

GLENELG SHIRE COUNCIL

BUDGET
2023-2024



Contents	Page
Mayors and CEO's Introduction	3
Budget Reports	
1. Link to the Council Plan	7
2. Services and service performance indicators	9
3. Financial statements	26
4. Notes to the Financial statements	35
5. Financial performance indicators	51

Mayor and CEO's Introduction

It gives us great pleasure to recommend this budget for 2023/24 to the Glenelg Shire Council community. Council provides more than 120 services to people of all ages and stages of life around the Shire. This document also details the funding that is required to deliver these services and maintain community infrastructure.

A great deal of work has been completed by Council officers to find cost savings and this is reflected in the 2023/24 budget. Rate increases have been capped at 3.5% in line with the Victorian Government's Fair Go Rates System. Despite the financial challenge this poses, Council is determined to maintain and enhance its services, while working within the cap. The rate for general, commercial and primary production rates has been increased by 3.5% for the 2023/24 financial year.

The decision on the rate cap for the 2023/24 year was guided by independent advice from the Essential Services Commission (ESC) recommending a cap of 4% – in line with the Consumer Price Index. However the Government set the rate cap 0.5% below the ESC's recommendation, taking into account the cost of living pressures facing rate payers.

Regrettably the cost of living is significant to everyone at this time and Council is not immune. The expenses incurred by Council in the delivery of services pose some significant financial challenges. Some of these non-negotiable items that need to be included in the budget are increased fuel and utility costs, technology and business improvement costs e.g software and licensing, and statutory obligations in relation to employee expenses including superannuation, workcover and impacts of current Enterprise Bargaining Agreements. The increased cost pressure on Council for these fixed costs has exceeded \$2M, far more than what the 3.5% rate increase will attract which is approximately \$845k.

This highlights the challenge to Council to enable a continuation of the current services and facilities at the existing level even though the costs to do this has increased far more than what the rate cap permits. Council is committed to reviewing and streamlining its services further to identify potential cost reduction opportunities.

Council has allowed for the transition from Aged Services for a period of time however this will be dependent on further discussions with government bodies.

Council also considered the introduction of the food and garden organics collection service, however felt that the additional cost to residents of approximately \$85 p.a. for the annual service garbage charge was not appropriate at this time. This service is not mandated until 2030 and Council will continue to search for funding opportunities to offset the costs to ratepayers in the interim.

In continuing council's efforts to keep financial pressure on the community to a minimum Council will fund several new initiatives and will allocate additional funds of \$100k to renew Council's footpath and drainage infrastructure.

This is in addition to a significant amount of capital works programs currently underway that will stretch into the new financial year. Some of these key projects include the Alexandra Park Pavilion, the Multi Purpose facility on the foreshore and the next stage of the Cape Bridgewater Foreshore project. These carry forward projects amount to approximately \$16M in ongoing capital projects for completion in 2023/24.

Council removed the charge for street trading during COVID. These remain currently at no cost to permit holders.

Some Local Laws fees such as vehicle impoundment have changed their structure to enable Council to recover the costs incurred rather than a set fee. Cat registration fees are proposed to be reduced significantly to entice those owners to register their animals as evidence suggests that many cats in the Shire are not registered.

Along with this, the cost for waste collection has only increased by 1.5% for 2023/24.

This is a Budget that aims to build a sustainable financial position in the years ahead whilst following through with completing priorities that were identified in the Council Plan. An amount of \$3M has been included in the Budget 2023/24 to scope a priority project identified from the 2021-2025 Council Plan.

The budget includes several initiatives and projects in 2023/24:

- Continued focus on asset maintenance of Council owned assets to ensure they are financially viable, fit for purpose and multiuse, where possible.
- The budget supports investment in digital connectivity across the municipality by continuing to deliver the digital Glenelg Implementation Plan.
- Good governance is enhanced with livestreaming continuing to be delivered in 2023/24.
- Traineeships are offered to young people to participate in training and employment experience at Glenelg Shire Council
- Continued allocation of \$200k for Community Grants Program and other Events.

We have worked hard to provide a responsible Budget that balances these current priorities with future needs. The last few years have been unprecedented regarding government grants and Council continues to position itself well to create opportunities for our community to continue to grow, thrive and achieve. This budget provides the capacity to continue delivering on important Council actions.

The investment in community assets has been significant in previous years and carry forward amounts will continue for several financial years.

The Budget includes details of this capital expenditure which will improve and renew our shire's physical infrastructure, buildings and plant and equipment. The Capital Works program for 2023/24 will be \$11.995M, excluding projects that may be carried over from the 2022/23 financial year. Of the \$11.995M in capital funding required, \$7.989M will come from external grants and \$4M from Council contribution. Federal funding for the Roads to Recovery Program continues to provide a valuable funding source for renewal of Council's roads.

Highlights of the Capital Works program:

- \$3M allocation for a priority project in the Council Plan (potential government funding of \$2M)
- \$375k Building works
- \$1.1M Plant and Equipment renewals
- \$115k Library, furniture and heritage equipment renewal programs
- \$3.1M Road works and bridge renewals
- \$200k Recreational and community facilities renewal, including a number of playspace upgrades
- \$50k Aerodrome upgrades
- \$160k Improvements to parks and open spaces
- \$2.27M funding stream for LRCI #4 will enable Council to consider more priority projects in 2023/24

Carried forward Projects from 2022/23 Capital Works program that will be completed in 2023/24:

- \$5.8M Portland Foreshore Multipurpose
- \$1.4M Alexandra Park Redevelopment
- \$1.8M Bridgewater Landscaping and Pathways
- \$2.3M Portland North Industrial Precinct
- \$3.6M Local Freight Roads
- \$100k Lighting and Ceremonial Space
- Various LRCI Projects

We look forward to working with you in the community to deliver these exciting projects throughout the coming year.

Landfill Rehabilitation

Construction costs on the Landfill Rehabilitation project will come to an end early in the 2023/24 financial year and only monitoring costs of \$260k annually will continue to be budgeted. The landfill provision has reduced significantly over the last 5 financial years with expenditure incurred of approximately \$10.2M. The provision is forecast to be \$7.8M at 30 June 2023.

Borrowings

An amount of \$7M has been included in this Budget for new borrowings and is required for expenditure incurred on major capital projects over the last 5 financial years. Council's borrowings as at 30 June 2023 is forecast to be \$711k.

Each year, the demands placed on Council exceed the revenue available. Council will continue to focus on identifying sustainable cost savings that will enable it to deliver on our Council Plan 2021-2025 and ensure the needs and aspirations of our community are realised. Council plans to continue to seek community input and engage the Glenelg Shire Council community in these important decisions.

Have your say - Budget Submissions

At the 26 April 2023 Council Meeting, the draft Budget 2023/2024 was presented and released for Community Consultation. The Budget submission period ended on the 26 May, and at the conclusion of the public consultation period, 63 submissions relating to the budget were received. Councillors conducted a Budget Submission hearing on Tuesday 13 June and heard submissions from 12 parties.

Several of the submissions received from the community related to the previous year's changes made to the rating structure in 2022/23 and general cost of living pressures requesting Council reduce rating income. However, there were also a significant number of requests seeking additional Council expenditure on new community projects, event funding and green waste services.

The nature of these submissions highlights the challenges faced by Councillors elected to represent the community when the views of those submissions are opposing perspectives.

The Glenelg Shire is fortunate in that it has been advised that it will receive \$2.27m under the Local Roads and Community Infrastructure (LRCI) round 4 in 2023/24 which was included in the draft budget. Council is yet to finalise the projects that will be funded under this funding scheme and as a result of the budget submission process, Council has referred the submissions relating to the upgrade of a Community BBQ shelter at the Merino reserve and the possibility of commencing a staged approach to the Casterton Rail Trail component aligned to Councils Tracks and Trails Strategy for consideration for funding under this scheme. The total value of the projects referred to this funding stream to date far outweigh the available funds and Councillors will consider the final successful projects in the near future with any unsuccessful projects referred to other potential funding options as they arise throughout the financial year.

Following preparation of the draft budget early in 2023, additional material changes have also become apparent necessitating update to the budget document. This significant change is to account for new capital funding announced through the LRCI funding stream of \$1.311M which has now been included and relates to road funding only.

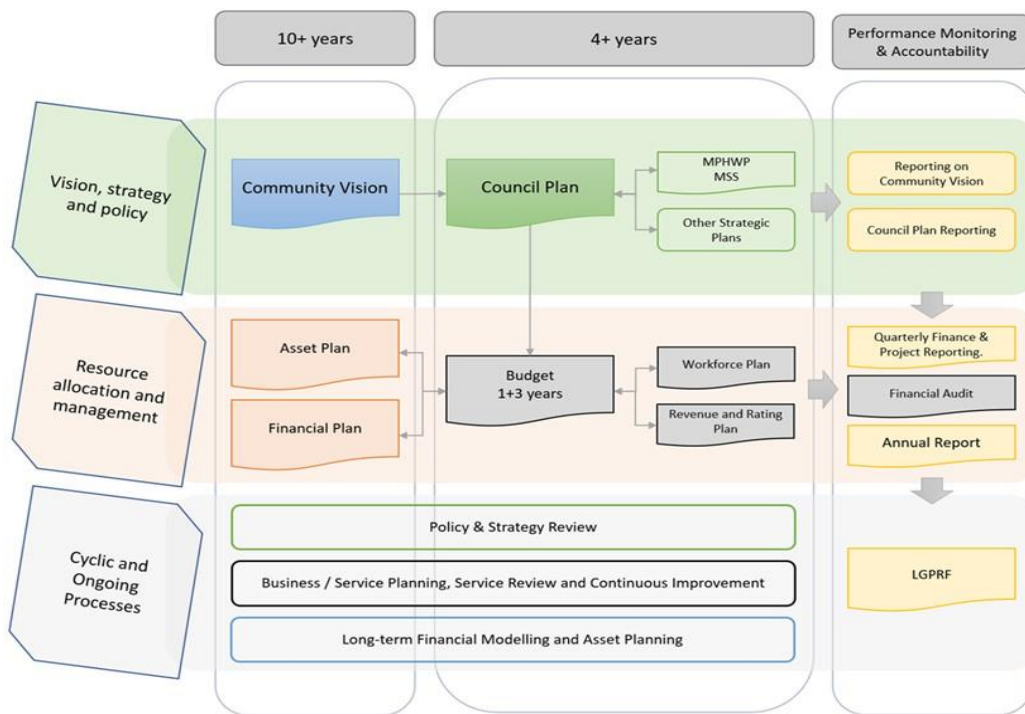
Whilst this results in a change to the operating result for the year to a surplus of \$1.086m, the nature of capital income recognition under the Accounting Standards suggest that the underlying results is a more appropriate measure of the financial position of Council. The budget adjusted underlying result shows a deficit of \$4.5m once non-recurrent capital funding has been removed. It is an ongoing challenge of Council to continually reduce this underlying result given the implications of the fair go rates cap.

