



Borough of Queenscliffe Budget Report - 2010/2011



CONTENTS

OVERVIEW	3
1. Executive Summary	3
Chief Executive Officer's Summary	4
2. Budget Overview	8
3. Activities, initiatives & key strategic activities	13
4. Analysis of Operating Budget	21
5. Cash Flow Budget	26
6. Capital Budget	28
7. Reserves Schedule	29
8. Budgeted Financial Position	31
9. Strategic resource plan and key financial indicators	32
10. Rating Strategy	33
11. Debt Strategy	36
APPENDICES	37
Appendix A - Budgeted Standard Statements	38
Appendix B – Statutory Disclosures	43
Appendix C Capital Works & New Initiatives Funding 2010/2011	48
Appendix D Fees & Charges	51
Appendix E Key Strategic Activities	55

Overview

1. Executive Summary

It gives me pleasure to present this Budget to the community of the Borough of Queenscliffe.

Council has built the 2010/11 budget on a rate increase of 5.5%. This ensures no decrease in the level of services provided, and in some areas provides additional resources to enhance the programs and activities recently introduced, for example those in the sustainability and environment portfolio.

The rate funding generated allows for a Capital works program of \$946,000 plus an amount of \$347,700 for operating new initiatives.

A general increase of 3% has been included in the budget for a range of expenditure items including some of the larger services contracts such as: park maintenance, waste disposal and cleaning of public conveniences. Allowance has also been made for wage increases considering the Enterprise Bargaining Agreement.

Of the total Capital Works program of \$946,000, \$241,000 will come from Council operations (the balance remaining in the rates budget after operating costs are covered), \$371,000 from external grants, \$111,000 from community contributions and asset sales, with the balance of \$223,000 from Crown Land Reserves.

Highlights of the Capital / Major Works program include:

Caravan Park / Crown Land projects

- Annual asset renewal program (\$182,299)
- Pt Lonsdale Surf Life Saving & Beach Access (\$40,000)
- Upgrade to the Tobin Drive office building (\$30,000)
- Boundary fence Queenscliff Recreation Reserve oval (\$40,000)
- Safety improvements to Pt Lonsdale playground (\$8,000)

Other Council Projects

- Annual asset renewal program (\$418,000)
- a further \$80,000 for the Hesse St revitalisation (grant funding plus rates funding)
- Pt Lonsdale Bowls Club Stage 2 (\$149,500)
- Queenscliffe Community Centre incorporating the Neighbourhood house (\$200,000)
- Fencing of Princess & Citizens Park (\$28,000)

The budget has been developed with the assistance of community input in the earlier stages and through consultation via the Portfolio Reference Groups.

In the current economic climate and with the longer term sustainability of the Borough as a major objective, the 2010/11 Budget is considered to be a financially responsible result for the community.

Cr Bob Merriman
Mayor

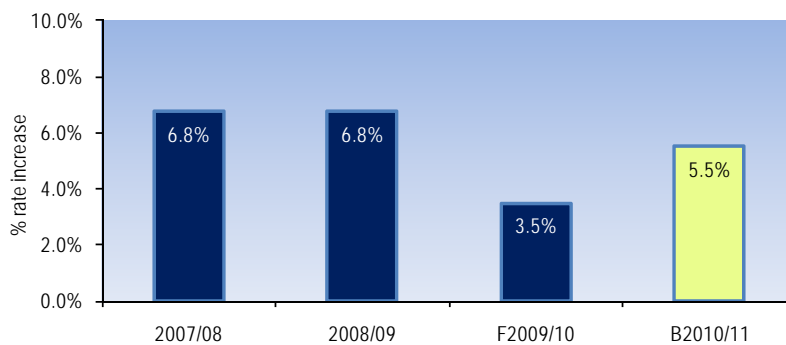
Chief Executive Officer's Summary

Council has prepared a Budget for the 2010/11 financial year which seeks to balance the demand for services and infrastructure with consideration to the community's capacity to pay. This is a particular challenge in a year when general revaluations have taken place and the impact of rates on higher valued properties may be significant.

Key budget information is provided below regarding the rate increase, operating result, service levels, cash and investments, capital works, financial position, financial sustainability and key strategic activities of the Council.

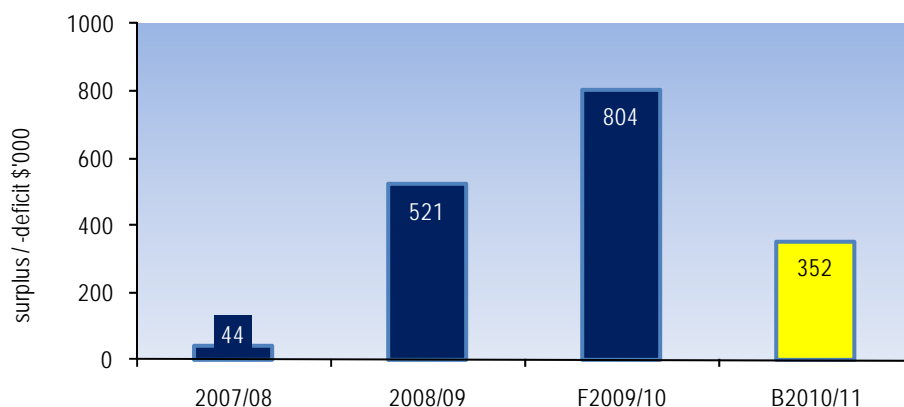
In the following graphs "F" in front of the year denotes forecast and "B" denotes budget.

1. Rates



It is proposed that general rates increase by 5.5% for the 2010/11 year, raising total rates of \$5,101,000, including \$10,000 generated from supplementary rates. (The rate increase for the 2009/10 year was 3.5%).

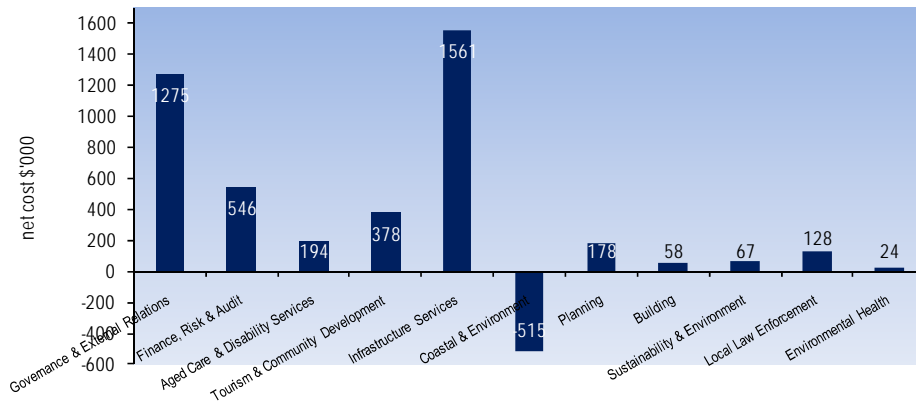
2. Operating result



The expected operating result for the 2010/11 year is a surplus of \$352,000, which is a decrease of \$452,000 over 2009/10. An increase in rate revenue of \$300,000 includes a 5.5% rate increase and supplementary valuations. This income offsets reductions in grant income due to one-off grants in 2009/10, an increase in expenditure of \$151,000 expected for employee benefits as well as an increase of \$60,000 in unfunded superannuation liability. The budget for materials & services includes provisional amounts that are required to be included as part of the infrastructure maintenance contract despite the forecast for 2009/10 coming in under budget.

The underlying result, which excludes items such as capital grants and contributions is a surplus of \$69,000, which is a decrease of \$149,000 compared to 2009/10. (The forecast underlying operating result for the 2009/10 year is a surplus of \$218,000).

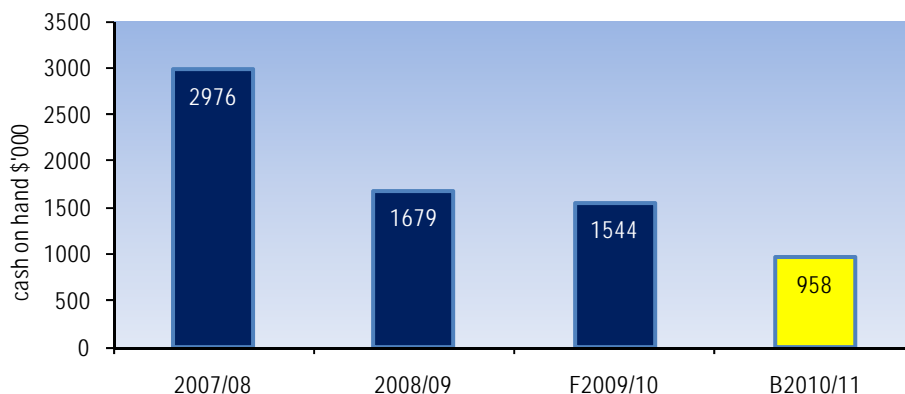
3. Services



The breakdown of services is shown in the graph above. Expenditure in the Infrastructure area includes all the major external contracts for parks & gardens, public conveniences, waste collection and disposal etc. Governance and External Relations includes Council and Executive services, finance, risk and audit and other compliance expenditures. The Coastal & Environment result is due to the caravan parks surplus.

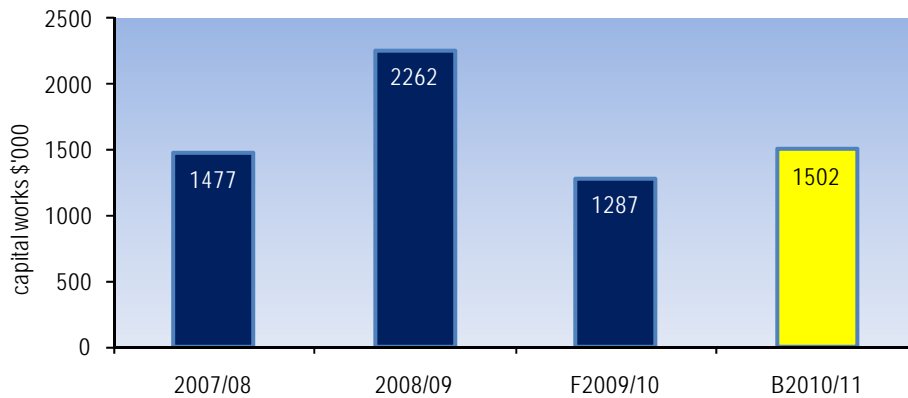
A key influencing factor in the development of the 2010/11 budget has been the numerous asset and service improvements proposals from the community, general community feedback particularly related to the implementation of the Council Plan and the results of the annual community satisfaction survey. The survey results show that while there is a relatively high level of satisfaction with most services provided by Council, there are some areas of concern where ratepayers want improved service levels. For the 2010/11 year, service levels have been maintained and a number of new activities and initiatives proposed.

4. Cash and investments



Cash and investments are expected to decrease by \$586,000 during the year to \$958,000 as at 30 June 2011. This is due mainly to the carried forward component of the 2009/10 capital works program and an increase in the asset renewal program for 2010/11, as well as \$236,400 debt redemption. (which includes redemption of some of the unfunded superannuation liability). The reduction in cash and investments is in line with Council's strategic resource plan. (Cash and investments are forecast to be \$1,544,000 as at 30 June 2010).

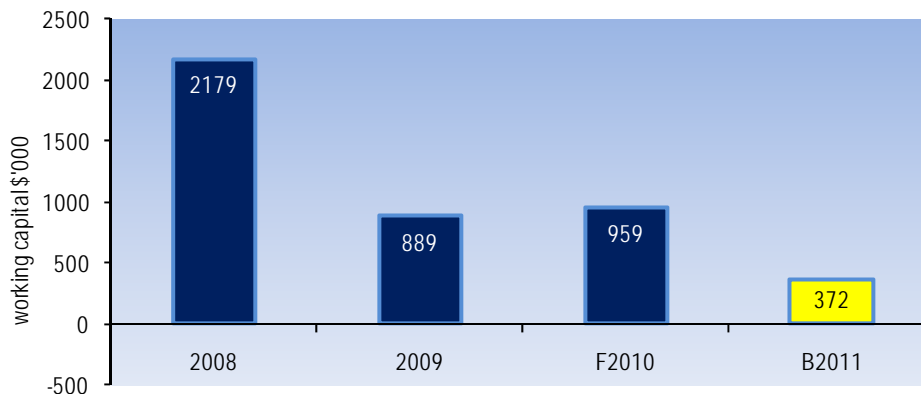
5. Capital works



The capital works program for the 2010/11 year is expected to be \$1,502,000 of which \$556,000 relates to projects which will be carried forward from the 2009/10 year. The carried forward component is fully funded from the 2009/10 budget. Of the \$946,238 of capital funding required, \$241,000 will come from Council operations (rates), \$482,000 from external grants and contributions and the balance of \$223,000 from cash and investments (reserves). The capital expenditure program has been set and prioritised based on a rigorous process of consultation that has enabled Council to assess needs and develop sound business cases for each project.

