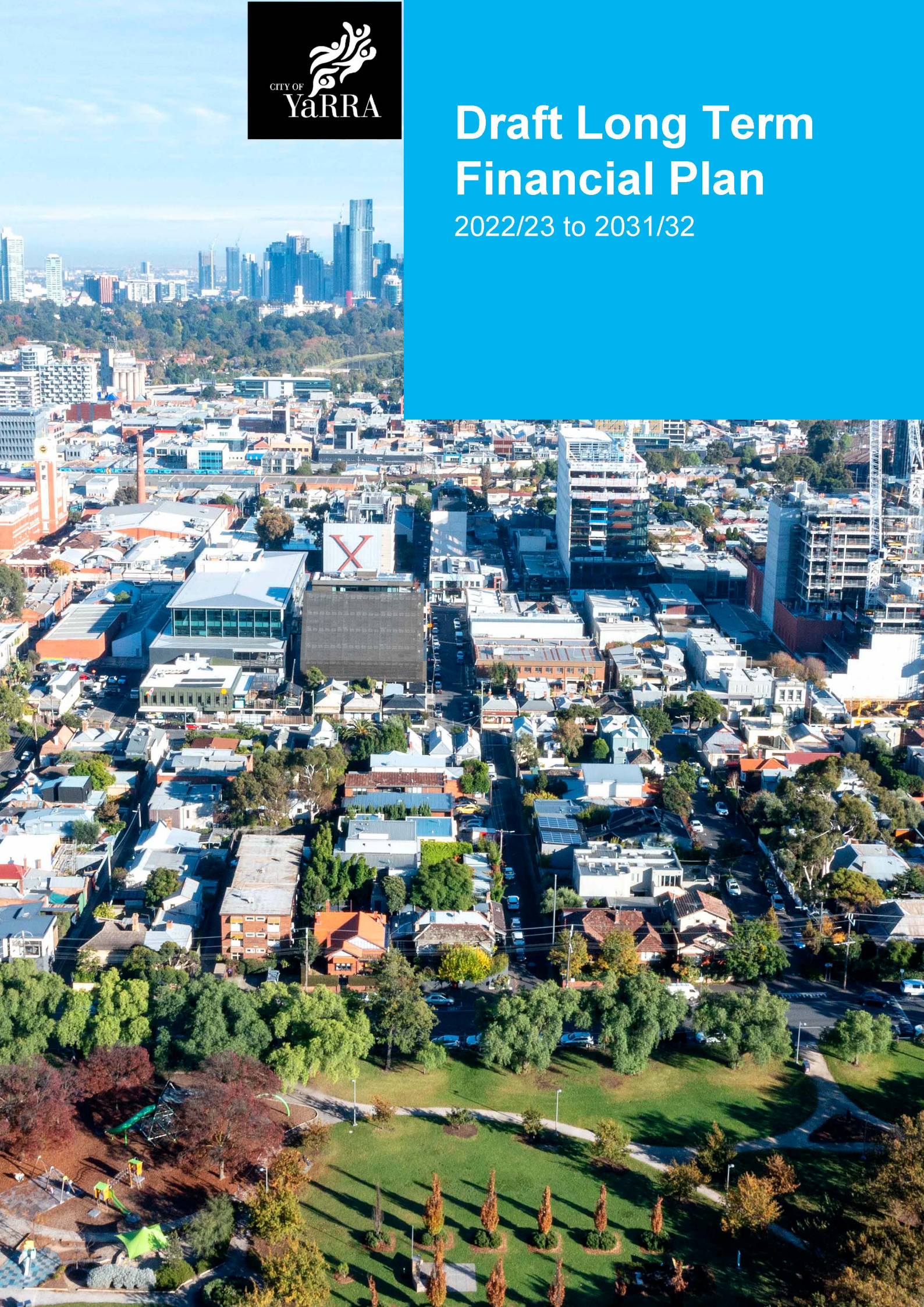


Draft Long Term Financial Plan

2022/23 to 2031/32



City of Yarra Long Term Financial Plan 2022/23 to 2031/32

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1. Executive Summary

Yarra City Council has prepared this updated Long Term Financial Plan 2022/23 to 2031/32 (the Financial Plan) to support the Community's Vision and Council Plan. Through the development of the vision, the community has told us their desire for Yarra City Council to be environmentally and financially sustainable and to have a strong and vibrant community. The Council Plan includes actions to deliver on this vision.

Yarra's long-term planning strategy principles are focused on creating a sustainable financial environment to enable Council to continue to provide the community with high quality and required services and infrastructure into the medium and long term, driven by the Yarra 2036 Community Vision.

We have committed to updating the Financial Plan annually in conjunction with the budget. This updated Financial Plan is keeping with that commitment.

The Financial Plan is developed in the context of the following strategic planning principles as required under section 89 of the *Local Government Act 2020*:

- *Integrated approach to planning, monitoring and performance reporting* - The Financial Plan has been developed alongside the Council Plan and in alignment with the Community Vision and other core strategic plans to ensure integration. Council is in the process of developing its integrated strategic planning and reporting framework;
- *Addresses the Community Vision* - The Financial Plan addresses the Community Vision by outlining the resources and funding required to deliver the planned services, initiatives and capital works projects over the next 10 years working towards achieving Yarra's 2036 Community Vision;
- *Takes into account the resources needed for effective implementation* - The Financial Plan statements incorporate the financial resources necessary to implement the Council Plan objectives and strategies over the next 4 years and to work towards achieving the Community Vision over the next 10 years;
- *Identifies and addresses the risks to effective implementation* - Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan, and
- *Provides for ongoing monitoring of progress and regular reviews to identify and address changing circumstances* - Council reports on its financial performance and position on a quarterly basis and a review of strategic documents is conducted regularly to ensure they remain current.

The Financial Plan is a continuation of Council's responsible financial program and aims to:

- Balance the community's needs and ensuring that Council continues to be financially sustainable in the long term;
- Increase Council's commitment to sustainable asset renewal and maintenance of the community's assets;
- Maintain a strong cash position for financial sustainability;
- Achieve efficiencies through targeted savings and an ongoing commitment to contain costs including transformation programs;
- Include rate and fee increases that are both manageable and sustainable; and
- Provide a framework to deliver balanced budgets including sustainable annual underlying surpluses.

Yarra's Financial Plan outlines the resources required to deliver the Council Plan and ensure we are investing in assets the community values; our services meet the needs and expectations of the community, are affordable and accessible for the community; and our organisation remains financially sustainable.

Yarra continues to grow – our population is currently estimated at 103,125 (2020) and forecast to increase to 157,607 by 2041, an increase of 52%. This growth will provide some additional rate revenue, however additional growth also requires additional investment in assets and services to support the larger population. These additional costs add to what we already invest maintaining our existing \$2.1 billion in assets, and to the costs of delivering services our community values.

Executive Summary Cont.....

Like all Councils across Victoria, Yarra has been impacted financially by the COVID-19 pandemic, both through increased spending to support our local community and businesses and loss of revenue. Council made a deliberate and considered decision to step up and assist the community and businesses during the pandemic. This included significantly expanding the rates hardship policy, waiving all footpath and outdoor trading fees to support Yarra businesses, and providing more than \$1.5m in additional grants. As a result, Council's operating environment and financial position has been impacted with losses in excess of \$50 million.

In order to continue to deliver what our community wants and expects, as well as continuing to deliver on Yarra's vision, Council needs to make some strategic decisions. Urgent consideration has been given to improving operational efficiencies, managing costs, attracting external funding and expanding opportunities to generate revenue. Council expects to deliver financial improvements and efficiencies over the next 10 years of at least \$23 million. In addition to this, Council is currently undertaking an independent strategic review of its operations, which will be reported back to the community and seek their feedback.

Council is proposing to increase metered parking and permit fees in 2022/23. The cost of Yarra's resident parking permits will remain among the lowest in inner-city Melbourne, and we are also maintaining our significant concession discounts (including retaining a free first permit for concession holders). This is the first time in six years metered parking fees have increased in Yarra. We are moving towards a more demand driven parking model that considers demand for parking spaces in price setting. This increase in parking revenue will help Council to continue to provide the services and projects the community wants us to invest in.