1. Link to the Integrated Planning and Reporting Framework

This section describes how the Budget links to the achievement of the Community Vision and Council Plan within an overall integrated planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision and Financial 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 planning and reporting framework that applies to local government in Victoria. At each stage of the integrated 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.



Source: Department of Jobs, Precincts and Regions

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

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. Further, over time, the needs and expectations of communities can change. Therefore councils need to have robust processes for service planning and review to ensure all services continue to provide value for money and are in line with community expectations. In doing so, councils should 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 needs to be in line with Council's adopted Community Engagement Policy and Public Transparency Policy.

1.2 Our purpose

Our Vision

Glenelg Shire Council is forward thinking and inclusive. We will continue to innovate and develop our diverse economy to deliver services that meet the needs of our community.

Our Values

Respect, Integrity, Service Excellence, Teamwork and Innovation

1.3 Strategic objectives

Council delivers services and initiatives through 50 major service categories. Each contributes to the achievement of one of the five strategic objectives as set out in the Council Plan 2021-25.

Our Natural Environment

To strive towards a carbon neutral future to protect and enhance the natural environment for future generations.

Our Education, Employment and Industry

To adapt and grow a diverse economy to embrace employment of the future and educational opportunities.

Our Health and Wellbeing

To support the Glenelg community to thrive by being healthy, inclusive and well.

Our Lifestyle, Neighbourhood and Culture

To create enriching and vibrant lives through experiences, safe and well planned neighbourhoods.

Our Access, Transport and Technology

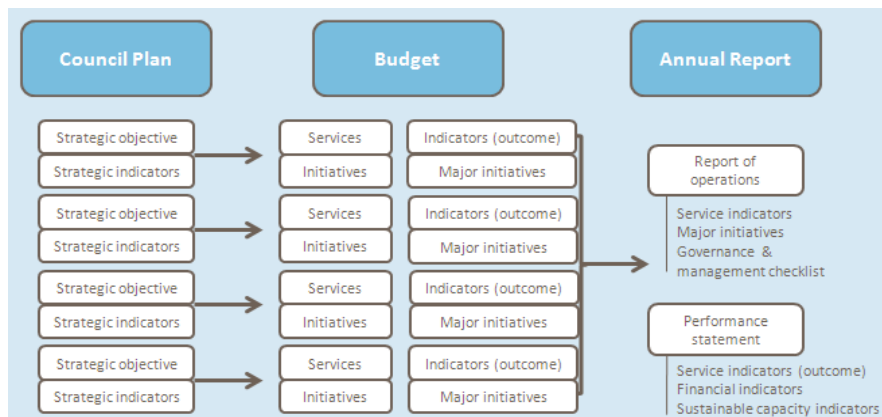
To make it easier for people to connect in and around the Glenelg Shire.

Your Voice, Our Shared Action

To create a highly engaged and capable local government, leading Glenelg to ensure the needs and aspirations of our community are realised.

2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2023/24 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. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: Department of Jobs, Precincts and Regions

2.1 Strategic Objective - Our Natural Environment

The objective the Strategic Objective 'Our Natural Environment' is to strive towards a carbon neutral future to protect and enhance the natural environment for future generations. The services, initiatives and performance indicators for each business area within 'Our Natural Environment' are described below -

Service area	Description of services provided		2021/22 Actual \$'000	2022/23 Forecast \$'000	2023/24 Budget \$'000
Emergency Response	Emergency Management Act 1986 and Emergency Management Act 2013 require councils to play a key role in emergency management, providing support to lead agencies and to manage emergency recovery on behalf of communities.	<i>Inc</i>	159	120	120
		<i>Exp</i>	688	542	250
		<u><i>Surplus / (deficit)</i></u>	<u>(529)</u>	<u>(422)</u>	<u>(130)</u>
Waste Management - Waste Reforms	Waste Management initiatives designed at minimising Council waste.	<i>Inc</i>	41	0	0
		<i>Exp</i>	182	237	232
		<u><i>Surplus / (deficit)</i></u>	<u>(141)</u>	<u>(237)</u>	<u>(232)</u>

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. Inspection and liaison of premises registered under the Acts are undertaken to ensure appropriate food safety and public health standards are maintained. Approval and inspection services also occur for installation of domestic wastewater systems, infectious disease investigations, pool water quality compliance for public swimming pools and investigation of public and/or environmental health complaints.	<i>Inc</i>	119	104	84
		<i>Exp</i>	350	310	333
		<i>Surplus / (deficit)</i>	(231)	(206)	(249)
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 reuse.	<i>Inc</i>	75	70	75
		<i>Exp</i>	223	227	246
		<i>Surplus / (deficit)</i>	(148)	(157)	(171)
Thermal Loop	Managing Council's Thermal Loop system as a cost effective environmentally friendly alternative heating source.	<i>Inc</i>	0	0	0
		<i>Exp</i>	291	100	111
		<i>Surplus / (deficit)</i>	(291)	(100)	(111)

2.1 Initiatives and Major Projects -

- 1) Council is committed to the following major projects which meet this Objective in the Council Plan - Portland Foreshore, Bridgewater Infrastructure & Multipurpose Building.
- 2) Cat registration fees are proposed to be reduced significantly to entice those owners to register their animals as evidence suggests that many cats in the Shire are not registered.
- 3) Council is committed to considering the introduction of the food and organics waste collection in future years and identifying funding opportunities to offset the costs to rate payers.

2.1 Service Performance Outcome Indicators -

Service	Indicator	2021/22 Actual
Food Safety	Health & Safety ^{^^} - Critical and major noncompliance outcome notifications	60.87%

* refer to table at end of section 2.7 for information on the calculation of Service Performance Outcome Indicators

2.2 Strategic Objective - Our Education, Employment and Industry

The objective the Strategic Objective 'Our Education, Employment and Industry' is to adapt and grow a diverse economy to embrace employment of the future and educational opportunities. The services, initiatives and performance indicators for each business area within 'Our Education, Employment and Industry' are described below -

Service area	Description of services provided	2021/22 Actual \$'000	2022/23 Forecast \$'000	2023/24 Budget \$'000	
Chief Executive Office and Executive Team	Oversee administrative function of council ensuring good governance practices providing advice to both the Mayor and Councillors. The Executive Team provide strategic direction and high level advice to enable policies and decisions of council to be implemented into the day to day operations.	<i>Inc</i>	103	138	44
		<i>Exp</i>	2,197	2,201	2,347
		<i>Surplus / (deficit)</i>	(2,095)	(2,062)	(2,303)
Organisational Development	Manages the recruiting process. Provides strategic advice to the Leadership Team, managers and coordinators on range of staffing matters including employee relations, industrial relations, training and development.	<i>Inc</i>	0	0	0
		<i>Exp</i>	835	898	992
		<i>Surplus / (deficit)</i>	(835)	(898)	(992)
Economy and Investment	Manage development enquiries and opportunities. Outcomes include advocating, networking to attract investments and sourcing/facilitating external grant funding opportunities to assist in the delivery of council projects.	<i>Inc</i>	200	295	5
		<i>Exp</i>	419	623	227
		<i>Surplus / (deficit)</i>	(219)	(328)	(222)

Grants Management	Source external grant funding opportunities to assist in delivery of council projects.	<i>Inc</i>	0	0	0
		<i>Exp</i>	30	50	50
		<i>Surplus / (deficit)</i>	(30)	(50)	(50)
Tourism and Events Management	Administer grant funding for multiple events each year and responsible for tourism marketing.	<i>Inc</i>	74	67	40
		<i>Exp</i>	889	760	703
		<i>Surplus / (deficit)</i>	(814)	(693)	(663)
Contracts and Procurement	Administer Council Contracts, lease agreements and procurement protocols.	<i>Inc</i>	64	67	73
		<i>Exp</i>	292	278	333
		<i>Surplus / (deficit)</i>	(229)	(211)	(260)
Childrens Services	Family orientated support services including kindergarten, long day care, before and after school care, occasional care, maternal and child health, immunisation and playgroup support.	<i>Inc</i>	3,436	3,442	3,520
		<i>Exp</i>	4,406	4,723	4,629
		<i>Surplus / (deficit)</i>	(969)	(1,281)	(1,109)
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. We care about our community and strive to ensure that every person's library experience – in our libraries, online or at community events – is the best it can be.	<i>Inc</i>	246	235	213
		<i>Exp</i>	695	693	616
		<i>Surplus / (deficit)</i>	(449)	(458)	(403)
Youth Services	Initiate and implement projects/events to connect young people to their local community by encouraging participation in all facets of community life.	<i>Inc</i>	145	133	133
		<i>Exp</i>	193	282	305
		<i>Surplus / (deficit)</i>	(49)	(149)	(173)
Community Grants	Council grants and contributions for various areas including recreation, public halls, tourism, events funding, arts and culture and community support.	<i>Inc</i>	0	0	0
		<i>Exp</i>	194	214	216
		<i>Surplus / (deficit)</i>	(194)	(214)	(216)
Casterton Saleyards	Operation of saleyards, hosting up to 6 store cattle sales plus a summer sheep sale per year.	<i>Inc</i>	134	136	126
		<i>Exp</i>	213	136	120
		<i>Surplus / (deficit)</i>	(79)	0	6

2.2 Initiatives and Major Projects -

- 1) Council is committed to the following major projects which meet this Objective in the Council Plan - Portland Foreshore, Bridgewater Infrastructure, Portland Employment Precinct & Multipurpose Building.
- 2) Continued allocation of \$200k for Community Grants Program and Events.