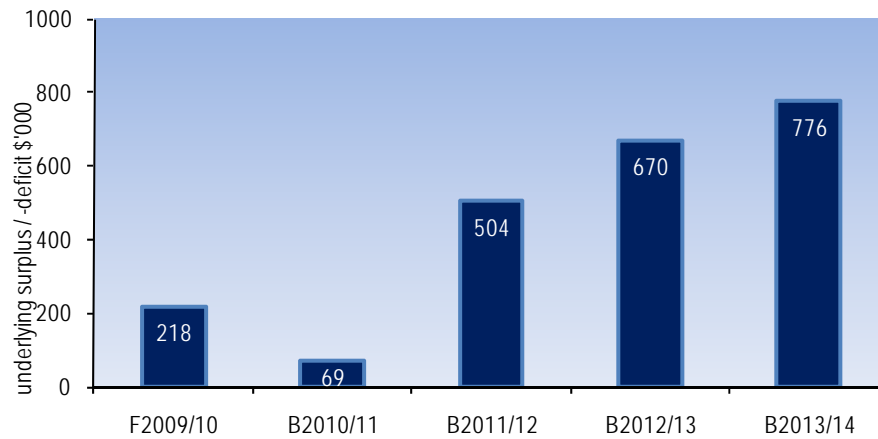
This year's program includes \$870,000 for Caravan Park / Crown Land projects predominantly for annual renewal of foreshore assets, carry forward for playground development and Point Lonsdale surf life saving and beach access, also \$782,000 for rate funded projects including the annual asset renewal program and the Queenscliff Community Centre incorporating Queenscliff Neighbourhood House (capital works are forecast to be \$1,287,000 for the 2009/10 year).

6. Working Capital



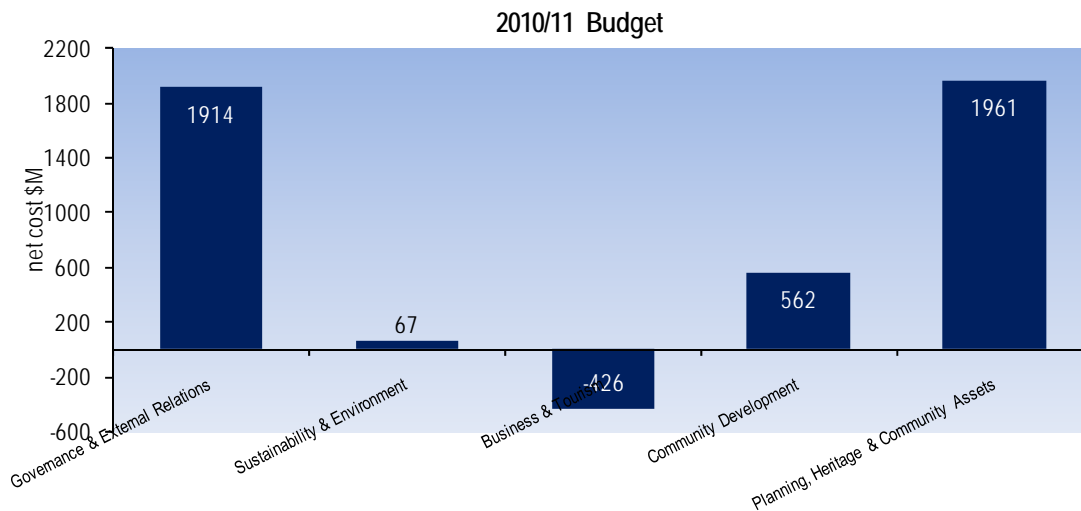
The financial position is expected to improve with net assets (net worth) to increase by \$352,000 to \$55,326,000 although net current assets (working capital) will reduce by \$587,000 to \$372,000 as at 30 June 2011. This is mainly due to the use of cash reserves to fund the capital works program as well as debt redemption. (Total equity is forecast to be \$54,973,000 as at 30 June 2010).

7. Financial sustainability - underlying result



A high level Strategic Resource Plan for the years 2010/11 to 2013/14 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan.

8. Strategic Directions



The Annual Budget includes a range of activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2010/11 year.

This budget has been developed through a rigorous process of consultation and review and management endorses it as financially responsible. More detailed budget information is available throughout this document.

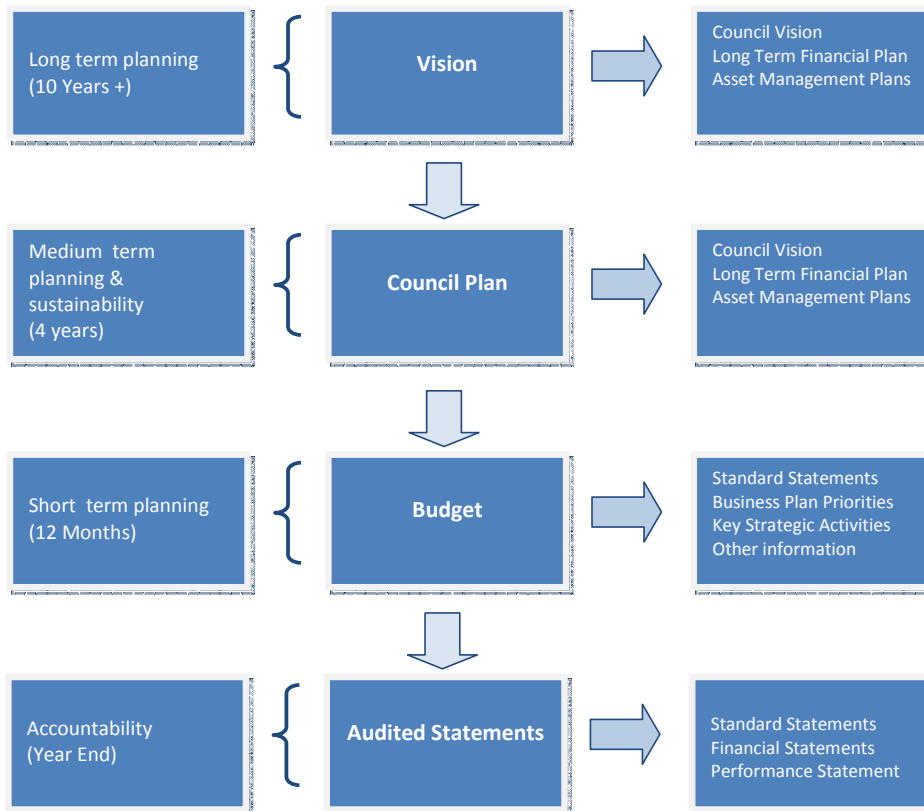
Lenny Jenner
Chief Executive Officer

2. Budget Overview

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term (Vision), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Audited Statements).

2.1 Strategic Planning Framework

The Strategic Resource Plan, included in the Council Plan summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the Business Plan priority actions included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of Council.



The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year by February to ensure that there is sufficient time for officers to develop new Business Plan priority actions in draft form prior to the commencement of the Annual Budget process in March. It also allows time for targets to be established during the Strategic Resource Planning process to guide the preparation of the Annual Budget.

2.2 Basis of budget preparation

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the Act and Regulations.

The preparation of the budget begins with Officers preparing the operating and capital components of the annual budget during February and March. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

To assist interested persons to understand the budget and make a submission if they wish, Council officers undertake a community engagement process including public meetings. The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted and a copy submitted to the Minister by 31 August each year.

2.3 Linkage to Council Plan

The Council Plan sets out the strategic directions that the Council has established for the four year period. Each year an annual business plan is developed which sets out the activities to be undertaken in that financial year. The Annual Budget is then developed to fund the Business Plan activities.

Section 3 of the this 2010/2011 Budget provides descriptions of Council's Key Result Areas, the Strategic Objectives under these Key Result Areas and the key initiatives in 2010/2011 to achieve these objectives.

2.4 Budget Processes

The key dates for the budget process are summarised below :

Budget process	Timing
1. Officers prepare operating and capital budgets	Feb / March
2. Council considers draft budget and Capital Works priorities at informal briefings	March
3. Community consultation through Portfolio Reference Groups	April
4. Council resolves that draft Budget be "prepared" and go out for public submissions	April
4. Public notice advising intention to adopt budget	May
5. Community engagement through public meetings to present draft budget	May
5. Budget available for public inspection and submission/comment	May
7. Submissions period closes (28 days)	May
8. Community presentations on budget submissions	May
9. Submissions considered by Council / Committee	June
10. Budget and submissions presented to Council for adoption	June
11. Copy of adopted budget submitted to the Minister	August

2.5 Snapshot of the Borough of Queenscliffe

The Borough of Queenscliffe is located to the south of Melbourne on the south eastern tip of the Bellarine Peninsula. The Borough has a land area of 10.7 square kilometres all of which is essentially coastal land.

The Borough was proclaimed a municipality in 1863 and is unique in Victoria in that it is the only Local Government untouched by any boundary change. It remained unchanged through the amalgamation process in the first half of the 1990's.

Population

The estimated population as at June 30th 2006 was 3261 which is a slight decline from the census of 2001. It is anticipated that the population will remain around this level in the foreseeable future as the municipality is fully developed and has a long history of having a large non permanent ownership of property.

Ageing Population

In 2006 the population over the age of 64 was 30.5% against a Victorian average of 13.3%. The Borough's population aged over 64 years is estimated to be 40% in 2016 and 45% by 2031. For this reason, there is significant emphasis on the need to provide aged services, although it is also acknowledged that age is not the sole determinant of the need for particular health services.

Child Population

The Borough of Queenscliffe has a comparatively low percentage of children aged 0-8 years. While the Borough's 0-8 year olds represented 8.7% of the population in 2006, the average in Metropolitan Victoria was 11.1% and in Regional and Rural Victoria 11.4%.

Housing

Population density in the Borough is low with 1.1 persons per household compared to the average for smaller Councils being 1.4 and the State average of 1.9.

Property values in the Borough are generally high with the top quartile averaging over \$1M. The overall median house price increased from \$532,000 in 2008 to \$620,000 currently.

Budget Implications

As a result of the Borough's demographic profile there are a number of budget implications in the short and long term. The relatively compact area of the Borough gives some inherent service advantages as services are being delivered across a compact area. This is unusual in a non Melbourne metropolitan council.

The Council also has to consider the fact that just outside its border there is a significant resident population at Point Lonsdale which is in the City of Greater Geelong. Council needs to continue to plan its community facilities around the fact that the cohort utilises the services of the Borough.

A large percentage of land under Council control is in fact Crown Land and therefore is non rateable. Council must be constructive in the way in which it approaches the management of Crown Land to ensure that there are sufficient revenue streams to meet the need for facilities on the various Crown Land reserves. It is important that ratepayers are not having to cross subsidise for services which benefit visitors.

2.6 Significant influences

External influences

In preparing the 2010/11 budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- For the purposes of this budget Consumer Price Index (CPI) is estimated at 3%.
- Council is currently finalising negotiations for the Enterprise Bargaining Agreement (EBA) which runs from 15 January 2010 to 15 January 2013. This will be completed by 30 June 2010.
- Road Maintenance and Construction is currently contracted to external providers. An allowance for 3% increase in 2010/11 has been included in this budget as per contract.
- Victorian Grants Commission funding has been budgeted for three quarters of the year as it was in the 2009/10 year, as the first quarter 2010/11 allocation will be prepaid into the 2009/10 year. An increase of \$41,000 as advised since the draft budget, has also been included.

Internal influences

As well as external influences, there were also a number of internal influences which are expected to have a significant impact on the preparation of the 2010/11 Budget. These matters have arisen from events occurring in the 2009/10 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2010/11 year. These matters and their financial impact are set out below:

- Carry forward items from 2009/10 totalling \$660,000 have been included in the 2010/11 budget. Income related to these carry forwards has been transferred to the 2010/11 year and will be reported on as part of the total 2010/11 budget for capital works.
- Staffing budgets allow for the full year effects of staff who commenced part-way through the 2009/10 year.