Council will also be investigating the potential introduction of a separate waste charge in its 2023/24 Budget. Yarra is one of only eight councils in Victoria that does not have a separate waste charge. This investigative work has yet to commence but will be undertaken in close consultation with the community where Council will consider a range of options and the implications of those prior to making any decision about this. A separate waste charge would bring Yarra into line with the overwhelming majority of councils across Victoria and may potentially allow for further investments in its waste collection services to ensure Yarra remain a leader in the sustainability space. It will also assist Council in meeting upcoming legislative requirements.

Council will also be commencing a significant IT investment which will enhance and improve our customer experience, providing our community with online access to Council services, anywhere, at any time.

Yarra must continue to reinvest in our existing assets so our roads, parks, gardens, pools and buildings that we value stay in a condition we are proud of. As we bring on new assets, to remain sustainable we must also review the assets we already have to ensure we are maximising public value.

Services also evolve, and Yarra City will assess the performance and future for current services to understand whether they are relevant and whether Yarra needs to continue to deliver them or whether there is a role for an alternative delivery model. To remain sustainable over the life of this plan, some Yarra services may have to change.

Interest rates are currently at record low levels but are expected to rise through the life of this plan. The City will continue a restrained approach to debt and only pursue new borrowings where an intergenerational benefit is apparent.

2. Financial Plan Context

This section describes the context, principles and considerations in determining the 10 year financial projections and assumptions.

2.1 Introduction

The Long Term Financial Plan 2021-22 to 2030-31 was required to be developed through the *Local Government Act 2020* (LGA) and provided a ten year financially sustainable projection regarding how the actions of the Council Plan 2021-2025 may be funded to achieve the aspirations in Yarra 2036 Community Vision.

Council is committed to a transparent and accountable budget and financial plan process. Whilst not required under the LGA, Council is updating the Financial Plan document annually as part of the budget preparation process. Together with the budget document, it is subject to ongoing review and may be updated during the budget year through a revised budget process. This updated Long Term Financial Plan 2022/23 to 2031/32 is keeping with that commitment.

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

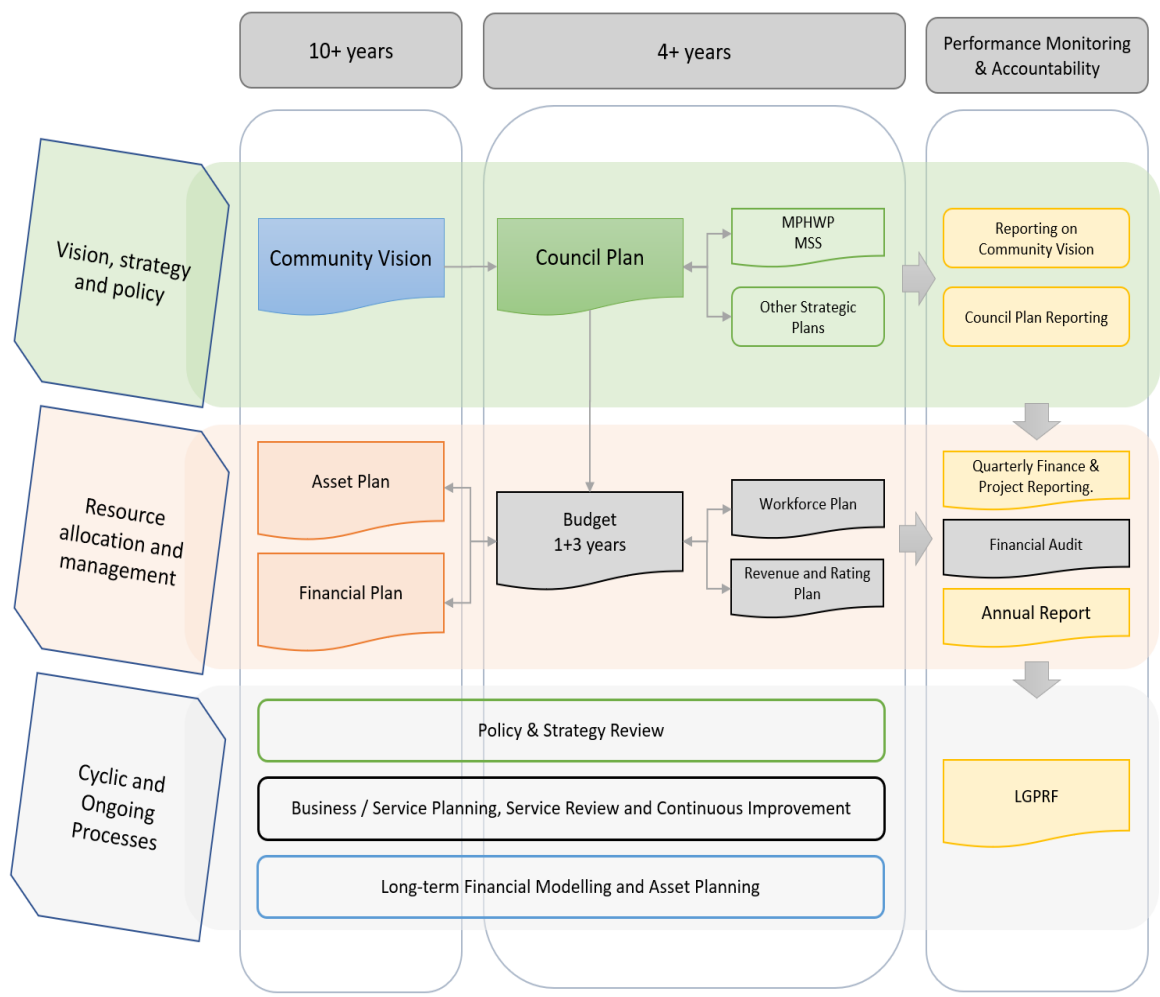
2.2 Integrated Strategic Planning & Reporting Framework

Part 4 of the Local Government Act 2020 addresses planning and financial management and Division 1 covers strategic planning. The Financial Plan is one of the strategic plans subject to the Strategic planning principles. Section 89 of the Act sets out the Strategic planning principles and the following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes:



2. Financial Plan Context Cont.....

The following figure demonstrates how each element might inform or be informed by other parts of the integrated framework.



2.3 Engagement Principles

Yarra has implemented the following consultation process to obtain input and feedback from stakeholders to help inform the development of the Financial Plan:

The Community Vision informs all planning and decision making for Council and our community. It informs our Council Plan (effective from 1 July 2021 to 30 June 2025) and our 10-year financial and asset management plans.

The Vision is the product of a two-staged engagement approach, which started with broad community engagement in November 2020, and a community panel in May 2021.

The community engagement process that informed the Community Vision also sought input for the Council Plan, Financial Plan and Asset Plan. The community engagement was delivered in line with our Community Engagement Policy.

Council meeting on 19th of April 2022 will consider the 2022/23 budget and the Financial Plan. Both documents will be release for public exhibition from 22 April to 6 May 2022. Community feedback will be considered before final adoption of the 2022/23 budget and the Financial Plan on 21 June 2022.

2.4 Service Performance Principles

Yarra seeks to provide services on a community needs and value for money basis. The service performance principles are listed below:

- Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify the key services and projects to be delivered to the community. The Financial Plan shows how the service aspirations within the Council Plan may be funded;
- Services are available to the relevant users within the community;
- Yarra delivers quality services seeking to provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) is designed to communicate Council's performance regarding the delivery of services, and
- Yarra has a Feedback and Complaints Policy and a Community Engagement Policy enabling Council to consider and respond to community feedback and complaints regarding service provision and provides opportunities to be involved in planning and decision-making respectively. Community involvement in planning and decision making improves Council's planning and delivery of services.

2.5 Asset Plan Integration

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

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

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

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

2.6 Financial Management Principles

Financial strategy principles have been developed and provide the framework for the development of Council's Long Term Financial Plan and Annual Budget. The principles enable consistent and informed decision-making by Council. The Financial Strategy Principles as outlined below aim to ensure a balanced and sustainable budget for the Council:

- Implement a sustainable budget and conservative financial strategy that caters for short and long-term requirements;
- Maximisation of grants and subsidies received from Victorian and Commonwealth governments to achieve a better share of government taxes for the community;
- Borrowings are directed towards funding of inter-generational growth infrastructure special projects and major asset renewal that support growth; and
- Trust funds and statutory reserves are fully cash backed.

2.7 Financial Policy Statements

This section defines the measures that demonstrate Council's financial sustainability in order to fund the aspirations of the Community Vision and the Council Plan.

