

TOWONG SHIRE COUNCIL  
**FINANCIAL PLAN**  
2021 - 2031



*Towong Shire... the ideal place to be*

Front cover image: Conic Rocks, Mount Lawson State Park.

The spectacular Conic Rocks sits at the end of the 1.5km return Conic Range Walking Track at Mount Lawson State Park. The short bush track climbs through tall, old Blue Gums to the outcrop of granite boulders, providing spectacular views over the northern section of the park.

Mount Lawson State Park is located about 70km east of Albury-Wodonga, in the heart of Towong Shire. It is known for its steep slopes, cliffs and prominent rocky bluff which impart a natural rugged beauty. Enjoy scenic drives, a spot of fishing or bushwalking, whilst taking in panoramic views of the surrounding mountains and valleys.

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## Mayor's Introduction

On behalf of Council I am pleased to provide this introduction to our Financial Plan 2021-2031, which sets out the resources required to support the proposed Council Plan 2021-2025 inclusive of the Community Vision 2031. The development of the Financial Plan 2021-2031 involved a rigorous review of both funding sources and spending requirements to support community needs, and this document provides an overview of the balance of these factors and the related assumptions.

Financial sustainability continues to be a major concern for Council. Substantial work has been done over prior years to contain costs and address revenue levels through rate increases above the rate cap, in line with an approved exemption. However, Council relies heavily on grants as a key source of funding, and given current State and Federal Government deficit levels, there is a high risk of these becoming scarce in the coming years. It is not safe to assume that one-off grants will be as readily available to support the renewal of our infrastructure and our community development needs as they have been in recent times. While we have increased rates above the rate cap in some prior years out of necessity, we also don't think that ratepayers in our rural communities should have to pay for rate increases beyond the rate cap as a general rule.

At the same time community engagement has confirmed the importance of our role in supporting our communities' vibrancy. The Shire has a strength in its natural assets which support our key industries including agriculture and tourism, however without quality facilities and services it is difficult to bring people to the community and to keep them within it. Like a number of small rural councils, we face increasing financial risks and challenges given our small ratepayer base, the need to service geographically dispersed townships and a large road network, while being asked to meet the same legislative and governance requirements as our larger metropolitan and rural city counterparts.

This Financial Plan 2021-2031 demonstrates how Council may rapidly become financially unsustainable in the light of these very real risks and challenges, while endeavouring to meet the baseline requirements of the *Local Government Act 2020*, including that priority is to be given to achieving the best outcomes for the municipal community, including future generations, and that the economic, social and environmental sustainability of the municipal community is to be promoted.

We continue to advocate to State and Federal governments to ensure that we have more reliable funding sources to enable us to maintain the amenity of our Shire as an attractive place for people to live and thrive.

Thank you to my fellow Councillors and our staff for their tireless efforts to achieve the best possible outcomes for the communities that we serve.

Cr David Wortmann  
Mayor

# 1. Legislative Requirements

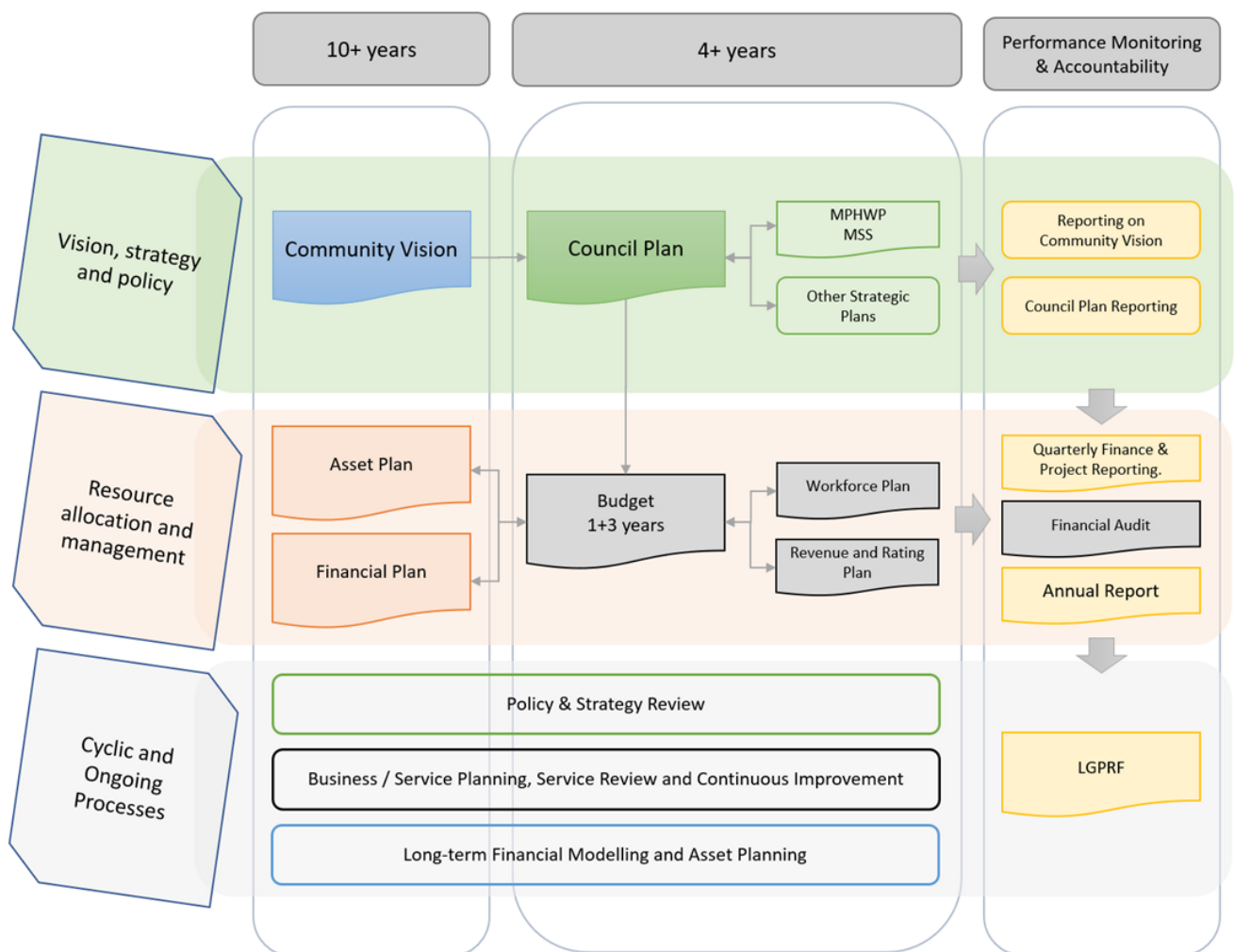
The *Local Government Act 2020* requires each council to prepare a Financial Plan to cover a period of least the next ten years. The Financial Plan must be adopted by 31 October in the year following a general election. The Financial Plan provides a long term view of the resources that are expected to be available to Council and the proposed application of those resources over a ten year period.

The Financial Plan 2021-2031 shows how the viability and financial sustainability of the Council will be achieved, and in the shorter term shows the resources required to implement the Council Plan 2021-2025 and other legislated responsibilities. It provides the fiscal context for the Council Plan 2021-2025 and other policies and strategies.

