	0	0.00%
Local Laws - Fine & Infringement & Application/License/Permit Fees	13	93	81	644.00%
Statutory Building Services - Application/License/Permit Fees	50	240	190	380.00%
Statutory Planning - Application/License/Permit Fees	240	150	(90)	-37.50%
Other Income	16	16	0	0.00%
Total Statutory Fees and Fines	712	883	171	

4.1.3 User fees

	Forecast 2025/26*	Budget 2026/27	Change	
	\$'000	\$'000	\$'000	%
Contracts & Leases	327	337	10	2.91%
Local Port	353	351	(2)	-0.57%
Venue and Facility Hire	76	80	4	5.56%
Children's Services	450	484	34	7.51%
Building Services	240	50	(190)	-79.17%
Waste Transfer Station	1,322	1,423	101	7.61%
Other User Fee income	170	112	(58)	-34.25%
Total User Fees	2,938	2,836	(102)	

4.1.4 Grants

Grants are required by the Act and the Regulations to be disclosed in Council's budget.

	Forecast 2025/26* \$'000	Budget 2026/27 \$'000	Change \$'000	%
Grants were received in respect of the following:				
Summary of Grants				
Commonwealth Funded Grants	21,646	6,739	(14,907)	
State Funded Grants	8,067	9,447	1,380	
Total Grants Received	29,713	16,186	(13,527)	-45.52%
(a) Operating Grants				
Recurrent - Commonwealth Government				
Financial Assistance Grants*	15,316	2,411	(12,905)	
Recurrent - State Government				
Children's Services	1,383	1,595	212	
Community Wellbeing	85	93	8	
Emergency Management	120	120	0	
Environmental Health	13	7	(6)	
Library	210	210	0	
Local Port	186	186	0	
Youth Services	22	69	47	
Total Recurrent Grants	17,335	4,691	12,643	-72.94%
Non-Recurrent - Commonwealth Government				
Collection Conservation	7	-	(7)	
Infrastructure *	69	8	(61)	
Sports & Recreation	10	-	(10)	
Non-Recurrent - State Government				
Arts & Culture	222	95	(130)	
Children's Services	1,059	994	(65)	
Community Wellbeing	2	2	0	
Economic Development	80	-	(80)	
Environmental Sustainability	77	78	0	
Library	102	3	(99)	
Local Port	88	90	2	
Rates	4,159	-	(4,159)	
School Crossings	81	82	1	
Youth Services	131	54	(77)	
Total Non-Recurrent Grants	6,091	1,405	(4,685)	-76.93%
Total Operating Grants	23,425	6,097	(17,329)	-73.97%

*2025/26 includes 80% early payment of 2026/27 funding. 2026/27 includes the balance of 2026/27 funding (20%).

(b) Capital Grants

Recurrent - Commonwealth Government

Roads to Recovery	3,638	4,320	682	18.75%
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Total Recurrent Grants	3,638	4,320	682	18.75%
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Recurrent - State Government

Local Roads and Infrastructure (LRICI) (25/26 Carry fwd Grant)	2,606	-	(2,606)	
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Non-Recurrent - Commonwealth Government

Gymnastics Club Upgrade (25/26 Carry fwd Grant)	-	1,144	1,444	
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Safer Local Roads Program (SLRSP)	44	1,717	1,673	
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Portland Foreshore Community Infr. Refurb (25/26 Carry fwd Grant)	-	2,909	2,909	
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Total Non-Recurrent Grants	2,650	5,770	3,120	117.74%
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Total Capital Grants	6,288	10,090	3,802	60.47%
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Total Grants	29,713	16,186	(13,527)	-45.52%
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4.1.5 Contributions

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change \$'000	%
Monetary Contributions - Tourism	67	-	(67)	-100.00%
Monetary Contribution - Other	15	5	(10)	-66.67%
Non-Monetary Contribution - Free Green Waste Initiative	65	75	10	15.38%
Total Contributions	147	80	(67)	

4.1.6 Other income

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change \$'000	%
Child Care Subsidy	2,030	1,728	(302)	-14.89%
Reimbursement Income	200	202	2	1.04%
Other Income	125	178	52	41.85%
Sales & Commissions	728	806	78	10.71%
Interest Income	50	100	50	100.00%
Total Other Income	3,134	3,014	(120)	

4.1.7 Employee costs

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change \$'000	%
Other Employee Costs	20	47	27	135.00%
Fringe Benefits Tax	168	171	2	1.37%
Salaries and Wages	24,759	23,513	(1,245)	-5.03%
Superannuation	2,713	2,731	18	0.66%
Workcover	600	602	2	0.33%
Total Employee Costs *	28,260	27,064	(1,196)	-4.23%

*2026/27 budget for Employee costs was estimated to increase to \$29,229,000 prior to a commitment to reduce costs by \$731,000 (2.5%). A further cost reduction of \$1,425,000 has been factored in by budgeting employee costs at 95% to take into account position vacancies. The target budget amount was \$27,073,000.