2.7 Key budget principles for the 2010/11 year

In response to these influences, the following key budget principles were used to prepare budgets.

- Existing fees and charges to be increased in line with CPI or market levels
- Grants to be based on estimated funding levels with unsuccessful funding resulting in the project not proceeding unless alternative funding is sourced
- New revenue sources to be identified where possible
- Service levels to be maintained at 2009/10 levels
- Salaries and wages to be increased in line with Enterprise Bargaining Agreement (EBA) negotiations
- Road maintenance and construction to increase in line with CPI and as per existing contract
- Capital projects to be evaluated and prioritised through a business case submissions process.
- New initiatives (operational as opposed to Capital works) to be evaluated and prioritised through a business case submission process.

2.8 Legislative Requirements

Under the Local Government Act 1989 (the Act), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Local Government (Finance and Reporting) Regulations 2004 (the Regulations) which support the Act.

The 2010/11 budget, which is included in this report, is for the year 1 July 2010 to 30 June 2011 and is prepared in accordance with the Act and Regulations. The budget includes standard statements being a budgeted Income Statement, Balance Sheet, Cash Flows and Capital Works. These statements have been prepared for the year ended 30 June 2011 in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context.

3. Activities, initiatives & key strategic activities

3.1 Key Result Areas & Strategic Objectives

The Council delivers activities and initiatives which contribute to the achievement of the Strategic Directions set out in the Council Plan for the 2009-2013 years. The following table lists the five Strategic Directions from the Council Plan.

	Strategic Area	Strategic Direction
1	Governance, Finance & External Relations	Providing accountable governance and long term sustainable financial management
2	Sustainability & Local Environment	Living sustainably and protecting and restoring our diverse environment
3	Business & Tourism	Supporting local businesses and tourism by providing an environment in which they can both flourish
4	Community Development	Work in partnership with the community to build a strong, safe, inclusive and connected community
5	Planning, Heritage & Community Assets	Striving to ensure development sustains and enhances the character of the natural and built environment

The strategies and net costs for each of the strategic areas are in the following tables. The performance indicators and targets can be found at Attachment E: Key Strategic Activities.

3.2 Key Result Area 1 - Governance, Finance & External Relations

Strategic direction: Providing accountable governance and long term sustainable financial management.

Strategies 2009 - 2013

- Achieve financial strength and maximize external funding opportunities
- Responsibly manage financial, human and physical resources.
- Promote strong community engagement and active participation and advocate on issues of importance to the community.
- Foster partnerships with community organisations, business, our municipal neighbours and all levels of government.
- Ensure the integrity of planning on and around the municipal boundary.
- Work towards consolidating the remainder of Point Lonsdale into the Borough of Queenscliffe.
- Ensure the continuing independence of the Borough.

Program / Activity	Description	Net Cost
Administration	This area includes the Chief Executive Officer, Executive Management Team and associated support which cannot be easily attributed to direct service provision areas. Also included here are customer and civic services, providing a range of governance, statutory and corporate support services, and acting as the main customer interface with the community. Services include the coordination of council and committee meetings, records and information management and office support services.	\$1,323,000
Finance, Risk & Audit	This service predominantly provides financial based services to both internal and external customers including the management of Council's finances, payment of salaries and wages to Council employees, procurement and contracting of services, raising and collection of rates and charges, fleet management, insurance and risk management. Expenditure related to the external provision of both valuation and information technology services is also captured here.	\$651,000
Governance	This relates predominantly to Mayor and Councillors, also governance items such as the community satisfaction survey and membership of various organisations including the MAV, G21 and VLGA.	\$197,000
NET EXPENSE		\$2,171,000

3.3 Key Result Area 2 – Sustainability & Local Environment

Strategic Direction: Living sustainably and protecting and restoring our diverse environment

Strategies 2009 - 2013

- Work in partnership with the community and other organisations to protect and restore the local environment and promote sustainable practices.
- Protect, restore and rehabilitate the natural ecosystems of the foreshore, coastal and marine environments and increase ecosystem connectivity.
- Initiate actions related to climate change.
- Work towards being a carbon neutral Council and community.
- Promote sustainable energy, waste and water management practices.
- Increase the amenity and usefulness of paths and trails in the Borough and surrounds without any detrimental impact on the significant environmental values.
- Protect and restore landscapes and heritage plantings in the Borough.

Program / Activity	Description	Net Cost
Sustainability & Environment	This new area has carriage of the sustainability policy, facilitates community projects and works with other services to improve Council's environmental performance. Reducing greenhouse gas emissions within Council operations and the community are a key priority, as is dealing with Climate Change.	\$67,000
NET EXPENSE		\$67,000

3.4 Key Result Area 3 – Business & Tourism

Strategic direction: Supporting local businesses and tourism by providing an environment in which they can both flourish.

Strategies 2009 - 2013

- Work in partnership with businesses and the community to promote and support business and tourism opportunities, sensitive to the social and environmental amenity of the community.
- Promote seasonal and adventure tourism opportunities.
- Promote the unique natural and heritage attributes of the Borough which will lead to increased local work opportunities.
- Work with businesses and other organisations to provide a greater variety of tourism accommodation in the Borough.
- Work with Geelong Otway Tourism and Bellarine Tourism to implement the 'Classic' branding for the Borough of Queenscliffe.

Program / Activity	Description	Net Cost
Caravan Parks & Boat Ramp	This service provides approximately 400 camping sites and associated facilities, which provide the revenue to fund the bulk of Council's foreshore activities. The boat ramp service provides a two lane sheltered access to the region's fishing grounds.	(\$763,000)
Visitor Information Centre	This service provides a state accredited tourist information service year round. Professional and friendly advice from paid and volunteer staff ensure that visitors have a positive experience in the seaside townships of Queenscliff and Point Lonsdale.	(\$11,000)
Coastal & Environment	This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance on Coastal Crown Land.	\$248,000
Tourism Promotion	This service is integrated with the activities of Geelong Otway Tourism, Bellarine Peninsula Tourism and the local Queenscliff Lonsdale Tourism Association. Marketing and promoting the Borough and its attractions is key to increasing the number of day trippers and visitors who choose to stay longer in the Borough.	\$76,000
NET INCOME		(\$450,000)

3.5 Key Result Area 4 – Community Development

Strategic direction: Work in partnership with the community to build a strong, safe, inclusive and connected community

Strategies 2009 - 2013

- Promote the health and wellbeing of the Borough community and continue to provide and support high quality health, learning and aged care services.
- Facilitate opportunities in sport, recreation, arts, cultural and civic activities.
- Advocate for improved public and community transport.
- Promote safe walking and cycling activity.
- Support and encourage community projects.
- Foster safety in the community.
- Support and recognise volunteerism.

Program / Activity	Description	Net Cost
Aged & Disabled Services	This service provides a range of services for the aged and disabled including home care, personal care and respite care, home maintenance and senior citizens centre.	\$194,000
Library	A public library service is provided in Queenscliff, operated by the Geelong Regional Library Corporation, for which Council contributes to cost of this service.	\$192,000
Arts, Recreation & Culture	This service provides a varied ongoing program of arts and cultural events.	\$75,000
Community Development	Included with general community development are events such as volunteer day celebrations, senior citizens week, Australia Day celebrations and Christmas decorations and festivities.	\$98,000
Maternal & Child Health	Maternal and child health services are externally provided by Bellarine Health Care and funded by Council grant income.	\$13,000
NET EXPENSE		\$572,000

3.6 Key Result Area 5 - Planning, Heritage & Community Assets

Strategic direction: Striving to ensure development sustains and enhances the character of the natural and built environment

Strategies 2009 - 2013

- Protect, conserve and add value to the unique natural, built and heritage values of the Borough of Queenscliffe, drawing on an understanding of the limitations of the natural environment and the municipality's historical background.
- Develop appropriate planning policies to improve the amenity of the Borough as a place where people live, work and visit.
- Work in partnership with the community and stakeholders to achieve responsive and high quality planning outcomes in a consistent manner.
- Improve the development of infrastructure and maintain community assets.
- Enhance traffic management.

Program / Activity	Description	Net Cost
Road Maintenance & Works	Provided by an external contractor, this service includes maintenance of local roads, kerb & channel, footpaths & shared use trails, drainage, street cleaning and sweeping, parks & gardens and sports ovals.	\$799,000
Waste Disposal	This service includes regular bin based collection of garbage and recycling as well as a cyclic hard rubbish collection. Council also works with the Barwon Region Waste Management Group to increase community awareness and promote behaviours that minimise waste and increase recycling.	\$436,000
Engineering	This service undertakes design, tendering, contract management and supervision of various works within Council's capital works program. The service also approves and supervises private development activities such as build over easement, legal point of discharge, vehicle point of access and infrastructure associated with unit developments.	\$207,000
Planning & Development Control	This service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary. It monitors Council's Planning Scheme as well as preparing major policy documents shaping the future of the Borough. It also processes amendments to the Council Planning Scheme and carries out research on demographic, economic and social issues affecting Council.	\$179,000
Local Law Enforcement	This service provides staff at school crossings throughout the municipality to ensure that all pedestrians, but mainly school aged children, are able to cross the	\$128,000

Program / Activity	Description	Net Cost
	road safely. It maintains and improves the health and safety of people, animals and the environment in Council by providing services including a dog and cat collection service, a lost and found notification service, a registration and administration service, an after hours service and an emergency service. This service also facilitates the smooth flow of traffic and parking throughout the municipality through the provision of safe, orderly and equitable parking enforcement and education. It also provides education, regulation and enforcement of the General Local Law and relevant State legislation.	
Public Conveniences	Maintenance, cleaning and renewal of 13 public conveniences is required to maintain a level of service acceptable to the general community as well as tourists.	\$102,000
Street Lighting	Operation, maintenance and renewal plus energy costs associated with the Borough's street lights.	\$40,000
Powerline Clearance	This is to maintain the legislative clear zones around powerlines to ensure safety and prevention of fire.	\$38,000
Building Maintenance	This service prepares long term maintenance management programs for Council's buildings in an integrated and prioritised manner in order to optimise their strategic value and service potential. Also included here is the works on Pt Lonsdale Bowls Club.	\$184,000
Heritage Assets	Advice is provided via an external contractor regarding Council's heritage assets, in order to maintain the Borough's heritage values.	\$30,000
Building Control	This service provides statutory building services to the Council community including processing of siting variation consent, emergency management responsibilities, building safety inspections/audits and investigations of complaints and illegal works. Provided by way of a part time external contractor.	\$29,000
Environmental Health	This service protects the community's health and well-being by coordinating food safety support programs, Tobacco Act activities and smoke free dining venues. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls.	\$24,000
NET EXPENSE		\$2,046,000

3.7 Performance Statement

The Key Strategic Activities (KSA) detailed in the preceding pages, are summarised again in Appendix D. The KSA's, their performance measures, targets and results are audited at the end of the year and are included in the Performance Statement as required by section 132 of the Act. The Annual Report for 2010/11 will include the audited Performance Statement which is presented to the Minister for Local Government and the local community.

3.8 Reconciliation with budgeted operating result

	Net Cost		
	(Revenue)	Expenditure	Revenue
	\$'000	\$'000	\$'000
Governance, finance & external relations	2,171	2,429	(258)
Sustainability & local environment	67	67	0
Business & tourism	(450)	1,232	(1,682)
Community development	572	1,079	(507)
Planning, heritage & community assets	2,046	2,382	(336)
Total activities & initiatives	4,406	7,189	(2,783)
Other non-attributable			
Deficit before funding sources	4,406		
Rates & charges	(5,101)		
Capital grants & contributions	343		
Total funding sources	(4,758)		
Surplus for the year	352		

4. Analysis of Operating Budget

This section analyses the operating budget including expected revenues and expenses of the Council for the 2010/11 year.