It is complemented by the annual Budget process in which a rolling four year budget is prepared outlining how resources will be specifically allocated across initiatives, programs, services, capital works, and financing requirements, and the Revenue and Rating Plan which outlines the revenue raising framework and strategies within which Council operates.

The following figure illustrates how the Financial Plan 2021-2031 relates to the various elements of the local government Integrated Strategic Planning and Reporting framework.

**Local Government Integrated Strategic Planning and Reporting Framework**



The Financial Plan 2021-2031 is also developed within the context of the principles outlined by the *Local Government Act 2020*. An overview of how the Financial Plan 2021-2031 relates to each of these principles is outlined below.

## 1.1 Strategic Planning Principles

Council has an integrated approach to strategic planning, monitoring and performance reporting. In particular the Financial Plan 2021-2031 addresses the Council Plan 2021-2025 inclusive of the Community Vision 2031 by considering the resources and revenue sources required to support its effective implementation, and identifying and addressing the associated risks. Council provides for ongoing monitoring of progress and regular reviews through the rolling Budget process and quarterly financial reports.

The Financial Plan 2021-2031 is also complementary to Council's Asset Plan, which is due to be adopted by 30 June 2022 in line with the requirements of the *Local Government Act 2020*. The Asset Plan will include further information about maintenance, renewal, acquisition, expansion, upgrade, disposal and decommissioning of each class of infrastructure under its control, including the level of funding required to support these activities. The Asset Plan is an additional tool to ensure that Council is able to understand the resources required to maintain its assets across their life cycles.

## 1.2 Financial Management Principles

The Financial Plan 2021-2031 sets out high level strategies in relation to how revenue, expenses, assets, liabilities, investments and financial transactions are managed to provide support for Council's operations. Individual policies and plans are also maintained in relation to how specific aspects are managed.

The Financial Plan 2021-2031 provides a forecast of Council's accounts that explain its financial operations and financial position over the coming ten year period. It also provides an overview of financial risks facing Council and the measures in place to mitigate them where possible.

## 1.3 Community Engagement Principles

Council undertook comprehensive community engagement in relation to the development of its Council Plan 2021-2025 inclusive of the Community Vision 2031, including hands-on workshops in Corryong, Walwa, Tallangatta, Bellbridge and Mitta Mitta, supplemented by online and paper based surveys. We heard what was important to our communities including their aspirations and ideas for the future. The proposed Council Plan 202-2025 inclusive of the Community Vision 2031 is now on exhibition for further community feedback.

The Financial Plan 2021-2031 has been drafted to support the commitments described within the Council Plan 2021-2025 inclusive of the Community Vision 2031 and is being released for exhibition and community feedback following a Special Council Meeting early in October 2021. After any submissions have been received and considered, a final version will be presented to the October Council Meeting for adoption.

## 1.4 Service Performance Principles

The Financial Plan 2021-2031 describes the resources required to support Council's services and the improvements to them as outlined by the Council Plan 2021-2025. Key considerations in the

development of the Council Plan 2021-2025 included ensuring that services respond to the diverse needs of the community and that they are accessible to those for whom they are intended. The Council Plan also outlines quality standards in relation to key services which are supplemented by the financial standards outlined within the Financial Plan 2021-2031.

## 1.5 Public Transparency Principles

The Financial Plan 2021-2031 provides transparency as to the financial resources required to support Council's operations, and the strategies that Council will adopt to ensure that they are managed responsibly.

## 2. Financial Plan Context

### 2.1 Financial Policy Statements

This section outlines the policy statements that Council operates within to provide best value and long term financial sustainability while funding community needs and aspirations.

#### 2.1.1 Financial Sustainability

*A minimum working capital ratio of 2.5 will be maintained* (the ratio of current assets to current liabilities), to ensure that sufficient working capital is available to meet expenditure obligations as they fall due. It is noted that the actual ratio may fluctuate significantly depending on the amount of committed grant funding held within Council's accounts.

*The underlying result will be maintained at a financially sustainable level.* Within this context, 'underlying result' means the annual financial surplus or deficit excluding one-off revenues and expenditures and as such is reflective of how much it costs to fund recurring services. A trend of underlying deficits would indicate that Council's core operations are not financially sustainable.

*Sufficient unrestricted cash will be maintained* to ensure ongoing liquidity and unforeseen cash imposts.

#### 2.1.2 Best Value

*Purchasing activities will be undertaken in accordance with best practice* in alignment with Council's Procurement Policy. Purchasing will be open, fair, seek best value and promote continuous improvement and collaboration.

#### 2.1.3 Responsible Asset Management

*Adequate capital expenditures will be maintained to ensure that infrastructure meets the levels of service established in consultation with our communities.* This generally means that asset renewal expenditures will keep pace with asset depreciation over the longer term, unless an asset is no longer required by the community.

*Long term maintenance and renewal requirements will be taken into account when making decisions about investment in new and upgraded infrastructure.* New infrastructure often comes with additional

ongoing expenditure in order to maintain it to an appropriate service level, which can impact on Council's financial sustainability.

*An Asset Plan will be maintained to inform ongoing asset expenditure requirements in line with the requirements of the Local Government Act 2020.*

## 2.1.4 Borrowings

*Borrowings will only be undertaken at a level which is financially sustainable.* This means that generally borrowings are only be used to fund infrastructure or services which will independently generate sufficient revenue to fund the associated debt repayments, or to fund large capital works with intergenerational benefits supporting repayment over the longer term. Borrowings are only to be approved by Council resolution.

## 2.1.5 Revenue

*Revenue will be raised within the parameters outlined within Council's Revenue and Rating Plan.* This Plan is a key document in outlining how Council raises the revenues needed to fund its operations.

## 2.1.6 Measures

The table below outlines the measures applicable to Council's financial management strategies and policies. It is noted that the forecasts deviate significantly from targets due to challenges with delivering on community needs within current financial constraints, however it is deemed essential to undertake the forecast expenditures in order to maintain the vibrancy of our communities. Council continues to lobby to State and Federal governments for reliable funding sources to be able to provide our communities with appropriate facilities and services.

Strategy	Measure	Target	Forecast Actual										
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<i>A minimum working capital ratio of 2.5 will be maintained</i>	Current Assets / Current Liabilities	>2.5	6.9	3.4	2.9	1.8	0.8	0.5	0.0	(0.4)	(0.8)	(1.2)	(1.6)
<i>The underlying result will be maintained at a financially sustainable level</i>	Underlying result	> \$0	(\$0.3m)	(\$6.6m)	(\$3.6m)	(\$3.7m)	(\$3.9m)	(\$3.7m)	(\$3.7m)	(\$3.6m)	(\$3.5m)	(\$3.4m)	(\$3.4m)
<i>Sufficient unrestricted cash will be maintained</i>	Unrestricted Cash / Current Liabilities	>80%	654%	310%	257%	152%	54%	19%	(24%)	(66%)	(105%)	(149%)	(190%)
<i>Adequate capital expenditures will be maintained</i>	Asset renewal / Depreciation	>95%	75%	445%	171%	170%	141%	85%	75%	84%	74%	88%	78%



## 2.2 Strategic Actions

Council has identified the following strategic actions that support the aspirations of the Council Plan 2021-2025 and ensure responsible financial management.