4.1.8 Materials and services

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Aquatic Facility Contract & Maintenance	1,117	1,139	22	1.95%
Building Maintenance	950	950	0	0.00%
Fuel & Oil	924	936	(12)	1.27%
Fuel Facility	430	401	(29)	-6.63%
General Materials and Services costs	5,124	4,707	(418)	-8.15%
Information Technology	1,345	1,334	(11)	-0.82%
Insurance	919	987	69	7.47%
Kerbside Collection Contract (2025/26 incl FOGO Bin acquisition costs)	3,379	3,205	(174)	-5.14%
Maternal & Child Health contract	626	678	53	8.43%
Roads & Infrastructure Maintenance	3,038	2,586	(452)	-14.87%
Utilities	1,483	1,585	102	6.90%
Waste Contracts	2,016	2,359	343	17.00%
Total Materials and Services	21,351	20,868	(483)	-2.26%

*2026/27 budget for Materials and services costs was estimated to increase to \$21,339,000 prior to a commitment to reduce costs by \$533,000 (2.5%). The target budget amount for 2026/27 was \$20,806,000. 2026/27 Materials and services costs also includes 2025/26 carried forwards to the value of \$77,000.

4.1.9 Depreciation

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Property	2,528	2,831	302	11.96%
Infrastructure	9,692	10,058	366	3.78%
Plant and Equipment	950	2,194	1,244	131.01%
Total Depreciation	13,170	15,083	1,913	14.52%

4.1.10 Depreciation – right-of-use assets

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Right-of-Use Assets	226	210	(16)	-7.07%
Total Depreciation - Right-of-Use Assets	226	210	(16)	-7.07%

4.1.11 Other expenses

	Forecast	Budget	Change	
	2025/26	2026/27	\$'000	%
	\$'000	\$'000	\$'000	%
Advertising	101	154	53	52.78%
Audit Fee Expenditure	71	77	5	7.65%
Bank Fees	51	49	(2)	-4.37%
Communication Expenditure	232	193	(39)	-16.85%
Contributions and Donations	433	459	27	6.12%
Councillor Allowances	346	359	13	3.80%
Memberships & Subscriptions	216	190	(27)	-12.32%
Other Expenses	53	82	28	52.53%
Registrations & Licenses	230	231	1	0.38%
Seminar and Training Fees	376	241	(135)	-35.89%
Statutory Expenditure	88	131	43	48.86%
Travel and Accommodation	73	49	(24)	-33.26%
Total Other Expenses	2,270	2,213	(57)	-2.51%

4.2 Balance sheet

4.2.1 Assets

Assets are budgeted to stay relatively stable in 2025/26 to 2026/27. The value of Property, Infrastructure, Plant and Equipment could change in Financial Year 2025/26 once the comprehensive Asset Valuation has been completed by external firm Australis.

4.2.2 Liabilities

Current liabilities are expected to decrease in 2026/27 due to the anticipated completion of the Portland Foreshore Community Infrastructure Refurbishment, Gymnastics Facility improvements and Safer Local Roads Program projects. Once these projects are completed, the value of Contract and Other Liabilities (carried forward Grant income) will reduce back to approx \$500k.

4.2.3 Borrowings

The table below shows information on borrowings specifically required by the Regulations.

Council borrowed \$4M in 2024/25 and expected to borrow an additional \$3M in 2025/26. Due to delays in project delivery, it is now expected that Council will borrow the additional \$3M in 2026/27 for Capital project delivery. Council plans to borrow an additional \$10M in 2028/29 per its Long Term Financial Plan to fund a Major Project. It is a funding requirement that any future borrowings be included in future projections.

	Forecast	Budget	Projections		
	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000
Amount borrowed as at 30 June of the prior year	4,000	3,770	6,327	5,862	15,221
Amount proposed to be borrowed	-	3,000	-	10,000	-
Amount projected to be redeemed	(230)	(442)	(465)	(641)	(982)
Amount of borrowings as at 30 June	3,770	6,327	5,862	15,221	14,239
Current Borrowings	263	465	491	982	1,035
Non-Current Borrowings	3,507	5,862	5,371	14,239	13,204
Total Borrowings	3,770	6,327	5,862	15,221	14,239

4.2.4 Leases by category

As a result of the introduction of *AASB 16 Leases*, right-of-use assets and lease liabilities have been recognised as outlined in the table below:

	Forecast	Budget
	2025/26	2026/27
	\$	\$
Right-of-Use Assets		
Plant and Equipment	422	125
Total Right-of-Use Assets	422	125
Lease Liabilities		
Current Lease Liabilities		
Plant and Equipment	130	59
Total Current Lease Liabilities	130	59
Non-Current Lease Liabilities		
Plant and Equipment	-	285
Total Non-Current Lease Liabilities	-	285
Total Lease Liabilities	130	344

4.3 Statement of cash flows

4.3.1 Net cash flows provided by/used in operating activities

Cash inflow from Rates & Charges is expected to increase in 2026/27 due to the Primary Production Rates rebate which reduced the amount of Rates income collected in 2025/26. A grant was received for \$3.96M to enable Council to apply the Primary Production rates rebate to eligible ratepayers.