4.1 Summary of Budgeted Operating Statement

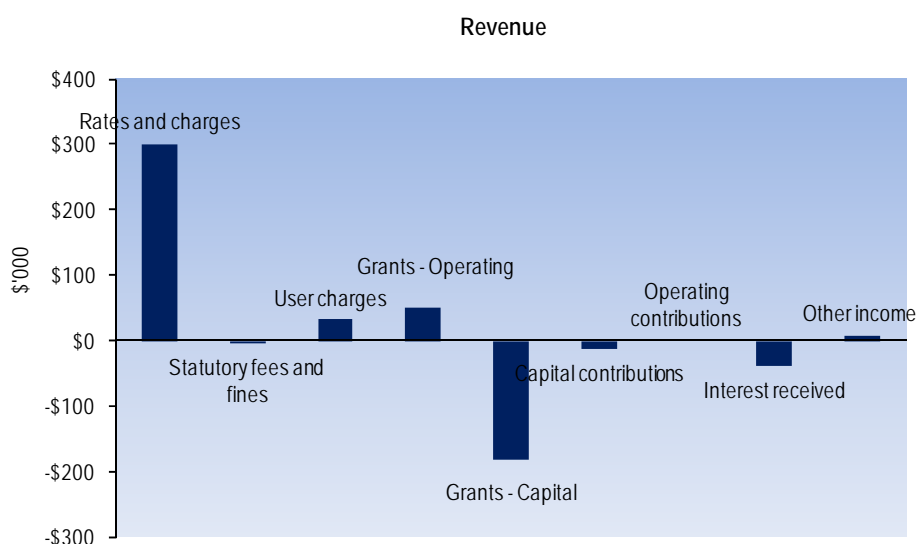
	Ref	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
Operating revenue	4.2	7,950	8,107	157
Operating expenditure	4.3	7,131	7,695	564
Net gain on disposal of property, infrastructure, plant and equipment	4.4	(15)	0	15
Increase in unfunded superannuation liability	4.5	0	(60)	(60)
Surplus (deficit) for the year		804	352	(452)
Proceeds from Asset Sales	4.4	(81)	(32)	49
Increase in unfunded superannuation liability		0	60	60
Capital Grants and contributions	4.5	(506)	(311)	195
Underlying surplus (deficit)		218	69	(149)

4.1.1 Underlying Surplus (\$149,000 decrease)

The underlying result is the net surplus or deficit for the year adjusted for capital contributions, gains or losses on disposal of non-operating assets sold and other once-off adjustments. It is a measure of financial sustainability as it is not impacted by non-recurring or once-off items of revenues and expenses which can often mask the operating result. The underlying result for the 2010/11 year is a surplus of \$69,000 which is a decrease of \$149,000 on the 2009/10 year.

4.2 Operating Revenue

Revenue Types	Ref	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
Rates and charges	4.2.1	4,801	5,101	300
Statutory fees and fines	4.2.2	153	150	(3)
User charges	4.2.3	1,489	1,523	33
Grants - Operating	4.2.4	727	779	52
Grants - Capital	4.2.5	453	271	(182)
Capital contributions	4.2.6	52	40	(12)
Operating contributions	4.2.6	40	40	0
Interest received	4.2.7	84	46	(38)
Other income	4.2.8	152	158	7
Total operating revenue		7,950	8,107	157



The above graph indicates the change in funding between the two years - 2009/10 and 2010/11.

4.2.1 Rates and charges \$300,000 increase

It is proposed that general rate income be increased by 5.5% or (\$300,000) over 2009/10 to \$5,101,000. Supplementary rates are forecast to be \$10,000. Section 9. "Rating Strategy" includes a more detailed analysis of the rates and charges to be levied for 2010/11.

4.2.2 Statutory fees and fines (\$3,000 decrease)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, Health Act registrations, parking fees & fines. Increases in statutory fees are made in accordance with legislative requirements.

Statutory fees are forecast to decrease by \$3,000 compared to 2009/10. This is the result of fee increases mixed with a reduction in volume predicted in some areas (eg: planning permit revenue).

A detailed listing of statutory fees and is available on Council's web site and can also be inspected at Council's customer service centres.

A detailed listing of fees and charges is available on Council's web site and can also be inspected at Council's customer service centres.

4.2.3 User Charges (\$33,000 increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include the use of council facilities, the provision of aged care services as well as camping and caravan fees. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases reflect market levels and/or CPI.

User charges are projected to increase by 3% or \$33,000 over the 2009/10 year. While most user charges are forecast to increase by 3%, caravan park fees in particular will increase between 5% to 20% in 2010/11.

A detailed listing of fees and charges is available on Council's web site and can also be inspected at Council's customer service centres.

4.2.4 Operating Grants (\$52,000 increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers and contributions from other parties towards property development costs. Overall, the level of operating grants has increased by \$52,000 compared to 2009/10. Significant movements in grant funding are summarised below:

Grant Funding Types	Forecast	Budget 2010/11 \$'000	Variance \$'000
	Actual 2009/10 \$'000		
Victorian Grants Commission	154	202	48
2009/10 one-off grant funding			
Removal of Dangerous Trees	50	0	(50)
Pipework Removal at Ocean View	23	0	(23)
Additional Home Care Assessments	20	0	(20)
Bushfire / Emergency Preparation	13	0	(13)
Revegetation Works at 'The Narrows'	10	0	(10)
Drought Funding	7	0	(7)
New grants anticipated in 2010/11			
Roads to Recovery	0	72	72
Point Lonsdale Cliff Safety	0	20	20
Additional Engineering / Projects	0	20	20

The increase in Victorian Grants Commission (VGC) funding results from less income being received during 2010/11 as the first quarter will be prepaid in (June) 2009/10 by the VGC.

4.2.5 Capital Grants (\$182,000 decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has reduced by \$182,000 compared to 2009/10 due mainly to one-off specific funding for some large capital works projects in 2009/10 including the Queenscliff playground and park development project. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2010/11 year.

4.2.6 Capital & operating contributions (\$12,000 increase)

Contributions of \$46,000 toward the Queenscliff Community Centre incorporating the Queenscliff Neighbourhood House, as well as \$40,000 toward the Point Lonsdale Bowls Clubhouse Facility Upgrade Stage 2 (non-Capital, are anticipated in 2010/11.

4.2.7 Interest received (\$38,000 decrease)

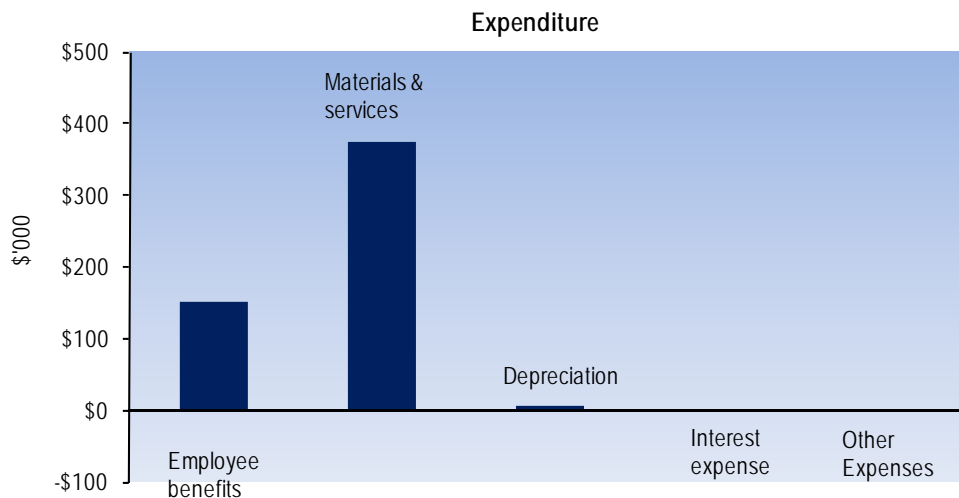
Interest on investments will be lower than last year as a result of lower levels of cash being held compared to 2009/10, as the capital works program including carry forward projects is undertaken during 2010/11.

4.2.8 Other income (\$7,000 increase)

Other revenue relates to a range of items such as private works, cost recoups and other miscellaneous income items. The increase in income for 2010/11 is mainly due to an increase in lease income in 2010/11.

4.3 Operating Expenditure

Expenditure Types	Ref	Forecast	Budget	Variance
		Actual 2009/10 \$'000	2010/11 \$'000	\$'000
Employee benefits	4.3.1	2,593	2,744	151
Materials and services	4.3.2	3,526	3,899	373
Depreciation	4.3.3	694	699	6
Interest expense	4.3.4	127	127	(0)
Other expenses	4.3.5	192	192	0
Total operating expenditure		7,131	7,661	530



Source: Appendix A

4.3.1 Employee Benefits (\$151,000 increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc.

Employee costs are forecast to increase by 5% or \$151,000 compared to 2009/10. This increase relates to three key factors:

- Full year effect of new staff commencing part way through 2009/10
- Additional hours in 2010/11 for specific one-off funded projects, eg: TAC Pedestrian & Road Safety
- Annual increment increases as staff progress through Award bandings
- Renegotiation of Council's Enterprise Bargaining Agreement (EBA)
- Increase in hours for Aged Care Services - offset by recurrent grant funding

In summary, average staff numbers (based on monthly averages) during the budget period are as follows:

Type of employment	Forecast		Budget Variance
	Actual 2009/10	2010/11	
Number of staff	48.0	48.0	0.0
Equivalent full time (EFT)	32.2	32.5	0.3

Additional homecare assessment hours funded by grant income.

4.3.2 Materials and Services (\$373,000 increase)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to increase by \$373,000 compared to 2009/10.

The major increase relates to the changing nature of the expenditure for the Pt Lonsdale Bowls club from Capital to Operating. Of the \$373,000 increase, \$149,500 is due to this adjustment. One-off contract and other services during 2009/10 include : \$89,000 tree removal and replacement program, \$63,000 removal of pipeworks at Ocean View, \$50,000 asset valuation contract, \$35,000 climate change strategy, \$27,000 maternal child health and \$23,000 asset management project. These are offset in part by new contracts and other services in 2010/11 including : \$72,000 roads to recovery program, \$55k additional engineering/project management, \$50k coastal risk mitigation, \$25,000 sustainability initiatives and \$16,000 road condition survey.

4.3.3 Depreciation and amortisation (\$6,000 increase)

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of \$6,000 for 2010/11 is due mainly to the 2010/11 capital works program and the full year effect of depreciation on the 2009/10 capital works program.

4.3.4 Finance Costs (\$Nil movement)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. A reduction in borrowing costs results from the planned reduction in borrowings due to repayment of principal in accordance with loan agreements, although this is offset by interest expense related to the increase in unfunded superannuation liability anticipated in 2010/11.

4.3.5 Other Expenses (\$34,000 increase)

Other expenses relate to a range of unclassified items including mayoral and councillor allowances, audit fees and motor vehicle lease expense.

4.3.6 Net loss on disposal of assets (\$15,000 decrease)

Net loss on disposal of assets relates predominantly to the planned cyclical replacement of part of the motor vehicle fleet. The budget assumes there is no net loss on disposal of assets, as depreciation charges should reflect closely asset life and residual value.

4.3.7 Unfunded superannuation liability (\$60,000 increase)

An increase in the unfunded superannuation liability of \$60,000 is expected during 2010/11. It is anticipated that repayment of this liability will be over a ten year period.

5. Cash Flow Budget

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2010/11 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery Functions of Council. Cash remaining after paying for the provision of services to the Community may be available for investment in capital works, or repayment of debt.
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council Functions and include borrowings from financial institutions and advancing of repayable loans to other organisations.
These activities also include repayment of the principal component of loan repayments for the year.

5.1 Budgeted cash flow statement

	Ref	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
Cash flows from operating activities	5.1.1			
<i>Receipts</i>				
General rates		4,801	5,097	296
Grants - Operating		727	779	52
Capital grants & contributions		506	311	-195
Operating contributions		40	40	
Interest		84	46	-38
User charges and fees		1,631	1,669	38
Other		152	158	7
		7,939	8,099	160
<i>Payments</i>				
Employee costs		-2,593	-2,730	-138
Other		-3,929	-4,122	-192
		-6,522	-6,852	-330
Net cash provided by operating activities		1,418	1,248	-170
Cash flows from investing activities	5.1.2			
Proceeds from sales of property, plant & equip		81	32	-49
Repayment of loans and advances		0	0	0
Deposits		0	0	0
Payments for property, plant and equipment		-1,287	-1,502	-215
Net cash used in investing activities		-1,207	-1,470	-263
Cash flows from financing activities	5.1.3			
Finance costs		-127	-127	0
Proceeds from borrowings		0	0	0
Repayment of borrowings		-206	-236	-30
Net cash used in financing activities		-334	-363	-30
Net decrease in cash and cash equivalents		-123	-586	-463
Cash and cash equivalents at the beg of the year		1,679	1,544	-135
Cash and cash equivalents at end of the year	5.1.4/5.2	1,556	958	-598

5.1.1 Operating activities (\$.598 million decrease)

An increase in cash inflows from operating activities is due mainly to a \$.313 million increase in rates and charges, which is in line with the rate increase of 5.5%. This is offset by the increase in cash outflows for employee costs and other expenditure on materials & services.