*Council will continue to advocate for increased government funding support to ensure long term sustainability.* Council has conducted significant work over the past several years to contain costs and manage revenues to sustainable levels, and was successful in securing an exemption to the rate cap for the financial years 2017/18 to 2020/21. Rate increases above the rate cap were applied in several of these years based on there being no alternative means to increase revenues to more sustainable levels. The bushfire season of 2019/20 combined with the COVID-19 pandemic have placed significant financial strain on ratepayers and Council generally agrees with the State Government's position that ratepayers should not have to bear rate increases above the rate cap.

Council has a lower ratepayer base than most other Councils including other small neighbouring Councils, however the costs of supporting community needs are not commensurately reduced given wide geographic dispersal of townships, long road networks and the inability to reduce staffing requirements for many functions below a certain point.

The Council Plan 2021-2025 identifies the critical services and facilities required to support the vibrancy of our communities into the future, and the Financial Plan 2021-2031 identifies the financial resources required to support them. It is clear that the ability of Council to continue to afford to support its communities relies strongly on the availability of funding support from the State and Federal Governments, and that projected levels are insufficient to support community needs within a ten year time horizon.

*Options will be investigated for the realisation of surplus Council assets.* This ensures that funds can be redirected towards contemporary community needs where assets are surplus to requirement.

*Cost saving opportunities will be continually reviewed* to improve our financial position.

*Council will continue to investigate shared services* in order to maximise the economies of scale available through working with other Councils.

*Grant funding will be sought* prior to committing to various substantial initiatives in order to ensure that ratepayer funds are not overstretched in the delivery of community priorities.

*Alternative revenue streams will be investigated* to reduce reliance on non-recurrent grants and to better provide for long term financial sustainability.

## 2.3 Assumptions to the Financial Plan Statements

This section presents information regarding the assumptions to the Comprehensive Income Statement for the 10 years from 2021/22 to 2030/31. They comprise the description and annual escalations for each income and expenditure line contained in the Income Statement for the 10-year period.

Escalation Factors % movement	Projection									
	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
CPI	1.50%	1.75%	2.00%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Rates and Charges	2.0%	2.1%	2.4%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Statutory Fees and Fines	(14.4%)	1.6%	2.1%	2.1%	2.0%	2.0%	2.0%	1.9%	2.4%	2.3%
User Fees	(13.0%)	1.7%	2.0%	2.2%	2.1%	2.2%	2.1%	2.3%	2.2%	2.2%
Grants – Operating	(60.2%)	44.7%	1.3%	1.5%	1.5%	1.5%	1.5%	1.6%	1.6%	1.6%
Grants – Capital	32.6%	(72.3%)	0.0%	(53.9%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Contributions – Monetary	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Contributions – Non Monetary	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Income	(86.5%)	(6.0%)	(8.3%)	(13.0%)	(14.0%)	(4.9%)	(6.4%)	(7.2%)	(6.7%)	(8.3%)
Employee Costs	20.5%	(4.9%)	(1.1%)	2.9%	2.9%	2.3%	2.2%	2.3%	2.2%	2.3%
Materials and Services	(42.9%)	(20.2%)	2.6%	2.5%	(1.0%)	2.3%	2.5%	1.3%	2.3%	2.3%
Depreciation and Amortisation	6.0%	15.4%	5.4%	0.2%	(0.4%)	(0.8%)	(1.0%)	(0.8%)	(0.3%)	(0.3%)
Borrowing costs	62.5%	169.2%	4.8%	17.3%	7.0%	(10.1%)	(11.3%)	(12.7%)	(15.6%)	(19.8%)
Other expenses	2.1%	128.1%	5.9%	6.9%	1.0%	1.0%	1.1%	1.1%	1.1%	1.1%

### 2.3.1 Rates and Charges

The Victorian Government introduced rate capping from 2016 as part of the Fair Go Rates System, requiring all councils to limit their annual rates increase to the annual rate cap set by the Minister for Local government. The rate cap for 2021/22 has been set at 1.5% in line with the forecast Consumer Price Index increase. It is generally anticipated that the rate cap will continue to align to the Consumer Price Index.

The Financial Plan 2021-2031 forecasts are based on Council complying with the expected rate cap such that costs are managed within inflation.

The Financial Plan 2021-2031 forecasts an additional 0.5% p.a. in rates growth as a result of supplementary rates stemming from the introduction of new properties into the Shire. This is based on known developments currently underway and Council efforts to support new developments in the longer term as part of the Council Plan 2021-2025.

Waste charges are forecast to increase by CPI plus 0.5% each year to defray the total costs of waste management across the district. The increase in waste charges above inflation is to meet the expected additional costs of meeting legislative requirements to move to four streams of waste and to remediate closed landfills.

### 2.3.2 Statutory Fees and Fines

The Financial Plan 2021-2031 indexes statutory fees, set by legislation, according to the estimated annual rate of CPI. It is noted that the level of these fees can be outside of the control of Council.

### 2.3.3 User Fees

Revenue from user fees is forecast to increase in line with CPI to reflect the increasing cost of providing services in line with inflation. Details of user fees for the 2021/22 budget year can be found in Council's Budget 2021/22.

### 2.3.4 Grants

Council currently receives a combination of tied (specific purpose) and untied grants. The ability to obtain relevant tied grants can be quite volatile depending on the grant funding environment and whether available grants are relevant to community needs. Given current State and Federal deficit levels it is prudent to assume that grant funding will not remain at current stimulus levels into the foreseeable future. It is assumed that Roads to Recovery funding will not continue beyond the current program which ends in 2023/24, and that non-recurring capital grants of \$1.0m per annum are achieved for the financial year 2022/23 and each year thereafter.

Untied grants from the Victorian Grants Commission are comprised of two components, being a general grant and a roads specific grant. It is assumed that the general component will continue to escalate in line with inflation and that the road specific component will remain steady and not increase. The road component is tied to road length and it is anticipated that the state road length will continue to grow and Towong Shire's will not.

### 2.3.5 Contributions

Council does not currently have a developer contribution policy although we will be considering putting one in place in the near term. Council has received community contributions to projects in the past however these have fluctuated considerably and it is not assumed that these continue into the future.

### 2.3.6 Other income

Revenue from other income mainly comprises investment income plus rental income received from the hire of Council buildings.

### 2.3.7 Employee costs

Employee costs comprise a combination of direct wages and salaries, and on-costs such as superannuation, allowances and Workcover. In the long term it is assumed that these costs inflate with CPI.

There is anticipated to be some variability in employee numbers in the near term. The Bushfire Recovery team is anticipated to transition out of the organisation over the next 18 months and temporary resources employed to support Council's substantial capital works program will also transition out within the next 24 months. There will be selected staff increases to support the community and tourism objectives within the Council Plan 2021-2025 and to support the maintenance of additional assets introduced through the capital works program which are expected to be required on an ongoing basis.

### 2.3.8 Materials and services

Materials and services expenditures include, for example, items to support maintenance and repairs of Council assets; consultants and contractors engaged to help deliver specific projects and provide expert advice; and overheads such as utilities and insurance.

It is assumed that contractor and consultant costs grow at 1% higher than inflation and that utilities inflate at 2% higher than inflation based on local and industry outlooks. Building and town maintenance costs are expected to grow in proportion to Council's asset base. Other materials and

services costs are expected to grow in line with recurring operating revenues as a reflection of the requirement to support the growth of the ratepayer base.

An additional expenditure of \$200,000 per annum is forecast for the 2022/23, 2023/24 and 2024/25 in order to support the cost of revising Council's planning strategy to accommodate housing demand and future population growth.