Cash inflow from Operational Grants income is expected to be higher in 2025/26 when compared to 2026/27 due advice from the Department that Council would be receiving an early payment of the 2026/27 VLGCC (Victorian Local Government Grants Commission) funding. Council has been advised that it will receive 80% of the 2026/27 funding in 2025/26 (\$9.8M) and 20% in 2026/27 (\$2.4M). Council's budget has been modified to include the advised change.

4.3.2 Net cash flows provided by/used in investing activities

Council expects to carry over \$7.2M of incomplete Capital Works projects to 2026/27. \$3.5M is for the Portland Foreshore Community Infrastructure Refurbishment; \$1.1M is for the Gymnastics building upgrades; \$1.7M is for the Safer Local Roads (SLRSP) projects and \$900k is for other renewals. The total cash flows from Investing activities (Capital works program less proceeds from sale of plant and equipment) is expected to be \$16.3M.

In line with projected funding expectations, Council has increased Capital Works Programs (predominantly roads expenditure) in future years.

4.3.3 Net cash flows provided by/used in financing activities

Council has budgeted to defer borrowing an additional \$3M from 2025/26 to 2026/27 due to delays in completion of Capital Works projects. The \$3M loan will enable Council to complete the Portland Foreshore Community Infrastructure Refurbishment.

4.4 Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2026/27 year, classified by expenditure type and funding source. Works are also disclosed as current budget or carried forward from prior year.

4.4.1 Summary

	Forecast	Budget	Change	
	2025/26	2026/27	\$'000	%
	\$'000	\$'000	\$'000	%
Property	1,504	6,025	4,521	300.68%
Plant and equipment	1,781	2,329	548	30.76%
Infrastructure	6,032	8,499	2,467	40.90%
Total	9,317	16,853	7,536	80.89%

	Project	Asset expenditure types			Summary of funding sources		
	Cost	New	Renewal	Upgrade	Grants	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	6,025	-	6,025	-	438	2,587	3,000
Plant and equipment	2,329	-	2,329	-	-	2,329	-
Infrastructure	8,499	500	6,855	1,144	5,200	3,298	-
Total	16,853	500	15,209	1,144	5,638	8,214	3,000

4.4.2 Current budget

Capital Works Area	Project Cost \$'000	Asset expenditure types			Summary of funding sources		
		New \$'000	Renewal \$'000	Upgrade \$'000	Grants \$'000	Council Cash \$'000	Borrowings \$'000
PROPERTY							
Building Improvements							
Renewal Program - Building	1,130	-	1,130	-	-	1,130	-
Renewal Program - Saleyard	220	-	220	-	-	220	-
Renewal Program - DDA Compliance	25	-	25	-	-	25	-
TOTAL PROPERTY	1,375	-	1,375	-	-	1,375	-
PLANT AND EQUIPMENT							
Plant, Machinery and Equipment							
Renewal Program - Heavy Plant	810	-	810	-	-	810	-
Renewal Program - Light Fleet	810	-	810	-	-	810	-
Renewal Program - Minor Plant	20	-	20	-	-	20	-
Fixtures, Fittings and Furniture							
Renewal Program - Fixtures, Fittings and Furniture	10	-	10	-	-	10	-
Cultural Collection							
Renewal Program - Collection Conservation	10	-	10	-	-	10	-
Library books							
Renewal Program - Library Resources	89	-	89	-	-	89	-
TOTAL PLANT AND EQUIPMENT	1,749	-	1,749	-	-	1,749	-