The net cash flows from operating activities does not equal the operating result for the year as the expected revenues and expenses of the Council include non-cash items which have been

excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
Surplus (deficit) for the year	804	352	-452
Depreciation	694	699	6
Loss (gain) on sale of assets	-15	0	15
Net movement in current assets and liabilities	-1,348	-466	882
Cash flows available from operating activities	135	586	451

5.1.2 Investing activities (\$0.263 million decrease)

The increase is due to payments for capital works disclosed in Appendix C of this budget report.

5.1.3 Financing activities (\$0.030 million decrease)

For 2010/11 the total of principal repayments is \$0.236 million and finance charges is \$0.127 million.

5.1.4 Cash and cash equivalents at end of the year (\$0.586 million decrease)

Overall, total cash and investments is forecast to decrease by \$.586 million to \$.958 million as at 30 June 2011, reflecting Council's strategy of using excess cash and investments to enhance existing and create new infrastructure. This is consistent with Council's Strategic Resource Plan (see Section 8), which forecasts a significant reduction in the capital works program from 2010/11 onwards to balance future cash budgets.

5.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June, 2011 it will have cash and investments of \$0.958 million, which has been restricted as shown in the following table.

	Ref	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
Total cash and investments		1,544	958	-586
Restricted cash and investments				0
- Discretionary reserves	5.2.1	-982	-572	410
- Long service leave	5.2.2	-250	-250	0
Unrestricted cash and investments		312	136	-176

Source: Appendix A

5.2.1 Discretionary reserves (decrease \$.410 million)

This figure is made up of two discretionary reserves being the Crown Land Reserve of \$.401m plus \$.171m in an Asset Replacement Reserve.

5.2.2 Long service leave (\$.250 million, no change)

These funds are separately identified as restricted to ensure there are sufficient funds to meet Council's obligations as set out in the Local Government (Long Service Leave) Regulations 2002.

6. Capital Budget

A detailed listing of the capital works program is included in Appendix C.

7. Reserves Schedule

The following is the Crown Land Reserve Schedule showing 2008/09 actuals, 2009/10 forecast and the proposed 2010/11 budget. Note: the estimated \$194,000 balance projected at June end is to ensure Council has sufficient funds to ensure opportunities to match grant funding can be taken advantage of.

	2008/09	2009/10	2010/11
	Actual	Forecast	Budget
Balance 30th June	\$1,166,758	\$402,755	\$307,141
Transfers To Reserve for the Year			
Surplus from Caravan Parks (on Crown Land)	\$413,127	\$442,186	\$371,270
Carried forward Crown Land projects			\$506,000
	\$413,127	\$442,186	\$877,270
	\$1,579,885	\$844,941	\$1,184,411
Transfers From Reserve for the Year			
Sports Clubs	\$22,741		
Caravan Park Cabins	\$347,395		
Caravan Park Equipment	\$14,146		
Vic Park Amenity Block	\$306,960		
Boat Ramp	\$0		
P.L. Bowls Clubhouse Facility Upgrade	\$50,000		
Queenscliff Playground Facility	\$25,497		
Netball Courts	\$44,940		
Caravan Park Camp Kitchen	\$117,969		
Operating - Coastal Works	\$194,032		
Operating - Rec Res Master Plan	\$3,745		
Operating - Access Ramp Dog Beach	\$8,300		
Operating - Crown Land Leases	\$1,500		
Coastal Management Plan	\$27,596		
Amenity Block improvements	\$12,309		
Tree Removal & Replacement Program		\$50,000	
Asset Maintenance & Replacement Program		\$215,000	
Playground & Park Development Project		\$100,000	
Beach Access Upgrades		\$20,000	
Recreation Reserve Cabins		\$85,000	
Review of Crown Land leases		\$4,500	
Removal of pipeworks at Ocean View		\$20,000	
Monahan Centre expenditure		\$43,300	
2009/10 projects carried forward to 2010/11			
Foreshore Asset Maint & Replace Prog			\$120,000
Beach Access Upgrades			\$60,000
Tree Removal & Replacement Prog			\$16,000
Playground & Park Dev Project (spend in 10/11)			\$310,000
2010/11 projects			
Beach access handrails Point Lonsdale			\$3,000
Upgrade to Citizens Park toilets			\$55,000
Balance required for annual renewal program			\$124,299
Upgrade to Survey office building Tobin Drive			\$12,000
Boundary fence Q'Cliff Rec Reserve oval			\$20,000
Safety improvements to Point Lonsdale Playground			\$8,000
Point Lonsdale Cliff Safety			\$20,000
Community Facilities Strategic Plan : Queenscliff Rec Reserve			\$20,000
Planning for (1) Beach access from Queenscliff Playground (2) Springs Carpark (3) Dog Beach Bike access to be submission ready			\$15,000
Annual expenditure on projects			
	\$1,177,130	\$537,800	\$783,299
Closing Balance 30th June	\$402,755	\$307,141	\$401,112
Earmarked for Monahan Centre		\$206,700	\$206,700
Unallocated reserve funds available	\$402,755	\$100,441	\$194,412

Asset replacement reserve

As a result of the asset management review undertaken by CT Management in March 2010 this budget allocates \$171,000 to an asset replacement reserve. This figure represents a substantial portion of the difference between the average annual funding requirement as per the asset review and the actual expenditure required in the 2010/11 year. In this way Council will accumulate funds in preparation for future years when capital expenditure is required.

	2008/09	2009/10	2010/11
	Actual	Forecast	Budget
Opening Balance 1 July	\$0	\$0	\$0
<u>Transfers To Reserve for the Year</u>			
Budget allocation	\$0	\$0	\$171,000
	\$0	\$0	\$171,000
<u>Transfers From Reserve for the Year</u>			
Funding for Budget	\$0	\$0	\$0
	\$0	\$0	\$0
Closing Balance 30th June	\$0	\$0	\$171,000

8. Budgeted Financial Position

This section analyses the movements in assets, liabilities and equity between 2009/10 and 2010/11. It also considers a number of key performance indicators.

	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
Current assets			
Cash and cash equivalents	1,544	953	-586
Trade and other receivables	269	276	7
Inventories	13	13	0
Other assets	231	231	0
Total current assets	2,057	1,479	-578
Non-current assets			
Trade and other receivables	7	7	0
Investments in associates accounted for using the equity method	246	246	
Property, infrastructure, plant and equipment	55,169	55,940	771
Total non-current assets	55,422	56,193	771
Total assets	57,479	57,672	192
Current liabilities			
Trade and other payables	433	436	-3
Trust funds and deposits	65	65	0
Interest-bearing loans and borrowings	364	377	-13
Provisions	236	229	7
Total current liabilities	1,099	1,107	-8
Non-current liabilities			
Interest-bearing loans and borrowings	1,383	1,214	169
Provisions	24	25	-1
Total non-current liabilities	1,407	1,239	168
Total liabilities	2,506	2,346	160
Net assets	54,973	55,326	352
Equity			
Accumulated surplus	29,772	30,534	762
Asset revaluation reserve	24,219	24,219	0
Other reserves	982	572	-410
Total equity	54,973	55,326	352

Source: Appendix A

9. Strategic resource plan and key financial indicators

This section considers the long term financial projections of the Council. The Act requires a Strategic Resource Plan to be prepared covering both financial and non-financial resources, and including key financial indicators for at least the next four financial years to support the Council Plan.

9.1 Plan development

Council has prepared a Strategic Resource Plan (SRP) for the four years 2010/11 to 2013/14 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

The key objective, which underlines the development of the Plan, is financial sustainability in the medium to long term, whilst still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the Long Term Financial Plan, are:

- Maintain existing service levels, increase in Aged care services
- Maintain a breakeven cash/rates result
- Maintain a capital expenditure program of at least \$1 million per annum
- Achieve a surplus operating result.

In preparing the SRP, the Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

The Plan is updated annually through a rigorous process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.

9.2 Financial resources

The following table summaries the key financial results for the next four years as set out in the SRP for years 2010/11 to 2013/14. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Key to Forecast Trend:

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

	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2009/10	2010/11	2011/12	2012/13	2013/14	+/-
	\$'000	\$'000	\$'000	\$'000	\$'000	
Result for the year	804	352	536	702	808	+
Underlying result	218	69	504	670	776	+
Cash and investments	1,544	958	927	829	827	-
Cash flows from operations	1,418	1,248	1,337	1,530	1,616	+
Capital works	1,287	946	1,057	1,320	1,349	+

Indicator	Forecast		Strategic Resource Plan			Trend
	Actual 2009/10	Budget 2010/11	Projections			
			2011/12	2012/13	2013/14	+/-
Financial performance						
Underlying result/Underlying rev	3.17%	1.65%	6.37%	8.23%	9.08%	+
Operating expenses/Assessment	\$2,384	\$2,563	\$2,476	\$2,490	\$2,590	+
Rate revenue/Underlying revenue	65.19%	65.19%	66.88%	68.25%	68.08%	-
Rate revenue/Assessment	\$1,605	\$1,699	\$1,768	\$1,852	\$1,939	+
Debt servicing/Total revenue	1.73%	1.62%	1.44%	1.17%	0.98%	-
Grants/Total revenue	9.87%	9.96%	8.70%	7.74%	7.94%	o
Fees & charges/Total revenue	22.30%	21.38%	22.31%	21.89%	21.93%	o
Financial position						
Indebtedness/Rate revenue	33.74%	28.30%	22.87%	17.43%	12.91%	-
Underlying result/Total assets	0.406%	0.224%	0.872%	1.146%	1.313%	+
Current assets/Current liabilities	187.25%	133.58%	130.72%	121.74%	120.54%	-
Total liabilities/Assessment	\$838	\$781	\$704	\$634	\$573	-
Capital expenditure						
Capital works	\$442	\$371	\$415	\$428	\$436	+
- Asset renewal						+
- New assets	1,287	1,171	1,057	1,320	1,349	o
Capital works/Rate revenue	26.81%	18.55%	19.91%	23.75%	23.17%	o
Asset renewal/Total depreciation	169%	151%	187%	192%	218%	+

10. Rating Strategy

This section considers the Council's rating strategy including strategy development and assumptions underlying the current year rate increase and rating structure.

10.1 Strategy development

In developing the Strategic Resource Plan (referred to in Section 8.), rates and charges were identified as an important source of revenue, accounting for more than 60% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly given the change to bi-annual general revaluations, and recent significant increases in valuations and subsequently rates for some properties in the municipality. The following table shows a comparison of the last five years.

Year	Borough of Queenscliffe
2005/06	4.00%
2006/07	6.50%
2007/08	6.75%
2008/09	6.75%
2009/10	3.50%
Average increase	5.50%

10.2 Current year rate increase

General rates will increase by 5.5% in 2010/11 raising a total rate of \$5,101,000, including \$10,000 generated from supplementary rates. The following table sets out future proposed rate increases and total rates to be raised, based on the forecast financial position of Council as at 30 June 2010.

Year	Rate Increase %	Total Rates Raised \$'000
2009/10	3.5	4,801
2010/11	5.5	5,101
2011/12	4.5	5,308
2012/13	4.5	5,559
2013/14	4.5	5,821

10.3 Rating structure

Council has established a rating structure which is comprised of two key elements. These are:

- Property values, which reflect capacity to pay
- User pays component to reflect usage of services provided by Council.

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential or business purposes. This distinction is based on the concept that business should pay a fair and equitable contribution to rates taking into account the benefits those businesses derive from the local community.

The existing rating structure comprises two differential rates (residential and business) and a rate concession for recreational land. These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any "recreational lands" which meet the test of being "rateable land" under the Act. The business rate is set at 135.16% of the residential rate and the rate concession for recreational land is set at 50% of the residential rate. Council does not have a municipal charge or a separate garbage charge (except for second bins).

The following table summarises the rates to be made for the 2010/11 year. A more detailed analysis of the rates to be raised is contained in Appendix B "Statutory Disclosures".