Indicator	Measure	Target	Forecast Actual										
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	> 5%	(6%)	(3%)	(2%)	1%	3%	4%	4%	4%	5%	5%	5%
Working Capital	Current Assets / Current Liabilities	>1.4	1.8	1.5	1.3	1.2	1.1	1.1	1.2	1.2	1.3	1.5	1.8
Asset renewal	Asset renewal and upgrade expenses / Depreciation	>1.0	1.4	1.2	1.1	1.1	1.0	1.3	1.4	1.4	1.3	1.3	1.2
Indebtedness	Non-current liabilities / own source revenue	<40%	32%	26%	21%	17%	14%	11%	8%	5%	3%	1%	1%

Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period within the Financial Plan, as adjusted underlying deficit means reliance on Councils' cash reserves or increased debt to maintain services and invest in capital works.

Working Capital

Sufficient working capital is required to meet Council's obligations as and when they fall due. A high or increasing level of working capital suggests an improvement in liquidity. Council is targeting a working capital ratio of above 1.4.

Asset renewal

Allocate adequate funds towards renewal capital in order to replace assets and infrastructure as they reach the end of their service life. Council is targeting an asset renew ratio of above 1.0.

Indebtedness

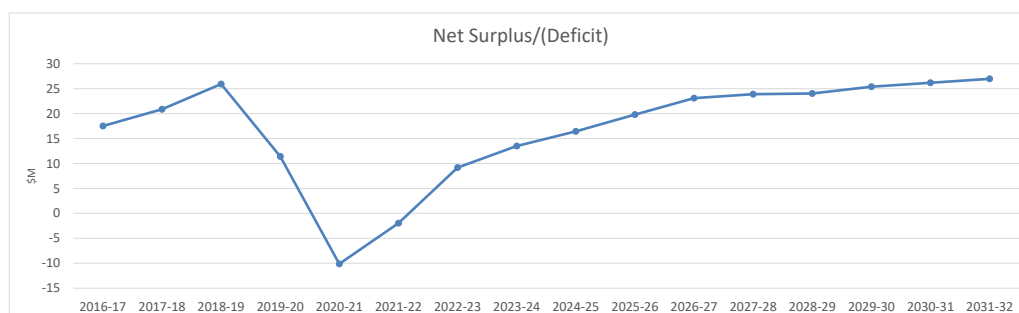
That Council applies loan funding to new capital and maintains total noncurrent liabilities in line with own source revenue and growth of the municipality. Debt servicing and debt redemption will be maintained within the financial capacity of Council reflected in a cap on indebtedness of less than 40%.

2.8 Financial Plan Overview and Strategic Actions

The Financial Plan includes a ten year projection of Council's financial performance and position, cash flows, capital works program, and planned human resources outlining the expected resources that will be required to achieve the Community Vision 2036 and Council Plan 2021-2025. It also includes information about Council's financial management principles, assumptions, strategies and other influences that have had a significant impact on these projections.

This overview provides a summary of the 10 year financial outlook and high level strategies.

2.8.1 Net Surplus/(Deficit)



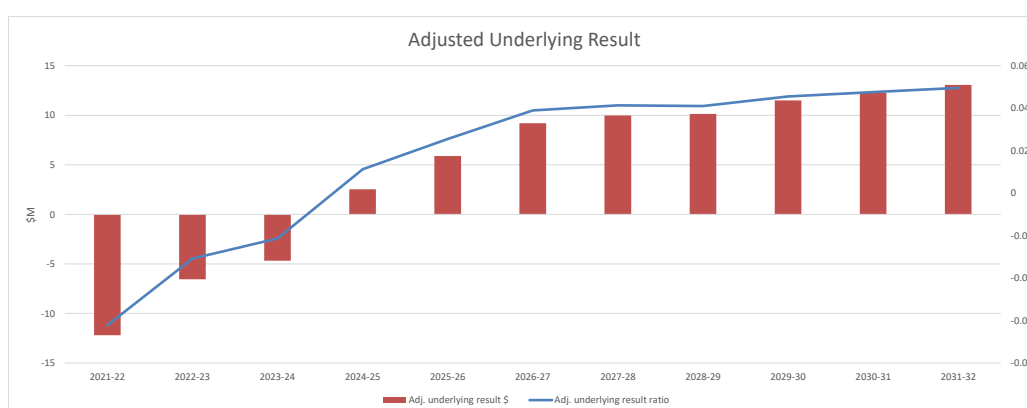
Whilst Council incurred significant losses during COVID-19, it also presented a significant challenge to businesses, households and the local economy. Council will continue to act in the interest of keeping our community, residents and workforce safe.

Planning for a surplus is fiscally responsible to maintain uninterrupted service delivery to our community and to provide essential funding for capital works including the redevelopment of major community facilities. Council has strategically planned for surpluses for the next ten years, after incurring losses in 2020/21 and 2021/22 as a result of COVID-19.

Council will invest in technology infrastructure as it evolves more into the digital transformation space and enhance its the community experience with the community and deliver its services.

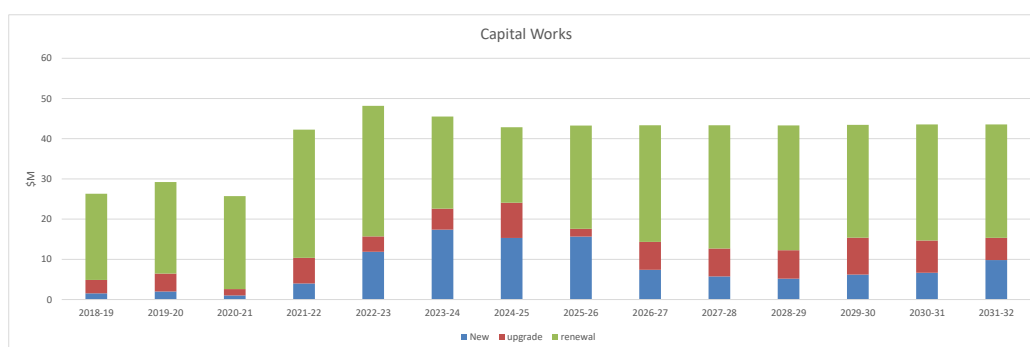
The Financial Plan does not provide for growth in FTE numbers, despite the forecast for an increased population and dwellings. Requirements to fulfil statutory obligations or increased customer demand in a rate capped environment will be a challenge and Yarra will aim to identify efficiency gains in the operating budget with a strategic approach to Service Planning.

2.8.2 Adjusted Underlying Result



The Adjusted underlying result is an important indicator as it measures the level of sustainable operating results, critical to ensure Council can provide core services and meet its objectives. In order to continue to deliver what our community wants and expects, as well as continuing to deliver on Yarra's vision, Council needs to make some strategic decisions. Urgent consideration has been given to improving operational efficiencies, managing costs, attracting external funding and expanding opportunities to generate revenue. As a result, Council is expecting its adjusted underlying results to improve in future years.

2.8.3 Asset Renewal, New and Upgrade expenditure



Council intends to spend \$441 million to renew, improve and create new community facilities and infrastructure over the next 10 years. This will be funded by a mix of rates, reserves and external funding sources including grants, contributions and proceeds of sale from assets that are no longer required.

Information from Council's Asset Management Plans determines Council's capital expenditure priorities. Funding for capital expenditure is primarily sourced from rates. In addition, Council utilises a Developer Contribution Plan which will contribute towards capital works projects. Contribution levels will depend on land sales and the desire of developers to construct new developments within the municipality. A strategic effort is also undertaken continuously to fund capital projects utilising other funding sources such as grants. Borrowings are also used where the cost of borrowings is less than deferring (and incurring higher construction costs) capital works to future years and there is a critical need for the sustainable development of the community asset.

As part of Council's approach to responsible and sustainable asset management, Council's 10 Year Capital Works Program assigns funding priority to the renewal and upgrade of existing infrastructure over the creation of new assets.

Sustainable asset management is necessary for Council to meet its responsibilities to:

- Provide sustainable services to current and future generations
- Provide and maintain necessary sustainable community infrastructure; and
- Encourage and support the economic and social development of the area.

Council's approach to asset management includes:

- the application of Yarra's Asset Management Strategy and Plan;
- defining sustainable service levels that meet sustainable community expectations;
- an organisational wide information system for asset data management, reporting and works planning; and
- a planned and fully funded approach to timely asset renewal driven by a lifecycle management practices.