Capital Works Area	Asset expenditure types			Summary of funding sources			
	Cost	New	Renewal	Upgrade	Grants	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INFRASTRUCTURE							
Roads							
Renewal Program - Road Re-sheeting	1,200	-	1,200	-	1,200	-	-
Renewal Program - Sealed Road Resurfacing	2,000	-	2,000	-	2,000	-	-
Renewal Program - Sealed Road Rehabilitation	1,100	-	1,100	-	1,100	-	-
Renewal Program - Local Area Traffic Facilities	50	-	50	-	50	-	-
Renewal Program - Urban Kerb & Channel	300	-	300	-	28	272	-
Renewal Program - Rural Drainage	50	-	50	-	-	50	-
Renewal Program - Major Roads Patching	200	-	200	-	-	200	-
Bridges							
Renewal Program - Bridge	200	-	200	-	-	200	-
Footpaths and Cycleways							
Renewal Program - Footpaths and Cycleways	182	-	182	-	-	182	-
Drainage							
Renewal Program - Stormwater	130	-	130	-	-	130	-
Car Parks							
Renewal Program - Car Park	60	-	60	-	-	60	-
Recreational, Leisure & Community Facilities							
Renewal Program - Rec Leisure and Community Facilities	200	-	200	-	-	200	-
Waste Management							
Renewal Program - Waste Management Facilities	20	-	20	-	-	20	-
Parks, Open Space and Streetscapes							
Renewal Program - Street Furniture	20	-	20	-	-	20	-
Renewal Program - Street Trees	100	-	100	-	-	100	-
Renewal Program - Street Lighting	20	-	20	-	-	20	-
Renewal Program - Parks & Gardens	100	-	100	-	-	100	-
Aerodromes							
Renewal Program - Aerodrome	50	-	50	-	-	50	-
Local Port							
Renewal Program - Local Port	50	-	50	-	-	50	-
Other Infrastructure							
New Projects - Flinders Park Oval Lighting and Dartmoor Footpath Project	500	500	-	-	-	500	-
TOTAL PROPERTY	6,532	500	6,032	-	4,378	2,154	-
TOTAL PLANT AND EQUIPMENT	9,656	500	9,156	-	4,378	5,278	-

4.4.3 Works carried forward from the 2025/26 year

Capital Works Area	Project Cost \$'000	Asset expenditure types			Summary of funding sources		
		New \$'000	Renewal \$'000	Upgrade \$'000	Grants \$'000	Council Cash \$'000	Borrowings \$'000
PROPERTY							
Building Improvements							
Portland Foreshore Community Infrastructure Refurbishment	3,492	-	3,492	-	-	492	
Gymnastics Building Upgrade	1,144			1,144	438	706	3,000
Civic Hall Fire Panel	22	-	22	-	-	22	
TOTAL PROPERTY	4,650	-	3,506	1,144	438	1,212	3,000
PLANT AND EQUIPMENT							
Plant, Machinery and Equipment							
Renewal Program - Heavy Plant	562	-	562	-	-	562	-
Renewal Program - Light Fleet	18	-	18	-	-	18	-
TOTAL PLANT AND EQUIPMENT	580	-	580	-	-	580	-
INFRASTRUCTURE							
Bridges							
Renewal Program - Bridges	180	-	180	-	-	180	-
Other Infrastructure							
Safer Local Roads Program (SLRSP)	1,717	1,717	-	-	881	836	-
Renewal Program - Aerodrome	26	-	26	-	-	26	-
Henty Employment Precinct	12	12	-	-	-	12	-
Portland Aerodrome ESM works	32	-	32	-	-	32	-
TOTAL INFRASTRUCTURE	1,967	1,729	238	-	881	1,086	-
TOTAL CARRIED FORWARD CAPITAL WORK 2025/26	7,197	1,729	4,324	1,144	1,319	2,879	3,000
TOTAL CAPITAL WORKS PROGRAM	16,853	2,229	13,480	1,144	5,697	8,156	3,000

Summary of planned capital works expenditure
For the years ending 30 June 2028,2029 & 2030

2027/28	Asset Expenditure Types					Funding Sources			
	Total	New	Renewal	Expansion	Upgrade	Total	Grants	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property									
Renewal Program - Building	320	0	320	0	0	320	0	320	0
Renewal Program - Saleyard	30	0	30	0	0	30	0	30	0
Renewal Program - DDA Compliance	25	0	25	0	0	25	0	25	0
Other Buildings - Additional Renewals	1,000	0	1,000	0	0	1,000	0	1,000	0
Total Buildings	1,375	0	1,375	0	0	1,375	0	1,375	0
Total Property	1,375	0	1,375	0	0	1,375	0	1,375	0
Plant and Equipment									
Renewal Program - Heavy Plant	805	0	805	0	0	805	0	805	0
Renewal Program - Light Fleet	710	0	710	0	0	710	0	710	0
Renewal Program - Minor Plant	20	0	20	0	0	20	0	20	0
Renewal Program - Fixtures, Fittings and Furniture	10	0	10	0	0	10	0	10	0
Renewal Program - Collection Conservation	10	0	10	0	0	10	0	10	0
Renewal Program - Library Resources	95	0	95	0	0	95	0	95	0
Total Plant and Equipment	1,650	0	1,650	0	0	1,650	0	1,650	0
Infrastructure									
Renewal Program - Road	5,127	0	5,127	0	0	5,127	4,457	580	0
Renewal Program - Bridge	200	0	200	0	0	200	0	200	0
Renewal Program - Footpath and Cycleways	182	0	182	0	0	200	0	200	0
Renewal Program - Stormwater	130	0	130	0	0	130	0	130	0
Renewal Program - Car Park	60	0	60	0	0	60	0	60	0
Renewal Program - Rec Leisure and Community Facilities	200	0	200	0	0	200	0	200	0
Renewal Program - Waste Management Facilities	20	0	20	0	0	20	0	20	0
Renewal Program - Parks, open space and streetscapes	240	0	240	0	0	240	0	240	0
Renewal Program - Aerodrome	50	0	50	0	0	50	0	50	0
Renewal Program - Local Port	50	0	50	0	0	50	0	50	0
Other Infrastructure - New Capital Projects	500	0	500	0	0	500	0	500	0
Total Infrastructure	6,759	0	6,759	0	0	6,759	4,547	2,212	0
Total Capital Works Expenditure	9,784	0	9,784	0	0	9,784	4,547	5,237	0