2.2 Service Performance Outcome Indicators -

Service	Indicator	2021/22 Actual
Library Services	Utilisation [^] - Physical library collection usage	2.31%
	Resource Standard [^] - Recently purchased library collection	43.58%
	Participation [^] - Active library borrowers in municipality	13.14%
	Service Cost [^] - Cost of library service per population	\$33.33

* refer to table in section 2.7 for information on the calculation of Service Performance Outcome Indicators

2.3 Strategic Objective - Our Health and Wellbeing

The objective of 'Our Health and Wellbeing' is to support the Glenelg community to thrive by being healthy, inclusive and well. The services, initiatives and performance indicators for each business area within 'Our Health and Wellbeing' are described below -

Service area	Description of services provided	2021/22 Actual \$'000	2022/23 Forecast \$'000	2023/24 Budget \$'000
Risk Management	Risk management and insurance advise, management of principles and best practice in order to minimise council's exposure to liability. Management of insurance portfolio, claims and work cover obligations.	<i>Inc</i> 149 <i>Exp</i> 2,637 <u>Surplus/ (deficit)</u> (2,488)	30 1,897 <u>(1,867)</u>	190 1,890 <u>(1,700)</u>
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> 270 <i>Exp</i> 1,194 <u>Surplus/ (deficit)</u> (924)	265 1,323 <u>(1,058)</u>	238 1,322 <u>(1,085)</u>
Aged and Disability Services	Range of services for the aged and disabled including home delivered meals, personal care, respite, home maintenance and planned activity groups.	<i>Inc</i> 2,512 <i>Exp</i> 2,654 <u>Surplus/ (deficit)</u> (142)	2,399 2,714 <u>(316)</u>	601 1,334 <u>(734)</u>

Maternal Child Health	Family orientated support services including maternal and child health, immunisation and playgroup support.	<i>Inc</i>	476	472	436
		<i>Exp</i>	650	647	581
		<i>Surplus/ (deficit)</i>	(174)	(175)	(145)
Access & Inclusion	Provide information, advocacy and resources to support access and inclusion across the shire.	<i>Inc</i>	4	36	0
		<i>Exp</i>	45	134	111
		<i>Surplus/ (deficit)</i>	(41)	(98)	(111)
Community Development and Wellbeing	Key facilitator of community strengthening planning activities. Support volunteering and work with community agencies to develop projects addressing disadvantage, resilience, wellbeing, access and inclusion.	<i>Inc</i>	104	241	71
		<i>Exp</i>	317	470	369
		<i>Surplus/ (deficit)</i>	(213)	(229)	(298)
Sports and Recreation	Provide access and opportunities to a range of activities and sporting facilities, playgrounds and open space recreation areas.	<i>Inc</i>	53	22	16
		<i>Exp</i>	766	572	572
		<i>Surplus/ (deficit)</i>	(712)	(550)	(556)

2.3 Initiatives and Major Projects -

1) Council is committed to the following major projects which meet this Objective in the Council Plan - Portland Foreshore, Bridgewater Infrastructure, Alexandra Park Upgrade & Multipurpose Building.

2.3 Service Performance Outcome Indicators -

Service	Indicator	2021/22 Actual
Animal Management	Health & Safety ^{^^} - Animal management prosecutions	100%
Maternal and Child Health	Service Standard [^] - Infant enrolments in the MCH service	101.09%
	Service Cost [^] - Cost of the MCH service	\$115.29
	Participation ^{^^} - Participation in the MCH service	87.18%
	Participation ^{^^} - Participation in the MCH service by Aboriginal children	84.68%
	Satisfaction [^] - Participation in 4-week Key Age and Stage visit	94.02%

* refer to table in section 2.7 for information on the calculation of Service Performance Outcome Indicators

2.4 Strategic Objective - Our Lifestyle, Neighbourhood and Culture

The objective of 'Our Lifestyle, Neighbourhood and Culture' is to create enriching and vibrant lives through experiences, safe and well planned neighbourhoods. The services, initiatives and performance indicators for each business area within 'Our Lifestyle, Neighbourhood and Culture' are described below -

Service area	Description of services provided		2021/22 Actual \$'000	2022/23 Forecast \$'000	2023/24 Budget \$'000
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>	1,058	1,264	1,307
		<i>Surplus / (deficit)</i>	(1,058)	(1,264)	(1,307)
Heritage Planning	Support of implementation of Heritage related legislation affecting the community.	<i>Inc</i>	0	0	0
		<i>Exp</i>	43	58	58
		<i>Surplus / (deficit)</i>	(43)	(58)	(58)
Planning Services	Strategic and statutory planning including assessment of planning permits, development of local policies and amendments to the Glenelg Planning Scheme. Representation at VCAT and other tribunals is also undertaken.	<i>Inc</i>	339	539	225
		<i>Exp</i>	798	1,276	998
		<i>Surplus / (deficit)</i>	(460)	(737)	(773)
Building Services	Ensuring obligations under Building Regulations, Building Act 1993 and Building Code of Conduct are adhered to. Responsible for issuing consent and reports and undertake swimming pool and commercial/building audits to ensure safety and appropriate maintenance levels are adequate.	<i>Inc</i>	328	300	280
		<i>Exp</i>	523	578	653
		<i>Surplus / (deficit)</i>	(195)	(278)	(373)

Arts and Culture	Under the ARTSGLENELG banner, a range of arts and cultural related functions, programs and information is provided to the shire, including an annual performance and show schedule.	<i>Inc</i>	161	134	152
		<i>Exp</i>	507	546	531
		<i>Surplus / (deficit)</i>	(346)	(411)	(379)
Collection Conservation	Coordination, administration and support of conservation, storage and display of cultural and heritage artefacts. Approximately 10,000 collection items are catalogued. The service also supports tourism in the area with management and displays in the History House, Maritime Discovery Centre museum, Portland Rocket Shed and Portland and Casterton Customer Service Centres.	<i>Inc</i>	5	180	11
		<i>Exp</i>	82	366	182
		<i>Surplus / (deficit)</i>	(76)	(186)	(171)
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 providing place based responses through leadership, engagement, advocacy, and education to strengthen the voices of Aboriginal people living in the far Southwest of Victoria.	<i>Inc</i>	1	0	0
		<i>Exp</i>	15	21	23
		<i>Surplus / (deficit)</i>	(14)	(21)	(23)

Casterton Caravan Park	Manage and maintain the council owned caravan park at Casterton.	<i>Inc</i>	56	25	55
		<i>Exp</i>	50	18	27
		<i>Surplus / (deficit)</i>	6	7	29
Caravan Park Portland	A Long Term Lease has been entered into with a National Caravan Park Operator to manage the Caravan Park.	<i>Inc</i>	130	120	127
		<i>Exp</i>	0	0	0
		<i>Surplus / (deficit)</i>	130	120	127
Visitor Information Centers	Manage three Visitor Information Centres; Portland, Casterton and Nelson. Provide local and Regional tourist advice.	<i>Inc</i>	85	66	107
		<i>Exp</i>	540	481	603
		<i>Surplus / (deficit)</i>	(455)	(415)	(496)
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>	1,201	1,397	1,425
		<i>Surplus / (deficit)</i>	(1,201)	(1,397)	(1,425)
Infrastructure, Management and Planning	Design, tender and project management of a broad range of council capital works.	<i>Inc</i>	47	610	0
		<i>Exp</i>	976	1,531	1,030
		<i>Surplus / (deficit)</i>	(929)	(921)	(1,030)
Waste Management	Kerbside waste collection including recyclables from most urban and some rural households. Public waste collection including 6 waste transfer stations.	<i>Inc</i>	3,677	3,342	3,719
		<i>Exp</i>	6,090	4,409	4,484
		<i>Surplus/ (deficit)</i>	(2,413)	(1,067)	(766)
Management of Engineering Services	Management of Assets to ensure service requirements of council assets are met.	<i>Inc</i>	0	0	0
		<i>Exp</i>	509	576	524
		<i>Surplus/ (deficit)</i>	(509)	(576)	(524)
Public Buildings and Foreshore Management	Council provides a large range of services many utilising a council building or facility.	<i>Inc</i>	205	400	0
		<i>Exp</i>	1,301	2,154	2,108
		<i>Surplus / (deficit)</i>	(1,096)	(1,754)	(2,108)
Parks and Gardens	Management of public lands including playgrounds, recreation reserves, toilet blocks, wetlands, landscaped areas, pathways, seating BBQs, garden beds, traffic management devices, waterways, bridges and streamside reserves. Street and Park trees and bushland conservation areas.	<i>Inc</i>	5	5	5
		<i>Exp</i>	1,827	2,000	2,220
		<i>Surplus/ (deficit)</i>	(1,822)	(1,995)	(2,214)

2.4 Initiatives and Major Projects -

- 1) Council is committed to the following major projects which meet this Objective in the Council Plan - Portland Foreshore, Bridgewater Infrastructure, Portland Employment Precinct, Alexandra Park Upgrade & Multipurpose Building.
- 2) Increased budget allocation for the maintenance of Council owned buildings.
- 3) Improvements in Collection Conservation to value, maintain and keep artwork.
- 4) Implement Planning Scheme Review recommendations.
- 5) Engage expert skills to address Asset Management Plans for Council's assets and future capital works.

2.4 Service Performance Outcome Indicators -

Service	Indicator	2021/22 Actual	2022/23 Forecast	2023/24 Budget
Aquatic Facilities	Utilisation [^] - Utilisation of Aquatic Facilities	2.10%		
	Service Standard [^] - Health inspections of Aquatic Facilities	0.50		
	Service Cost [^] - Cost of Aquatic Facilities	\$27.63		
Statutory Planning	Timeliness [^] - Time taken to decide planning applications	47.00		
	Service Standard [*] - Planning applications decided within required time frames	73.23%	70.00%	72.00%
	Service Cost [^] - Cost of statutory planning service	\$1,728.54		
	Decision Making [^] - Council planning decisions upheld at VCAT	66.67%		
Waste Management [*]	Satisfaction [^] - Kerbside bin collection requests	22.13%		
	Service Standard [^] - Kerbside collection bins missed	0.87%		
	Service Cost [^] - Cost of Kerbside Garbage bin collection service	\$136.00		
	Service Cost [^] - Cost of Kerbside Recyclables collection service	\$91.99		
	Waste Diversion [*] - Kerbside collection waste diverted from landfill	32.33%	32.00%	32.33%

* refer to table in section 2.7 for information on the calculation of Service Performance Outcome Indicators

[^] Target Projection not required for 2022/23 Forecast and 2023/24 Budget

2.5 Strategic Objective - Our Access, Transport and Technology

The objective of 'Our Access, Transport and Technology' is to make it easier for people to connect in and around the Glenelg Shire. The services, initiatives and performance indicators for each business area within 'Our Access, Transport and Technology' are described below -

Service area	Description of services provided		2021/22 Actual \$'000	2022/23 Forecast \$'000	2023/24 Budget \$'000
Digital Glenelg	Implementation of Councils Business Transformation program. Engendering change across people, process and technology to affect outcomes that benefit community and increase operational effectiveness in the provision of Council services to residents.	<i>Inc</i>	0	94	0
		<i>Exp</i>	877	1,463	1,253
		<i>Surplus/ (deficit)</i>	(877)	(1,369)	(1,253)
Information Technology	Support and maintain reliable and cost effective communications and computing systems, facilities and infrastructure. This enables council staff to deliver services in an efficient manner.	<i>Inc</i>	0	0	0
		<i>Exp</i>	1,649	2,153	2,264
		<i>Surplus/ (deficit)</i>	(1,649)	(2,153)	(2,264)
School Crossings	Provision of School Crossings across the shire.	<i>Inc</i>	62	74	74
		<i>Exp</i>	156	169	186
		<i>Surplus/ (deficit)</i>	(94)	(95)	(113)
Information & Data Management	Document, archival and information management including compliance with relevant legislation. Provides advice and support in development and promotion of records and information management systems, standards and procedures.	<i>Inc</i>	0	0	0
		<i>Exp</i>	231	345	355
		<i>Surplus/ (deficit)</i>	(231)	(345)	(355)
Quarries	Management of 6 operating limestone quarries for provision of road construction and maintenance materials.	<i>Inc</i>	88	0	0
		<i>Exp</i>	0	0	0
		<i>Surplus/ (deficit)</i>	88	0	0