2.8.4 Council property

In 2018, Council adopted a Property Strategy, which provides a holistic framework for the management of all Council property assets and establishes guiding principles for the alignment of Council's property portfolio with its future community and service delivery requirements. As part of an independent strategic review, council will review and evaluate its property portfolio to ensure that public value is maximised.

2.8.5 Rates and Other Revenue

Rates

Rate increases in accordance with the Fair Go Rates framework (Rate Cap) and Council's Revenue and Rating Plan.

The Minister for Local Government has declared the rate cap level for 2022/23 at 1.75%. This follows rate caps of 1.5% in 2021/22, 2.0% in 2020/21, 2.50% in 2019/20, and 2.25% in 2018/19. If the rate cap increases are less than predicted and additional revenue sources are not available, Council may be required to cease provision of some services, reduce service levels, reduce the capital works program, or undertake some combination of these actions.

Waste management costs (through increases in the State Government Landfill Levy) have increased substantially during the last two years and expected to increase further in future years. Additional costs are also attributed to increased waste service costs, such as recycling processing services, due to recent sector challenges.

Council will also be investigating the potential introduction of a separate waste charge in its 2023/24 Budget. Yarra is one of only eight councils in Victoria that does not have a separate waste charge. This investigative work has yet to commence but will be undertaken in close consultation with the community where Council will consider a range of options and the implications of those prior to making any decision about this. A separate waste charge would bring Yarra into line with the overwhelming majority of councils across Victoria and may potentially allow for further investments in its waste collection services to ensure Yarra remain a leader in the sustainability space. It will also assist Council in meeting upcoming legislative requirements.

Other Revenue

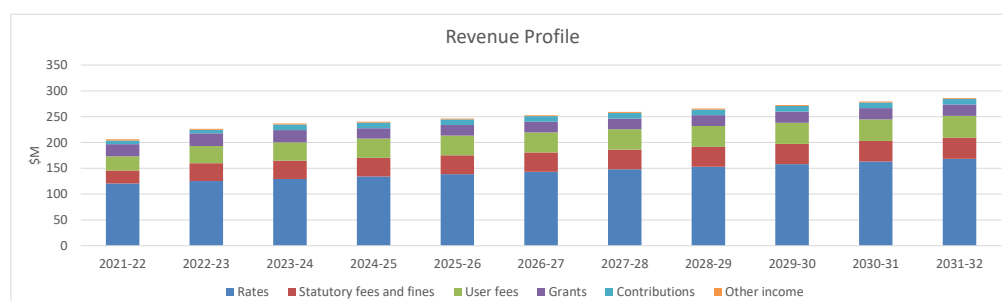
User fees and charges are reviewed annually with consideration given to a range of factors such as cost recovery, community access, equity and affordability and market forces. A list of fees and charges are included within the Budget each year.

Council actively seeks to source external grants and grow its own-sourced revenue, which includes contributions, interest, asset sales and other income. Council will pro-actively advocate to other levels of government for grant funding support to deliver infrastructure and service outcomes for the community.

Council collects revenue from the application of statutory fees and fines under the direction of legislation or other government directions. These can be: Planning and subdivision fees, Building and Inspection fees, infringements and fines and land information certificate fees.

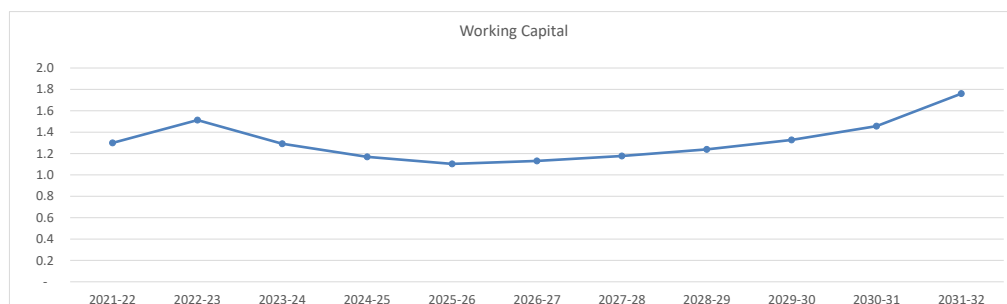
Council is proposing to increase metered parking and permit fees in 2022/23. This is the first time in six years metered parking fees have increased in Yarra. Council is moving towards a more demand driven and flexible parking model.

Rates and Other Revenue Profile



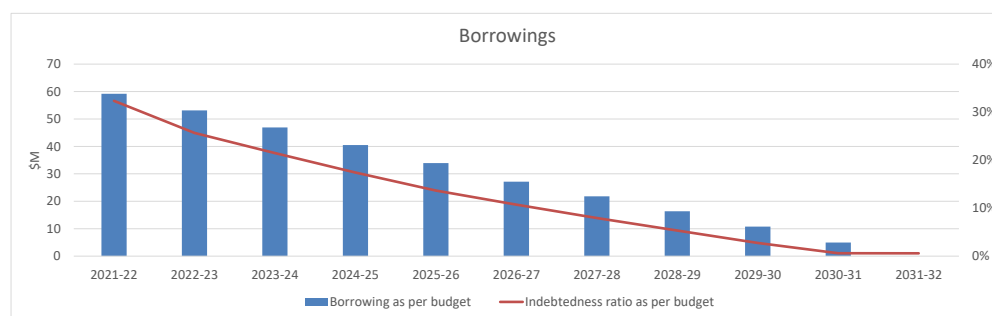
The average rate will increase by 1.75% for the 2022/23 year and the same rate cap is assumed in future years in the Financial Plan. However, the Financial Plan is reviewed annually as part of Council's budget deliberations and future rate increases will be considered in light of prevailing economic conditions, community needs and the rate cap ordered by the Minister for Local Government.

2.8.6 Financial position (working capital ratio)



Council's working capital has been significantly impacted by COVID-19 and is expected to deteriorate further over the next few years while funding the improvement of Council facilities and infrastructure through the Capital Works Program. Council is currently undertaking an independent strategic review of its operations to deliver efficiencies and improvements in working capital. Much of Council's cash reserves are held for specific and allocated purposes, such as open space reserve. The increasing working capital in later years also reflects the increase in open space reserve, which is to fund future investments in much needed Community Open space.

2.8.7 Borrowings



The introduction of rate capping as well as debt required to be repaid in the short term, has had a significant impact on the Financial Plan and challenged Council's financial position. Existing debt is serviced by a \$32.5 million principal and interest loan, due to be repaid by 2031/32 and a \$13.5 million principal and interest loan due to be repaid by 2027.

The Victorian Auditor-General has indicated through its recommendation on financial ratios that Indebtedness (Non-current liabilities/Own sourced revenue) above 40% places Council in the medium risk category and 60% in the high risk category. The indebtedness ratio in the Financial Plan is expected to be 32% at the end of the current 2021/22 budget year and will continue to decrease during the life of the Financial Plan, to reduce the already low risk to Council.

Summary

This is a responsible long term financial plan. It includes transformational initiatives such as major technology upgrades, expansion of Council's continuous improvement and efficiency benefit. An increased focus on service planning, maximising the public value of assets and outcomes anticipated from an independent strategic review, will be required to ensure the ongoing financial sustainability of Council into the future.

2.9 Assumptions to the financial plan statements

This section presents information in regard to the assumptions to the Comprehensive Income Statement for the 10 years from 2022/23 to 2031/32. The assumptions comprise the annual escalations/movement for each line items of the Comprehensive Income Statement.

The escalation factors are the main drivers of future estimates of each revenue and expense items. Further adjustments are made for specific movements or factors when needed. CPI fluctuates through the Financial Plan period however, Yarra City Council has applied a consistent and conservative indicators across the 10 year period.

Escalation Factors % movement	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Rates and charges	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Statutory fees, fines and User Fees	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Grants	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Employee costs	1.75%	1.85%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials, services & Other	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Depreciation & Amortisation	\$0.5m	\$0.5m	\$0.5m	\$0.5m	\$0.5m	\$0.5m	\$0.5m	\$0.5m	\$0.5m	\$0.5m

3. Financial Plan Statements

This section presents information in regard to the Financial Plan Statements for the 10 years from 2022/23 to 2031/32.