2028/29	Asset Expenditure Types					Funding Sources			
	Total	New	Renewal	Expansion	Upgrade	Total	Grants	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property									
Renewal Program - Building	320	0	320	0	0	320	0	320	0
Renewal Program - Saleyard	30	0	30	0	0	30	0	30	0
Renewal Program - DDA Compliance	25	0	25	0	0	25	0	25	0
Other Buildings - Additional Renewals	1,000	0	1,000	0	0	1,000	0	1,000	0
Total Buildings	1,375	0	1,375	0	0	1,375	0	1,375	0
Total Property	1,375	0	1,375	0	0	1,375	0	1,375	0
Plant and Equipment									
Renewal Program - Heavy Plant	825	0	825	0	0	825	0	825	0
Renewal Program - Light Fleet	880	0	880	0	0	880	0	880	0
Renewal Program - Minor Plant	20	0	20	0	0	20	0	20	0
Renewal Program - Fixtures, Fittings and Furniture	10	0	10	0	0	10	0	10	0
Renewal Program - Collection Conservation	10	0	10	0	0	10	0	10	0
Renewal Program - Library Resources	95	0	95	0	0	95	0	95	0
Total Plant and Equipment	1,840	0	1,840	0	0	1,840	0	1,840	0
Infrastructure									
Renewal Program - Road	5,127	0	5,127	0	0	5,127	4,547	580	0
Renewal Program - Bridge	200	0	200	0	0	200	0	200	0
Renewal Program - Footpath and Cycleways	182	0	182	0	0	182	0	182	0
Renewal Program - Stormwater	130	0	130	0	0	130	0	130	0
Renewal Program - Car Park	60	0	60	0	0	60	0	60	0
Renewal Program - Rec Leisure and Community Facilities	200	0	200	0	0	200	0	200	0
Renewal Program - Waste Management Facilities	20	0	20	0	0	20	0	20	0
Renewal Program - Parks, open space and streetscapes	240	0	240	0	0	240	0	240	0
Renewal Program - Aerodrome	50	0	50	0	0	50	0	50	0
Renewal Program - Local Port	50	0	50	0	0	50	0	50	0
Other Infrastructure - New Capital Projects	21,000	0	21,000	0	0	21,000	10,000	1,000	10,000
Total Infrastructure	27,259	0	27,259	0	0	27,259	14,547	2,712	10,000
Total Capital Works Expenditure	30,474	0	30,474	0	0	30,474	14,547	5,927	10,000