Rate type	How applied	2009/10	2010/11
Residential rates	Cents/\$ CIV	0.248500	0.230390
Business rates	Cents/\$ CIV	0.329300	0.311370
Recreational rates	Cents/\$ CIV	0.124300	0.125517
Second bin charge	\$/ bin	\$155	\$160

10.4 General revaluation of properties

During the 2009/10 year, a revaluation of all properties within the municipality was carried out and will apply from 1 January 2010 for the 2010/11 year. The outcome of the general revaluation has been a significant change in property valuations throughout the municipality.

The following table summarises the valuation changes between the 2008 and 2010 general revaluations for residential properties by property segment, together with the rating changes between the 2009/10 and 2010/11 years based on a 5.5% average rate increase and the valuation movements listed.

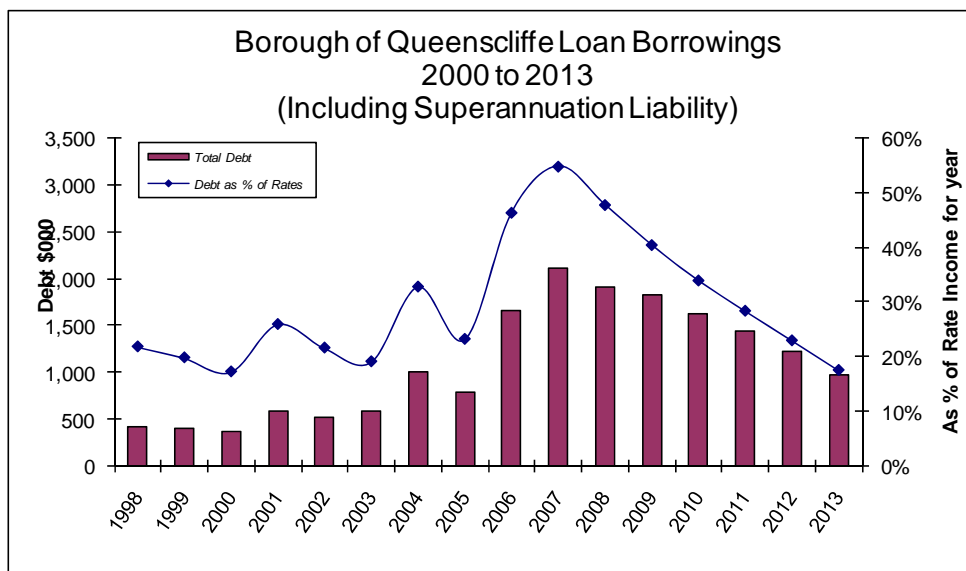
Property Segments	Valuation Change (Decrease)
<i>Point Lonsdale</i>	
North	9%
Cemetery	15%
Central	14%
South East	12%
Golf Course	20%
South West	16%
<i>Queenscliff</i>	
Fishermans Flats	12%
Central	21%
Swan Bay	9%
Swan Bay Flats	10%
Foreshore	29%
<i>Rural</i>	18%
Average residential	15%
Point Lonsdale	18%
Queenscliff	16%
Hotels	20%
Harbour	113%
Average business	42%

11. Debt Strategy

In developing the Strategic Resource Plan SRP (see Section 8), borrowings was identified as an important funding source for capital works programs. In the past, Council has borrowed to finance large infrastructure projects and since then has been in a phase of debt reduction.

For the 2010/11 year, Council has decided not take out any new borrowings to fund the capital works program and therefore, after making loan repayments of \$0.236 million, will reduce its total borrowings to \$1.443 million as at 30 June 2011.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2009/10	0	206	192	1,620
2010/11	0	236	225	1,443
2011/12	0	229	196	1,214
2012/13	0	245	201	969
2013/14	0	217	207	751



Appendices

Overview to Appendices

The following appendices are provided to assist readers of the Budget document.

Appendix A – Budgeted Standard Statements

Appendix B – Statutory Disclosures

Appendix C – Capital Works Funding for 2010/2011

Appendix D – Fees and Charges 2010/2011

Appendix E – Key Strategic Activities

Appendix A - Budgeted Standard Statements

Standard Income Statement

For the four years ending 30 June 2014

This appendix presents information in regard to the Budgeted Standard Statements. The budget information for the years 2010/11 to 2013/14 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to report back to the community a comparison of actual financial results against these Budgeted Standard Statements and provide an explanation of significant variances. The Standard Statements together with the Performance Statement provide a clear, concise and understandable report of Council's activities for the year from both a financial and non-financial perspective particularly for those users who do not have a financial background.

The appendix includes the following budgeted information:

- Standard Income Statement
- Standard Balance Sheet
- Standard Cash Flow Statement
- Standard Capital Works Statement
- Statement of Investment Reserves.

Standard Income Statement
For the four years ending 30 June 2014

INCOME STATEMENT	Forecast 2009/10 \$'000's	Budget 2010/11 \$'000's	Forecast 2011/12 \$'000's	Forecast 2012/13 \$'000's	Forecast 2013/14 \$'000's
REVENUES					
<i>Operating revenue</i>					
Rates and charges	4,801	5,101	5,308	5,559	5,821
Statutory fees & fines	153	150	153	156	159
User Charges	1,489	1,523	1,618	1,627	1,716
Grants - Operating	727	779	690	631	679
Grants - Capital	453	271	0	0	0
Capital Contributions	52	40	0	0	0
Contributions	40	40	0	0	0
Interest received	84	46	40	40	40
Other Income	152	158	160	163	166
TOTAL OPERATING REVENUE	7,950	8,107	7,969	8,177	8,583
EXPENSES					
<i>Operating expenses</i>					
Employee benefits	2,593	2,744	2,821	2,919	3,020
Materials & Services	3,526	3,899	3,597	3,556	3,760
Bad and doubtful debts	0				
Depreciation	694	699	704	704	704
Interest expense	127	127	114	95	84
Other expenses	192	225	196	201	207
TOTAL OPERATING EXPENSES	7,131	7,695	7,432	7,475	7,775
OPERATING RESULT	819	412	536	702	808
<i>Non-operating income and expenditure</i>					
Net gain/(loss) on disposal of property, plant and equipment, infrastructure	(15)	0	0	0	0
Share of net profits of associates and joint ventures accounted for by the equity method	0	0	0	0	0
Increase in Unfunded Superannuation Liability		(60)			
Net asset revaluation increment(decrement) on infrastructure					
SURPLUS / (DEFICIT)	804	352	536	702	808
minus Capital Income and asset sales	(586)	(343)	(32)	(32)	(32)
minus other abnormal and Library share	0	60	0	0	0
UNDERLYING SURPLUS / (DEFICIT)	218	69	504	670	776

Standard Balance Sheet
For the four years ending 30 June 2014

BALANCE SHEET	Forecast	Budget	Forecast	Forecast	Forecast
	2009/10	2010/11	2011/12	2012/13	2013/14
	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's
ASSETS					
Current Assets					
Cash and cash equivalents	1,544	958	927	829	827
Trade and other receivables	269	276	291	296	311
Inventories	13	13	13	13	13
Other assets	231	231	231	231	231
Total Current Assets	2,057	1,479	1,463	1,369	1,382
Non-Current Assets					
Trade and other receivables	7	7	7	7	7
Investments in associates accounted for using the equity method	246	246	246	246	246
Property, plant and equipment, infrastructure	55,169	55,940	56,261	56,845	57,458
Total Non-Current Assets	55,422	56,193	56,514	57,098	57,711
TOTAL ASSETS	57,479	57,672	57,977	58,467	59,093
LIABILITIES					
Current Liabilities					
Trade and other payables	433	436	419	439	460
Trust funds and deposits	65	65	65	65	65
Provisions	364	377	390	404	418
Interest bearing loans and borrowings	236	229	245	217	204
Total Current Liabilities	1,099	1,107	1,119	1,125	1,147
Non-Current Liabilities					
Provisions	24	25	26	27	28
Interest bearing loans and borrowings	1,383	1,214	969	751	547
Total Non-Current Liabilities	1,407	1,239	995	778	575
TOTAL LIABILITIES	2,506	2,346	2,114	1,903	1,721
NET ASSETS	54,973	55,326	55,864	56,564	57,372
EQUITY					
Accumulated Surplus	29,772	30,534	31,166	31,996	32,825
Asset Revaluation reserve	24,219	24,219	24,219	24,219	24,219
Discretionary Reserves	982	572	478	351	328
TOTAL EQUITY	54,973	55,326	55,863	56,565	57,373

Standard Cash Flow Statement
For the four years ending 30 June 2014

CASH FLOW STATEMENT	Forecast	Budget	Forecast	Forecast	Forecast
	2009/10	2010/11	2011/12	2012/13	2013/14
	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's
Cash flow from operating activities					
Rates	4,801	5,097	5,306	5,556	5,818
User charges, statutory fees & fines	1,631	1,669	1,758	1,781	1,863
Grants & cash contributions	1,272	1,129	690	631	679
Other receipts	235	204	200	203	206
Payments to suppliers	(3,738)	(3,896)	(3,614)	(3,536)	(3,739)
Payments to employees	(2,593)	(2,730)	(2,807)	(2,904)	(3,005)
Other payments	(192)	(225)	(196)	(201)	(207)
Net GST (payments) / refunds					
Net cash provided by operating activities	1,418	1,248	1,337	1,530	1,616
Cash flow from investing activities					
Payments for property, plant and equipment, infrastructure	(1,287)	(1,502)	(1,057)	(1,320)	(1,349)
Proceeds from sale of property, plant and equipment, infrastructure	81	32	32	32	32
Net cash used in investing activities	(1,207)	(1,470)	(1,025)	(1,288)	(1,317)
Cash flow from financing activities					
Trust funds and deposits	(12)	0	0	0	0
Finance costs	(127)	(127)	(114)	(95)	(84)
Proceeds from interest bearing loans and borrowings	0		0	0	0
Repayment of interest bearing loans and borrowings	(206)	(236)	(229)	(245)	(217)
Net cash provided by / (used in) financing activities	(346)	(363)	(343)	(341)	(301)
Net increase/(decrease) in cash and cash equivalents	(135)	(586)	(31)	(98)	(2)
Cash and cash equivalents at beginning of the year	1,679	1,544	958	927	829
Cash and cash equivalents at end of the year	1,544	958	927	829	827

Standard Capital Works Statement
For the four years ending 30 June 2014

CAPITAL WORKS STATEMENT	2009/10	2010/11	2011/12	2012/13	2013/14
	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's
Roads	219	163	379	479	490
Footpaths, Kerb & Channel	-	49	-	-	-
Drains	113	20	70	88	90
Open space	301	748	30	38	39
Buildings	574	429	518	655	670
Plant, equipment & other	80	93	60	60	60
Total capital works	1,287	1,502	1,057	1,320	1,349
Represented by:					
Renewal	1,287	1,171	1,057	1,320	1,349
Upgrade					
New assets	0	331	0	0	0
Total capital works	1,287	1,502	1,057	1,320	1,349
Property, Plant & Equipment movement Reconciliation Worksheet	2009/10	2010/11	2011/12	2012/13	2013/14
	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's
The movement between the previous year and the current year in property, plant and equipment as shown in the Statement of Financial Position links to the net of the following items:					
Total capital works	1,287	1,502	1,057	1,320	1,349
Depreciation & amortisation	-694	-699	-704	-704	-704
Written down value of assets sold	-95	-32	-32	-32	-32
Net movement in property, plant & equipment	499	771	321	584	613

Appendix B – Statutory Disclosures

1. Rates and Charges

1.1 The proposed rate in the dollar in cents for each type of rate to be levied

Type of Property	2009/10 cents/\$CIV	2010/11 cents/\$CIV
General rate for rateable residential properties	0.248504	0.230390
General rate for rateable business properties	0.329337	0.311370
Rate concession for rateable recreational properties	0.124304	0.125517

1.2 The estimated amount to be raised by each type of rate to be levied

Type of Property	2009/10 \$	2010/11 \$
Residential	4,322,737	4,434,166
Business	463,975	650,272
Recreational	6,554	7,004

1.3 The estimated total amount to be raised is \$5.101 million from all types of rates to be levied.

	2009/10 \$	2010/11 \$
Total rates to be raised	4,793,267	5,091,442

1.4 The proposed percentage change in the rate in the dollar for each type of rate to be levied, compared to that of the previous financial year

Type of Property	2009/10 Change %	2010/11 Change %
Residential	3.5	-7.3
Business	3.5	-5.4
Recreational	3.5	1.0

- 1.5 The number of assessments for each type of rate to be levied compared to the previous year

Type of Property	2009/10 No.	2010/11 No.
Residential	2,751	2,722
Business	224	276
Cultural and Recreational	4	4
Total number of assessments	2,979	3,002

- 1.6 The basis of valuation of property to be used is Capital Improved Value (CIV).