Comprehensive Income Statement

Balance Sheet

Statement of Cash Flows

Statement of Capital Works

Statement of Human Resources

Statement of Changes in Equity

3.1 Comprehensive Income Statement

	Forecast / Actual										
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Rates and charges	120,589	125,112	128,793	132,538	136,049	139,621	143,255	146,954	150,717	154,546	158,441
Statutory fees and fines	25,040	35,754	36,379	37,016	37,664	38,323	38,994	39,676	40,370	41,077	41,796
User fees	27,731	33,174	35,355	37,546	38,203	38,871	39,551	40,244	40,948	41,664	42,393
Grants - Operating	20,121	16,417	16,704	16,997	17,294	17,597	17,905	18,218	18,537	18,861	19,191
Grants - Capital	3,257	8,806	7,273	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Contributions - monetary	5,000	5,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Contributions - monetary - other	1,958	1,934	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	650	80	50	50	50	50	50	50	50	50	50
Other income	2,040	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758
Total income	206,386	228,035	237,212	239,804	244,917	250,119	255,413	260,799	266,279	271,856	277,530
Expenses											
Employee costs	98,071	102,856	105,807	107,392	109,554	112,270	115,040	117,865	120,747	123,687	126,685
Materials and services	79,010	82,556	85,209	83,125	82,391	81,281	82,695	84,734	85,599	87,088	88,604
Depreciation	24,550	24,837	25,337	25,837	26,337	26,837	27,337	27,837	28,337	28,837	29,337
Amortisation - right of use assets	1,145	1,163	217	46	46	15	-	-	-	-	-
Bad and doubtful debts	3,561	5,075	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Borrowing costs	1,287	1,552	1,377	1,196	1,010	817	643	503	359	212	63
Finance Costs - leases	119	58	11	5	3	-	-	-	-	-	-
Other expenses	631	746	759	772	786	800	814	828	842	857	872
Total expenses	208,374	218,844	223,717	223,374	225,127	227,021	231,529	236,768	240,885	245,681	250,562
Surplus/(deficit) for the year	(1,988)	9,191	13,495	16,430	19,790	23,099	23,884	24,031	25,395	26,175	26,968
Other comprehensive income											
Items that will not be reclassified to surplus or deficit in future periods											
Net asset revaluation increment /(decrement)	82,087	-	85,912	-	90,796	-	95,725	-	100,773	-	105,957
Total comprehensive result	80,099	9,191	99,407	16,430	110,586	23,099	119,609	24,031	126,168	26,175	132,925

3.2 Balance Sheet

	Forecast / Actual										
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Current assets											
Cash and cash equivalents	87,310	70,198	60,446	53,531	49,776	49,462	51,783	54,545	59,191	64,731	72,230
Trade and other receivables	19,133	15,884	12,810	12,837	12,964	13,193	13,691	14,129	14,673	15,326	16,090
Inventories	95	95	95	95	95	95	95	95	95	95	95
Other assets	1,402	1,402	1,402	1,402	1,402	1,402	1,402	1,402	1,402	1,402	1,402
Total current assets	107,940	87,580	74,753	67,865	64,238	64,151	66,972	70,171	75,361	81,554	89,817
Non-current assets											
Investments in associates, joint arrangements and subsidiaries	5	5	5	5	5	5	5	5	5	5	5
Property, infrastructure, plant & equipment	2,124,788	2,147,790	2,253,391	2,269,907	2,377,129	2,393,134	2,504,364	2,519,331	2,634,701	2,648,926	2,768,610
Right-of-use assets	1,228	324	107	61	15	-	-	-	-	-	-
Total non-current assets	2,126,021	2,148,119	2,253,503	2,269,973	2,377,150	2,393,139	2,504,369	2,519,336	2,634,706	2,648,931	2,768,615
Total assets	2,233,962	2,235,699	2,328,256	2,337,838	2,441,387	2,457,290	2,571,341	2,589,507	2,710,067	2,730,486	2,858,433
Liabilities											
Current liabilities											
Trade and other payables	15,737	15,737	15,737	15,737	15,737	15,737	15,737	15,337	15,337	15,337	15,337
Trust funds and deposits	12,432	12,432	12,432	12,432	12,432	12,432	12,432	12,432	12,432	12,432	12,432
Unearned income/revenue	5,125	5,125	5,125	5,125	5,125	5,125	5,125	5,125	5,125	5,125	5,125
Provisions	18,139	18,139	18,139	18,139	18,139	18,139	18,139	18,139	18,139	18,139	18,139
Interest-bearing liabilities	6,046	6,221	6,402	6,587	6,780	5,325	5,465	5,608	5,756	4,978	-
Lease liabilities	1,184	229	46	49	17	-	-	-	-	-	-
Total current liabilities	58,663	57,882	57,881	58,069	58,230	56,758	56,898	56,641	56,788	56,010	51,033
Non-current liabilities											
Provisions	3,667	3,267	2,867	2,467	2,067	1,667	1,435	1,435	1,435	1,435	1,435
Interest-bearing liabilities	53,121	46,901	40,499	33,912	27,132	21,807	16,342	10,733	4,978	-	-
Lease liabilities	166	112	66	17	-	-	-	-	-	-	-
Total non-current liabilities	56,954	50,280	43,432	36,396	29,199	23,474	17,777	12,169	6,413	1,435	1,435
Total liabilities	115,617	108,162	101,313	94,465	87,428	80,231	74,675	68,810	63,201	57,446	52,468
Net assets	2,118,345	2,127,537	2,226,943	2,243,373	2,353,959	2,377,059	2,496,666	2,520,697	2,646,865	2,673,040	2,805,965
Equity											
Accumulated surplus	649,673	656,134	666,535	679,565	696,404	716,578	737,511	758,592	781,037	804,262	828,409
Reserves	1,468,672	1,471,402	1,560,409	1,563,809	1,657,555	1,660,480	1,759,155	1,762,105	1,865,829	1,868,779	1,977,556
Total equity	2,118,345	2,127,537	2,226,944	2,243,373	2,353,959	2,377,058	2,496,667	2,520,698	2,646,866	2,673,040	2,805,965

3.3 Statement of Changes in Equity

	Total \$'000	Accu Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2022 Forecast Actual				
Balance at beginning of the financial year	2,038,246	656,661	1,362,635	18,950
Surplus/(deficit) for the year	(1,988)	(1,988)	-	-
Net asset revaluation increment/(decrement)	82,087	-	82,087	-
Transfers to other reserves	-	(5,000)	-	5,000
Balance at end of the financial year	2,118,345	649,673	1,444,722	23,950
2023				
Balance at beginning of the financial year	2,118,345	649,673	1,444,722	23,950
Surplus/(deficit) for the year	9,191	9,191	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	2,270	-	(2,270)
Balance at end of the financial year	2,127,536	656,134	1,444,722	26,680
2024				
Balance at beginning of the financial year	2,127,536	656,134	1,444,722	26,680
Surplus/(deficit) for the year	13,495	13,495	-	-
Net asset revaluation increment/(decrement)	85,912	-	85,912	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	5,905	-	(5,905)
Balance at end of the financial year	2,226,943	666,535	1,530,634	29,775
2025				
Balance at beginning of the financial year	2,226,943	666,535	1,530,634	29,775
Surplus/(deficit) for the year	16,430	16,430	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	5,600	-	(5,600)
Balance at end of the financial year	2,243,373	679,565	1,530,634	33,175

2026

Balance at beginning of the financial year	2,243,373	679,565	1,530,634	33,175
Surplus/(deficit) for the year	19,790	19,790	-	-
Net asset revaluation increment/(decrement)	90,796	-	90,796	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	6,050	-	(6,050)
Balance at end of the financial year	2,353,959	696,404	1,621,430	36,125

2027

Balance at beginning of the financial year	2,353,959	696,404	1,621,430	36,125
Surplus/(deficit) for the year	23,099	23,099	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	6,075	-	(6,075)
Balance at end of the financial year	2,377,057	716,578	1,621,430	39,050

2028

Balance at beginning of the financial year	2,377,057	716,578	1,621,430	39,050
Surplus/(deficit) for the year	23,884	23,884	-	-
Net asset revaluation increment/(decrement)	95,725	-	95,725	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	6,050	-	(6,050)
Balance at end of the financial year	2,496,666	737,511	1,717,155	42,000