### 2.3.9 Depreciation and amortisation

Depreciation estimates are based on depreciation rates applicable to Council's asset base by asset class. Council's asset base is estimated to grow commensurate to the projected capital spending profile outlined in this document. The cost of replacing fixed assets is forecast to increase in line with CPI.

### 2.3.10 Borrowing costs

Borrowing costs comprise the interest expense to service Council's loan portfolio that is described in Section 5.1 Borrowing Strategy.

### 2.3.11 Other expenses

Other expenses include administrative costs such as Councillor allowances as well as community contributions and are anticipated to grow in line with CPI.

## 2.4 Other matters impacting the 10-year financial projections

The requirement to renew, maintain and upgrade infrastructure across the Shire is a key imperative within the proposed Council Plan 2021-2025. Substantial investment is proposed to ensure that existing assets are maintained to appropriate standards and that the communities we serve are supported by quality facilities and services to support their vibrancy into the longer term.

Other matters that may impact on Council's projections include:

- Changes in community needs and expectations;
- Political changes impacting on Council's revenue sources or requiring Council to provide additional facilities or services;
- Low interest rates, reducing Council's ability to generate earnings on cash balances;
- The ongoing impact of the 2019/20 Bushfires and the COVID-19 pandemic, and the need to provide continuing support to enable our communities to recover from these;
- Environmental factors such as climate change and natural disasters, and the need to support our communities to adapt to these.

### **3. Financial Plan Statements**

This section presents information regarding the Financial Plan Statements for the 10 years from 2021/22 to 2030/31:

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

### 3.1 Comprehensive Income Statement

	Forecast	Budget									
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>											
Rates and charges	9,221	9,409	9,611	9,846	10,109	10,380	10,662	10,947	11,240	11,539	11,845
Statutory fees and fines	216	185	188	192	196	200	204	208	212	217	222
User fees	1,077	937	953	972	993	1,014	1,036	1,058	1,082	1,106	1,130
Grants - Operating (recurrent)	6,188	3,295	6,022	6,103	6,196	6,291	6,388	6,487	6,589	6,692	6,798
Grants - Operating (non-recurrent)	4,279	867	-	-	-	-	-	-	-	-	-
Grants - Capital (recurrent)	1,199	1,166	1,166	1,167	-	-	-	-	-	-	-
Grants - Capital (non-recurrent)	4,700	6,659	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Contributions	-	-	-	-	-	-	-	-	-	-	-
Net gain on disposal of property, infrastructure, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Fair value adjustments on investment property	-	-	-	-	-	-	-	-	-	-	-
Share of net profits/(losses) of associated and joint ventures	-	-	-	-	-	-	-	-	-	-	-
Other income	3,968	535	503	461	401	345	328	307	285	266	244
<b>Total income</b>	<b>30,848</b>	<b>23,053</b>	<b>19,443</b>	<b>19,741</b>	<b>18,895</b>	<b>19,230</b>	<b>19,618</b>	<b>20,007</b>	<b>20,408</b>	<b>20,820</b>	<b>21,239</b>
<b>Expenses</b>											
Employee costs	8,413	10,141	9,645	9,539	9,818	10,104	10,332	10,564	10,802	11,045	11,2
Materials and services	12,485	7,124	5,683	5,831	5,975	5,915	6,053	6,203	6,286	6,431	6,57
Bad and doubtful debts	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation	4,112	4,360	5,033	5,304	5,312	5,289	5,245	5,193	5,149	5,132	5,1
Amortisation - intangible assets	-	-	-	-	-	-	-	-	-	-	-
Depreciation - right of use asset	-	-	-	-	-	-	-	-	-	-	-
Finance costs	24	39	105	110	129	138	124	110	96	81	
Other expenses	195	199	454	481	514	519	524	530	536	542	54
<b>Total expenses</b>	<b>25,229</b>	<b>21,863</b>	<b>20,920</b>	<b>21,265</b>	<b>21,748</b>	<b>21,965</b>	<b>22,278</b>	<b>22,600</b>	<b>22,869</b>	<b>23,231</b>	<b>23,603</b>
<b>Surplus (deficit) for the year</b>	<b>5,619</b>	<b>1,190</b>	<b>(1,477)</b>	<b>(1,524)</b>	<b>(2,853)</b>	<b>(2,735)</b>	<b>(2,660)</b>	<b>(2,593)</b>	<b>(2,461)</b>	<b>(2,411)</b>	<b>(2,364)</b>
<b>Other comprehensive income</b>											
<b>Items that will not be reclassified to surplus or deficit:</b>											
Impairment of fire impacted infrastructure	-	-	-	-	-	-	-	-	-	-	-
Net asset revaluation increment /(decrement)	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	-	-	-	-	-
<b>Comprehensive result</b>	<b>5,619</b>	<b>1,190</b>	<b>(1,477)</b>	<b>(1,524)</b>	<b>(2,853)</b>	<b>(2,735)</b>	<b>(2,660)</b>	<b>(2,593)</b>	<b>(2,461)</b>	<b>(2,411)</b>	<b>(2,364)</b>