2029/30	Asset Expenditure Types					Funding Sources			
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000	Total \$'000	Grants \$'000	Council Cash \$'000	Borrowings \$'000
Property									
Renewal Program – Building	320	0	320	0	0	320	0	320	0
Renewal Program - Saleyard	30	0	30	0	0	30	0	30	0
Renewal Program - DDA Compliance	25	0	1,000	0	0	1,000	0	1,000	0
Other Buildings - Additional Renewals	1,000	0	1,000	0	0	1,000	0	1,000	0
Total Buildings	1,375	0	1,375	0	0	1,375	0	1,375	0
Total Property	1,375	0	1,375	0	0	1,375	0	1,375	0
Plant and Equipment									
Renewal Program - Heavy Plant	655	0	655	0	0	655	0	655	0
Renewal Program - Light Fleet	910	0	910	0	0	910	0	910	0
Renewal Program - Minor Plant	20	0	20	0	0	20	0	20	0
Renewal Program - Fixtures, Fittings and Furniture	10	0	10	0	0	10	0	10	0
Renewal Program - Collection Conservation	10	0	10	0	0	10	0	10	0
Renewal Program - Library Resources	95	0	95	0	0	95	0	95	0
Total Plant and Equipment	1,700	0	1,700	0	0	1,700	0	1,700	0
Infrastructure									
Renewal Program – Road	5,127	0	5,127	0	0	5,127	4,547	580	0
Renewal Program - Bridge	200	0	200	0	0	200	0	200	0
Renewal Program - Footpath and Cycleways	182	0	182	0	0	182	0	182	0
Renewal Program - Stormwater	130	0	130	0	0	130	0	130	0
Renewal Program - Car Park	60	0	60	0	0	60	0	60	0
Renewal Program - Rec Leisure and Community Facilities	200	0	200	0	0	200	0	200	0
Renewal Program - Waste Management Facilities	20	0	20	0	0	20	0	20	0
Renewal Program - Parks, open space and streetscapes	240	0240	0	0	0	240	0	240	0
Renewal Program - Aerodrome	50	0	50	0	0	50	0	50	0
Renewal Program - Local Port	50	0	50	0	0	50	0	50	0
Other Infrastructure - New Capital Projects	1,000	0	1,000	0	0	1,000	0	1,000	0
Total Infrastructure	7,259	0	10,334	0	0	7,259	4,547	2,712	0
Total Capital Works Expenditure	10,334	0	10,334	0	0	10,334	4,547	5,787	0

5. Financial Performance Indicators

5.1 Targeted performance indicators (Council selected)

The following table highlights Council's current and projected performance across eight targeted performance indicators selected by Council from the range of prescribed performance measures contained in the *Local Government (Planning and Reporting) Regulations 2020*. These indicators provide a useful analysis of Council's intentions and performance and should be interpreted in the context of the organisation's objectives.

Results against these indicators and targets will be reported in Council's Performance Statement included in the Annual Report.

Indicator	Measure	Notes	Actual	Forecast	Target	Target Projections			Trend
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	+/o/-
Governance Transparency	Councillor attendance at council meetings Sum of the number of Councillors who attended each Council meeting/ (Number of Council meetings) × (Number of Councillors elected at the last Council general election)	1	90%	96%	97%	97%	97%	97%	+
Environment Roads	Satisfaction with sealed local roads Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads	2	34	34	34	34	34	34	o
Financial forecasting Population	Infrastructure per head of population Value of infrastructure/Population	3	\$26,638	\$26,664	\$26,795	\$26,532	\$27,327	\$27,131	+
Governance Strategic planning	Staff Turnover Permanent staff resignations and terminations for the financial year/Average number of permanent staff for the financial year	4	12%	12%	12%	13%	13%	13%	o
Environment Animal management	Animals reclaimed Number of animals reclaimed /Number of animals collected	5	34%	34%	34%	34%	34%	34%	o
Community MCH services	Participation in the MCH service Number of children who attend the MCH service/Number of children enrolled in the MCH service	6	90%	90%	90%	90%	92%	93%	+
Governance Service planning	Satisfaction with Council decisions Community satisfaction rating out of 100 with the performance of Council in making decisions in the best interests of the community	7	42	43	44	44	45	45	+
Community Library services	Library membership Number of registered library members/Population	8	25%	35%	48%	49%	50%	50%	+

Key to Target Trend:

+increase in Council's overall targets

o maintaining Council's overall targets

- decrease in Council's overall targets

5.2 Targeted performance indicators (mandatory)

The following tables highlight Council's current and projected performance across a selection of targeted service and financial performance indicators. These indicators provide a useful analysis of Council's intentions and performance and should be interpreted in the context of the organisation's objectives.

The targeted performance indicators below are the prescribed performance indicators contained in Schedule 4 of the *Local Government (Planning and Reporting) Regulations 2020*. Results against these indicators and targets will be reported in Council's Performance Statement included in the Annual Report.

Targeted Service Performance Indicators – Mandatory

Indicator	Measure	Notes	Actual	Forecast	Target	Target Projections			Trend
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	+/-
Governance									
Community engagement (council decisions made and implemented with community input)	Satisfaction with the opportunities offered by Council to be consulted on or engaged in Council decisions Community satisfaction rating out of 100 with the consultation and engagement efforts of Council * 2025/26 result is actual result from the Customer Satisfaction survey	9	43	43*	51	51	52	53	+
Environment									
Roads (sealed local roads are maintained and renewed to ensure a safe network)	Sealed local roads below the intervention level Number of kms of sealed local roads below the renewal intervention level set by Council / Kms of sealed local roads	10	93%	94%	94%	94%	94%	94%	o
Responsiveness									
Statutory planning (Councils decide on planning applications and fulfill their legislative duties in a timely manner)	Planning applications decided within the relevant required time Number of planning application decisions made within the relevant required time / Number of planning application decisions made	11	88%	80%	80%	80%	80%	80%	-
Environment									
Waste management (waste is minimised and sustainability is promoted)	Kerbside collection waste to landfill per serviced property Waste in tonnage collected from kerbside waste collection services sent to landfill / Number of serviced properties	12	0.27	0.38	0.35	0.34	0.34	0.33	-