2029

Balance at beginning of the financial year	2,496,666	737,511	1,717,155	42,000
Surplus/(deficit) for the year	24,031	24,031	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	6,050	-	(6,050)
Balance at end of the financial year	2,520,698	758,593	1,717,155	44,950

2030

Balance at beginning of the financial year	2,520,698	758,593	1,717,155	44,950
Surplus/(deficit) for the year	25,395	25,395	-	-
Net asset revaluation increment/(decrement)	100,773	-	100,773	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	6,050	-	(6,050)
Balance at end of the financial year	2,646,866	781,037	1,817,929	47,900

2031

Balance at beginning of the financial year	2,646,866	781,037	1,817,929	47,900
Surplus/(deficit) for the year	26,175	26,175	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	6,050	-	(6,050)
Balance at end of the financial year	2,673,040	804,262	1,817,929	50,850

2032

Balance at beginning of the financial year	2,673,040	804,262	1,817,929	50,850
Surplus/(deficit) for the year	26,968	26,968	-	-
Net asset revaluation increment/(decrement)	105,957	-	105,957	-
Transfers to other reserves	-	(9,000)	-	9,000
Transfers from other reserves	-	6,180	-	(6,180)
Balance at end of the financial year	2,805,965	828,409	1,923,886	53,670

3.4 Statement of Cash Flows

	Forecast / Actual										
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
Cash flows from operating activities											
Rates and charges	119,383	126,861	130,505	131,213	134,688	138,225	141,823	145,484	149,210	153,000	156,857
Statutory fees and fines	22,536	32,178	32,741	33,314	33,897	34,491	35,094	35,708	36,333	36,969	37,616
User fees	27,731	33,174	35,355	37,546	38,203	38,871	39,551	40,244	40,948	41,664	42,393
Grants - operating	20,121	16,417	16,704	16,997	17,294	17,597	17,905	18,218	18,537	18,861	19,191
Grants - capital	3,257	8,806	7,273	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Contributions - monetary- OSR	5,000	5,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Contributions - monetary- Other	1,958	1,934	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Other receipts	2,040	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758
Employee costs	(98,071)	(102,856)	(105,807)	(107,392)	(109,554)	(112,270)	(115,040)	(117,865)	(120,747)	(123,687)	(126,685)
Materials and services	(80,041)	(83,702)	(86,368)	(84,298)	(83,577)	(82,481)	(83,909)	(85,962)	(86,441)	(87,945)	(89,476)
Net cash provided by/(used in) operating activities	23,914	39,571	43,061	43,038	46,609	50,090	51,082	51,484	53,497	54,521	55,554
Cash flows from investing activities											
Payments for property, infrastructure, plant	(42,081)	(48,339)	(45,526)	(42,853)	(43,264)	(43,342)	(43,342)	(43,305)	(43,434)	(43,563)	(43,564)
Proceeds from sale of property,	1,150	580	550	550	550	550	550	550	550	550	550
Net cash provided by/ (used in) investing activities	(40,931)	(47,759)	(44,976)	(42,303)	(42,714)	(42,792)	(42,792)	(42,755)	(42,884)	(43,013)	(43,014)
Cash flows from financing activities											
Finance costs	(1,287)	(1,552)	(1,377)	(1,196)	(1,010)	(817)	(643)	(503)	(359)	(212)	(63)
Proceeds from borrowings	52,500	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(34,532)	(6,046)	(6,221)	(6,402)	(6,587)	(6,780)	(5,325)	(5,465)	(5,608)	(5,756)	(4,978)
Interest paid - lease liability	(119)	(58)	(11)	(5)	(3)	-	-	-	-	-	-
Repayment of lease liabilities	(1,165)	(1,267)	(229)	(46)	(49)	(16)	-	-	-	-	-
Net cash provided by/(used in) financing activities	15,396	(8,924)	(7,837)	(7,650)	(7,649)	(7,613)	(5,968)	(5,968)	(5,968)	(5,967)	(5,041)
Net increase/(decrease) in cash & cash equivalents	(1,620)	(17,111.95)	(9,752)	(6,915)	(3,754)	(315)	2,322	2,762	4,646	5,540	7,499
Cash and cash equivalents at the beginning of the financial year	88,929.79	87,310	70,198	60,446	53,531	49,776	49,462	51,783	54,545	59,191	64,731
Cash and cash equivalents at the end of	87,310	70,198	60,446	53,531	49,776	49,462	51,783	54,545	59,191	64,731	72,230

3.5 Statement of Capital Works

	Forecast / Actual										
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property											
Buildings	16,750	14,479	17,832	20,460	17,595	10,798	13,233	12,941	13,205	11,058	10,012
Total buildings	16,750	14,479	17,832	20,460	17,595	10,798	13,233	12,941	13,205	11,058	10,012
Total property	16,750	14,479	17,832	20,460	17,595	10,798	13,233	12,941	13,205	11,058	10,012
Plant and equipment											
Plant, machinery and equipment	2,999	2,188	1,767	2,041	2,066	1,936	2,105	1,787	2,149	2,331	2,091
Fixtures, fittings and furniture	150	150	239	140	140	195	195	190	235	287	250
Computers and telecommunications	2,678	2,001	1,789	1,705	2,040	2,633	1,846	1,861	1,765	1,883	2,517
Library books	630	640	650	660	670	680	680	690	700	710	720
Total plant and equipment	6,457	4,979	4,445	4,546	4,916	5,444	4,826	4,528	4,849	5,211	5,578
Infrastructure											
Roads	6,720	7,060	5,200	5,410	6,328	6,214	7,700	7,948	8,293	7,923	8,341
Bridges	110	-	50	50	50	50	65	-	100	100	-
Footpaths and cycleways	3,299	2,381	1,875	1,371	2,196	5,053	4,683	4,385	3,777	5,134	8,930
Drainage	4,034	3,755	1,957	1,728	1,277	1,971	2,015	1,620	1,987	2,047	3,277
Waste management	75	100	80	85	85	85	85	85	90	90	90
Parks, open space and streetscapes	10,165	3,935	11,075	7,470	8,950	11,634	8,905	10,865	10,153	10,936	7,019
Off street car parks	-	-	58	60	60	-	50	-	-	-	-
Other infrastructure	4,527	2,174	2,955	1,674	1,806	2,094	1,781	933	980	1,065	319
Total infrastructure	28,929	19,404	23,250	17,848	20,752	27,100	25,284	25,836	25,380	27,294	27,975
Total capital works expenditure	52,135	38,863	45,526	42,853	43,264	43,342	43,342	43,305	43,434	43,563	43,564
Represented by:											
New asset expenditure	8,227	9,379	17,375	15,322	15,667	7,387	5,745	5,200	6,192	6,655	9,822
Asset renewal expenditure	38,070	26,572	22,906	18,787	25,664	29,008	30,665	31,022	28,046	28,861	28,223
Asset upgrade expenditure	5,838	2,912	5,246	8,744	1,932	6,947	6,933	7,083	9,196	8,046	5,519
Total capital works expenditure	52,135	38,863	45,526	42,853	43,264	43,342	43,342	43,305	43,434	43,563	43,564
Funding sources represented by:											
Grants	3,257	8,204	10,109	8,926	10,248	359	359	2,359	259	259	259
Contributions	-	2,700	6,445	6,145	6,595	6,615	6,595	6,570	6,570	6,600	6,720
Council cash	48,878	27,959	28,972	27,782	26,421	36,368	36,388	34,376	36,605	36,704	36,585
Total capital works expenditure	52,135	38,863	45,526	42,853	43,264	43,342	43,342	43,305	43,434	43,563	43,564

3.6 Statement of Human Resources

Staff expenditure	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000
Staff expenditure											
Employee costs - operating	99,320	104,104	107,091	108,695	110,883	113,632	116,436	119,295	122,212	125,187	128,222
Employee costs - capital	(1,249)	(1,248)	(1,284)	(1,303)	(1,329)	(1,362)	(1,396)	(1,430)	(1,465)	(1,501)	(1,537)
Total staff expenditure	98,071	102,856	105,807	107,392	109,554	112,270	115,040	117,865	120,747	123,687	126,685

Staff numbers	2021/22 FTE	2022/23 FTE	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE	2027/28 FTE	2028/29 FTE	2029/30 FTE	2030/31 FTE	2031/32 FTE
Staff numbers											
Employees	906.00	906.00	906.00	906.00	906.00	906.00	906.00	906.00	906.00	906.00	906.00
Employee - capital	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)
Total staff numbers	896	896	896	896	896	896	896	896	896	896	896