Aerodromes	Council owned and operated airport at Portland. Facility users are Royal Flying Doctor, charter, private and emergency services. Commercial services were previously provided by Sharp Aviation. Casterton Airfield is used strategically for aerial fire operations and air ambulance.	<i>Inc</i>	69	69	69
		<i>Exp</i>	322	358	341
		<i>Surplus/ (deficit)</i>	(253)	(289)	(272)
Local Port	Management of multiple maritime facilities within the Portland Harbour including commercial and recreational fishing and boating.	<i>Inc</i>	593	596	626
		<i>Exp</i>	1,433	629	627
		<i>Surplus/ (deficit)</i>	(840)	(33)	(1)
Asset Management and Maintenance	Sustainably maintain assets and ensure service requirements of council assets are met. Manage rolling replacement of heavy plant and light plant, including fleet vehicles.	<i>Inc</i>	156	0	0
		<i>Exp</i>	918	51	408
		<i>Surplus/ (deficit)</i>	(762)	(51)	(408)
Road Infrastructure Maintenance	Regulatory compliance and management of road infrastructure including sealed and unsealed roads, footpaths, drainage, kerb and channels, signage, roadside vegetation, culverts, footbridges and fireplugs.	<i>Inc</i>	(1)	0	0
		<i>Exp</i>	3,853	4,823	4,981
		<i>Surplus/ (deficit)</i>	(3,853)	(4,823)	(4,981)

2.5 Initiatives and Major Projects -

- 1) Council is committed to the following major projects which meet this Objective in the Council Plan - Portland Employment Precinct.
- 2) Additional budget allocation to the annual footpath and renewal program.
- 2) Budget allocation to investigate Council's Enterprise Resource System.

2.5 Service Performance Outcome Indicators -

Service	Indicator	2021/22 Actual	2022/23 Forecast	2023/24 Budget
Roads	Satisfaction of use[^] - Sealed local road requests	4.20		
	Condition[*] - Sealed local roads maintained to condition standards	93.52%	93.00%	95.00%
	Service cost[^] - Cost of sealed local road reconstruction	\$53.25		
	Service cost[^] - Cost of sealed local road resealing	\$3.22		
	Satisfaction[^] - Satisfaction with Sealed Local Roads	42.00		

* refer to table in section 2.7 for information on the calculation of Service Performance Outcome Indicators

[^] Target Projection not required for 2022/23 Forecast and 2023/24 Budget

2.6 Strategic Objective - Your Voice, Our Shared Action

The objective of 'Your Voice, Our Shared Action' is to create a highly engaged and capable local government, leading Glenelg to ensure the needs and aspirations of our community are realised. The services, initiatives and performance indicators for each business area within 'Your Voice, Our Shared Action' are described below -

Service area	Description of services provided	2021/22 Actual \$'000	2022/23 Forecast \$'000	2023/24 Budget \$'000
Mayor and Council	Mayor and Councillors provide strategic direction to the community through council and committee processes and are responsible for the governance of the shire.	<i>Inc</i>	12	0
		<i>Exp</i>	398	482
		<i>Surplus/ (deficit)</i>	(386)	(482)
				506
Communication and Media	Provide accurate information and promotion on council activities and programs both internally and externally.	<i>Inc</i>	0	0
		<i>Exp</i>	150	148
		<i>Surplus/ (deficit)</i>	(150)	(148)
				164
Corporate Governance	Statutory and corporate support to council. This includes coordinating business papers, minutes of council meetings, maintenance of statutory registers and the conduct of municipal elections.	<i>Inc</i>	134	0
		<i>Exp</i>	187	100
		<i>Surplus/ (deficit)</i>	(53)	(100)
				103
Customer Service	First line response for customer enquiries at the 3 customer service centres at Portland, Heywood and Casterton. Request for works taken directly from customers, recorded and sent to the relevant service units. Casterton and Heywood centres also provide library services.	<i>Inc</i>	31	31
		<i>Exp</i>	679	714
		<i>Surplus/ (deficit)</i>	(647)	(683)
				756

Finance	Development of the annual council budget, annual financial report and the strategic financial plan. Coordination of external auditors and input into the audit committee requirements. Administer the accounts payable and accounts receivables services for the council. Supports all units in financial analysis of variances to budget.	<i>Inc</i>	0	0	0
		<i>Exp</i>	904	1,094	776
		<i>Surplus/ (deficit)</i>	(904)	(1,094)	(776)
Rating / Property Services	Rating and valuation services including raising and collection of rates and charges and valuation of properties through the shire. Assist Victorian Electoral Commission in preparation for the Voters Roll for council elections.	<i>Inc</i>	(76)	140	140
		<i>Exp</i>	397	396	432
		<i>Surplus/ (deficit)</i>	(474)	(255)	(292)
Internal Audit	Management of the Internal Audit function including Audit and Risk Committee.	<i>Inc</i>	0	0	0
		<i>Exp</i>	192	190	207
		<i>Surplus/ (deficit)</i>	(192)	(190)	(207)
Community Engagement & Planning	Provision of the Your Say Engagement Platform, notice of engagement and consolidating community voice into planning and strategy across the business.	<i>Inc</i>	0	0	0
		<i>Exp</i>	190	120	129
		<i>Surplus/ (deficit)</i>	(190)	(120)	(129)

2.6 Initiatives and Major Projects -

- 1) Council is committed to the following major projects which meet this Objective in the Council Plan - Portland Foreshore, Bridgewater Infrastructure, Portland Employment Precinct, Alexandra Park Upgrade & Multipurpose Building.
- 2) Continued budget allocation for Livestreaming Council Meetings.

2.6 Service Performance Outcome Indicators -

Service	Indicator	2021/22 Actual	2022/23 Forecast	2023/24 Budget
Governance	Transparency[^] - Council decisions made at meetings closed to the public	3.73%		
	Consultation and engagement[*] - Satisfaction with community consultation and engagement (rating out of 100)	57	55	57
	Attendance[^] - Councillor attendance at council meetings	96.70%		
	Service Cost[^] - Cost of elected representation	\$59,851.43		
	Satisfaction[^] - Satisfaction with council decisions	58		

* refer to table in section 2.7 for information on the calculation of Service Performance Outcome Indicators

[^] Target Projection not required for 2022/23 Forecast and 2023/24 Budget

2.7 Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Consultation and engagement	Satisfaction with community consultation and engagement. (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
Statutory planning	Service standard	Planning applications decided within required timeframes (percentage of regular and VicSmart planning application decisions made within legislated timeframes)	[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
Roads	Condition	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
Libraries	Participation	Library membership (Percentage of the population that are registered library members)	[Number of registered library members / Population] x100
Waste management	Waste diversion	Kerbside collection waste diverted from landfill. (Percentage of recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities. (Number of visits to aquatic facilities per head of population)	Number of visits to aquatic facilities / Population
Animal Management	Health and safety	Animal management prosecutions. (Percentage of animal management prosecutions which are successful)	Number of successful animal management prosecutions / Total number of animal management prosecutions

Food safety	Health and 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
Maternal and Child Health	Participation	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

2.8 Reconciliation with Budgeted Operating Result

	Surplus/ (Deficit) \$'000	Expenditure \$'000	Revenue \$'000
Strategic Objective 1 - Our Natural Environment	(894)	1,172	279
Strategic Objective 2 - Our Education, Employment and Industry	(6,385)	10,539	4,153
Strategic Objective 3 - Our Health and Wellbeing	(4,628)	6,179	1,551
Strategic Objective 4 - Our Lifestyle, Neighbourhood and Culture	(11,492)	16,172	4,680
Strategic Objective 5 - Our Access, Transport and Technology	(9,648)	10,417	769
Strategic Objective 5 - Your Voice, Our Shared Action	(2,900)	3,073	173
Total	(35,947)	47,552	11,605
Expenses added in:			
Depreciation		12,520	
Amortisation - Right of Use Assets		228	
Finance costs - Leases		17	
Others		(1,157)	
Surplus/(Deficit) before funding sources		(47,554)	
Funding sources added in:			
Rates and charges revenue (Excluding Waste Management Charge)		29,959	
Other Rates and Revenue (Fire Services)		121	
VLGGC Income - General Purpose and Roads Funding		10,405	
Capital Grants Income		7,989	
Finance Income		150	
Other Income		16	
Total funding sources		48,640	
Operating surplus/(deficit) for the year		1,086	

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 2022/23 \$'000	Budget 2023/24 \$'000	Variance \$'000
Total income	78,824	60,586	18,238
Total expenses	(62,191)	(59,500)	(2,692)
Surplus (deficit) for the year	16,633	1,086	15,547
Grants - capital non-recurrent	22,793	5,585	17,208
Contributions - non monetary assets	-	-	-
Capital contributions - other sources	-	-	-
Adjusted underlying result	(6,161)	(4,500)	(1,661)

The adjusted underlying result for the 2023/24 year is a deficit of \$4.5M which is a decrease of \$1.661M from the projected 2022/23 year. This movement is largely related to the exclusion of grants received for capital purposes which are non recurrent. In 2022/23 there was a significant amount of capital funding recognised in the Comprehensive Income Statement for major capital projects (See note 4.1.4 for a detailed listing of all capital grants).

It is important that Council continue to reduce this 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, however 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 provided 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 2023/24 has been supplemented with projections to 2026/27.