- 1.7 The estimated total value (CIV) of land in respect of which each type of rate is to be levied compared with the previous year.

Type of Property	2009/10 \$	2010/11 \$
Residential	1,739,507,581	1,924,607,000
Business	140,881,662	208,819,480
Cultural and Recreational	5,272,881	5,580,000
Total	1,885,662,124	2,139,006,480

- 1.8 There is no proposal to raise a Municipal Charge

- 1.9 The proposed rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act.

Type of Charge	Per Rateable Property 2009/10 \$	Per Rateable Property 2010/11 \$
Municipal	0	0
Kerbside collection	0	0
Recycling	0	0
Second bins	155	160
Total	155	160

1.10 The estimated amounts to be raised for each type of charge to be levied compared with the previous year

Type of Charge	2009/10 \$	2010/11 \$
Municipal	0	0
Kerbside collection	0	0
Recycling	0	0
Second bins	7,983	9,600
Total	7,983	9,600

1.11 The estimated total amount to be raised by rates and charges is as follows:

	2009/10 \$	2010/11 \$
Rates and charges	4,793,267	5,091,442
Supplementary rates	20,000	10,000
Total	4,813,267	5,101,442

1.12 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;
- 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.

Differential Rates

Rates to be levied

The rate and amount of rates payable in relation to land in each category of differential are:

- A general rate of 0.230390% (0.230390 cents in the dollar of CIV) for all rateable residential properties; and
- A general rate of 0.311370% (0.311370 cents in the dollar of CIV) for all rateable business properties

Each differential rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

Council considers that each differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of each differential rate, the types of classes of land, which are subject to each differential rate, are set out below.

Business Land

Business land is any land, which is:

- Occupied for the principal purpose of carrying out the manufacture or production of, or trade in, goods or services; or
- Unoccupied but zoned commercial or industrial under the Borough of Queenscliffe Planning Scheme

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but limited to) the:

- Construction and maintenance of infrastructure assets;
- Development and provision of health and community services; and
- Provision of general support services

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improved land, is any use of land.

The characteristics of planning scheme zoning is applicable to the determination of vacant land which will be subject to the rate applicable to business land. The vacant land affected by this rate is that which is zoned commercial and/or industrial under the Borough of Queenscliffe Planning Scheme. The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning.

The types of buildings on the land within this differential rate are all buildings which are now constructed on the land or which are constructed prior to the expiry of the 2010/11 financial year.

Residential land

Residential land is any land, which is:

- Occupied for the principal purpose of physically accommodating persons; or
- Unoccupied but zoned residential under the Borough of Queenscliffe Planning Scheme and which is not business land

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- Construction and maintenance of infrastructure assets;
- Development and provision of health and community services; and
- Provision of general support services

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improved land, is any use of land.

The characteristics of planning scheme zoning is applicable to the determination of vacant land which will be subject to the rate applicable to residential land. The vacant land affected by this rate is that which is zoned residential under the Borough of Queenscliffe Planning Scheme. The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning.

The types of buildings on the land within this differential rate are all buildings which are now constructed on the land or which are constructed prior to the expiry of the 2010/11 financial year.

2. Borrowings

	2009/10	2010/11
	\$	\$
New borrowings (other than refinancing)	0	0
Debt redemption	228,542	236,400

Appendix C Capital Works & New Initiatives Funding 2010/2011

RATE FUNDED PROJECTS

2010/11 CAPITAL & NEW INITIATIVES BUDGET										
RATE FUNDED PROJECTS										
Project Name	Estimated Cost of Project	Funding Source				Net Cost to Rates budget	Operating	Capital		
		Government Grants	Local Community	Other	TOTAL			Renewal / Upgrade	New	TOTAL
Annual Renewal Program :										
(1) Renewal Buildings										
Renewal Council Buildings -URGENT	\$10,600				\$0	\$10,600		\$10,600		\$10,600
Renewal Council Buildings -SHORT TERM	\$20,000				\$0	\$20,000		\$20,000		\$20,000
Renewal Council Buildings -OTHER RENEWAL	\$22,500				\$0	\$22,500		\$22,500		\$22,500
Visitor Information Centre	\$25,000				\$0	\$25,000		\$25,000		\$25,000
Queenscliff Historical Museum Office Development Planning	\$5,000				\$0	\$5,000	\$5,000			\$0
Rejuvenation of Town Hall Kitchen	\$15,000				\$0	\$15,000		\$15,000		\$15,000
Planning for (1) Queenscliff Historical Museum/ Visitor Information Centre/ Library and (2) Town Hall to be submission ready	\$15,000				\$0	\$15,000	\$15,000			\$0
Sub Total : Renewal Buildings	\$113,100	\$0	\$0	\$0	\$0	\$113,100	\$20,000	\$93,100	\$0	\$93,100
(2) Renewal Infrastructure										
Renewal Kerb & Channel	\$13,000				\$0	\$13,000		\$13,000		\$13,000
Renewal Footpaths	\$36,000				\$0	\$36,000		\$36,000		\$36,000
Renewal Pavement Repair	\$25,000				\$0	\$25,000		\$25,000		\$25,000
Renewal Road Resealing	\$47,839				\$0	\$47,839		\$47,839		\$47,839
Renewal Drainage	\$20,000				\$0	\$20,000		\$20,000		\$20,000
* Hesse Street Revitalisation (additional to 2009/10 project b/f \$20k)	\$80,000	(\$65,000)			(\$65,000)	\$15,000		\$80,000		\$80,000
Point Lonsdale Pedestrian & Road Safety	\$10,000				\$0	\$10,000		\$10,000		\$10,000
Sub Total : Renewal Infrastructure	\$231,839	-\$65,000	\$0	\$0	-\$65,000	\$166,839	\$0	\$231,839	\$0	\$231,839
(3) Renewal - Other Assets										
Annual turnover of Vehicles	\$57,000			(\$32,000)	(\$32,000)	\$25,000			\$57,000	\$57,000
Annual Computer equipment roll over	\$11,000				\$0	\$11,000		\$11,000		\$11,000
Capital - Adhoc Purchases Fixtures & Fittings	\$5,000				\$0	\$5,000			\$5,000	\$5,000
Sub Total : Renewal Other Assets	\$73,000	\$0	\$0	(\$32,000)	(\$32,000)	\$41,000	\$0	\$11,000	\$62,000	\$73,000
TOTAL Annual Renewal Program	\$417,939	(\$65,000)	\$0	(\$32,000)	(\$97,000)	\$320,939	\$20,000	\$335,939	\$62,000	\$397,939

RATE FUNDED PROJECTS (continued)

2010/11 CAPITAL & NEW INITIATIVES BUDGET										
RATE FUNDED PROJECTS										
Project Name	Estimated Cost of Project	Funding Source				Net Cost to Rates budget	Operating	Capital		
		Government Grants	Local Community	Other	TOTAL			Renewal / Upgrade	New	TOTAL
* Fencing of Princess & Citizens Parks - Gellibrand St	\$28,000	(\$28,000)			(\$28,000)	\$0		\$28,000		\$28,000
Review of Planning Scheme (additional to the 2009/10 b/f amt of \$60k)	\$10,000				\$0	\$10,000	\$10,000			\$0
* Point Lonsdale Bowls Club Stage 2 development	\$149,500	(\$60,000)	(\$39,500)		(\$99,500)	\$50,000	\$149,500			\$0
Road Condition Survey (by Moloney Management Systems)	\$16,000				\$0	\$16,000	\$16,000			\$0
* Queenscliff Community Centre incorporating Queenscliff Neighbourhood House(QNH)	\$200,000	(\$100,000)	(\$40,000)		(\$140,000)	\$60,000			\$200,000	\$200,000
Additional Engineering/Project Management Resources	\$55,000	(\$20,000)			(\$20,000)	\$35,000	\$55,000			\$0
Sustainability Initiatives - Reducing Emissions in the Borough	\$25,000				\$0	\$25,000	\$25,000			\$0
Contribution to the G21 Strategic Alliance	\$3,000				\$0	\$3,000	\$3,000			\$0
Funding for Queenscliff/Pt Lonsdale Tourism association	\$10,000				\$0	\$10,000	\$10,000			\$0
Support to Queenscliffe Reconciliation Mob	\$2,200				\$0	\$2,200	\$2,200			\$0
Contribution to establish a Small Rural Councils of Victoria Executive	\$2,000				\$0	\$2,000	\$2,000			\$0
Total Rate funded projects 2010/11	\$918,639	(\$273,000)	(\$79,500)	(\$32,000)	(\$384,500)	\$534,139	\$292,700	\$363,939	\$262,000	\$625,939
*										

CARAVAN PARK / CROWN LAND PROJECTS

2010/11 CAPITAL & NEW INITIATIVES BUDGET CARAVAN PARK / CROWN LAND PROJECTS										
Project Name	Estimated Cost of Project	Funding Source				Net Cost to Reserve	Operating	Capital		
		Government Grants	Local Community	Other	TOTAL			Renewal / Upgrade	New	TOTAL
Annual renewal program:										
Beach access handrails Point Lonsdale	\$3,000				\$0	\$3,000			\$3,000	\$3,000
Upgrade to Citizens Park toilets	\$55,000				\$0	\$55,000		\$55,000		\$55,000
Balance required for annual renewal program	\$124,299				\$0	\$124,299		\$124,299		\$124,299
Sub Total : Annual renewal program	\$182,299	\$0	\$0	\$0	\$0	\$182,299	\$0	\$179,299	\$3,000	\$182,299
* Point Lonsdale Surf Life Saving & Beach Access	\$40,000	(\$40,000)			(\$40,000)	\$0		\$40,000		\$40,000
* Upgrade to Survey office building Tobin Drive	\$30,000	(\$18,000)			(\$18,000)	\$12,000		\$30,000		\$30,000
* Boundary fence Q'Cliff Rec Reserve oval	\$40,000	(\$20,000)			(\$20,000)	\$20,000		\$40,000		\$40,000
* Safety improvements to Point Lonsdale Playground	\$8,000				\$0	\$8,000			\$8,000	\$8,000
Point Lonsdale Cliff Safety	\$40,000	(\$20,000)			(\$20,000)	\$20,000	\$20,000	\$10,000	\$10,000	\$20,000
Community Facilities Strategic Plan : Queenscliff Rec Reserve	\$20,000				\$0	\$20,000	\$20,000			\$0
Planning for (1) Beach access from Queenscliff Playground (2) Springs Carpark (3) Dog Beach Bike access to be submission ready	\$15,000				\$0	\$15,000	\$15,000			\$0
Total Crown Land Reserve funded projects 2010/11	\$375,299	(\$98,000)	\$0	\$0	(\$98,000)	\$277,299	\$55,000	\$299,299	\$21,000	\$320,299
Total Capital and New Initiatives program 2010/11	\$1,293,938	(\$371,000)	(\$79,500)	(\$32,000)	(\$482,500)	\$811,438	\$347,700	\$663,238	\$283,000	\$946,238
* <i>It should be noted that implementation of indicated projects with an asterisk are subject to attracting matching funding from other levels of Government</i>							Total New Initiatives (operating)		\$347,700	
							Total Capital projects		\$946,238	
									\$1,293,938	