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

Department	Total \$'000	Comprises			
		Permanent Full Time \$'000	Part Time \$'000	Casual \$'000	Temporary \$'000
CEO Division	8,450	7,365	823	158	105
Corporate, Business & Financial Services	20,409	17,566	1,908	564	371
Planning & Placemaking	12,277	11,370	720	107	80
Community Wellbeing	30,316	19,776	8,316	1,822	402
City Works & Assets	26,686	21,262	1,439	3,920	65
Total permanent staff expenditure	98,138	77,338	13,207	6,570	1,023
Other employee related expenditure	5,966				
Capitalised labour costs	(1,248)				
Total staff expenditure	102,856	77,338	13,207	6,570	1,023

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

Department	Total FTE	Comprises			
		Permanent Full Time FTE	Part Time FTE	Casual FTE	Temporary FTE
CEO Division	70	55	7	7	1
Corporate, Business & Financial Services	177	151	23	1	3
Planning & Placemaking	97	89	7	1	1
Community Wellbeing	306	196	88	18	4
City Works & Assets	256	195	18	42	1
Capitalised labour costs	(10)				
Total staff	896	686	144	67	9

3.7 Summary of Planned Human Resources Expenditure

For the ten years ended 30 June 2032

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000
CEO Division										
Permanent - Full time	7,365	7,576	7,690	7,845	8,039	8,237	8,440	8,646	8,857	9,071
Women	5,789	5,956	6,045	6,166	6,319	6,475	6,634	6,796	6,962	7,131
Men	1,575	1,621	1,645	1,678	1,720	1,762	1,805	1,850	1,895	1,940
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	823	846	859	876	898	920	943	966	989	1,013
Women	363	373	379	386	396	406	416	426	436	447
Men	460	473	480	490	502	514	527	540	553	566
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Total CEO Division	8,188	8,422	8,549	8,721	8,937	9,157	9,382	9,612	9,846	10,084
Corporate, Business & Financial Services										
Permanent - Full time	17,566	18,070	18,340	18,710	19,173	19,646	20,129	20,621	21,123	21,635
Women	6,412	6,596	6,695	6,829	6,999	7,171	7,347	7,527	7,710	7,897
Men	11,154	11,474	11,646	11,880	12,175	12,475	12,782	13,094	13,413	13,738
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	1,908	1,963	1,992	2,032	2,083	2,134	2,186	2,240	2,294	2,350
Women	1,199	1,233	1,252	1,277	1,309	1,341	1,374	1,407	1,442	1,477
Men	709	729	740	755	774	793	813	832	853	873
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Total Corporate, Business & Financial Services	19,474	20,032	20,332	20,742	21,256	21,780	22,315	22,861	23,418	23,985
Planning & Placemaking										
Permanent - Full time	11,370	11,696	11,871	12,110	12,411	12,717	13,029	13,348	13,673	14,004
Women	6,274	6,454	6,551	6,683	6,848	7,017	7,190	7,365	7,545	7,728
Men	5,096	5,242	5,321	5,428	5,562	5,700	5,840	5,982	6,128	6,277
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	720	741	752	767	786	806	826	846	866	887
Women	596	613	622	635	651	667	683	700	717	734
Men	124	128	130	132	136	139	142	146	149	153
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Total Planning & Placemaking	12,090	12,437	12,624	12,878	13,197	13,523	13,855	14,193	14,539	14,891
Community Wellbeing										
Permanent - Full time	19,776	20,343	20,648	21,063	21,586	22,118	22,661	23,216	23,781	24,357
Women	15,092	15,524	15,757	16,074	16,473	16,879	17,294	17,717	18,148	18,588
Men	4,684	4,819	4,891	4,989	5,113	5,239	5,368	5,499	5,633	5,769
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	8,316	8,555	8,683	8,858	9,078	9,302	9,530	9,763	10,001	10,243
Women	7,007	7,208	7,316	7,464	7,649	7,837	8,030	8,226	8,426	8,631
Men	1,309	1,347	1,367	1,394	1,429	1,464	1,500	1,537	1,574	1,612
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Total Community Wellbeing	28,092	28,898	29,331	29,921	30,663	31,420	32,191	32,979	33,781	34,600
City Works & Assets										
Permanent - Full time	21,262	21,872	22,199	22,646	23,208	23,780	24,364	24,960	25,568	26,187
Women	6,387	6,570	6,668	6,803	6,971	7,143	7,319	7,498	7,680	7,866
Men	14,875	15,302	15,531	15,843	16,236	16,637	17,045	17,462	17,887	18,321
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	1,439	1,481	1,503	1,533	1,571	1,610	1,650	1,690	1,731	1,773
Women	645	664	674	687	704	722	739	757	776	795
Men	794	817	829	846	867	888	910	932	955	978
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Total City Works & Assets	22,701	23,352	23,702	24,179	24,779	25,390	26,014	26,650	27,299	27,960
Casuals, temporary and other expenditure	13,559	13,948	14,157	14,442	14,800	15,165	15,538	15,918	16,305	16,701
Capitalised labour costs	(1,248)	(1,284)	(1,303)	(1,329)	(1,362)	(1,396)	(1,430)	(1,465)	(1,501)	(1,537)
Total staff expenditure	102,856	105,807	107,392	109,554	112,270	115,040	117,865	120,747	123,687	126,685

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
CEO Division										
Permanent - Full time	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0
Women	43.8	43.8	43.8	43.8	43.8	43.8	43.8	43.8	43.8	43.8
Men	11.2	11.2	11.2	11.2	11.2	11.2	11.2	11.2	11.2	11.2
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3
Women	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Men	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total CEO Division	62.3	62.3	62.3	62.3	62.3	62.3	62.3	62.3	62.3	62.3
Corporate, Business & Financial Services										
Permanent - Full time	150.7	150.7	150.7	150.7	150.7	150.7	150.7	150.7	150.7	150.7
Women	56.4	56.4	56.4	56.4	56.4	56.4	56.4	56.4	56.4	56.4
Men	94.3	94.3	94.3	94.3	94.3	94.3	94.3	94.3	94.3	94.3
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	23.1	23.1	23.1	23.1	23.1	23.1	23.1	23.1	23.1	23.1
Women	13.6	13.6	13.6	13.6	13.6	13.6	13.6	13.6	13.6	13.6
Men	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Corporate, Business & Financial Services	173.8	173.8	173.8	173.8	173.8	173.8	173.8	173.8	173.8	173.8
Planning & Placemaking										
Permanent - Full time	89.0	89.0	89.0	89.0	89.0	89.0	89.0	89.0	89.0	89.0
Women	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1
Men	38.9	38.9	38.9	38.9	38.9	38.9	38.9	38.9	38.9	38.9
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6
Women	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6
Men	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Planning & Placemaking	95.6	95.6	95.6	95.6	95.6	95.6	95.6	95.6	95.6	95.6
Community Wellbeing										
Permanent - Full time	196.1	196.1	196.1	196.1	196.1	196.1	196.1	196.1	196.1	196.1
Women	152.8	152.8	152.8	152.8	152.8	152.8	152.8	152.8	152.8	152.8
Men	43.2	43.2	43.2	43.2	43.2	43.2	43.2	43.2	43.2	43.2
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	88.2	88.2	88.2	88.2	88.2	88.2	88.2	88.2	88.2	88.2
Women	72.9	72.9	72.9	72.9	72.9	72.9	72.9	72.9	72.9	72.9
Men	15.3	15.3	15.3	15.3	15.3	15.3	15.3	15.3	15.3	15.3
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Community Wellbeing	284.3	284.3	284.3	284.3	284.3	284.3	284.3	284.3	284.3	284.3
City Works & Assets										
Permanent - Full time	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0
Women	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5
Men	137.5	137.5	137.5	137.5	137.5	137.5	137.5	137.5	137.5	137.5
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4
Women	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
Men	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total City Works & Assets	213.4	213.4	213.4	213.4	213.4	213.4	213.4	213.4	213.4	213.4
Casuals and temporary staff	76.6	76.6	76.6	76.6	76.6	76.6	76.6	76.6	76.6	76.6
Capitalised labour costs	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)
Total staff numbers	896.1	896.1	896.1	896.1	896.1	896.1	896.1	896.1	896.1	896.1