## 3.2 Balance Sheet

	Forecast	Budget									
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>											
<b>Current assets</b>											
Cash and cash equivalents	36,105	16,542	12,799	7,643	2,770	978	(1,212)	(3,400)	(5,409)	(7,674)	(9,811)
Financial assets	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	1,738	1,313	1,116	1,133	1,088	1,108	1,131	1,153	1,176	1,201	1,226
Inventories	300	300	300	300	300	300	300	300	300	300	300
Other assets	10	10	10	10	10	10	10	10	10	10	10
<b>Total current assets</b>	<b>38,153</b>	<b>18,165</b>	<b>14,225</b>	<b>9,086</b>	<b>4,168</b>	<b>2,396</b>	<b>229</b>	<b>(1,937)</b>	<b>(3,923)</b>	<b>(6,163)</b>	<b>(8,274)</b>
<b>Non-current assets</b>											
Trade and other receivables	-	-	-	-	-	-	-	-	-	-	-
Investments in associates	78	78	78	78	78	78	78	78	78	78	78
Property, infrastructure, plant & equipment	198,497	219,691	223,677	227,412	229,983	229,235	228,354	227,525	226,625	226,020	225,311
Right of use asset	312	312	312	312	312	312	312	312	312	312	312
Investment property	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095
Intangible assets	-	-	200	200	400	400	600	600	800	800	1,000
<b>Total non-current assets</b>	<b>199,982</b>	<b>221,176</b>	<b>225,362</b>	<b>229,097</b>	<b>231,868</b>	<b>231,120</b>	<b>230,439</b>	<b>229,610</b>	<b>228,910</b>	<b>228,305</b>	<b>227,800</b>
<b>Total assets</b>	<b>238,135</b>	<b>239,341</b>	<b>239,587</b>	<b>238,183</b>	<b>236,036</b>	<b>233,515</b>	<b>230,668</b>	<b>227,673</b>	<b>224,987</b>	<b>222,142</b>	<b>219,526</b>
<b>Liabilities</b>											
<b>Current liabilities</b>											
Trade and other payables	1,563	903	757	778	800	793	811	830	841	860	879
Trust funds and deposits	902	907	912	917	922	927	932	937	942	947	952
Unearned income	1,678	1,678	1,678	1,678	1,678	1,678	1,678	1,678	1,678	1,678	1,678
Provisions	1,304	1,521	1,399	1,335	1,325	1,314	1,292	1,268	1,242	1,215	1,188
Interest-bearing loans and borrowings	77	325	240	316	378	392	406	420	435	451	466
<b>Total current liabilities</b>	<b>5,524</b>	<b>5,334</b>	<b>4,986</b>	<b>5,024</b>	<b>5,103</b>	<b>5,104</b>	<b>5,119</b>	<b>5,133</b>	<b>5,138</b>	<b>5,151</b>	<b>5,162</b>
<b>Non-current liabilities</b>											
Provisions	1,009	1,040	1,231	1,229	1,434	1,439	1,643	1,647	1,852	1,856	2,061
Interest-bearing loans and borrowings	112	287	2,167	2,251	2,673	2,881	2,475	2,055	1,620	1,169	714
<b>Total non-current liabilities</b>	<b>1,121</b>	<b>1,327</b>	<b>3,398</b>	<b>3,480</b>	<b>4,107</b>	<b>4,320</b>	<b>4,118</b>	<b>3,702</b>	<b>3,472</b>	<b>3,025</b>	<b>2,762</b>
<b>Total liabilities</b>	<b>6,645</b>	<b>6,661</b>	<b>8,384</b>	<b>8,504</b>	<b>9,210</b>	<b>9,424</b>	<b>9,237</b>	<b>8,835</b>	<b>8,610</b>	<b>8,176</b>	<b>7,924</b>
<b>Net assets</b>	<b>231,490</b>	<b>232,680</b>	<b>231,203</b>	<b>229,679</b>	<b>226,826</b>	<b>224,091</b>	<b>221,431</b>	<b>218,838</b>	<b>216,377</b>	<b>213,966</b>	<b>211,602</b>
<b>Equity</b>											
Accumulated surplus	115,557	116,747	115,270	113,746	110,893	108,158	105,498	102,905	100,444	98,033	95,661
Reserves	115,933	115,933	115,933	115,933	115,933	115,933	115,933	115,933	115,933	115,933	115,939
<b>Total equity</b>	<b>231,490</b>	<b>232,680</b>	<b>231,203</b>	<b>229,679</b>	<b>226,826</b>	<b>224,091</b>	<b>221,431</b>	<b>218,838</b>	<b>216,377</b>	<b>213,966</b>	<b>211,602</b>

### 3.3 Statement of Changes in Equity

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2021</b>				
Balance at beginning of the financial year	225,871	109,938	115,933	
Comprehensive result	5,619	5,619	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>231,490</b>	<b>115,557</b>	<b>115,933</b>	<b>-</b>
<b>2022</b>				
Balance at beginning of the financial year	231,490	115,557	115,933	
Comprehensive result	1,190	1,190	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>232,680</b>	<b>116,747</b>	<b>115,933</b>	<b>-</b>
<b>2023</b>				
Balance at beginning of the financial year	232,680	116,747	115,933	
Comprehensive result	(1,477)	(1,477)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>231,203</b>	<b>115,270</b>	<b>115,933</b>	<b>-</b>
<b>2024</b>				
Balance at beginning of the financial year	231,203	115,270	115,933	
Comprehensive result	(1,524)	(1,524)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>229,679</b>	<b>113,746</b>	<b>115,933</b>	<b>-</b>
<b>2025</b>				
Balance at beginning of the financial year	229,679	113,746	115,933	
Comprehensive result	(2,853)	(2,853)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>226,826</b>	<b>110,893</b>	<b>115,933</b>	<b>-</b>



	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2026</b>				
Balance at beginning of the financial year	226,826	110,893	115,933	
Comprehensive result	(2,735)	(2,735)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>224,091</b>	<b>108,158</b>	<b>115,933</b>	<b>-</b>
<b>2027</b>				
Balance at beginning of the financial year	224,091	108,158	115,933	
Comprehensive result	(2,660)	(2,660)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>221,431</b>	<b>105,498</b>	<b>115,933</b>	<b>-</b>
<b>2028</b>				
Balance at beginning of the financial year	221,431	105,498	115,933	
Comprehensive result	(2,593)	(2,593)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>218,838</b>	<b>102,905</b>	<b>115,933</b>	<b>-</b>
<b>2029</b>				
Balance at beginning of the financial year	218,838	102,905	115,933	
Comprehensive result	(2,461)	(2,461)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>216,377</b>	<b>100,444</b>	<b>115,933</b>	<b>-</b>
<b>2030</b>				
Balance at beginning of the financial year	216,377	100,444	115,933	
Comprehensive result	(2,411)	(2,411)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>213,966</b>	<b>98,033</b>	<b>115,933</b>	<b>-</b>
<b>2031</b>				
Balance at beginning of the financial year	213,966	98,033	115,933	
Comprehensive result	(2,364)	(2,364)	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>211,602</b>	<b>95,669</b>	<b>115,933</b>	<b>-</b>

### 3.4 Statement of Cash Flows

	Forecast	Budget									
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
<b>Cash flows from operating activities</b>											
Rates and charges	8,607	9,397	9,599	9,832	10,093	10,364	10,645	10,930	11,223	11,521	11,826
Statutory fees and fines	216	185	188	192	196	200	204	208	212	217	222
User fees	1,077	937	953	972	993	1,014	1,036	1,058	1,082	1,106	1,130
Grants - operating	10,072	4,599	6,231	6,100	6,257	6,287	6,382	6,482	6,583	6,685	6,792
Grants - capital	5,899	7,825	2,166	2,167	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Interest received	200	140	251	203	137	75	52	25	(3)	(29)	(58)
Trust funds and deposits taken	5	5	5	5	5	5	5	5	5	5	5
Other receipts	3,768	395	252	258	264	270	276	282	288	295	302
Net GST refund / payment	-	-	-	-	-	-	-	-	-	-	-
Employee costs	(8,642)	(9,893)	(9,776)	(9,605)	(9,823)	(10,110)	(10,350)	(10,584)	(10,823)	(11,068)	(11,319)
Materials and consumables	(8,094)	(5,946)	(4,471)	(4,580)	(4,681)	(4,577)	(4,669)	(4,772)	(4,805)	(4,899)	(4,994)
External contracts	(4,173)	(960)	(986)	(1,016)	(1,049)	(1,083)	(1,118)	(1,154)	(1,192)	(1,231)	(1,271)
Utilities	(218)	(218)	(226)	(235)	(245)	(255)	(266)	(277)	(289)	(301)	(314)
Trust funds and deposits repaid	-	-	-	-	-	-	-	-	-	-	-
Other payments	638	(859)	(600)	(460)	(492)	(526)	(506)	(511)	(525)	(523)	(529)
<b>Net cash provided by operating activities</b>	<b>9,355</b>	<b>5,607</b>	<b>3,586</b>	<b>3,833</b>	<b>2,655</b>	<b>2,664</b>	<b>2,691</b>	<b>2,692</b>	<b>2,756</b>	<b>2,778</b>	<b>2,792</b>
<b>Cash flows from investing activities</b>											
Payments for property, plant and equipment	(3,432)	(25,554)	(9,019)	(9,039)	(7,883)	(4,540)	(4,365)	(4,364)	(4,249)	(4,527)	(4,412)
(Increase)/decrease in investments											
Payments for investments											
Proceeds from sale of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(3,432)</b>	<b>(25,554)</b>	<b>(9,019)</b>	<b>(9,039)</b>	<b>(7,883)</b>	<b>(4,540)</b>	<b>(4,365)</b>	<b>(4,364)</b>	<b>(4,249)</b>	<b>(4,527)</b>	<b>(4,412)</b>
<b>Cash flows from financing activities</b>											
Finance costs	(24)	(39)	(105)	(110)	(129)	(138)	(124)	(110)	(96)	(81)	(6)
Proceeds from borrowings	-	500	2,120	400	800	600	-	-	-	-	-
Interest paid - Lease liabilities	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(56)	(77)	(325)	(240)	(316)	(378)	(392)	(406)	(420)	(435)	(451)
<b>Net cash provided by (used in) financing activities</b>	<b>(80)</b>	<b>384</b>	<b>1,690</b>	<b>50</b>	<b>355</b>	<b>84</b>	<b>(516)</b>	<b>(516)</b>	<b>(516)</b>	<b>(516)</b>	<b>(516)</b>
<b>Net (decrease) increase in cash &amp; cash equivalents</b>	<b>5,843</b>	<b>(19,563)</b>	<b>(3,743)</b>	<b>(5,156)</b>	<b>(4,873)</b>	<b>(1,792)</b>	<b>(2,190)</b>	<b>(2,188)</b>	<b>(2,009)</b>	<b>(2,265)</b>	<b>(2,136)</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>30,263</b>	<b>36,106</b>	<b>16,543</b>	<b>12,800</b>	<b>7,644</b>	<b>2,771</b>	<b>979</b>	<b>(1,211)</b>	<b>(3,399)</b>	<b>(5,408)</b>	<b>(7,673)</b>
<b>Cash and cash equivalents at end of the financial year</b>	<b>36,106</b>	<b>16,543</b>	<b>12,800</b>	<b>7,644</b>	<b>2,771</b>	<b>979</b>	<b>(1,211)</b>	<b>(3,399)</b>	<b>(5,408)</b>	<b>(7,673)</b>	<b>(9,809)</b>