Targeted financial performance indicators - mandatory

Indicator	Measure	Notes	Actual	Forecast	Target	Target Projections			Trend
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	+/-
Financial Management									
Working Capital (sufficient working capital and cash is available to cover expenses)	Current assets compared to current liabilities Current assets / current liabilities	13	117%	77%	111%	129%	131%	131%	+
Financial forecasting									
Asset renewal and upgrade (renewal and upgrade of assets is planned and delivered)	Asset renewal and upgrade compared to depreciation Asset renewal and upgrade expenses / Asset depreciation	14	88%	70%	97%	59%	64%	58%	-
Financial management									
Rates concentration (revenue is generated from a range of sources)	Rates compared to adjusted underlying revenue Rate revenue / adjusted underlying revenue	15	44%	47%	59%	50%	51%	51%	o
Financial management									
Expenditure and revenue level (resources are used efficiently in the delivery of services)	Expenses per property assessment Total expenses / no. of property assessments	16	\$4,684	\$4,714	\$4,685	\$4,779	\$4,854	\$4,957	+

5.3 Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be interpreted in the context of the organisation's objectives.

The financial performance indicators below are the prescribed financial performance indicators contained in Part 2 of Schedule 3 of the Local Government (Planning and Reporting) Regulations 2020. Results against these indicators will be reported in Council's Performance Statement included in the Annual Report.

Indicator	Measure	Notes	Actual	Forecast	Target	Target Projections			Trend
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	+/-
Financial Forecasting									
Indebtedness (level of long term liabilities is appropriate to the size and nature of a Council's activities)	Non-current liabilities compared to own-source revenue Non-current liabilities / own source revenue	17	24%	23%	26%	24%	43%	40%	+
Loans and borrowings (level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities)	Loans and borrowings compared to own-source revenue Interest bearing loans and borrowings / own-source revenue	18	10%	10%	15%	13%	33%	30%	+
	Loans and borrowings repayments compared to own-source revenue Interest and principal repayments on interest bearing loans and borrowings / own-source revenue	19	1	2%	2%	2%	3%	7%	+
Population (population is a key driver of a Council's ability to fund the delivery of services to the community)	Expenses per head of population Total expenses/ Population	20	\$3,271	\$3,349	\$3,320	\$3,411	\$3,489	\$3,588	+
Revenue and grants (revenue is generated from a range of sources to fund the delivery of services to the community)	Own-source revenue per head of population Own source revenue / Population	21	\$1,952	\$1,947	\$2,179	\$2,244	\$2,298	\$2,353	+
	Recurrent grants per head of population Recurrent grants / Population	22	\$1,107	\$1,053	\$453	\$744	\$766	\$789	+

Indicator	Measure	Notes	Actual	Forecast	Target	Target Projections			Trend
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	+/-
Financial Management									
Liquidity (sufficient working capital and cash is available to cover expenses)	Cash compared to current liabilities Cash / current liabilities	23	87%	115%	68%	85%	87%	86%	+
Operating position (an adjusted underlying surplus is generated in the ordinary course of business)	Adjusted underlying surplus (or deficit) Adjusted underlying surplus (deficit) / Adjusted underlying revenue	24	-1%	0%	-22%	-4%	-4%	-4%	+
Rates effort (rating level is set based on the community's capacity to pay)	Rates compared to property value Rate revenue / CIV of rateable properties in the municipal district	25	33%	36%	41%	41%	41%	40%	-
Expenditure and revenue level (resources are used efficiently in the delivery of services)	Average rate per property assessment General rates and municipal charges / no. of property assessments	26	\$1,852	\$1,901	\$1,958	\$1,971	\$2,006	\$2,042	+

5.4 Additional indicators

The following table presents additional indicators that are not prescribed indicators in the *Local Government (Planning and Reporting) Regulations 2020*. These indicators are used by the Department of Treasury and Finance to conduct credit assessments of councils under the Treasury Corporation of Victoria (TCV) loans framework. Subject to these financial covenants being satisfied over the prior three years to the budget year, the budget year, and subsequent three projected financial years, a borrowing limit will be determined under the framework.

Indicator	Measure	Notes	Actual	Forecast	Budget	Target Projections			Trend
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	+/-
TCV loans framework indicators									
Interest Cover Ratio	EBITDA : interest expenses	27	307	45	28	47	54	20	+
Interest bearing liabilities to Rates Revenue	Interest bearing liabilities / Rates Revenue	28	13.93%	11.79%	17.26%	15.63%	39.67%	36.26%	+

Notes to indicators:

5.1 Targeted performance indicators (Council selected)

1. Councillor attendance at council meetings

A high percentage number indicates that Council has a committed and active group of informed councillors invested in making positive decisions for Council.