4. Financial performance indicators

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

Indicator	Measure	Notes	Forecast Actual 2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Trend +/-
Operating position														
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	(6.2%)	(3.1%)	(2.1%)	1.1%	2.5%	3.9%	4.1%	4.1%	4.6%	4.8%	5.0%	+
Liquidity														
Working Capital	Current assets / current liabilities	2	184%	151%	129%	117%	110%	113%	118%	124%	133%	146%	176%	o
Unrestricted cash	Unrestricted cash / current liabilities		91%	63%	40%	23%	11%	6%	4%	4%	7%	12%	10%	-
Obligations														
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	49%	42%	36%	31%	25%	19%	15%	11%	7%	3%	0%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate		30%	6%	6%	6%	6%	5%	4%	4%	4%	4%	3%	+
Indebtedness	Non-current liabilities / own source revenue		32%	26%	21%	17%	14%	11%	8%	5%	3%	1%	1%	+
Asset renewal	Asset renewal and upgrade expense / Asset depreciation	4	143%	119%	111%	107%	105%	134%	138%	137%	131%	128%	115%	o
Stability														
Rates concentration	Rate revenue / adjusted underlying revenue	5	59%	57%	56%	56%	56%	56%	57%	57%	57%	57%	58%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.20%	0.19%	0.19%	0.19%	0.18%	0.18%	0.17%	0.17%	0.17%	0.16%	0.16%	o

Indicator	Measure	Notes	Forecast											Trend
			Actual	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Efficiency														
Expenditure level	Total expenses/ no. of property assessments		\$3,593	\$3,773	\$3,792	\$3,723	\$3,631	\$3,604	\$3,618	\$3,643	\$3,650	\$3,613	\$3,631	o
Revenue level	Total rate revenue / no. of property assessments		\$2,079	\$2,155	\$2,181	\$2,207	\$2,192	\$2,214	\$2,236	\$2,259	\$2,281	\$2,271	\$2,294	+

Key to Forecast Trend:

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

Notes to indicators

1. Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on Councils' cash reserves or increased debt to maintain services and invest in capital works.

2. Working Capital

Sufficient working capital is required to meet Council's obligations as and when they fall due. A high or increasing level of working capital suggests an improvement in liquidity.

3. Debt compared to rates

Trend indicates Council's reducing reliance on debt against its annual revenue through redemption of long term debts. The level of long-term liabilities is reasonable to the size and nature of a council's activities. A low or decreasing level of long-term liabilities suggests an improvement in the capacity to meet long-term obligations.

4. Asset renewal

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

5. Rates concentration

Revenue should be generated from a range of sources. Reflects extent of reliance on rate revenues to fund all of Council's ongoing services. A high or increasing range of revenue sources suggests an improvement in stability.

5. Strategies and Plans

This section describes the strategies and plans that support the 10 year financial projections included to the Financial Plan.

5.1 Borrowing Strategy

5.1.1 Current Debt Position

Council recognises that long term borrowings can be a useful tool for funding renewal of existing and major new assets. It also recognises that while borrowings enhance the capacity of Council's short term capital program, debt repayment and borrowing costs may potentially limit the capacity of future capital programs. It is, therefore, important that the utilisation of debt as a funding tool is applied judiciously.

Council borrowed \$32.5m in 2013/2014 to settle the Vision Super unfunded defined benefit liability and fund major capital projects. This borrowing was an interest only loan and repaid in full in November 2021. In February 2022, Council re-borrowed \$32.5m through Treasury Corporation Victoria (a principal and interest facility) for a term of 10 years.

An additional loan of \$13.5 million was drawn down in 2016/17 to fund the construction of Bargoonga Nganjin, North Fitzroy Library. This loan is funded on a principal and interest basis and will be repaid by the end of the Financial Plan.

The 2021/22 budget also allowed capacity for Council to borrow up to \$20 million in 2021/22 to support Council in delivering our significant program of capital works. This documents assumes the borrowing to take place in June 2022 in accordance with the 2021/22 budget.

This Financial Plan assumes Council will repay principal and interest on all borrowed funds (new and renewed) on an annual basis with a long term reduction in borrowings across the next ten years. Our principal repayments will allow us, depending on prevailing circumstances in the future, to have capacity to borrow further in later years, should that be required.

The following table highlights Council's projected loan balance, including new loans and loan repayments for the 10 years of the Financial Plan.

5.1.2 Future Borrowing Requirements

	Forecast / Actual											
	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	
Opening balance	41,203	59,171	53,125	46,904	40,503	33,915	27,135	21,810	16,345	10,737	4,981	
Plus New loans	52,500	-	-	-	-	-	-	-	-	-	-	
Less Principal repayment	(34,532)	(6,046)	(6,221)	(6,402)	(6,587)	(6,780)	(5,325)	(5,465)	(5,608)	(5,756)	(4,978)	
Closing balance	59,171	53,125	46,904	40,503	33,915	27,135	21,810	16,345	10,737	4,981	4	
Interest payment	1,287	1,552	1,377	1,196	1,010	817	643	503	359	212	63	

Performance Indicator	Target	Forecast / Actual										
		2021/22 %	2022/23 %	2023/24 %	2024/25 %	2025/26 %	2026/27 %	2027/28 %	2028/29 %	2029/30 %	2030/31 %	2031/32 %
Total borrowings / Rate revenue	Below 60%	49%	42%	36%	31%	25%	19%	15%	11%	7%	3%	0%
Debt servicing / Rate revenue	Below 5%	1%	1%	1%	1%	1%	1%	0%	0%	0%	0%	0%
Debt commitment / Rate revenue	Below 10%	30%	6%	6%	6%	6%	5%	4%	4%	4%	4%	3%
Indebtedness / Own source	Below 60%	32%	26%	21%	17%	14%	11%	8%	5%	3%	1%	1%

5.2 Reserves Strategy

5.2.1 Current Reserves

Open Space Reserve

The Open Space Reserve is a statutory reserve holding funds contributed by developers for the purpose of acquiring, developing and improving public open space and recreational facilities within the Municipality. Funds are contributed in accordance with section 18 of the Subdivision Act and transfers are restricted to the purpose of creating open space such as parks, playgrounds, pavilions and other such items where it is deemed that these works should occur at a later point in time than the initial development.

Movements (transfers) to the reserve (inflows) comprise contribution income from subdividers in lieu of the Open Space Requirement. Transfers from the reserve (outflows) are applied to fund Open Space capital projects on an annual basis.

The Yarra Open Space Strategy 2020 was adopted by council on 1 September 2020. The strategy guides how Council manages Yarra's open space network for the next 15 years. Through the implementation of this strategy, open space projects will be identified, prioritised and funded from the Open Space Reserve. Those projects and reserve funding will be reflected in the LTFP accordingly upon the implementation of the Open Space Strategy.

5.2.2 Reserve Usage Projections

The table below discloses the balance and annual movement for each reserve over the 10-year life of the Financial Plan. Total amount of reserves, for each year, is to align with the Statement of Changes in Equity.

Reserves	Restricted	2021/22 \$000's	2022/23 \$000's	2023/24 \$000's	2024/25 \$000's	2025/26 \$000's	2026/27 \$000's	2027/28 \$000's	2028/29 \$000's	2029/30 \$000's	2030/31 \$000's	2031/32 \$000's
Public Open Space Reserve												
Opening balance		18,950	23,950	26,680	29,775	33,175	36,125	39,050	42,000	44,950	47,900	50,850
Transfer to reserve		5,000	5,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Transfer from reserve		-	(2,270)	(5,905)	(5,600)	(6,050)	(6,075)	(6,050)	(6,050)	(6,050)	(6,050)	(6,180)
Closing balance		23,950	26,680	29,775	33,175	36,125	39,050	42,000	44,950	47,900	50,850	53,670
Reserves Summary												
Opening balance		18,950	23,950	26,680	29,775	33,175	36,125	39,050	42,000	44,950	47,900	50,850
Transfer to reserve		5,000	5,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Transfer from reserve		-	(2,270)	(5,905)	(5,600)	(6,050)	(6,075)	(6,050)	(6,050)	(6,050)	(6,050)	(6,180)
Closing balance		23,950	26,680	29,775	33,175	36,125	39,050	42,000	44,950	47,900	50,850	53,670