### 3.5 Statement of Capital Works

	Forecast	Budget									
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>											
Land	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-
Total land	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-
Building improvements	630	4,740	2,149	1,700	1,555	906	908	909	911	913	915
Total buildings	630	4,740	2,149	1,700	1,555	906	908	909	911	913	915
<b>Total property</b>	<b>630</b>	<b>4,740</b>	<b>2,149</b>	<b>1,700</b>	<b>1,555</b>	<b>906</b>	<b>908</b>	<b>909</b>	<b>911</b>	<b>913</b>	<b>915</b>
<b>Plant and equipment</b>											
Plant, machinery and equipment	1,282	995	1,048	1,007	998	938	1,004	642	894	896	899
Fixtures, fittings and furniture	-	-	-	-	-	-	-	-	-	-	-
Computers and telecommunications	39	480	-	-	-	-	-	-	-	-	-
Library books	30	31	20	20	20	20	20	20	20	20	20
<b>Total plant and equipment</b>	<b>1,351</b>	<b>1,506</b>	<b>1,068</b>	<b>1,027</b>	<b>1,018</b>	<b>958</b>	<b>1,024</b>	<b>662</b>	<b>914</b>	<b>916</b>	<b>919</b>
<b>Infrastructure</b>											
Roads	1,000	12,403	3,555	4,014	3,672	1,606	1,612	1,620	1,628	1,637	1,765
Bridges	234	1,300	199	600	753	605	606	707	579	580	581
Footpaths and cycleways	37	155	719	1,018	540	53	54	54	54	68	68
Kerb and channel	-	-	60	60	61	61	61	61	61	62	62
Drainage	73	-	30	30	30	50	51	51	51	51	51
Recreational, leisure and community facilities	-	-	-	-	-	-	-	-	-	-	-
Waste management	60	72	750	355	105	300	50	300	50	300	50
Parks, open space and streetscapes	47	5,378	490	235	149	-	-	-	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	-	-	-	-	-	-	-	-	-	-	-
<b>Total infrastructure</b>	<b>1,451</b>	<b>19,308</b>	<b>5,802</b>	<b>6,312</b>	<b>5,310</b>	<b>2,676</b>	<b>2,433</b>	<b>2,793</b>	<b>2,424</b>	<b>2,698</b>	<b>2,578</b>
<b>Total capital works expenditure</b>	<b>3,432</b>	<b>25,554</b>	<b>9,019</b>	<b>9,039</b>	<b>7,883</b>	<b>4,540</b>	<b>4,365</b>	<b>4,364</b>	<b>4,249</b>	<b>4,527</b>	<b>4,412</b>
<b>Represented by:</b>											
New asset expenditure	337	6,160	420	20	420	20	420	20	420	20	420
Asset renewal expenditure	2,500	5,056	8,599	9,019	7,463	4,520	3,945	4,344	3,829	4,507	3,992
Asset expansion expenditure	-	-	-	-	-	-	-	-	-	-	-
Asset upgrade expenditure	595	14,338	-	-	-	-	-	-	-	-	-
<b>Total capital works expenditure</b>	<b>3,432</b>	<b>25,554</b>	<b>9,019</b>	<b>9,039</b>	<b>7,883</b>	<b>4,540</b>	<b>4,365</b>	<b>4,364</b>	<b>4,249</b>	<b>4,527</b>	<b>4,412</b>

### 3.6 Statement of Human Resources

Staff expenditure	Forecast	Budget									
	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000
<b>Staff expenditure</b>											
Female	4,938	4,822	4,745	4,862	4,993	5,128	5,243	5,361	5,482	5,605	5,731
Male	3,896	3,292	2,998	3,100	3,205	3,313	3,388	3,464	3,542	3,622	3,704
Vacant	-	2,027	1,902	1,577	1,620	1,663	1,701	1,739	1,778	1,818	1,8
<b>Total staff expenditure</b>	<b>8,834</b>	<b>10,141</b>	<b>9,645</b>	<b>9,539</b>	<b>9,818</b>	<b>10,104</b>	<b>10,332</b>	<b>10,564</b>	<b>10,802</b>	<b>11,045</b>	<b>11,294</b>
<b>Permanent full-time</b>											
Female	2,269	2,066	2,296	2,352	2,415	2,480	2,536	2,593	2,652	2,711	2,772
Male	3,553	3,059	2,813	2,910	3,010	3,113	3,183	3,255	3,328	3,403	3,481
Vacant	-	1,339	1,199	857	880	904	924	945	966	988	1,0
<b>Total Permanent full-time</b>	<b>5,822</b>	<b>6,464</b>	<b>6,307</b>	<b>6,119</b>	<b>6,306</b>	<b>6,497</b>	<b>6,644</b>	<b>6,793</b>	<b>6,946</b>	<b>7,102</b>	<b>7,263</b>
<b>Permanent part-time</b>											
Female	2,175	2,047	1,725	1,768	1,815	1,864	1,906	1,949	1,993	2,038	2,084
Male	290	233	185	190	195	200	204	209	214	219	223
Vacant	-	688	703	720	740	760	777	794	812	831	8
<b>Total Permanent part-time</b>	<b>2,465</b>	<b>2,968</b>	<b>2,613</b>	<b>2,677</b>	<b>2,750</b>	<b>2,824</b>	<b>2,888</b>	<b>2,952</b>	<b>3,019</b>	<b>3,087</b>	<b>3,156</b>
<b>Staff numbers</b>											
	Forecast	Budget									
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Staff numbers</b>											
Female	53.37	47.2	43.6	43.6	43.6	43.6	43.6	43.6	43.6	43.6	43.6
Male	52.62	39.6	38.9	39.3	39.6	39.9	39.9	39.9	39.9	39.9	39.9
Vacant	-	23.7	21.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7
<b>Total staff numbers</b>	<b>106.0</b>	<b>110.5</b>	<b>104.3</b>	<b>101.7</b>	<b>102.0</b>	<b>102.3</b>	<b>102.3</b>	<b>102.3</b>	<b>102.3</b>	<b>102.3</b>	<b>102.3</b>
<b>Permanent full-time</b>											
Female	19.2	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5
Male	48.1	38.0	38.0	38.4	38.7	39.0	39.0	39.0	39.0	39.0	39.0
Vacant	-	14.0	12.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
<b>Total Permanent full-time</b>	<b>67.3</b>	<b>67.5</b>	<b>65.5</b>	<b>62.9</b>	<b>63.2</b>	<b>63.5</b>	<b>63.5</b>	<b>63.5</b>	<b>63.5</b>	<b>63.5</b>	<b>63.5</b>
<b>Permanent part-time</b>											
Female	27.2	23.3	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7
Male	3.9	1.6	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Vacant	-	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7
<b>Total Permanent part-time</b>	<b>31.1</b>	<b>34.6</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>