Borough of Queenscliffe

Queenscliff & Point Lonsdale, Victoria, Australia

SCHEDULE OF FEES & CHARGES

2010 - 2011

All fees and charges INCLUDE GST where applicable

**Borough of Queenscliffe
Draft Fees & Charges Schedule for the 2010/11 Financial Year**

Program/Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee ?	2009/10		2010/11		
				Price	% Increase	Price	% Increase	
Administration	Photocopy charges - per page	Own paper supplied		\$0.05	0%	\$0.10	100%	
		A4 paper		\$0.10	0%	\$0.15	50%	
		A3 paper		\$0.35	0%	\$0.40	14%	
		A4 colour copy		\$1.00	100%	\$1.00	0%	
		A3 colour copy		\$1.50	50%	\$1.50	0%	
		A4 laminating		\$2.00	100%	\$2.00	0%	
			A3 laminating		\$3.50	75%	\$3.50	0%
		Freedom of Information Enquiries	Per hour	Legislated	\$23.40	2%	\$23.90	2%
		Book Sales (either of the two books below)	General Public		\$49.95	0%	\$49.95	0%
		- Enduring the Rip	Maritime Museum		\$34.95	0%	\$34.95	0%
	- History of Queenscliff							
Facility Hire	Per day hire - Town Hall	Local / Not-for-profit (set up own chairs)		\$150.00	0%	\$40.00	-73%	
		Social Events / Functions		\$150.00	0%	\$250.00	67%	
		Commercial		\$220.00	0%	\$400.00	82%	
	Per day hire - Pavilion	Local		\$70.00	0%	\$72.00	3%	
		Non-local		\$150.00	0%	\$155.00	3%	
		Power usage only		\$40.00	0%	\$41.00	3%	
Per day hire - Oval	Booking fee		\$50.00	11%	\$55.00	10%		
Rates & Charges	Land Information Certificates	Per certificate	Legislated	\$20.00	0%	\$20.00	0%	
	Valuations	Per valuation		\$14.00	0%	\$15.00	7%	
	Previous years rates notices	Per notice + Admin fee @ \$20/hour		\$10.00	0%	\$11.00	10%	
Waste Disposal	Garbage Charges 2nd Bin	Per bin		\$155.00	3%	\$160.00	3%	
Aged Care	Charges dependant on client means test	Home Care		\$4.40 - \$16.80	3%	\$4.55 - \$17.30	3%	
		Personal Care		\$4.40 - \$16.80	3%	\$4.55 - \$17.30	3%	
		Respite Care		\$2.50 - \$18.65	3%	\$2.60 - \$19.20	3%	
		Home Maintenance		\$8.85 / \$15.35	3%	\$9.10 - \$15.80	3%	
		Client Travel	Per hour, extra to \$ rate for care received		\$1.00	0%	\$1.00	0%
	Other Agencies \$/hour	Home Care		\$43.60	3%	\$44.90	3%	
		Personal Care		\$45.80	3%	\$47.20	3%	
		Respite Care		\$46.60	3%	\$48.00	3%	
		Home Maintenance		\$48.50	4%	\$50.00	3%	
		Travel fees per km		\$1.10	10%	\$1.10	0%	
Community Aged Care Packages	varies per package		\$10.00 - \$50.00	0%	\$10.00 - \$50.00	0%		

Program/Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee ?	2009/10		2010/11		
				Price	% Increase	Price	% Increase	
Local Laws	Dog Registrations - per registration	Restricted Breed				\$130.00		
		Menacing Breed				\$130.00		
		Dangerous Dog (Residential)				\$130.00		
		Dangerous Dog (Guard Dog)				\$120.00		
		Entire (existing reg'ns only)		\$80.00	4%	\$82.00	3%	
		Entire & Microchipped				\$35.00		
		Vic Canine Assoc registered		\$26.00	8%	\$30.00	15%	
		Desexed (existing reg'ns only)		\$26.00	8%	\$30.00	15%	
		Desexed & Microchipped				\$26.00		
		Desexed (Pensioner Concession)		\$15.00	7%	\$16.00	7%	
		Dual Registered		\$6.00	20%	\$6.00	0%	
		Guide Dog		\$0.00	0%	\$0.00	0%	
		Replacement Dog Tag		\$2.00	100%	\$2.00	0%	
		Cat Registrations - per registration	Entire (existing reg'ns only)		\$70.00	4%	\$72.00	3%
			Entire & Microchipped				\$32.00	
Microchipped (existing reg'ns only)			\$24.00	9%	\$26.00	8%		
Desexed (existing reg'ns only)			\$22.00	10%	\$23.00	5%		
Desexed & Microchipped					\$22.00			
Desexed (Pensioner Concession)			\$12.00	20%	\$13.00	8%		
Dual Registered			\$6.00	20%	\$6.00	0%		
Animal Infringements	Replacement Cat Tag		\$1.00	0%	\$2.00	100%		
	Dog not on lead in public place		\$117.00	4%	\$121.00	3%		
	Dog wandering at large, day time		\$170.00	3%	\$175.00	3%		
	Dog wandering at large, night time		\$227.00	3%	\$234.00	3%		
	Failure to register a dog or cat		\$227.00	3%	\$234.00	3%		
	Registered dog or cat not wearing tag		\$57.00	4%	\$59.00	4%		
	Unregistered dog or cat wearing a tag		\$115.00	3%	\$118.00	3%		
	Contravening council order regarding dogs or cats in public place		\$57.00	4%	\$59.00	4%		
	Dog or cat being a nuisance		\$57.00	4%	\$59.00	4%		
	Cat at large or not securely confined to owners premises		\$57.00	4%	\$59.00	4%		
	Greyhounds not muzzled or chain outside owners premises		\$170.00	3%	\$175.00	3%		
	Non compliance of order to abate nuisance		\$170.00	3%	\$175.00	3%		
Parking Fines - per infringement	Minimum fee	Legislated	\$52.00	4%	\$54.00	4%		
	Medium fee	Legislated	\$68.00	3%	\$70.00	3%		
	Maximum fee	Legislated	\$113.00	3%	\$116.00	3%		
	Courtesy letter fee	Legislated	\$20.50	3%	\$21.00	2%		
Fire Hazard Charges	Standard fine	Legislated	\$227.00	3%	\$234.00	3%		
	Failure to comply with a notice to comply	Legislated	\$113.00	3%	\$116.00	3%		
	Failing to obtain a permit to conduct road opening	Legislated	\$515.00	3%	\$530.00	3%		

Program/Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee ?	2009/10		2010/11	
				Price	% Increase	Price	% Increase
Engineering	Road Opening Fee	Per application		\$100.00	100%	\$105.00	5%
	Build Over Easement Permit	Per permit		\$205.00	37%	\$215.00	5%
	Legal Point of Discharge Enquiry	Per enquiry	Legislated	\$54.35	9%	\$56.00	3%
Town Planning	Certificate	Per certificate	Legislated	\$18.20	3%	\$18.75	3%
	Planning Permit - extension of time	Per permit	Legislated	\$99.00	3%	\$102.00	3%
	Planning Permit - amended plans	Per permit	Legislated	\$99.00	3%	\$102.00	3%
	Planning Permit - consent to liquor licence	Per permit	Legislated	\$99.00	3%	\$102.00	3%
	Section 29A request	Per request	Legislated	\$52.75	3%	\$54.35	3%
	Extension of time - 1st request	Per extension	Legislated	\$113.00	3%	\$116.00	3%
	Extension of time - 2nd request	Per extension	Legislated	\$170.00	3%	\$175.00	3%
	Extension of time - 3rd request	Per extension	Legislated	\$232.00	3%	\$239.00	3%
Planning fees schedule attached, which is legislated by State Government and subject to change. Please contact Council's planning department for current information on applicable planning							
Building	Lodgement Fees - Residential	Per lodgement	Legislated	\$32.60	3%	\$33.60	3%
	Lodgement Fees - Commercial	Per lodgement	Legislated	\$32.60	3%	\$33.60	3%
	Building Certificate by Solicitor	Per certificate	Legislated	\$43.45	3%	\$44.75	3%
Environmental Health	Food	Per registration		\$220.00	0%	\$275.00	25%
	Accommodation	Per registration		\$200.00	0%	\$250.00	25%
	Hairdresser	Per registration		\$140.00	0%	\$145.00	4%
	Premises	Condition report		\$150.00	0%	\$155.00	3%
	Community Organisation	Temporary food licence		\$10.00	0%	\$12.00	20%
	General	Temporary food licence		\$50.00	0%	\$60.00	20%
Boat Ramp Fees	All	Casual (day use) pass		\$10.00	0%	\$10.00	0%
	Resident	Annual pass		\$103.00	3%	\$106.00	3%
	Non Resident	Annual pass		\$150.00	0%	\$160.00	7%
Caravan Park Fees	Go Lightly (based on 2 adults & 4 children)	Annual fees - A		\$5,828.00	3%	\$6,120.00	5%
		Annual fees - B		\$5,254.00	3%	\$5,520.00	5%
		Annual fees - C		\$4,999.00	3%	\$5,250.00	5%
	Recreation Reserve (based on 2 adults)	Annual fee		\$3,286.00	3%	\$3,900.00	19%
	Victoria Park (based on 2 adults)	Annual fee		\$3,286.00	3%	\$3,900.00	19%
	All Parks - additional persons	Annual fee - extra adult		\$106.00	3%	\$111.00	5%
		Annual fee - extra child		\$54.00	4%	\$56.50	5%
	Casual - per night - extra adult	Casual - per night - extra adult		\$10.00	0%	\$11.00	10%
		Casual - per night - extra child		\$5.00	0%	\$6.00	20%
		(seniors discount 10% casual extras)					
	Casual - per night	Off Peak - Powered		\$27.00	4%	\$30.00	11%
		Off Peak - Unpowered		\$22.00	5%	\$23.00	5%
		Peak - Powered		\$40.00	0%	\$45.00	13%
	Cabins - per night	Peak		\$200.00	0%	\$220.00	10%
Shoulder			\$160.00	0%	\$168.00	5%	
Off Peak			\$140.00	0%	\$147.00	5%	

Appendix E Key Strategic Activities

Governance, Finance & External Relations

Performance Indicator	2010-2011 Target
Successful achievement of Business Plan priority actions.	100%
Increase opportunities for community participation in Council decision making.	Conduct at least four public meetings each year
Maintain working capital ratio greater than 100%.	Greater than 100%
Improve the Civic Mutual Plus risk rating.	Improve by 10%
Prepare and adopt annual Budget and Strategic Resource Plan in accordance with the Local Government Act 1989.	Adopt by 31 August 2010
Review the long term Strategic Financial Plan.	April 2011
Prepare and lodge annual financial statements and standard statements in accordance with the Local Government Act 1989 .	Lodge by 30 September 2010
Annual Local Government Community Satisfaction Survey rating for overall performance generally of the council.	Maintain rating at 65 or better
Annual Local Government Community Satisfaction Survey rating for council's advocacy and community representation on key local issues.	Maintain rating at 63 or better
Annual Local Government Community Satisfaction Survey rating for council's engagement in decision making on key local issues.	Maintain rating at 64 or better
Annual Local Government Community Satisfaction Survey rating for council's interaction and responsiveness in dealing with the public.	Maintain rating at 77 or better

Sustainability & Local Environment

Performance Indicator	2010-2011 Target
Successful achievement of Business Plan priority actions.	100%
Maintain Borough of Queenscliffe Council as a Waste Wise accredited organisation.	Accreditation maintained
Completion of further stages of ICLEI program.	Completion of stages 2 & 3 by June 2011
Complete Point Lonsdale beach access project.	Complete by June 2011
Achieve nett increase in street trees across the municipality.	Nett increase
Annual Local Government Community Satisfaction Survey rating for council's overall performance in Waste Management.	Maintain rating at 75 or better

Business & Tourism

Performance Indicator	2010-2011 Target
Successful achievement of Business Plan priority actions.	100%
Maintain visitation numbers to the Queenscliffe Visitor Information Centre.	64,530 visitors
Maintain level of sponsorship and in-kind support provided to major tourism events.	Value of support maintained
Annual Local Government Community Satisfaction Survey rating for Council's overall performance in Economic Development.	Maintain rating at 61 or better

Community Development

Performance Indicator	2010-2011 Target
Successful achievement of Business Plan priority actions.	100%
Number of food premises visits.	At least 1 visit per premise per annum
Level of financial support to community initiatives and not-for-profit community groups and organisations.	Maintain value of grants
Recognise and celebrate volunteer contributions in the Borough of Queenscliffe.	Conduct at least 2 events per annum
Annual Local Government Community Satisfaction Survey rating for Council's overall performance in health and human services.	Maintain rating at 79 or better
Annual Local Government Community Satisfaction Survey rating for council's overall performance in recreational facilities.	Maintain rating at 68 or better

Planning, Heritage & Community Assets

Performance Indicator	2010-2011 Target
Successful achievement of Business Plan priority actions.	100%
Complete review of Queenscliffe Planning Scheme and draft Planning Scheme Amendment.	Review completed by June 2011
Number of planning applications processed within 60 statutory days.	70%
Annual Local Government Community Satisfaction Survey rating for council's overall performance in appearance of public areas.	Maintain rating at 52 or better
Annual Local Government Community Satisfaction Survey rating for council's overall performance in traffic management and parking.	Maintain rating at 61 or better
Annual Local Government Community Satisfaction Survey rating for council's overall performance in town planning policy and approvals.	Maintain rating at 52 or better