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 2027

	Notes	Forecast 2022/23 \$'000	Budget 2023/24 \$'000	2024/25 \$'000	Projections 2025/26 \$'000	2026/27 \$'000
Income/Revenue						
Rates and charges	4.1.1	31,393	32,618	33,283	33,815	34,358
Statutory fees and fines	4.1.2	924	835	860	886	912
User fees	4.1.3	2,904	2,761	2,844	2,929	3,017
Grants - Operating	4.1.4	17,170	15,164	14,994	15,223	15,456
Grants - Capital	4.1.4	24,993	7,989	4,200	4,200	4,200
Contributions - monetary	4.1.5	364	90	200	200	200
Other income	4.1.6	1,077	789	813	837	862
Net Gain (or Loss) on disposal of PP & E		-	340	-	-	-
Total income/revenue		78,824	60,586	57,193	58,090	59,006
Expenses						
Employee costs	4.1.7	(26,768)	(26,536)	(25,924)	(26,051)	(26,051)
Materials and services	4.1.8	(21,514)	(19,027)	(17,500)	(17,675)	(17,852)
Depreciation	4.1.9	(12,529)	(12,520)	(12,731)	(12,843)	(12,940)
Amortisation - right of use assets	4.1.10	(223)	(228)	(80)	(33)	-
Bad and doubtful debts		-	-	-	-	-
Borrowing costs		(98)	-	(330)	(314)	(297)
Finance Costs - leases		(20)	(17)	(3)	(1)	-
Other expenses	4.1.11	(1,041)	(1,172)	(1,147)	(1,123)	(1,098)
Total expenses		(62,191)	(59,500)	(57,715)	(58,039)	(58,238)
Surplus/(deficit) for the year		16,633	1,086	(523)	51	768
Items that may be reclassified to surplus or deficit in future periods		-	-	-	-	-
Total comprehensive result		16,633	1,086	(523)	51	768

Balance Sheet

	Notes	Forecast 2022/23 \$'000	Budget 2023/24 \$'000	2024/25 \$'000	Projections 2025/26 \$'000	2026/27 \$'000
Assets						
Current assets						
Cash and cash equivalents		5,608	5,644	7,256	10,069	13,712
Trade and other receivables		3,200	3,200	3,200	3,200	3,200
Other financial assets		4	4	4	4	4
Inventories		200	200	200	200	200
Prepayments		350	350	350	350	350
Non-current assets classified as held for sale		-	-	-	-	-
Other assets		50	50	50	50	50
Total current assets		9,412	9,448	11,060	13,873	17,516
Non-current assets						
Trade and other receivables		10	10	10	10	10
Other financial assets		-	-	-	-	-
Property, infrastructure, plant & equipment		444,331	451,784	448,902	445,647	442,260
Right-of-use assets	4.2.2	249	116	36	-	-
Investment property		-	-	-	-	-
Intangible assets		-	-	-	-	-
Total non-current assets		444,590	451,911	448,948	445,657	442,270
Total assets		454,002	461,359	460,008	459,530	459,785
Liabilities						
Current liabilities						
Trade and other payables		2,100	2,100	2,100	2,100	2,100
Trust funds and deposits		1,000	1,000	1,000	1,000	1,000
Provisions		5,052	5,141	5,232	5,325	5,419
Interest-bearing liabilities	4.2.1	452	586	343	360	378
Lease liabilities	4.2.2	155	86	35	3	-
Total current liabilities		8,759	8,914	8,710	8,788	8,897
Non-current liabilities						
Provisions		8,291	8,046	7,801	7,557	7,313
Interest-bearing liabilities	4.2.1	258	6,673	6,329	5,969	5,592
Lease liabilities	4.2.2	93	38	3	-	-
Total non-current liabilities		8,642	14,757	14,133	13,526	12,905
Total liabilities		17,400	23,672	22,843	22,314	21,801
Net assets		436,602	437,687	437,165	437,216	437,984
Equity						
Accumulated surplus		142,269	143,354	142,832	142,883	143,651
Reserves		294,333	294,333	294,333	294,333	294,333
Total equity		436,602	437,687	437,165	437,216	437,984

Statement of Changes in Equity

For the four years ending 30 June 2027

	Total \$'000	Accum. Surplus \$'000	Reval. Reserve \$'000	Other Reserves \$'000
2023 Forecast				
Balance at beginning of the financial year	419,969	125,636	294,333	-
Surplus/(deficit) for the year	16,633	16,633	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	436,602	142,269	294,333	-
2024 Budget				
Balance at beginning of the financial year	436,602	142,269	294,333	-
Surplus/(deficit) for the year	1,086	1,086	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	437,687	143,354	294,333	-
2025				
Balance at beginning of the financial year	437,687	143,354	294,333	-
Surplus/(deficit) for the year	(523)	(523)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	437,165	142,832	294,333	-
2026				
Balance at beginning of the financial year	437,165	142,832	294,333	-
Surplus/(deficit) for the year	51	51	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	437,216	142,883	294,333	-
2027				
Balance at beginning of the financial year	437,216	142,883	294,333	-
Surplus/(deficit) for the year	768	768	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	437,984	143,651	294,333	-

Statement of Cash Flows

For the four years ending 30 June 2027

	Forecast 2022/23 \$'000	Budget 2023/24 \$'000	2024/25 \$'000	Projections 2025/26 \$'000	2026/27 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	31,393	32,618	33,283	33,815	34,358
Statutory fees and fines	924	835	860	886	912
User fees	2,904	2,761	2,844	2,929	3,017
Grants - operating	17,170	15,164	14,994	15,223	15,456
Grants - capital	5,356	17,323	4,200	4,200	4,200
Contributions - monetary	364	90	200	200	200
Interest received	150	150	100	100	100
Other receipts	927	639	713	737	762
Employee costs	(26,768)	(26,536)	(25,924)	(26,051)	(26,051)
Materials and services	(21,514)	(19,027)	(17,500)	(17,675)	(17,852)
Short-term, low value and variable lease	(20)	(17)	(3)	(1)	-
Other payments	(2,350)	(2,503)	(2,810)	(2,769)	(2,728)
Net cash provided by/(used in) operating activities	8,536	21,497	10,956	11,594	12,375
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(18,728)	(11,995)	(8,560)	(8,310)	(8,310)
Payments for carry forward property, infrastructure, plant and equipment	-	(16,143)	-	-	-
Proceeds from sale of plant & equipment	-	340	-	-	-
Net cash provided by/ (used in) investing activities	(18,728)	(27,798)	(8,560)	(8,310)	(8,310)
Cash flows from financing activities					
Proceeds from borrowings	-	7,000	-	-	-
Repayment of borrowings	(557)	(452)	(586)	(343)	(360)
Interest paid - lease liability	(20)	(17)	(3)	(1)	-
Repayment of lease liabilities	(194)	(194)	(195)	(127)	(63)
Net cash provided by/(used in) financing activities	(771)	6,338	(784)	(471)	(423)
Net increase/(decrease) in cash & cash equivalents	(10,963)	36	1,612	2,813	3,642
Cash and cash equivalents at the beginning of the financial year	16,571	5,608	5,644	7,256	10,069
Cash and cash equivalents at the end of the financial year	5,608	5,644	7,256	10,069	13,712

Statement of Capital Works

For the four years ending 30 June 2027

	Notes	Forecast	Budget	Projections		
		2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000
Property						
Building improvements		(7,253)	(375)	(375)	(375)	(375)
Total buildings		(7,253)	(375)	(375)	(375)	(375)
Total property		(7,253)	(375)	(375)	(375)	(375)
Plant and equipment						
Heritage plant and equipment		(20)	(10)	(10)	(10)	(10)
Plant, machinery and equipment		(2,049)	(1,135)	(1,135)	(1,135)	(1,135)
Fixtures, fittings and furniture		(10)	(10)	(10)	(10)	(10)
Library books		(95)	(95)	(95)	(95)	(95)
Total plant and equipment		(2,174)	(1,250)	(1,250)	(1,250)	(1,250)
Infrastructure						
Roads		(7,820)	(4,216)	(2,905)	(2,905)	(2,905)
Bridges		(1,199)	(200)	(200)	(200)	(200)
Footpaths and cycleways		(60)	(100)	(50)	(50)	(50)
Drainage		(2,598)	(100)	(50)	(50)	(50)
Recreational, leisure and community facilities		(5,752)	(200)	(200)	(200)	(200)
Waste management		(290)	(20)	(20)	(20)	(20)
Parks, open space and streetscapes		(1,458)	(160)	(160)	(160)	(160)
Aerodromes		(430)	(50)	(50)	(50)	(50)
Off street car parks		(50)	(50)	(50)	(50)	(50)
Other infrastructure		(6,100)	(5,274)	(3,250)	(3,000)	(3,000)
Total infrastructure		(25,757)	(10,370)	(6,935)	(6,685)	(6,685)
Total capital works expenditure	4.3.1	(35,184)	(11,995)	(8,560)	(8,310)	(8,310)
Represented by:						
New asset expenditure		(26,585)	(5,274)	(3,250)	(3,000)	(3,000)
Asset renewal expenditure		(8,250)	(6,721)	(5,310)	(5,310)	(5,310)
Asset upgrade expenditure		(349)	-	-	-	-
Total capital works expenditure	4.3.1	(35,184)	(11,995)	(8,560)	(8,310)	(8,310)
Funding sources represented by:						
Grants		22,315	7,989	4,200	4,200	4,200
Contributions		-	-	-	-	-
Council cash		12,869	3,006	4,360	4,110	4,110
Borrowings		-	1,000	-	-	-
Total capital works expenditure	4.3.1	35,184	11,995	8,560	8,310	8,310

Statement of Human Resources

For the four years ending 30 June 2027

	Forecast	Budget	Projections		
	2022/23	2023/24	2024/25	2025/26	2026/27
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	(26,368)	(26,186)	(25,574)	(25,701)	(25,701)
Employee costs - capital	(400)	(350)	(350)	(350)	(350)
Total staff expenditure	(26,768)	(26,536)	(25,924)	(26,051)	(26,051)
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Employees	286.7	269.6	263.2	263.2	263.2
Total staff numbers	286.7	269.6	263.2	263.2	263.2

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

Department	Budget 2023/24 \$'000	Comprises			
		Permanent		Casual	Temp
		Full Time \$'000	Part time \$'000	\$'000	\$'000
Chief Executive Office	(1,645)	(1,032)	(505)	-	(108)
Glenelg Futures	(1,636)	(1,182)	(272)	-	(182)
Corporate Services	(6,790)	(4,676)	(1,510)	(217)	(387)
Community Services	(7,921)	(3,255)	(2,574)	(302)	(1,790)
Assets	(8,194)	(6,830)	(1,065)	(93)	(207)
Total permanent staff expenditure	(26,186)	(16,975)	(5,926)	(612)	(2,674)
Capitalised labour costs	(350)				
Total expenditure	(26,536)				

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

Department	Budget 2023/24	Comprises			
		Permanent		Casual	Temp
		Full Time	Part time		
Chief Executive Office	14.3	8.0	5.4	-	0.9
Glenelg Futures	14.4	11.0	2.4	-	1.0
Corporate Services	67.9	42.7	18.2	2.6	4.4
Community Services	82.0	33.4	29.7	3.4	15.4
Assets	83.0	69.0	11.1	0.8	2.0
Total permanent staff expenditure	261.6	164.1	66.9	6.8	23.7
Capitalised labour costs	8.0				
Total staff	269.6				

Summary of Planned Human Resources Expenditure
For the four years ended 30 June 2027