Department	Permanent Full-time				Permanent Part-time				Casual				Grand Total \$'000
	Female \$'000	Male \$'000	Vacant \$'000	Total \$'000	Female \$'000	Male \$'000	Vacant \$'000	Total \$'000	Female \$'000	Male \$'000	Vacant \$'000	Total \$'000	
Asset management	375	2,094	812	3,281	117	-	48	165	44	-	-	44	3,490
Community wellbeing	292	90	99	481	878	32	495	1,405	455	-	11	466	2,352
Economic and tourism development	123	-	-	123	147	111	-	258	-	-	-	-	381
Environmental sustainability	240	419	166	825	359	52	-	411	-	36	-	36	1,272
Land-use planning	-	-	-	-	-	-	-	-	-	-	-	-	-
Organisational improvement	1,036	456	262	1,754	546	38	145	729	163	-	-	163	2,646
<b>Total staff expenditure</b>	<b>2,066</b>	<b>3,059</b>	<b>1,339</b>	<b>6,464</b>	<b>2,047</b>	<b>233</b>	<b>688</b>	<b>2,968</b>	<b>662</b>	<b>36</b>	<b>11</b>	<b>709</b>	<b>10,141</b>

### 3.7 Summary of Planned Human Resources Expenditure

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Asset management</b>										
Permanent - Full time										
Female	375	383	393	403	414	423	433	443	453	463
Male	2,094	2,032	2,110	2,189	2,270	2,321	2,373	2,426	2,481	2,538
Vacant	812	830	479	492	505	516	528	540	552	564
Permanent - Part time										
Female	117	120	123	126	129	132	135	138	141	144
Male	-	-	-	-	-	-	-	-	-	-
Vacant	48	49	50	52	53	54	55	57	58	59
<b>Total Asset management</b>	<b>3,446</b>	<b>3,414</b>	<b>3,154</b>	<b>3,261</b>	<b>3,371</b>	<b>3,447</b>	<b>3,524</b>	<b>3,603</b>	<b>3,685</b>	<b>3,768</b>
<b>Community wellbeing</b>										
Permanent - Full time										
Female	292	298	306	314	322	330	337	345	353	360
Male	90	92	94	97	99	102	104	106	109	111
Vacant	99	101	104	106	109	112	114	117	120	122
Permanent - Part time										
Female	878	897	919	944	970	991	1,014	1,037	1,060	1,084
Male	32	33	34	34	35	36	37	38	39	39
Vacant	495	506	518	532	547	559	572	584	598	611
<b>Total Community wellbeing</b>	<b>1,886</b>	<b>1,928</b>	<b>1,975</b>	<b>2,028</b>	<b>2,083</b>	<b>2,130</b>	<b>2,178</b>	<b>2,227</b>	<b>2,277</b>	<b>2,328</b>
<b>Economic and tourism development</b>										
Permanent - Full time										
Female	123	126	129	132	136	139	142	145	148	152
Male	-	-	-	-	-	-	-	-	-	-
Vacant	-	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	147	150	154	158	162	166	170	174	177	181
Male	111	113	116	119	123	125	128	131	134	137
Vacant	-	-	-	-	-	-	-	-	-	-
<b>Total Economic and tourism development</b>	<b>381</b>	<b>389</b>	<b>399</b>	<b>410</b>	<b>421</b>	<b>430</b>	<b>440</b>	<b>450</b>	<b>460</b>	<b>470</b>
<b>Environmental sustainability</b>										
Permanent - Full time										
Female	240	-	-	-	-	-	-	-	-	-
Male	419	223	228	234	241	246	252	257	263	269
Vacant	166	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	359	-	-	-	-	-	-	-	-	-
Male	52	-	-	-	-	-	-	-	-	-
Vacant	-	-	-	-	-	-	-	-	-	-
<b>Total Environmental sustainability</b>	<b>1,236</b>	<b>223</b>	<b>228</b>	<b>234</b>	<b>241</b>	<b>246</b>	<b>252</b>	<b>257</b>	<b>263</b>	<b>269</b>
<b>Organisational improvement</b>										
Permanent - Full time										
Female	1,036	1,488	1,525	1,566	1,608	1,644	1,681	1,719	1,758	1,797
Male	456	466	477	490	504	515	527	538	550	563
Vacant	262	268	274	282	289	296	303	309	316	323
Permanent - Part time										
Female	546	558	572	587	603	617	630	645	659	674
Male	38	39	40	41	42	43	44	45	46	47
Vacant	145	148	152	156	160	164	167	171	175	179
<b>Total Organisational improvement</b>	<b>2,483</b>	<b>2,967</b>	<b>3,040</b>	<b>3,122</b>	<b>3,206</b>	<b>3,278</b>	<b>3,352</b>	<b>3,427</b>	<b>3,505</b>	<b>3,583</b>
<b>Casuals and other expenditure</b>	<b>709</b>	<b>725</b>	<b>742</b>	<b>762</b>	<b>783</b>	<b>801</b>	<b>819</b>	<b>837</b>	<b>856</b>	<b>875</b>
<b>Capitalised labour costs</b>	-	-	-	-	-	-	-	-	-	-
<b>Total staff expenditure</b>	<b>10,141</b>	<b>9,645</b>	<b>9,539</b>	<b>9,818</b>	<b>10,104</b>	<b>10,332</b>	<b>10,564</b>	<b>10,802</b>	<b>11,045</b>	<b>11,294</b>