2. Satisfaction with sealed local roads

Council aims to increase this ratio through continued maintenance and upgrades of Council roads and through education of community members on Council v Non Council roads.

3. Infrastructure per head of population

As the budget allocations for capital works increases in the coming years this co-incides with an increase in this ratio. Council aims to keep improving this indicator.

4. Staff Turnover

Council understands the cost of staff turnover and aims to keep this indicator low through embedding a good culture to maximise job satisfaction for employees.

5. Animals reclaimed

Council's current number of animal reclaims compared to animal collections is 34%. Council would like to increase this indicator so that animals collected are reunited back with their families.

6. Participation in the MCH service

A high percentage of families participate in MCH services. Council aims for this ratio to remain high as it gives MCG staff the opportunity to promote and demonstrate healthy outcomes for families.

7. Satisfaction with Council decisions

Council will continue to work hard to make transparent decisions with positive outcomes for community and provide transparency in the decision making process simultaneously improving community satisfaction.

8. Library membership

Library membership is expected to continue improving in coming years.

5.2 Targeted performance indicators (mandatory)

9. Satisfaction with community consultation and engagement

Council aims to improve its rating score through education, community engagement and advocacy.

10. Sealed local roads below the intervention level

Council will continue to maintain roads to the adopted standard.

11. Planning applications decided within the relevant required time

Council estimates are based on recent trends there is stable numbers of applications anticipated in the coming years.

12. Kerbside collection waste diverted from landfill

Council will see a planned decrease in this measure following the introduction of FOGO bins in April 2026.

5.2. Targeted financial indicators (mandatory)

13. Working Capital

Council's Liquidity ratio is improving over time due to borrowings being used to pay for capital works projects. Council also aims to improve this ratio by increasing cash balances for future sustainability.

14. Asset renewal and upgrade

Council is working hard to improve financial position sustainability and at the same time recognises the need to increase its spend on Asset renewal and upgrade. Council is increasing its allocation of funding towards renewal projects in the coming years. This indicator is influenced by depreciation amounts which are subject to change.

15. Rates concentration

Council's Rates concentration remains relatively stable. Council is very reliant on Rates income to fund its operations but is always on the lookout for additional sources of income.

16. Expenditure and revenue level

Expenditure per property increases consistently from 2025/26 per budget increases. Expenditure per property is expected to dip in 2026/27 and then increase slightly by approx. 2% each year.

5.3 Financial performance indicators

17. Non-current liabilities compared to own-source revenue

Council's level of Non-current liabilities remains at approx 25% for the coming few years before increasing to approx 40% in 2028/29 where it has budgeted to borrow approx \$10M to fund a major capital project.

18. Loans and borrowings compared to own-source revenue

This indicator is expected to grow significantly in approx 2028/29 where Council has budgeted to borrow approx \$10M to fund a major capital project.

19. Loans and borrowings repayments compared to own-source revenue

Council has very low borrowings and even as Council has budgeted to borrow approx \$10M in around 2028/29, the ratio will remain low.

20. Expenses per head of population

Expenditure is expected to increase in the coming years increasing this indicator. This is also due to Glenelg Shire not being a high growth area.

21. Own-source revenue per head of population

Own-source income is predominantly rates revenue and as revenue generated is expected to increase in the coming years, this indicator will also increase. This is also due to Glenelg Shire not being a high growth area.

22. Recurrent grants per head of population

There is an expected decrease in this ratio for 2026/27 due to the early payment of the 2026/27 Local Government funding in 2025/26. Post 2026/27, this indicator increases again in line with expected increases in recurrent funding.

23. Cash compared to current liabilities

Council is working hard to improve it's financial position and striving to increase Cash balances for financial sustainability.

24. Adjusted underlying surplus (or deficit)

Council is working towards a positive adjusted underlying result. Despite the ratio still being negative over the coming budget periods, it is trending in a positive direction.

25. Rates compared to property values

Council's Rate revenue is expected to increase in 2025/26 due to increased waste charges to include the cost of FOGO and work towards full cost recovery for Kerbside Waste collection.

26. Average rate per property assessment

Average rates per property is expected to increase in line with rate cap due to the Glenelg Shire not being a high growth area.

5.4 Additional indicators (optional)

27. Interest cover ratio

Council is expected to meet the Treasury Corporation of Victoria (TCV) requirement that the Interest Cover Ratio must not to be less than 2:1 for each financial year.

28. Interest bearing liabilities to own source revenue

Council is expected to meet the TCV requirement that Interest bearing loans, leases and borrowings not exceeding 60 per cent of own source revenue.