	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000
Chief Executive Office				
Permanent - Full time	1,032	1,032	1,032	1,032
Female	740	740	740	740
Male	292	292	292	292
Self-described gender	0	0	0	0
Permanent - Part time	505	505	505	505
Female	505	505	505	505
Male	0	0	0	0
Self-described gender	0	0	0	0
Total Chief Executive Office	1,537	1,537	1,537	1,537
Glenelg Futures				
Permanent - Full time	1,182	1,182	1,182	1,182
Female	576	576	576	576
Male	606	606	606	606
Self-described gender	0	0	0	0
Permanent - Part time	272	272	272	272
Female	272	272	272	272
Male	0	0	0	0
Self-described gender	0	0	0	0
Total Glenelg Futures	1,454	1,454	1,454	1,454
Corporate Services				
Permanent - Full time	4,676	4,676	4,676	4,676
Female	2,574	2,574	2,574	2,574
Male	2,103	2,103	2,103	2,103
Self-described gender	0	0	0	0
Permanent - Part time	1,510	1,510	1,510	1,510
Female	1,190	1,190	1,190	1,190
Male	320	320	320	320
Self-described gender	0	0	0	0
Total Corporate Services	6,186	6,186	6,186	6,186
Community Services				
Permanent - Full time	3,255	3,255	3,255	3,255
Female	3,040	3,040	3,040	3,040
Male	215	215	215	215
Self-described gender	0	0	0	0
Permanent - Part time	2,574	2,574	2,574	2,574
Female	2,349	2,349	2,349	2,349
Male	225	225	225	225
Self-described gender	0	0	0	0
Total Community Services	5,830	5,830	5,830	5,830
Assets				
Permanent - Full time	6,830	6,830	6,830	6,830
Female	723	723	723	723
Male	6,107	6,107	6,107	6,107
Self-described gender	0	0	0	0
Permanent - Part time	1,065	1,065	1,065	1,065
Female	210	210	210	210
Male	855	855	855	855
Self-described gender	0	0	0	0
Total Assets	7,894	7,894	7,894	7,894
Casuals, temporary and other expenditure	3,286	2,673	2,801	2,801
Capitalised labour costs	350.0	350.0	350.0	350.0
Total staff expenditure	26,536	25,923	26,051	26,051

	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE
Chief Executive Office				
Permanent - Full time	8.0	8.0	8.0	8.0
Female	7.0	7.0	7.0	7.0
Male	1.0	1.0	1.0	1.0
Self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	5.4	5.4	5.4	5.4
Female	5.4	5.4	5.4	5.4
Male	0.0	0.0	0.0	0.0
Self-described gender	0.0	0.0	0.0	0.0
Total Chief Executive Office	13.4	13.4	13.4	13.4
Glenelg Futures				
Permanent - Full time	11.0	11.0	11.0	11.0
Female	5.0	5.0	5.0	5.0
Male	6.0	6.0	6.0	6.0
Self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	2.4	2.4	2.4	2.4
Female	2.4	2.4	2.4	2.4
Male	0.0	0.0	0.0	0.0
Self-described gender	0.0	0.0	0.0	0.0
Total Glenelg Futures	13.4	13.4	13.4	13.4
Corporate Services				
Permanent - Full time	42.7	42.7	42.7	42.7
Female	26.0	26.0	26.0	26.0
Male	16.7	16.7	16.7	16.7
Self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	18.2	18.2	18.2	18.2
Female	14.2	14.2	14.2	14.2
Male	4.0	4.0	4.0	4.0
Self-described gender	0.0	0.0	0.0	0.0
Total Corporate Services	60.9	60.9	60.9	60.9
Community Services				
Permanent - Full time	33.4	33.4	33.4	33.4
Female	31.4	31.4	31.4	31.4
Male	2.0	2.0	2.0	2.0
Self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	29.9	29.9	29.9	29.9
Female	27.1	27.1	27.1	27.1
Male	2.8	2.8	2.8	2.8
Self-described gender	0.0	0.0	0.0	0.0
Total Community Services	63.3	63.3	63.3	63.3
Assets				
Permanent - Full time	69.0	69.0	69.0	69.0
Female	7.0	7.0	7.0	7.0
Male	62.0	62.0	62.0	62.0
Self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	11.2	11.2	11.2	11.2
Female	2.1	2.1	2.1	2.1
Male	9.1	9.1	9.1	9.1
Self-described gender	0.0	0.0	0.0	0.0
Total Assets	80.2	80.2	80.2	80.2
Casuals and temporary staff	30.4	23.9	23.9	23.9
Capitalised labour	8.0	8.0	8.0	8.0
Total staff numbers	269.6	263.2	263.2	263.2

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 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 2023/24 the FGRS cap has been set at 3.5%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges. Glenelg Shire Council does not have a municipal charge.

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 3.5% in line with the rate cap.

The ad valorem rates below are based on the current valuation as supplied by the valuer general which is subject to confirmation.

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

	2022/23 Forecast \$'000	2023/24 Budget \$'000	Change \$'000	%
Waste Management charge - Kerbside Collection	2,482	2,519	37	1.50%
General Service Rates and Charges *	24,172	25,013	841	3.48%
Valuation adjustment for supplementaries in 22/23	(322)	-	322	-100.00%
Rates and Charges - Cultural & Recreational Lands Act	27	28	1	3.70%
Special rates and charges	4,874	4,911	37	0.76%
Supplementary rates and rate adjustments	143	141	(2)	-1.40%
Interest on rates and charges	17	6	(11)	-64.71%
Total Rates and charges	31,393	32,618	1,225	3.90%

*These items are subject to the rate cap established under the FGRS

Valuation adjustments of approximately \$322k at the time of preparing the budget are included in the calculation of the General Rates capped amount for 23/24.

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

Type or class of land	2022/23 cents/\$CIV*	2023/24 cents/\$CIV*	Change
General rate for rateable general land	0.003725	0.003371	-9.50%
General rate for rateable commercial land	0.003725	0.003371	-9.50%
General rate for primary production land (70% differential)	0.002607	0.002359	-9.51%
General rate for cultural and recreation lands	0.001863	0.001686	-9.50%

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	2022/23 \$'000	2023/24 \$'000	Change \$'000	%
General land *	12,662	13,197	535	4.23%
Commercial land *	1,729	1,760	31	1.81%
Primary production land *	9,782	10,056	274	2.80%
Total General Rates and Charges *	24,172	25,013	841	3.48%
Cultural and recreational land	27	28	1	3.70%
Rate agreements	4,874	4,911	37	0.76%
Total amount Rates and Charges	29,073	29,952	879	3.02%

*These items are subject to the rate cap established under the FGRS

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	2022/23 Number	2023/24 Number	Change Number	%
General land	10,100	10,173	73	0.72%
Commercial land	1,021	1,021	-	0.00%
Primary production land	2,751	2,751	-	0.00%
Cultural and recreational land	30	30	-	0.00%
Rate agreements	6	6	-	0.00%
Total number of assessments	13,908	13,981	73	0.52%

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

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	2022/23	2023/24	Change	
	\$'000	\$'000	\$'000	%
General land	3,399,125	3,914,837	515,712	15.17%
Commercial land	464,103	522,128	58,025	12.50%
Primary production land	3,752,143	4,263,177	511,034	13.62%
Cultural and recreational land	14,364	16,324	1,960	13.65%
Rate agreements	347,106	347,776	670	0.19%
Total value of land	7,976,841	9,064,242	1,087,401	13.63%

4.1.1(g) 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:

Type of Charge	Per	Per	Change	
	Rateable	Rateable	\$	%
	Property	Property		
2022/23	2023/24			
	\$	\$		
Waste Management charge - Kerbside Collection	291.70	296.00	4	1.47%
Total	291.70	296.00	4	1.47%

4.1.1(h) 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	2022/23	2023/24	Change	
	\$'000	\$'000	\$	%
Waste Management charge - Kerbside Collection	2,482	2,519	37	1.50%
Total	2,482	2,519	37	1.50%

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

	2022/23	2023/24	Change	
	\$'000	\$'000	\$'000	%
General rates	24,172	25,013	841	3.48%
Rates and Charges - Cultural & Recreational Lands Act	27	28	1	3.70%
Rate agreements	4,874	4,911	37	0.76%
Waste Management charge - Kerbside Collection	2,482	2,519	37	1.50%
Total Rates and charges	31,555	32,471	916	2.90%

4.1.1(j) 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.

	2022/23	2023/24
Total Rates (excludes rate agreements & cultural and recreational	\$ 23,850	\$ 25,013
Number of rateable properties	13,872	13,945
Base Average Rate	\$ 1,688.86	\$ 1,733.41
Maximum Rate Increase (set by the State Government)	1.75%	3.50%
Capped Average Rate	\$ 1,717.45	\$ 1,793.75
Maximum General Rates and Municipal Charges Revenue	\$ 23,850	\$ 25,018
Budgeted General Rates and Municipal Charges Revenue	\$ 23,877	\$ 25,013
Budgeted Supplementary Rates	\$ 143	\$ 141
Budgeted Total Rates and Municipal Charges Revenue *	\$ 31,393	\$ 32,618

Data provided for 2022/23 is consistent with Annual Compliance Information submitted to the ESC in 2022/23.

*Budgeted Total Rates includes Waste Management Charge, and other Rates outside of Rate Cap (Rate Agreements, Cultural and Recreational Lands Act and Interest)

4.1.1(k) 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 (2023/24: estimated \$141k)
- 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; and
- Changes of use of land such that residential land becomes business land and vice versa.

4.1.2 Statutory fees and fines

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Infringements and costs	1	-	(1)	-100.00%
Planning	540	490	(50)	-9.26%
Registrations	225	220	(5)	-2.12%
Permits	143	109	(34)	-23.62%
Other	16	16	-	0.00%
Total Statutory fees and fines	924	835	(89)	-9.63%

4.1.3 User fees

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Aged and health services	779	203	(576)	-73.97%
Contracts and Leases	212	255	43	20.05%
Child care/Children's programs	628	615	(13)	-2.12%
Local Port	330	356	26	7.96%
Waste management services	840	1,200	360	42.86%
Other fees and charges	115	132	18	15.48%
Total User fees	2,904	2,761	(143)	-4.93%