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Asset management</b>										
Permanent - Full time										
Female	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Male	28.0	33.0	33.4	33.7	34.0	34.0	34.0	34.0	34.0	34.0
Vacant	8.0	8.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Permanent - Part time										
Female	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Male	-	-	-	-	-	-	-	-	-	-
Vacant	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
<b>Total Asset management</b>	<b>41.1</b>	<b>46.1</b>	<b>43.5</b>	<b>43.8</b>	<b>44.1</b>	<b>44.1</b>	<b>44.1</b>	<b>44.1</b>	<b>44.1</b>	<b>44.1</b>
<b>Community wellbeing</b>										
Permanent - Full time										
Female	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Male	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Vacant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Permanent - Part time										
Female	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2
Male	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Vacant	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
<b>Total Community wellbeing</b>	<b>19.6</b>	<b>19.6</b>	<b>19.6</b>	<b>19.6</b>	<b>19.6</b>	<b>19.6</b>	<b>19.6</b>	<b>19.6</b>	<b>19.6</b>	<b>19.6</b>
<b>Economic and tourism development</b>										
Permanent - Full time										
Female	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Male	-	-	-	-	-	-	-	-	-	-
Vacant	-	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Male	-	-	-	-	-	-	-	-	-	-
Vacant	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
<b>Total Economic and tourism development</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>
<b>Environmental sustainability</b>										
Permanent - Full time										
Female	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Male	5.0	-	-	-	-	-	-	-	-	-
Vacant	2.0	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	3.6	-	-	-	-	-	-	-	-	-
Male	0.6	-	-	-	-	-	-	-	-	-
Vacant	-	-	-	-	-	-	-	-	-	-
<b>Total Environmental sustainability</b>	<b>14.3</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>
<b>Organisational improvement</b>										
Permanent - Full time										
Female	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Male	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Vacant	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Permanent - Part time										
Female	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3
Male	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Vacant	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
<b>Total Organisational improvement</b>	<b>23.1</b>	<b>23.1</b>	<b>23.1</b>	<b>23.1</b>	<b>23.1</b>	<b>23.1</b>	<b>23.1</b>	<b>23.1</b>	<b>23.1</b>	<b>23.1</b>
<b>Casuals and other expenditure</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>
<b>Capitalised labour costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total staff expenditure</b>	<b>110.5</b>	<b>104.3</b>	<b>101.7</b>	<b>102.0</b>	<b>102.3</b>	<b>102.3</b>	<b>102.3</b>	<b>102.3</b>	<b>102.3</b>	<b>102.3</b>



## 4. Financial Performance Indicators

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

Indicator	Measure	Notes	Forecast	Budget	Projections										Trend
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	+/-	
<b>Operating position</b>															
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	(1.12%)	(43.57%)	(21.09%)	(21.00%)	(21.53%)	(20.49%)	(19.66%)	(18.90%)	(17.83%)	(17.21%)	(16.62%)	+	
<b>Liquidity</b>															
Working Capital	Current assets / current liabilities	2	690.68%	340.55%	285.30%	180.86%	81.68%	46.93%	4.47%	(37.74%)	(76.35%)	(119.65%)	(160.29%)	-	
Unrestricted cash	Unrestricted cash / current liabilities		653.62%	310.14%	256.72%	152.16%	54.30%	19.17%	(23.66%)	(66.22%)	(105.25%)	(148.96%)	(190.02%)	-	
<b>Obligations</b>															
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	2.05%	6.50%	25.04%	26.07%	30.18%	31.53%	27.02%	22.61%	18.28%	14.04%	9.87%	+	
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		0.26%	0.61%	3.15%	3.55%	4.40%	4.97%	4.84%	4.71%	4.59%	4.47%	4.36%	+	
Indebtedness	Non-current liabilities / own source revenue		7.74%	11.99%	30.19%	30.34%	35.11%	36.18%	33.67%	29.57%	27.08%	23.04%	20.55%	+	
Asset renewal	Asset renewal expenses / Asset depreciation	4	60.80%	115.96%	170.85%	170.04%	140.50%	85.46%	75.21%	83.65%	74.36%	87.82%	78.01%	-	
<b>Stability</b>															
Rates concentration	Rate revenue / adjusted underlying revenue	5	36.96%	61.79%	55.63%	56.03%	56.49%	56.94%	57.27%	57.59%	57.91%	58.22%	58.53%	-	
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.52%	0.45%	0.46%	0.47%	0.48%	0.49%	0.50%	0.51%	0.52%	0.54%	0.55%	o	
<b>Efficiency</b>															
Expenditure level	Total expenses/ no. of property assessments		\$5,631	\$4,841	\$4,641	\$4,717	\$4,824	\$4,873	\$4,942	\$5,013	\$5,073	\$5,153	\$5,236	o	
Revenue level	Residential rate revenue / No. of residential property assessments		\$1,555	\$1,506	\$1,537	\$1,575	\$1,616	\$1,659	\$1,703	\$1,748	\$1,795	\$1,842	\$1,889	o	
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		24.37%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	o	

### Key to Forecast

- + 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

#### **Notes to indicators**

**1 Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Continued losses mean reliance on Council reserves until they are exhausted.

**2 Working Capital** – The proportion of current liabilities represented by current assets. This is forecast to decline to unsustainable levels due to their being insufficient financial resources to support requirements.

**3 Debt compared to rates** - The trend indicates Council's reducing reliance on debt against its annual rate revenue in the longer term through redemption of debt.

**4 Asset renewal** - This percentage indicates the extent of Council's renewal of assets against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

**5 Rates concentration** - Reflects the extent of reliance on rate revenues to fund all of Council's on-going services. The trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

## 5. Strategies and Plans

This section describes the additional strategies in relation to borrowings and reserves that support the 10-year financial projections within the Financial Plan 2021-2031.

### 5.1 Borrowing Strategy

Council maintains a conservative stance in regards to borrowing and generally only borrows where a) there is an identified recurrent revenue source, directly tied to the reason for borrowing, which will enable the debt to be repaid, or b) the reason for borrowing is to contribute to a multigenerational strategic project.

Council undertook a finance lease for a new garbage truck in 2017/18 and has budgeted its intention to take out a loan in 2021/22 to fund upgrades to services at the Colac Colac Caravan Park subject to securing grant funds for the project.

Other potential loans to support specific projects have been included in the projections up to a maximum total borrowing amount of \$3.3m in 2025/26. These intentions have been previously highlighted by Council resolutions.

#### 5.1.1 Future Borrowing Requirements

The following table highlights Council's projected loan balance, including new loans and loan repayments over the course of the Financial Plan 2021-2031.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance</b>	5	487	2,409	2,569	3,053	3,275	2,883	2,477	2,057	1,622
Plus New loans	500	2,120	400	800	600	-	-	-	-	-
Less Principal repayment	-	18	-	198	-	240	-	316	-	378
<b>Closing balance</b>	<b>487</b>	<b>2,409</b>	<b>2,569</b>	<b>3,053</b>	<b>3,275</b>	<b>2,883</b>	<b>2,477</b>	<b>2,057</b>	<b>1,622</b>	<b>1,171</b>
Interest payment										

#### Performance Indicators

The following table highlights Council's projected performance across a range of debt management performance indicators.

<b>Performance Indicator</b>	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	%	%	%	%	%	%	%	%	%	%
Total borrowings / Rate revenue	5%	25%	26%	30%	32%	27%	23%	18%	14%	10%
Debt servicing / Rate revenue	0%	2%	2%	3%	4%	4%	4%	4%	4%	4%
Debt commitment / Rate revenue	3%	12%	13%	16%	17%	15%	12%	10%	8%	6%
Indebtedness / Own source revenue	12%	30%	30%	35%	36%	34%	30%	27%	23%	21%

### 5.2 Reserves Strategy

Council does not maintain specific reserves.