4.1.4 Grants

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

	Forecast 2022/23 \$'000	Budget 2023/24 \$'000	Change	
			\$'000	%
Summary of grants				
Commonwealth funded grants	20,594	17,963	(2,632)	-13%
State funded grants	21,568	5,190	(16,378)	-76%
Total Grants received	42,163	23,153	(19,010)	-45%
(a) Operating Grants				
Recurrent - Commonwealth Government				
Financial Assistance Grants	9,910	10,405	495	5%
Aged and Disability Services	1,248	296	(952)	-76%
Recurrent - State Government				
Aged and Disability Services	367	99	(268)	-73%
Emergency Response	120	120	-	0%
Environmental Health	6	4	(2)	-30%
Libraries	207	210	3	2%
Local Port	186	186	-	0%
Maternal and child health	472	436	(36)	-8%
Family & Children	932	863	(69)	-7%
Community Wellbeing - L2P	66	66	0	0%
Youth Services	36	36	-	0%
Total Recurrent grants	13,550	12,721	(828)	-6%
Non-recurrent - Commonwealth Government				
Planning Services	209	15	(194)	-93%
Family and children	1,361	1,258	(103)	-8%
Non-recurrent - State Government				
Aged and Disability Services	3	1	(2)	-63%
Arts and Culture	90	90	-	0%
Collection Conservation	150	-	(150)	-100%
Community Wellbeing	175	4	(171)	-97%
Environmental Sustainability	70	75	5	7%
Economy and Investment	170	5	(165)	-97%
Municipal Emergency Response	500	-	(500)	-100%
Family and children	514	785	271	53%
Planning Services	120	-	(120)	-100%
Planning - Projects	80	-	(80)	-100%
Libraries	13	-	(13)	-100%
Local Port	80	84	4	5%
School crossing supervisors	74	74	-	0%
Sports and Recreation	7	-	(7)	100%
Youth Services	52	52	-	0%
Misc (Gender Equity, Timber Towns Grant & returned Grant funds for Working for Victoria initiative)	(48)	-	48	-100%
Total Non-recurrent grants	3,620	2,443	(1,177)	-33%
Total Operating Grants	17,170	15,164	(2,006)	-12%

(b) Capital Grants**Recurrent - Commonwealth Government**

Roads to recovery	2,200	2,404	204	9%
Total Recurrent grants	2,200	2,404	204	9%

Non-recurrent - Commonwealth Government

LRCI Funding - Phase #1	227	-	(227)	-100%
LRCI Funding - Phase #2	1,061	-	(1,061)	-100%
LRCI Funding - Phase #3	4,135	-	(4,135)	-100%
LRCI Funding - Phase #4	-	3,585	3,585	-100%
Aerodromes	243	-	(243)	-100%

Non-recurrent - State Government

Alexandra Park Redevelopment	2,952	-	(2,952)	100%
Bridgewater Bay Master Plan	250	-	(250)	-100%
Portland Foreshore Ceremonial Space Project	900	-	(900)	-100%
Foreshore Multi-Purpose Building	4,949	-	(4,949)	-100%
Local Freight Roads Project	4,800	-	(4,800)	-100%
STILS Traffic Improvements	322	-	(322)	-100%
Portland Marina Trawler Wharf Ext Project	397	-	(397)	-100%
Boat Ramp North Toilet Block	57	-	(57)	-100%
Portland North Industrial Precinct - Stage 2 Building Project	2,500	-	(2,500)	-100%
		2,000	2,000	-100%
Total Non-recurrent grants	22,793	5,585	(17,209)	-75%

Total Capital grants	24,993	7,989	(17,004)	-68%
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Total Grants	42,163	23,153	(19,010)	-45%
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4.1.5 Contributions

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Monetary	364	90	(274)	-75.28%
Total Contributions	364	90	(274)	-75.28%

4.1.6 Other income

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Interest income	150	150	-	0.00%
Reimbursements	175	306	131	74.54%
Sales and commission	752	333	(419)	-55.72%
Total Other income	1,077	789	(289)	-26.78%

4.1.7 Employee costs

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Wages and salaries	22,128	21,122	(1,006)	-4.55%
WorkCover	520	565	45	8.65%
Superannuation	2,419	2,349	(70)	-2.89%
Fringe Benefits Tax	148	150	3	1.69%
Other employee costs	1,902	2,700	798	41.92%
Salary expenses capitalised	(350)	(350)	-	0.00%
Total Employee costs	26,768	26,536	(231)	-0.86%

4.1.8 Materials and services

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Contract payments	13,179	10,724	(2,455)	-18.63%
Material expenses	2,299	2,460	161	7.02%
Utilities	1,431	1,582	151	10.57%
Office administration	208	200	(8)	-4.07%
Information technology	1,245	1,335	90	7.23%
Insurance	823	870	47	5.69%
Legal and Consulting expenses	1,729	1,056	(673)	-38.93%
Maintenance	600	800	200	33.33%
Total Materials and services	21,514	19,027	(2,487)	-11.56%

4.1.9 Depreciation

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Property	2,996	2,994	(2)	-0.07%
Plant & equipment	1,124	1,123	(1)	-0.07%
Infrastructure	8,409	8,403	(6)	-0.07%
Total Depreciation	12,529	12,520	(9)	-0.07%

4.1.10 Amortisation - Right of use assets (ROU)

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Right of use assets	223	228	5	2.21%
Total Amortisation - ROU Assets	223	228	5	2.21%

4.1.11 Other expenses

	Forecast	Budget	Change	
	2022/23	2023/24	\$'000	%
	\$'000	\$'000	\$'000	%
Audit fee expenses	50	53	3	5.04%
Councillor Allowances	292	312	20	6.85%
Seminar and training fees	328	288	(40)	-12.31%
Memberships	338	323	(15)	-4.34%
Communication expenses	266	303	37	13.82%
Advertising	130	118	(12)	-9.30%
Travel and accommodation	114	114	(0)	-0.22%
Statutory expenses	98	152	54	54.73%
Bank fees	53	56	3	6.22%
Contributions and donations	330	336	6	1.91%
Other expenses	40	244	204	515.78%
Registrations	213	205	(8)	-3.77%
Internal cost allocations	(1,211)	(1,332)	(121)	10.00%
Total Other expenses	1,041	1,172	131	12.59%

* Other expenses includes an amount allocated for investigation into Council's Enterprise Resource System.

4.2 Balance Sheet

4.2.1 Borrowings

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

	Forecast 2022/23 \$'000	Budget 2023/24 \$'000	Projections 2024/2025 \$'000	2025/26 \$'000	2026/27 \$'000
Amount borrowed as at 30 June of the prior year	1,268	711	7,259	6,673	6,330
Amount proposed to be borrowed	-	7,000	-	-	-
Amount projected to be redeemed	(557)	(452)	(586)	(343)	(360)
Amount of borrowings as at 30 June	711	7,259	6,673	6,330	5,970

Loan borrowings is a legitimate and responsible financial management tool used to fund major projects and is best utilised to spread the payments for such projects across the generations who benefit.

As part of the development of this Budget, Council has proposed borrowings that are affordable and flexible, ensures on-going financial sustainability, and provides an alternative funding option for specific major projects that are intergenerational.

New borrowings of \$7M are required for major capital project expenditure that has occurred over several years relating to the Landfill Rehabilitation Works. Cash inflows from grant funding in prior years has financed the landfill works in the respective years these works were carried out.

4.2.2 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 2022/23 \$'000	Budget 2023/24 \$'000
Right-of-use (ROU) assets		
Plant and Equipment	249	116
Total ROU assets	249	116
Lease liabilities		
Current lease Liabilities		
Plant and Equipment	155	86
Total Current lease liabilities	155	86
Non-current lease liabilities		
Plant and Equipment	93	38
Total Non-current lease liabilities	93	38
Total Lease liabilities	248	124

4.3 Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2023/24 year, classified by expenditure type and funding source. Works are also disclosed as current budget or carried forward from prior year.

4.3.1 Summary

	Forecast 2022/23 \$'000	Budget 2023/24 \$'000	Change \$'000	%
Property	7,253	375	(6,878)	-94.83%
Plant and equipment	2,174	1,250	(924)	-42.50%
Infrastructure	25,757	10,370	(15,387)	-59.74%
Total	35,184	11,995	(23,189)	-65.91%

	Project Cost \$'000	Asset expenditure types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowings \$'000
Property	375	-	375	-	-	-	-	375	-
Plant and equipment	1,250	-	1,250	-	-	-	-	1,250	-
Infrastructure	10,370	5,274	5,096	-	-	6,678	-	1,381	1,000
Total	11,995	5,274	6,721	-	-	6,678	-	3,006	1,000

4.3.2 Current Budget

Capital Works Area	Project Cost \$'000	Asset expenditure types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Buildings									
<i>Mechanical Plant Renewals</i>	20	-	20	-	-	-	-	20	-
<i>Renewal Plan</i>	300	-	300	-	-	-	-	300	-
<i>Casterton Saleyard Renewal</i>	30	-	30	-	-	-	-	30	-
<i>DDA Compliance Program</i>	25	-	25	-	-	-	-	25	-
TOTAL PROPERTY	375	-	375	-	-	-	-	375	-
PLANT AND EQUIPMENT									
Plant, Machinery and Equipment									
<i>Heavy Plant Renewal Program</i>	500	-	500	-	-	-	-	500	-
<i>Light Fleet Renewal Program</i>	615	-	615	-	-	-	-	615	-
<i>Light Plant Renewal Program</i>	20	-	20	-	-	-	-	20	-
Fixtures, Fittings and Furniture									
<i>Furniture Renewal Program</i>	10	-	10	-	-	-	-	10	-
Heritage Plant and Equipment									
<i>Heritage Plant and Equipment</i>	10	-	10	-	-	-	-	10	-
Library books									
<i>Library Resources Renewal Program</i>	95	-	95	-	-	-	-	95	-
TOTAL PLANT AND EQUIPMENT	1,250	-	1,250	-	-	-	-	1,250	-

Capital Works Area	Project Cost \$'000	Asset expenditure types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowings \$'000
INFRASTRUCTURE									
Roads									
Road Resheeting Program	1,200	-	1,200	-	-	1,200	-	-	-
Sealed Road Resurfacing Program	600	-	600	-	-	600	-	-	-
Final Seals Prior Year Projects	700	-	700	-	-	604	-	96	-
Sealed Road Rehabilitation Program	100	-	100	-	-	-	-	100	-
Local Area Traffic Facilities Renewal Works	75	-	75	-	-	-	-	75	-
Urban Kerb and Channel Renewal Program	100	-	100	-	-	-	-	100	-
Rural Drainage Renewal Program	30	-	30	-	-	-	-	30	-
Major Road Patching Program	100	-	100	-	-	-	-	100	-
Bridges									
Bridge Annual Renewal Program	200	-	200	-	-	-	-	200	-
Footpaths and Cycleways									
Path Annual Renewal Program	100	-	100	-	-	-	-	100	-
Drainage									
Stormwater Assets Renewal Program	100	-	100	-	-	-	-	100	-
Recreational, Leisure & Community Facilities									
Recreation & Open Space Renewal Program	200	-	200	-	-	-	-	200	-
Waste Management									
Waste Management Facilities Renewal	20	-	20	-	-	-	-	20	-
Parks, Open Space and Streetscapes									
Street Lighting Renewal Program	10	-	10	-	-	-	-	10	-
Street Furniture Renewal Program	20	-	20	-	-	-	-	20	-
Street Tree Replacement Program	30	-	30	-	-	-	-	30	-
Local Port Renewal Program	50	-	50	-	-	-	-	50	-
Rock Seawall Renewal	50	-	50	-	-	-	-	50	-
Off Street Car Parks									
Parking Facilities Renewal Program	50	-	50	-	-	-	-	50	-
Aerodrome									
Aerodrome Renewal Program	50	-	50	-	-	-	-	50	-
Other Infrastructure									
Priority Project	3,000	3,000	-	-	-	2,000	-	-	1,000
LCRI Stage 4	3,585	2,274	1,311	-	-	2,274	-	-	-
TOTAL INFRASTRUCTURE	10,370	5,274	5,096	-	-	6,678	-	1,381	1,000
TOTAL NEW CAPITAL WORKS	11,995	5,274	6,721	-	-	6,678	-	3,006	1,000

4.3.3 Works carried forward from the 2022/23 year

Capital Works Area	Project Cost \$'000	Asset expenditure types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contrib.	Council cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
PROPERTY									
Building									
<i>Multipurpose Building - Portland Foreshore</i>	5,850	5,850	-	-	-	1,000	-	-	-
INFRASTRUCTURE									
Roads									
<i>Local Freight Roads Projects</i>	3,634	3,634	-	-	-	3,340	-	-	-
Off Street Car Parks									
<i>Parking Facilities Program</i>	50	-	50	-	-	-	-	-	-
Drainage									
<i>Portland North Industrial Precinct - Stage 2</i>	2,340	-	-	2,340	-	2,000	-	-	-
Parks, Open Space and Streetscapes									
<i>Heywood Transfer Station Improvements (LRCl)</i>	150	-	-	150	-	-	-	-	-
<i>Henty St Toilet Upgrade (LRCl)</i>	550	-	-	550	-	-	-	-	-
<i>Bridgewater Landscaping and Pathways Upgrade (LRCl)</i>	400	400	-	-	-	-	-	-	-
<i>Alexandra Park Master Plan</i>	1,432	1,432	-	-	-	-	-	-	-
<i>Portland Foreshore and Local Port Improvements</i>	392	392	-	-	-	-	-	-	-
<i>Portland Foreshore Lighting and Ceremonial Space</i>	100	100	-	-	-	720	-	-	-
Other									
<i>Other Infrastructure - Various projects (LRCl #3)</i>	1,245	1,245	-	-	-	2,273	-	-	-
TOTAL CARRIED FORWARD CAPITAL WORKS FROM 2022/2023	16,143	13,053	50	3,040	-	9,333	-	810	* 6000
TOTAL NEW & CARRIED FORWARD CAPITAL WORKS	28,138	18,327	6,771	3,040	-	16,011	-	3,816	7,000

* Council will utilise loan amount in 23/24 of \$7M to contribute to the completion of major carry forward projects in 23/24, and \$1M to a Priority Project. There are a number of grants that have been received in advance for large capital works projects that have allowed Council in previous years to utilise cash reserves rather than draw down on new loans.

**Summary of Planned Capital Works Expenditure
For the years ending 30 June 2025, 2026 & 2027**

2024/25	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
Property										
Building improvements	375	0	375	0	0	375	0	0	375	0
Total Buildings	375	0	375	0	0	375	0	0	375	0
Total Property	375	0	375	0	0	375	0	0	375	0
Plant and Equipment										
Heritage plant and equipment	10	0	10	0	0	10	0	0	10	0
Plant, machinery and equipment	1,135	0	1,135	0	0	1,135	0	0	1,135	0
Fixtures, fittings and furniture	10	0	10	0	0	10	0	0	10	0
Library books	95	0	95	0	0	95	0	0	95	0
Total Plant and Equipment	1,250	0	1,250	0	0	1,250	0	0	1,250	0
Infrastructure										
Roads	2,905	0	2,905	0	0	2,905	2,200	0	705	0
Bridges	200	0	200	0	0	200	0	0	200	0
Footpaths and cycleways	50	0	50	0	0	50	0	0	50	0
Drainage	50	0	50	0	0	50	0	0	50	0
Recreational, leisure and community facilities	200	0	200	0	0	200	0	0	200	0
Waste management	20	0	20	0	0	20	0	0	20	0
Parks, open space and streetscapes	160	0	160	0	0	160	0	0	160	0
Aerodromes	50	0	50	0	0	50	0	0	50	0
Off street car parks	50	0	50	0	0	50	0	0	50	0
Other infrastructure	3,250	3,250	0	0	0	3,250	2,000	0	1,250	0
Total Infrastructure	6,935	3,250	3,685	0	0	6,935	4,200	0	2,735	0
Total Capital Works Expenditure	8,560	3,250	5,310	0	0	8,560	4,200	0	4,360	0

2025/26	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
Property										
Building improvements	375	0	375	0	0	375	0	0	375	0
Total Buildings	375	0	375	0	0	375	0	0	375	0
Total Property	375	0	375	0	0	375	0	0	375	0
Plant and Equipment										
Heritage plant and equipment	10	0	10	0	0	10	0	0	10	0
Plant, machinery and equipment	1,135	0	1,135	0	0	1,135	0	0	1,135	0
Fixtures, fittings and furniture	10	0	10	0	0	10	0	0	10	0
Library books	95	0	95	0	0	95	0	0	95	0
Total Plant and Equipment	1,250	0	1,250	0	0	1,250	0	0	1,250	0
Infrastructure										
Roads	2,905	0	2,905	0	0	2,905	2,200	0	705	0
Bridges	200	0	200	0	0	200	0	0	200	0
Footpaths and cycleways	50	0	50	0	0	50	0	0	50	0
Drainage	50	0	50	0	0	50	0	0	50	0
Recreational, leisure and community facilities	200	0	200	0	0	200	0	0	200	0
Waste management	20	0	20	0	0	20	0	0	20	0
Parks, open space and streetscapes	160	0	160	0	0	160	0	0	160	0
Aerodromes	50	0	50	0	0	50	0	0	50	0
Off street car parks	50	0	50	0	0	50	0	0	50	0
Other infrastructure	3,000	3,000	0	0	0	3,000	2,000	0	1,000	0
Total Infrastructure	6,685	3,000	3,685	0	0	6,685	4,200	0	2,485	0
Total Capital Works Expenditure	8,310	3,000	5,310	0	0	8,310	4,200	0	4,110	0

2026/27	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
Property										
Building improvements	375	0	375	0	0	375	0	0	375	0
Total Buildings	375	0	375	0	0	375	0	0	375	0
Total Property	375	0	375	0	0	375	0	0	375	0
Plant and Equipment										
Heritage plant and equipment	10	0	10	0	0	10	0	0	10	0
Plant, machinery and equipment	1,135	0	1,135	0	0	1,135	0	0	1,135	0
Fixtures, fittings and furniture	10	0	10	0	0	10	0	0	10	0
Library books	95	0	95	0	0	95	0	0	95	0
Total Plant and Equipment	1,250	0	1,250	0	0	1,250	0	0	1,250	0
Infrastructure										
Roads	2,905	0	2,905	0	0	2,905	2,260	0	645	0
Bridges	200	0	200	0	0	200	0	0	200	0
Footpaths and cycleways	50	0	50	0	0	50	0	0	50	0
Drainage	50	0	50	0	0	50	0	0	50	0
Recreational, leisure and community facilities	200	0	200	0	0	200	0	0	200	0
Waste management	20	0	20	0	0	20	0	0	20	0
Parks, open space and streetscapes	160	0	160	0	0	160	0	0	160	0
Aerodromes	50	0	50	0	0	50	0	0	50	0
Off street car parks	50	0	50	0	0	50	0	0	50	0
Other infrastructure	3,000	3,000	0	0	0	3,000	2,000	0	1,000	0
Total Infrastructure	6,685	3,000	3,685	0	0	6,685	4,260	0	2,425	0
Total Capital Works Expenditure	8,310	3,000	5,310	0	0	8,310	4,260	0	4,050	0

5a. Targeted performance indicators

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 performance indicators - Service

Indicator	Measure	Actual	Forecast	Budget	Target Projections			Trend
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	+ / o / -
Governance *								
Satisfaction with community consultation and engagement	Community satisfaction rating out of 100 with the consultation and engagement efforts of Council	57	55	57	58	58	59	+
Roads								
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	93.52%	93%	95.00%	94.90%	94.90%	94.90%	o
Statutory planning								
Planning applications decided within the relevant required time	Number of planning application decisions made within the relevant required time / Number of decisions made	73.23%	70%	72.00%	74.00%	76.00%	78.00%	+
Waste management								
Kerbside collection waste diverted from landfill	Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins	32.33%	32%	32.00%	32.33%	32.33%	32.33%	o

Notes to indicators

1. Satisfaction with community consultation and engagement

Focus on active community consultation and engagement including the reactivation of listening posts as per the 4 year council action plan (year 4).

2. Sealed local roads below the intervention level

Council aims to have 95% of sealed roads maintained to condition standards. This may vary due to intense weather events.

3. Planning applications decided within the relevant required time

This target is difficult to control with limited influence. Council is only able to estimate the number of applications and enquiries it will receive.

4. Kerbside collection waste diverted from landfill

Waste Education Strategy is currently being developed for release to public to assist in Waste Diversion.

Targeted performance indicators - Financial

Indicator	Measure	Actual	Forecast	Target	Target Projections			Trend
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	+ / o / -
Liquidity								
Working Capital	Current assets / current liabilities	85.00%	107%	105.99%	126.98%	157.87%	196.88%	+
Obligations								
Asset renewal *	Asset renewal and upgrade expense / Asset depreciation	50.92%	68.6%	53.68%	41.71%	41.35%	41.04%	-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	42.22%	58.32%	62.02%	62.81%	62.75%	62.69%	o
Efficiency								
Expenditure level	Total expenses / no. of property assessments	\$4,533.38	\$4,466.82	\$4,255.77	\$4,128.11	\$4,151.26	\$4,165.48	o

* This indicator may improve in 2023/24 and outlying years as specific projects have not been identified for the funding Council is expecting to receive for LRCI Stage 4.

5b. 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 3 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	Actual	Forecast	Budget	Projections			Trend
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	+/-
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	-18.20%	-15.5%	-8.6%	-4.8%	-3.6%	-2.2%	+
Liquidity								
Unrestricted cash	Unrestricted cash / current liabilities	71.88%	64.0%	63.3%	83.3%	114.6%	154.1%	+
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	5.64%	2.3%	22.3%	20.0%	18.7%	17.4%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue	33.65%	2.1%	1.4%	2.8%	1.9%	1.9%	+
Indebtedness	Non-current liabilities / own source revenue	33.26%	23.8%	39.5%	37.4%	35.2%	33.0%	+
Stability								
Rates effort	Rate revenue / CIV of rateable properties in the municipality	0.40%	0.56%	0.59%	0.60%	0.61%	0.62%	o
Efficiency								
Revenue level	Total rate revenue / no. of property assessments	\$1,438.40	\$2,255	\$2,333	\$2,381	\$2,419	\$2,457	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator