



GREATER SHEPPARTON CITY COUNCIL FINANCIAL PLAN 2021-2031



GREATER
SHEPPARTON



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EXECUTIVE SUMMARY

The *Local Government Act 2020* requires Greater Shepparton City Council to prepare a Financial Plan to cover a minimum period of ten years. The Financial Plan establishes a framework for Council to benchmark its performance. Community needs and aspirations are identified for the long term (Community Vision), medium term (Council Plan), and short term (Annual Budget). The Financial Plan is developed to guide:

- how the needs and aspirations identified in the Community Vision and Council Plan will be financially resourced; and
- how Council will remain financially sustainable in achieving this with limited resources.

Through the development of the Community Vision Statement, the community shared their desire for Council to be innovative, sustainable, accountable, and forward looking. The Council Plan guides decision making to achieve this vision, and the allocation of resources to deliver outcomes and services to the community.

The Community Vision, Council Plan and Financial Plan were created through an integrated approach to deliberative engagement. Ideas presented by the community were utilised to develop the vision and plans.

Long-term planning is important for ensuring that Council remains financially sustainable into the future. By having a 10-year time frame for the Financial Plan, it enables consideration of the strategic direction for Council to meet the funding and investment challenges that lie ahead as many of Council's assets have long lives. Once developed, the Asset Plan will inform the Financial Plan. The integration of these two plans will 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 Financial Plan should be read in the context of the defined policy statements, and the strategic actions identified to achieve these policy statements. The assumptions should be read in conjunction with the Financial Plan Statements as the assumptions ensure, as much as possible, that the Financial Plan is realistic in its reflection of the future financial position of Council. The borrowing strategy and restricted investments should also be read in conjunction with the Financial Plan Statements as they support the 10-year financial projections included in the Financial Plan.

The Financial Plan also identifies strategic and operating risks that will be monitored and managed. These risks include any rate rises below the allowed rate cap; the implications of receiving grant funding; and supporting the 2030 Zero Emissions Target and Action Plan by implementing initiatives to reduce Council's emissions.

Overall, the figures contained within this document help confirm that the Financial Plan:

- outlines a pathway for Council to continue to achieve high levels of service and affordability for the community; and
- maintain financial sustainability for future generations to benefit.



1. LEGISLATIVE REQUIREMENTS

The *Local Government Act 2020* (LGA 2020) requires each Council to prepare a Financial Plan to cover a minimum period of ten years following each Council election. The Financial Plan establishes a framework for Council to benchmark its performance.

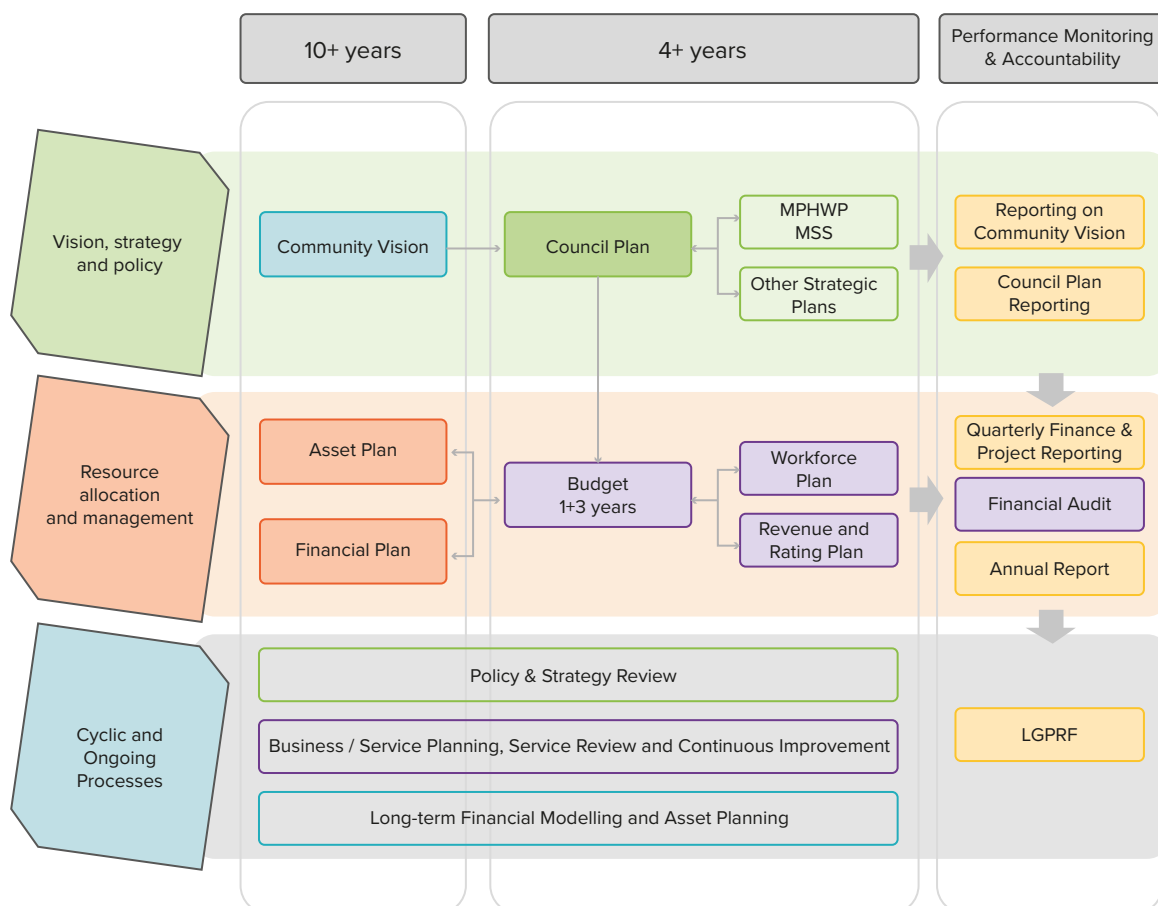
The purpose of the Financial Plan is to guide:

- how the needs and aspirations identified in the Community Vision and Council Plan will be financially resourced; and
- how Greater Shepparton City Council (Council) will remain financially sustainable in achieving this with limited resources.

The Council Plan operates under three financial principles:

1. deliver a financially sustainable budget;
2. responsible maintenance of existing assets; and
3. responsible borrowing.

The Financial Plan is an important part of Council’s integrated planning framework. Strategies outlined in the Financial Plan align with the objectives contained in the Council Plan, and will feed into our budget and other financial and strategic planning documents under Council’s strategic planning framework.



(Source: Department of Jobs, Precincts and Regions – Financial Plan – Better Practice Guide)

MPHWP – Municipal Public Health and Wellbeing Plan

MSS – Municipal Strategic Statement

LGPRF – Local Government Performance Reporting Framework

This section describes the relevant principles that link the Financial Plan to the achievement of the Community Vision and Council Plan.

1.1 Strategic Planning Principles

The Financial Plan provides a 10-year financially sustainable projection regarding how the actions of the Council Plan will be funded to achieve the Community Vision. The Financial Plan is developed in the context of the following strategic planning principles:

- 1.1.1 Council has an integrated approach to planning, monitoring and performance reporting.
- 1.1.2 The Financial Plan addresses the Community Vision by funding the needs and aspirations of the Council Plan. The Council Plan is developed in the context of the Community Vision.
- 1.1.3 The Financial Plan statements identify the 10-year financial resources required to implement the needs and aspirations of the Council Plan and remain financially sustainable (refer to section **6 Financial Plan Statements**).
- 1.1.4 Risks to the effective implementation of the Financial Plan are identified and addressed (financial risks can be found under section 1.2.2).
- 1.1.5 The Financial Plan provides for ongoing progress monitoring and reviews to identify and adapt to changing circumstances.

1.2 Financial Management Principles

The Financial Plan demonstrates the following financial management principles:

- 1.2.1 Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- 1.2.2 Ongoing monitoring and management of the following financial risks:
 - a) the financial viability of the Council (refer to section **4.1 Financial Policy Statements**);
 - b) the management of current and future liabilities of the Council (refer to the projections under section **6.2 Balance Sheet**); and
 - c) the beneficial enterprise of Council (where appropriate).
- 1.2.3 Financial policies and strategic plans are designed to provide financial stability and predictability to the community.
- 1.2.4 Council maintains accounts and records that explain its financial operations and financial position (refer to section **6 Financial Statements**).

1.3 Engagement Principles

Council has developed its Community Engagement Policy which can be found on our Council website [here](#). The consultation completed for the Financial Plan was in accordance with the Community Engagement Policy. Refer to section **2 Community Engagement** for the consultation completed.

1.4 Service Performance Principles

Council services are designed to address community needs and provide value for money results. The service performance principles are listed below:

- 1.4.1 Council services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan identifies the key services and projects to be delivered to the community. The Financial Plan guides how these key services and projects will be financially and sustainably resourced.
- 1.4.2 Services are accessible to the relevant users within the community.
- 1.4.3 Council provides quality and efficient services that provide value for money to the community. Further information regarding Council's service delivery performance can be found on the Know Your Council website [here](#).
- 1.4.4 Council has a program of financial sustainability reviews to continually improve the efficiency and performance of service delivery and meet value for money outcomes for our community.
- 1.4.5 Council has developed a service delivery framework that considers and responds to community feedback and complaints regarding services provided. The Complaints Policy can be found on our Council website [here](#).

This chart shows how every \$100 was allocated in the 2021/2022 Adopted Budget to providing services to our community:





2. COMMUNITY ENGAGEMENT

The Community Vision, Council Plan and Financial Plan are developed by Council in consultation with our community. In accordance with the LGA 2020, Council must use a deliberative engagement process to ensure that the community is involved in the development of each item.

In January 2021, Council launched our Think Big, Think Great campaign. We reached out to the community asking:

- What do you love about Greater Shepparton?
- How can we make Greater Shepparton even greater?
- What do we need to focus on over the next 4 years?

The community were able to submit their ideas for the future via the Shaping Greater Shepp platform.

A Community Panel (“Panel”), independent of Council, was established to consider the ideas from the community and develop an aspirational vision for the next 10-year s. The Panel meetings were facilitated by an external organisation, the majority of which were conducted in a virtual environment due to the changing COVID Safe Settings.

The Panel, empowered by the Councillors, took the community ideas, information from community leaders in the region, and their own views, and developed the Community Vision. This was adopted by Council on 15 June 2021. In addition, the Panel developed Community Outcomes that were utilised by the Councillors to develop the priorities and actions for the Council Plan.

2.1 Financial Plan

Engagement for the Financial Plan was conducted online, and was supplemented by the contributions Council had already received from the engagement for the Community Vision and Council Plan. Consultation with the community was undertaken utilising the Shaping Greater Shepp platform. This included information on the Financial Plan, a survey conducted throughout August-September 2021, and the opportunity to speak with the Manager Finance and Rates to discuss the Financial Plan. The survey was shared online via social media, including Facebook and the Council website.

Due to the changing COVID Safe Settings, hardcopy surveys and face to face engagement were not possible at this time. In addition, online submissions were impacted during the engagement period by the COVID outbreak in the Greater Shepparton region with around one third of the population required to quarantine.

Overall, we received 44 submissions to the survey and one individual elected to meet with the Manager Finance and Rates.

The information on the platform and the survey questions were written using plain language where possible to engage a wider audience. The questions in the survey were designed to:

- gain a greater understanding of the community’s perception of Council finances;
- highlight that resources are scarce and sometimes a trade-off is required; and
- see how comfortable the community is with the various tools we can utilise to remain financially sustainable (such as disposing of underutilised assets, increasing user fees and taking out borrowings to fund capital works).



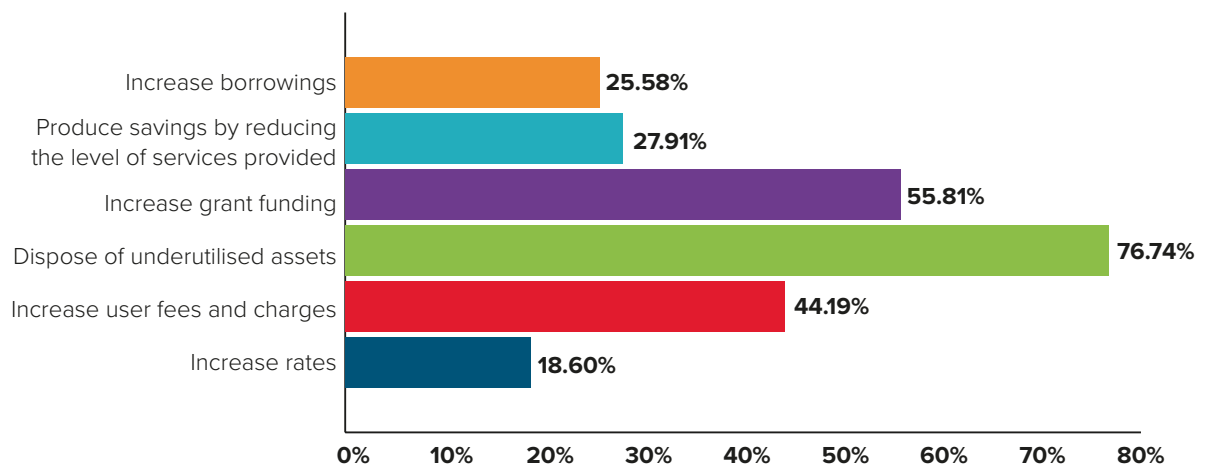
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Responses to the survey questions highlighted a wide range of community views, including:

- 48% rated their satisfaction of Council managing its money as neutral, satisfied, or highly satisfied.
- 40% said the cost of optional services should be covered by the user, with a further 40% stating that it depended on the type of service (i.e. some should be cost recovery, others should be subsidised by rates).
- 66% supported Council taking out borrowings to help finance big capital works.
- When asked how we should fund the cost of responding to climate change, taking up grant funding opportunities (88%), reducing costs elsewhere (35%), and taking out borrowings (25%) were the most popular selections.
- The following graph provides the responses to how Council should fund the needs and aspirations of the community, and remain financially sustainable:



However, it is important to acknowledge the relatively small number of survey responses we received (44) in comparison to the total Council population (66,010). Therefore, caution should be exercised when reading these responses as a representation of the wider community.

3. ASSET PLAN

3.1 Integration

Integration to the Asset Plan is a key principle of 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.

Once developed, the Asset Plan will identify the operational and strategic practices which will ensure that Council manages assets across their life cycle in a financially sustainable manner. In addition, the Asset Plan will quantify the asset portfolio and the financial implications of those practices.

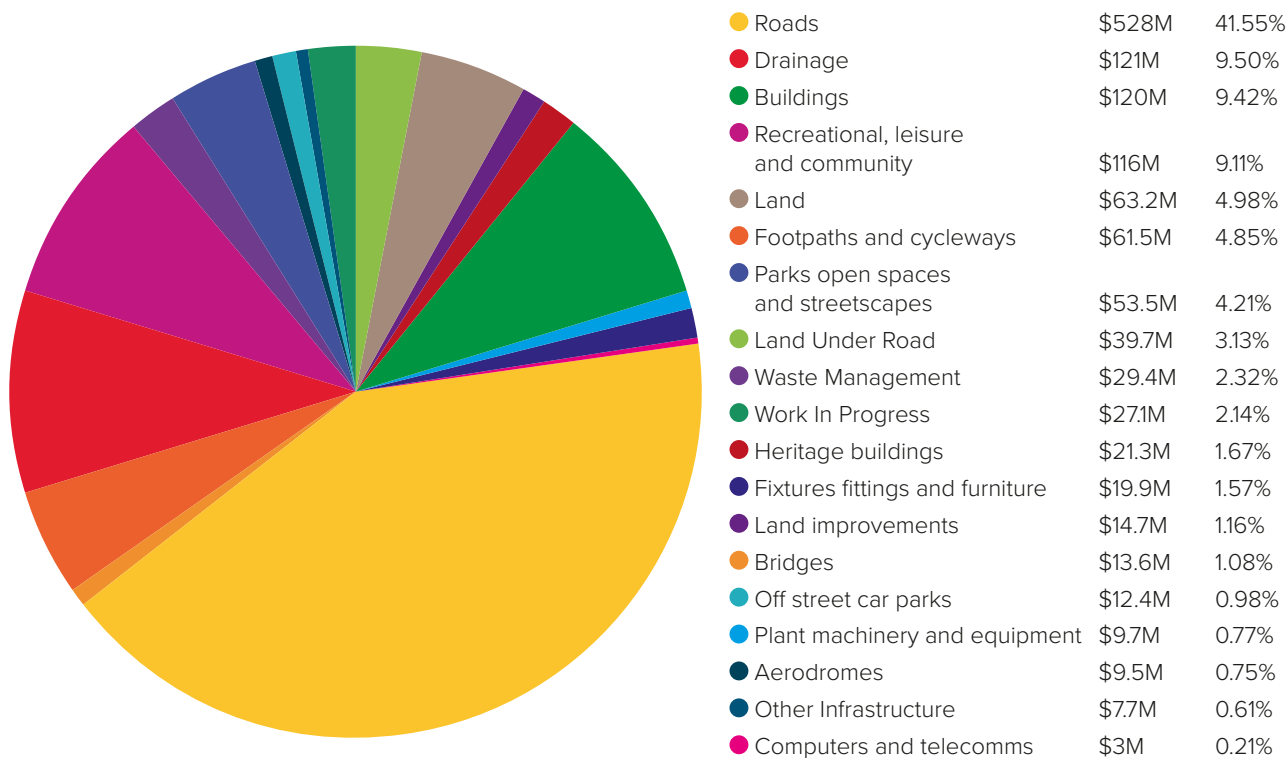
The Asset Plan will provide Council with a sound base to understand the risk associated with managing its assets for the community’s benefit. The Asset Plan will be designed to inform the Financial Plan by identifying the amount of capital renewal, backlog and maintenance funding that is required over the life of each asset category. The level of funding will incorporate the:

- knowledge of asset condition;
- risk assessment issues; and
- impact of reviewing and setting intervention and service levels for each asset class.

Together the Financial Plan and Asset Plan will seek to balance projected investment requirements against projected budgets.

3.2 Our Assets

Council has an asset portfolio worth approximately \$1.27 billion. The chart below shows the breakup of the asset values between asset categories:



A large asset portfolio such as this will require significant investment (asset renewal and upgrade) to ensure the ongoing levels of service provided by the assets to the community are maintained. The measure of Council's ability to address its asset renewal and upgrade demand is based on our depreciation expense in any given year.

As a service delivery organisation, Council's goal is to provide a level of service that satisfies the needs and aspirations of the community identified in the Community Vision and Council Plan. Council owns and manages assets for the specific purpose of service delivery, and therefore our assets are critical in this equation. Council must manage the condition of its asset portfolio so that the assets are able to complement service delivery. From this perspective, Council measures asset condition as 0 (new) to 10 (failed) with the objective of ensuring the overall condition of an asset category remains in a state that does not impact negatively on the service experience of the community.

A condition-based approach to asset renewal relies on good condition data, which Council is continuously improving. Council has a high-quality Asset Management System which is well resourced to capture, monitor and update asset information on a regular basis. This includes the capture of condition data from surveys carried out on distinct asset categories on a cyclical basis.

Critically, wherever an asset survey is undertaken to assess condition of the overall asset category, we also use the exercise to re-evaluate the asset's remaining useful life. The physical deterioration of assets is not always easy to predict. For example, climate can play a part in influencing the longevity of assets, such as drought, which reduces deterioration of sealed roads and drainage infrastructure. Conversely, very wet seasonal conditions can impact negatively on these assets, increasing asset deterioration rates.



4. FINANCIAL PLAN CONTEXT

This section describes the context and external / internal environment and consideration in determining the 10-year financial projections and assumptions.

4.1 Financial Policy Statements

This section defines the policy statements, and associated measures, that demonstrates Council's financial sustainability to fund the needs and aspirations of the Community Vision and the Council Plan.

Policy Statement	Measure	Target	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Aim toward achieving and maintaining a true underlying surplus.	Adjusted underlying result greater than 0%	> 0%	8.0%	(10.8%)	(5.8%)	(2.0%)	(1.1%)	(0.5%)	0.2%	0.9%	1.2%	1.6%	2.4%
Ensure Council maintains sufficient working capital to meet its debt obligations as they fall due.	Current Assets / Current Liabilities greater than 100%	> 100%	155.5%	146.1%	124.8%	118.5%	130.7%	123.6%	148.2%	159.1%	200.9%	206.6%	270.5%
Allocate adequate funds towards renewal capital to replace assets and infrastructure as they reach the end of their service life.	Asset renewal and upgrade expenses / Depreciation above 100%	> 100%	79.6%	137.3%	132.0%	78.4%	101.5%	121.7%	92.9%	76.8%	76.4%	119.6%	57.9%

4.2 Strategic Actions

Council has identified the following strategic actions that will support the aspirations of the Council Plan:

- Council adopts the budgeted statement of financial performance (Comprehensive Income Statement); statement of financial position (Balance Sheet); statement of cash flows (Cash Flow) and statement of capital works (Capital Works) as an integral part of the budget setting process for current and future budgets.
- Council aims to achieve an adjusted underlying operating surplus in the next 6 years to ensure ongoing financial sustainability.
- Council will ensure capital expenditure on asset renewal and upgrade projects be given priority over capital expenditure on new assets to ensure existing assets are properly maintained.
- Council will allocate sufficient resources to reduce emissions where possible, in line with Council's 2030 Zero Emissions target.
- Council will continue to review its services to identify new efficiencies and embody a culture of continuous improvement.

4.3 Assumptions to the Financial Plan Statements

The Financial Plan is determined using a base point; typically, the current budget or forecast as the starting point with long term assumptions applied as indexation throughout the life of the plan. This ensures, as much as possible, the plan is realistic in its reflection of the future financial position of the Council.

It should be noted that even within the local government sector, specific councils are likely to face differing cost structures leading to different assumptions in estimates for long term planning.

The assumptions detailed in this section are to be read in conjunction with section **6 Financial Plan Statements**.

This section presents information regarding the assumptions to the Comprehensive Income Statement. A summary of assumptions is provided in the following table.

Escalation Factors% movement	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Rates and Municipal Charge (CPI)	1.75%	2.0%	2.25%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Growth in Properties	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
User Charges	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Statutory Fees and Fines	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants - Operating	1.75%	2.0%	2.25%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Grants - Capital	Assumes funding of capital projects on case by case basis.								
Contributions - Monetary	Assumes contributions on a case by case basis.								
Employee Costs	3.0%	3.0%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%
Materials and Services (Re-current)	(6.5%)	0.0%	0.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Depreciation & Amortisation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Expenses	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

4.3.1 Rates and municipal charge

The Fair Go Rates System (FGRS) sets out the maximum amount Councils may increase rates in a year. For 2021/2022, the FGRS cap was set at 1.5%. The cap applies to both general rates and municipal charges and is calculated on the basis of Council's average rates and charges.

For 2021/2022, however, a 0% rate rise was implemented to assist the community in the economic recovery from the COVID-19 pandemic. Compared to the 1.5% increase allowable under the FGRS rate cap, this equates to approximately \$1.1 million in lost income in 2021/2022, and approximately \$11.8 million over the next 10-year s due to the effects of compounding.

Council has projected future increases to rates and charges in line with State Government's Consumer Price Index (CPI) forecasts.¹ In addition, Council expects an annual 1% increase for growth (additional properties).

Council's [Revenue and Rating Plan](#) outlines the strategic framework and decisions that inform how Council will go about calculating and collecting its revenue including rates and other revenue such as user fees and grants.

4.3.2 Statutory fees and fines

Statutory fees and fines relate mainly to fees and fines levied in accordance with legislation and include animal registrations, Public Health and Wellbeing Act 2008 registrations, and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

The Financial Plan conservatively assumes no growth in statutory fees and fines given some fees and fines are outside the control of Council.

4.3.3 User charges

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 leisure, entertainment and other community facilities and the provision of community services such as family day care and home help services. The key principle for determining the level of user charges has been to ensure market comparability and benchmarking against like businesses.

The Financial Plan assumes service levels will be maintained, with annual increases to user charges of 3%.

4.3.4 Grants

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program.

Grant revenue represents income usually received from other levels of government. Some grants are singular and attached to the delivery of a specific project, whilst others can be of a recurrent nature and may or may not be linked to the delivery of projects. Council will pro-actively advocate to other levels of government for grant funding support to deliver important infrastructure and service outcomes for the community.

For future years' the Financial Plan assumes operational grant funding will increase in line with CPI forecasts, whereas capital grants are determined on a case-by-case basis.

¹Source: Macroeconomic data 2021-22 Budget via <https://www.dtf.vic.gov.au/state-financial-data-sets/macroeconomic-indicators>

4.3.5 Contributions – monetary

Contributions relate to monies paid by various community sources towards capital and operating expenses. This includes contributions from developers which represent funds to enable council to provide the necessary infrastructure and infrastructure improvements to accommodate development growth.

Contributions are modelled in the Financial Plan on a case-by-case basis as determined by Developer Contribution Plans (DCPs) and other agreements with stakeholders and user groups towards capital works, with an annual allocation for re-current operating contributions.

4.3.6 Other income

Other income relates to a range of items such as interest revenue on investments and rental income received from the hire of Council buildings. The Financial Plan assumes a small amount of growth on other income.

4.3.7 Employee costs

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

The Financial Plan assumes an annual average increase to wages of 2% to provide for increases in accordance with Council's Enterprise Agreement (EA), and 0.5% for growth in full-time equivalent (FTE) positions. The Financial Plan also factors an annual increase of 0.5% in line with increases to the Super Guarantee until 2025/2026.

4.3.8 Materials and services

Materials and Services include the purchase of consumables, corporate expenses, payment to contractors for the provision of services and utility costs.

The Financial Plan models a reduction in re-current materials and services for 2022/2023 (a 6.5% decrease from the 2021/2022 value), followed by a 0% increase through to 2024/25. Increases to the cost of materials and services, and growth of on the amounts purchased are inevitable, however these increases are intended to be absorbed through operational efficiencies. From 2025/2026, a 1% annual increase in materials and services is applied.

4.3.9 Depreciation & amortisation

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.

Amortisation is an accounting measure which attempts to allocate, for example, the value of the Cosgrove Landfill Airspace over the life of the intangible asset.

Future depreciation and amortisation is estimated to increase by 3% year on year in the Financial Plan.

4.3.10 Borrowing costs

Borrowing Costs related to the interest charged by financial institutions on funds borrowed. Borrowing costs comprise the interest expense to service Council's loan portfolio that is described in section **8.1.2 Future Borrowing Requirements**.

4.3.11 Other expenses

Other expenses include administration costs such as Councillor allowances, election costs, sponsorships, partnerships, community grants, lease expenditure, fire services property levy, audit costs and other costs associated with the day to day running of Council.

These costs are projected to increase 3% per annum in the Financial Plan.

4.4 Other Matters impacting the 10-year financial projections

This section describes current challenges and expected future events likely to impact the Financial Plan projections.

4.4.1 Financial Risks

Our Financial Plan, and in particular our key assumptions, are developed having regard to our strategic and operating risks. The current risks that we are monitoring and managing in the context of the Financial Plan are:

- Rate increase below rate cap
- Freezing of indexation on operating grants
- Removal or reduction of grant funding or cost-shifting from State and Commonwealth Governments
- Implications of receiving grant funding including requirements to bring forward capital works, and assumptions of big capital works not being possible without grants
- Shortfall in the defined benefit plan of Vision Super
- Changes to waste management regulatory requirements and associated increase in costs
- Financial impacts of climate change, natural disasters, including COVID-19, or other substantial global events
- Expansion of asset base with unbudgeted asset renewal
- Increase in cost of borrowing through increases in interest rates

4.4.2 Growth

The current Council population is 66,010, and this is anticipated to grow to 77,690 with an average annual growth rate of 0.9% out to 2036. The main driver for population growth in regional Victoria is net overseas, interstate and intrastate migration. This trend is likely to increase with proposed federal government policies encouraging migrants to settle in regional areas. Also, continued job growth in the Greater Shepparton area will attract new residents supporting population growth and economic vitality.

How Council responds to this growth relies on effective planning to ensure timely and coordinated delivery of infrastructure and services to the Greater Shepparton area. This planning includes asset and service-based strategies as well as provisions for Developer Contribution Plans (DCPs) to support infrastructure delivery through funding partnership arrangements. DCPs are a mechanism which shares the costs of certain services across developments through a planning process. All DCPs are subject to the Council's formal approval. The Financial Plan includes anticipated developer contributions and capital works for Council to establish the required infrastructure to support these developments.

4.4.3 2030 Zero Emissions

In March 2020, Council declared a Climate Emergency and adopted a 2030 Zero Carbon Emissions target. This recognises the health of the climate is critical to the Greater Shepparton area.

By declaring a climate emergency and commencing the considered planning required to manage the emergency, Council is in a prime position to demonstrate strong leadership, maximise opportunities and guide the community forwards in an orderly and just transition to ensure a prosperous and vibrant future under a changing climate.

Failing to do so will see Greater Shepparton's liveability, ability to attract investment and maintain a level of environmental, social and economic prosperity diminish, and as a competitive regional city, be at risk of being left behind.

Council is in the process of developing the Zero Emission Action Plan. This plan will be Council's pathway to meeting our 2030 Zero Carbon Emission Target. This target reflects Council's response to the need to urgently drive down emissions in order to keep the global average temperature below 2 degrees.

The Financial Plan supports the 2030 Zero Emissions Target and Action Plan by ensuring financial resources are available to implement initiatives to reduce Council's emissions.







5. OUR FINANCIAL PLAN

The Financial Plan is a 10-year forecast of our finances that guides how the community needs and aspirations in the Community Vision and Council Plan will be resourced. Long-term planning is important for ensuring that Council remains financially sustainable into the future. By having a 10-year time frame, it enables consideration of the strategic direction for Council to meet the funding and investment challenges that lie ahead as many of Council's assets have long lives.

There are a number of dynamic variables that may influence the outcomes expressed in the Financial Plan. They include:

- The annual rate capping framework
- Renewal of assets to maintain services
- Granted assets / new and upgrade of assets
- Projected increases of government grants revenue being less than the cost of maintaining services
- Growth in the number of properties and impact on the cost of delivering existing services

The Financial Plan establishes a framework for Council to benchmark its performance. The base point used for financial modelling has been the 2021/2022 Q1 Adopted Forecast. **The Financial Plan Statements** are included under section 6.

6. FINANCIAL PLAN STATEMENTS

This section presents the key statements comprising the Financial Plan for the 10-year s from 2021/2022 to 2030/2031.

- 6.1 Comprehensive Income Statement
- 6.2 Balance Sheet
- 6.3 Statement of Changes in Equity
- 6.4 Statement of Cash Flows
- 6.5 Statement of Capital Works
- 6.6 Statement of Human Resources
- 6.7 Planned Human Resource Expenditure



6.1 Comprehensive Income Statement

	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Rates and charges	83,323	85,040	87,379	90,000	92,925	95,713	98,584	101,542	104,588	107,725	110,957
Statutory fees and fines	3,223	3,685	3,685	3,685	3,685	3,685	3,685	3,685	3,685	3,685	3,685
User fees	16,665	17,909	18,446	19,000	19,570	20,157	20,761	21,384	22,026	22,687	23,367
Grants - Operating	30,465	18,301	23,510	23,524	24,053	24,534	25,025	25,525	26,036	26,557	27,088
Grants - Capital	12,519	23,828	18,072	1,627	14,250	14,250	16,000	1,500	9,300	15,500	2,500
Contributions - monetary	3,700	3,312	5,303	1,763	1,478	1,393	1,354	1,354	1,354	1,994	1,293
Contributions - non-monetary	5,650	5,827	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(660)	534	359	12	84	113	206	469	(40)	(345)	102
Share of net profits/(losses) of associates and joint ventures	151	-	-	-	-	-	-	-	-	-	-
Other income	1,228	1,241	1,273	1,305	1,338	1,372	1,407	1,443	1,480	1,518	1,557
Total income	156,264	159,677	160,026	142,915	159,383	163,217	169,023	158,903	170,429	181,320	172,549
Expenses											
Employee costs	51,570	52,846	54,431	56,064	57,746	59,479	60,966	62,490	64,052	65,653	67,295
Materials and services	50,151	51,456	45,926	45,000	45,000	45,450	45,905	46,364	46,827	47,295	47,768
Depreciation	33,235	36,399	37,491	38,616	39,774	40,967	42,196	43,462	44,766	46,109	47,492
Amortisation - intangible assets	1,341	521	538	538	538	538	538	538	538	538	538
Amortisation - right of use assets	293	244	154	122	123	-	-	-	-	-	-
Bad and doubtful debts	60	302	296	305	271	305	312	323	301	326	348
Borrowing costs	(12,145)	969	1,072	944	808	666	525	405	326	248	166
Finance Costs - leases	27	18	11	7	2	-	-	-	-	-	-
Other expenses	554	697	718	739	762	784	808	832	857	883	909
Total expenses	125,086	143,452	140,638	142,335	145,024	148,189	151,249	154,414	157,667	161,053	164,516
Surplus/(deficit) for the year	31,178	16,225	19,388	580	14,359	15,028	17,774	4,489	12,762	20,268	8,033

	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Items that will not be reclassified to surplus or deficit in future periods											
Net asset revaluation increment /(decrement)	85,758	-	32,586	34,009	34,850	35,890	37,156	38,266	39,192	40,066	41,467
Total comprehensive result	116,936	16,225	51,975	34,589	49,210	50,918	54,930	42,755	51,954	60,334	49,500

6.2 Balance Sheet

	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Current assets											
Cash and cash equivalents	42,985	39,315	30,559	29,928	33,165	30,041	37,370	42,122	56,440	58,102	78,454
Trade and other receivables	18,318	12,291	12,654	11,236	12,649	12,928	13,391	12,491	13,537	14,432	13,653
Other financial assets	8,000	-	-	-	-	-	-	-	-	-	-
Inventories	156	156	156	156	156	156	156	156	156	156	156
Non-current assets classified as held for sale	63	63	63	63	63	63	63	63	63	63	63
Other assets	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579
Total current assets	71,101	53,404	45,011	42,963	47,612	44,767	52,558	56,411	71,775	74,332	93,904
Non-current assets											
Investments in associates, joint arrangement and subsidiaries	1,598	1,598	1,598	1,598	1,598	1,598	1,598	1,598	1,598	1,598	1,598
Property, infrastructure, plant & equipment	1,269,499	1,303,454	1,360,352	1,394,014	1,435,585	1,486,245	1,530,651	1,567,696	1,602,638	1,658,667	1,686,768
Right-of-use assets	643	399	245	123	-	-	-	-	-	-	-
Intangible assets	29,179	28,658	28,120	27,582	27,044	26,506	25,968	25,430	24,892	24,354	23,816
Total non-current assets	1,300,919	1,334,109	1,390,315	1,423,317	1,464,227	1,514,349	1,558,217	1,594,724	1,629,128	1,684,619	1,712,182
Total assets	1,372,020	1,387,513	1,435,326	1,466,279	1,511,839	1,559,116	1,610,775	1,651,135	1,700,903	1,758,951	1,806,087

	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Liabilities											
Current liabilities											
Trade and other payables	15,478	8,896	8,308	8,345	8,507	8,689	8,850	8,991	9,184	9,356	9,532
Trust funds and deposits	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656
Unearned income	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440
Provisions	15,232	11,994	11,994	11,994	11,994	11,994	11,994	11,994	11,994	11,994	11,994
Interest-bearing liabilities	2,662	3,415	3,544	3,679	3,822	3,433	2,536	2,380	2,458	2,540	1,096
Lease liabilities	244	158	129	133	-	-	-	-	-	-	-
Total current liabilities	45,712	36,559	36,070	36,247	36,419	36,211	35,476	35,460	35,731	35,986	34,718
Non-current liabilities											
Provisions	24,685	24,685	24,685	24,685	24,685	24,685	24,685	24,685	24,685	24,685	24,685
Interest-bearing liabilities	21,245	29,823	26,279	22,600	18,778	15,345	12,809	10,430	7,972	5,432	4,336
Lease liabilities	419	262	133	-	-	-	-	-	-	-	-
Total non-current liabilities	46,349	54,770	51,097	47,285	43,463	40,030	37,494	35,115	32,657	30,117	29,021
Total liabilities	92,061	91,329	87,167	83,531	79,882	76,241	72,970	70,575	68,388	66,102	63,738
Net assets	1,279,959	1,296,184	1,348,159	1,382,748	1,431,958	1,482,875	1,537,805	1,580,561	1,632,515	1,692,849	1,742,348
Equity											
Accumulated surplus	475,471	491,696	511,085	511,665	526,024	541,052	558,826	563,315	576,077	596,345	604,378
Reserves	804,488	804,488	837,074	871,083	905,933	941,823	978,979	1,017,246	1,056,438	1,096,504	1,137,971
Total equity	1,279,959	1,296,184	1,348,159	1,382,748	1,431,958	1,482,875	1,537,805	1,580,561	1,632,515	1,692,849	1,742,348

6.3 Statement of Changes in Equity

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000
2021 Actual			
Balance at beginning of the financial year	1,163,023	444,293	718,730
Surplus/(deficit) for the year	31,178	31,178	-
Net asset revaluation increment/(decrement)	85,758	-	85,758
Balance at end of the financial year	1,279,959	475,471	804,488
2022			
Balance at beginning of the financial year	1,279,959	475,471	804,488
Surplus/(deficit) for the year	16,225	16,225	-
Net asset revaluation increment/(decrement)	-	-	-
Balance at end of the financial year	1,296,184	491,696	804,488
2023			
Balance at beginning of the financial year	1,296,184	491,696	804,488
Surplus/(deficit) for the year	19,388	19,388	-
Net asset revaluation increment/(decrement)	32,586	-	32,586
Balance at end of the financial year	1,348,159	511,084	837,074
2024			
Balance at beginning of the financial year	1,348,159	511,084	837,074
Surplus/(deficit) for the year	580	580	-
Net asset revaluation increment/(decrement)	34,009	-	34,009
Balance at end of the financial year	1,382,748	511,665	871,083
2025			
Balance at beginning of the financial year	1,382,748	511,665	871,083
Surplus/(deficit) for the year	14,359	14,359	-
Net asset revaluation increment/(decrement)	34,850	-	34,850
Balance at end of the financial year	1,431,957	526,024	905,933
2026			
Balance at beginning of the financial year	1,431,957	526,024	905,933
Surplus/(deficit) for the year	15,028	15,028	-
Net asset revaluation increment/(decrement)	35,890	-	35,890
Balance at end of the financial year	1,482,875	541,052	941,823

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000
2027			
Balance at beginning of the financial year	1,482,875	541,052	941,823
Surplus/(deficit) for the year	17,774	17,774	-
Net asset revaluation increment/(decrement)	37,156	-	37,156
Balance at end of the financial year	1,537,805	558,826	978,979
2028			
Balance at beginning of the financial year	1,537,805	558,826	978,979
Surplus/(deficit) for the year	4,489	4,489	-
Net asset revaluation increment/(decrement)	38,266	-	38,266
Balance at end of the financial year	1,580,560	563,315	1,017,246
2029			
Balance at beginning of the financial year	1,580,560	563,315	1,017,246
Surplus/(deficit) for the year	12,762	12,762	-
Net asset revaluation increment/(decrement)	39,192	-	39,192
Balance at end of the financial year	1,632,515	576,077	1,056,438
2030			
Balance at beginning of the financial year	1,632,515	576,077	1,056,438
Surplus/(deficit) for the year	20,268	20,268	-
Net asset revaluation increment/(decrement)	40,066	-	40,066
Balance at end of the financial year	1,692,848	596,344	1,096,504
2031			
Balance at beginning of the financial year	1,692,848	596,344	1,096,504
Surplus/(deficit) for the year	8,033	8,033	-
Net asset revaluation increment/(decrement)	41,467	-	41,467
Balance at end of the financial year	1,742,348	604,378	1,137,971

6.4 Statement of Cash Flows

	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
Cash flows from operating activities											
Rates and charges	81,735	88,218	87,019	89,640	92,469	95,323	98,167	101,137	104,105	107,281	110,496
Statutory fees and fines	2,904	3,823	3,678	3,679	3,676	3,679	3,678	3,679	3,677	3,678	3,678
User fees	16,665	18,578	18,367	18,924	19,477	20,075	20,674	21,299	21,924	22,593	23,270
Grants - operating	30,465	18,985	23,045	23,484	23,953	24,453	24,938	25,443	25,936	26,467	26,996
Grants - capital	12,519	24,718	18,498	2,945	13,209	14,225	15,829	2,662	8,655	14,974	3,540
Interest received	157	100	101	102	103	104	105	106	107	108	109
Other revenue received	11,327	4,619	6,300	3,243	2,727	2,661	2,652	2,684	2,718	3,343	2,789
Employee costs	(51,453)	(56,060)	(54,301)	(55,943)	(57,595)	(59,336)	(60,843)	(62,379)	(63,910)	(65,522)	(67,160)
Materials and services	(55,392)	(51,058)	(45,257)	(45,010)	(44,990)	(45,413)	(45,867)	(46,336)	(46,779)	(47,257)	(47,730)
Other payments	-	(7,701)	(2,106)	(814)	(760)	(783)	(806)	(830)	(855)	(881)	(907)
Net cash provided by/(used in) operating activities	48,927	44,222	55,343	40,250	52,270	54,989	58,526	47,466	55,579	64,785	55,082
Cash flows from investing activities											
Payments for property, infrastructure, plant and equipment	(50,759)	(65,100)	(60,410)	(36,895)	(45,140)	(54,311)	(48,130)	(40,946)	(39,241)	(60,820)	(32,897)
Proceeds from sale of property, infrastructure, plant and equipment	1,048	1,107	967	638	729	686	890	1,174	686	402	872
Proceeds/(payments for) financial assets	2,000	8,000	-	-	-	-	-	-	-	-	-
Net cash provided by/ (used in) investing activities	(47,711)	(55,993)	(59,443)	(36,257)	(44,411)	(53,625)	(47,240)	(39,772)	(38,555)	(60,418)	(32,025)

	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities											
Finance costs	(758)	(969)	(1,072)	(944)	(808)	(666)	(525)	(405)	(326)	(248)	(166)
Proceeds from borrowings	10,000	12,000	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(1,851)	(2,669)	(3,415)	(3,544)	(3,679)	(3,822)	(3,433)	(2,536)	(2,380)	(2,458)	(2,540)
Interest paid - lease liability	(27)	(18)	(11)	(7)	(2)	-	-	-	-	-	-
Repayment of lease liabilities	(287)	(243)	(158)	(129)	(133)	-	-	-	-	-	-
Net cash provided by/(used in) financing activities	7,077	8,101	(4,657)	(4,624)	(4,623)	(4,488)	(3,957)	(2,941)	(2,705)	(2,705)	(2,705)
Net increase/(decrease) in cash & cash equivalents	8,293	(3,670)	(8,756)	(630)	3,236	(3,124)	7,329	4,752	14,318	1,662	20,352
Cash and cash equivalents at the beginning of the financial year	34,692	42,985	39,315	30,559	29,928	33,165	30,041	37,370	42,122	56,440	58,102
Cash and cash equivalents at the end of the financial year	42,985	39,315	30,559	29,928	33,165	30,041	37,370	42,122	56,440	58,102	78,454

6.5 Statement of Capital Works

	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property											
Land	-	-	-	897	-	-	-	-	-	-	-
Land improvements	73	1,826	27	172	46	52	49	28	31	31	38
Buildings	18,541	2,948	1,185	1,601	1,326	4,616	1,169	1,508	8,346	6,350	1,020
Total property	18,614	4,774	1,212	2,670	1,372	4,669	1,217	1,535	8,377	6,381	1,058
Plant and equipment											
Plant, machinery and equipment	2,895	5,025	3,060	2,923	3,111	2,662	2,678	5,334	2,495	3,258	4,494
Fixtures, fittings and furniture	265	277	34	34	34	67	67	66	66	66	66
Computers and telecommunications	546	11	108	98	1,164	107	-	95	-	-	-
Total plant and equipment	3,706	5,313	3,202	3,056	4,309	2,835	2,745	5,495	2,560	3,323	4,559
Infrastructure											
Roads	15,691	30,842	39,023	13,906	11,747	12,723	12,755	12,498	15,608	15,813	15,713
Bridges	433	1,915	600	607	412	419	19,632	234	240	19,248	256
Footpaths and cycleways	2,241	3,918	2,407	1,329	1,427	1,566	2,213	2,784	1,796	1,571	1,539
Drainage	2,575	2,999	4,458	547	4,679	90	2,498	4,157	1,528	1,551	1,634
Recreational, leisure and community facilities	4,550	7,411	1,348	4,044	16,433	18,989	2,395	809	3,588	705	1,794
Waste management	184	5,956	2,687	5,233	285	8,565	181	8,471	192	6,053	1,891
Parks, open space and streetscapes	1,070	3,030	2,466	2,901	1,244	909	1,078	514	1,118	1,076	699
Aerodromes	963	343	-	-	-	-	-	-	-	-	-
Off street car parks	250	-	-	-	-	-	-	343	-	-	-
Other infrastructure	482	1,837	1,800	1,865	1,879	1,917	1,973	2,058	2,271	2,057	2,110
Total infrastructure	28,439	58,251	54,788	30,432	38,105	45,178	42,724	31,869	26,342	48,075	25,635

	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2030 Zero Emissions Initiatives	-	-	1,208	738	1,354	1,629	1,444	2,047	1,962	3,041	1,645
Total capital works expenditure	50,759	68,338	60,410	36,895	45,140	54,311	48,130	40,946	39,241	60,820	32,897
Represented by:											
New asset expenditure	21,868	11,678	10,467	6,277	4,545	4,029	6,040	5,998	4,790	5,434	5,109
Asset renewal expenditure	21,602	29,295	21,835	23,091	19,099	27,168	18,568	31,504	23,358	29,419	27,452
Asset expansion expenditure	2,425	6,695	450	332	225	427	2,901	1,559	253	261	269
Asset upgrade expenditure	4,864	20,670	27,658	7,195	21,271	22,687	20,621	1,885	10,840	25,706	67
Total capital works expenditure	50,759	68,338	60,410	36,895	45,140	54,311	48,130	40,946	39,241	60,820	32,897
			-	-	-	-	-	-	-	-	-
Funding sources represented by:											
Grants	12,519	23,828	18,072	1,627	14,250	14,250	16,000	1,500	9,300	15,500	2,500
Contributions	3,039	2,621	4,978	1,438	1,153	1,068	1,029	1,029	1,029	1,669	968
Council cash	25,201	29,889	37,360	33,830	29,737	38,993	31,101	38,417	28,912	43,651	29,429
Borrowings	10,000	12,000	-	-	-	-	-	-	-	-	-
Total capital works expenditure	50,759	68,338	60,410	36,895	45,140	54,311	48,130	40,946	39,241	60,820	32,897

6.6 Statement of Human Resources

Staff expenditure	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total staff expenditure											
Male	21,713	19,994	20,594	21,212	21,848	22,504	23,066	23,643	24,234	24,840	25,461
Female	26,543	24,625	25,364	26,125	26,908	27,716	28,408	29,119	29,847	30,593	31,358
Self-described gender	-	-	-	-	-	-	-	-	-	-	-
Casuals	3,314	4,368	4,499	4,634	4,773	4,916	5,039	5,165	5,294	5,427	5,562
Capitalised labour costs	1,693	1,360	1,400	1,442	1,486	1,530	1,568	1,608	1,648	1,689	1,731
Vacant	-	3,859	3,974	4,094	4,216	4,343	4,451	4,563	4,677	4,794	4,914
Total staff expenditure	53,263	54,206	55,832	57,507	59,232	61,009	62,534	64,097	65,700	67,342	69,026
Permanent full time											
Male	21,009	19,555	20,141	20,746	21,368	22,009	22,559	23,123	23,701	24,294	24,901
Female	15,337	15,220	15,677	16,147	16,632	17,131	17,559	17,998	18,448	18,909	19,382
Self-described gender	-	-	-	-	-	-	-	-	-	-	-
Vacant	-	2,505	2,580	2,658	2,737	2,820	2,890	2,962	3,036	3,112	3,190
Total	36,346	37,280	38,399	39,551	40,737	41,959	43,008	44,083	45,186	46,315	47,473
Permanent part time											
Male	704	440	453	466	480	495	507	520	533	546	560
Female	11,206	9,404	9,687	9,977	10,276	10,585	10,849	11,121	11,399	11,684	11,976
Self-described gender	-	-	-	-	-	-	-	-	-	-	-
Vacant	-	1,354	1,394	1,436	1,479	1,523	1,561	1,601	1,641	1,682	1,724
Total	11,911	11,198	11,534	11,880	12,236	12,603	12,918	13,241	13,572	13,911	14,259

Staff expenditure	Actual 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Total staff numbers											
Male	212.8	208.4	209.4	210.4	211.5	212.6	213.6	214.7	215.8	216.8	217.9
Female	294.9	266.7	268.1	269.4	270.8	272.1	273.5	274.8	276.2	277.6	279.0
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casuals	35.1	40.4	40.6	40.8	41.0	41.2	41.4	41.6	41.8	42.1	42.3
Capitalised labour	21.0	17.0	17.0	17.1	17.2	17.3	17.4	17.5	17.6	17.6	17.7
Vacant	0.0	49.1	49.3	49.6	49.8	50.1	50.3	50.6	50.8	51.1	51.3
Total staff numbers	563.8	581.5	584.5	587.4	590.3	593.3	596.2	599.2	602.2	605.2	608.2
Permanent full time											
Male	205.0	202.6	203.6	204.6	205.6	206.7	207.7	208.7	209.8	210.8	211.9
Female	166.0	157.0	157.8	158.6	159.4	160.2	161.0	161.8	162.6	163.4	164.2
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	0.0	31.6	31.8	32.0	32.1	32.3	32.4	32.6	32.8	32.9	33.1
Total	371.0	391.2	393.2	395.2	397.1	399.1	401.1	403.1	405.1	407.2	409.2
Permanent part time											
Male	7.8	5.8	5.8	5.8	5.9	5.9	5.9	6.0	6.0	6.0	6.0
Female	128.9	109.7	110.3	110.8	111.4	112.0	112.5	113.1	113.6	114.2	114.8
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	0.0	17.4	17.5	17.6	17.7	17.8	17.9	18.0	18.1	18.2	18.2
Total	136.7	133.0	133.6	134.3	135.0	135.6	136.3	137.0	137.7	138.4	139.1

A summary of planned human resources expenditure for 2021/2022 categorised according to the organisational structure of Council is included below:

Department	Permanent Full Time					Permanent Part Time					Total
	Male	Female	Self-described	Vacant	Total Full Time	Male	Female	Self-described	Vacant	Total Part Time	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Community	1,262	5,226	-	884	7,372	329	7,153	-	1,197	8,679	16,050
Corporate Services	3,430	4,617	-	478	8,524	-	645	-	112	757	9,281
Infrastructure	12,288	1,700	-	649	14,637	48	258	-	45	350	14,988
Sustainable Development	2,574	3,678	-	494	6,747	63	1,350	-	-	1,412	8,159
Total permanent staff expenditure	19,555	15,220	-	2,505	37,280	440	9,404	-	1,354	11,198	48,478
Casuals, temporary and other expenditure											4,368
Capitalised labour costs											1,360
Total staff											54,206

6.7 Planned Human Resource Expenditure

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Community										
Permanent - Full time	7,372	7,593	7,821	8,055	8,297	8,505	8,717	8,935	9,158	9,387
Female	5,226	5,382	5,544	5,710	5,882	6,029	6,179	6,334	6,492	6,654
Male	1,262	1,300	1,339	1,380	1,421	1,456	1,493	1,530	1,568	1,608
Self-described gender	0	0	0	0	0	0	0	0	0	0
Vacant	884	910	937	966	995	1,019	1,045	1,071	1,098	1,125
Permanent - Part time	8,679	8,939	9,207	9,483	9,768	10,012	10,262	10,519	10,782	11,051
Female	7,153	7,367	7,588	7,816	8,050	8,252	8,458	8,669	8,886	9,108
Male	329	339	349	360	370	380	389	399	409	419
Self-described gender	0	0	0	0	0	0	0	0	0	0
Vacant	1,197	1,233	1,270	1,308	1,347	1,381	1,415	1,451	1,487	1,524
Total Community	16,050	16,532	17,028	17,539	18,065	18,517	18,979	19,454	19,940	20,439
Corporate Services										
Permanent - Full time	8,524	8,780	9,044	9,315	9,594	9,834	10,080	10,332	10,590	10,855
Female	4,617	4,755	4,898	5,045	5,196	5,326	5,459	5,595	5,735	5,879
Male	3,430	3,533	3,639	3,748	3,860	3,957	4,056	4,157	4,261	4,367
Self-described gender	0	0	0	0	0	0	0	0	0	0
Vacant	478	492	507	522	538	552	565	579	594	609
Permanent - Part time	757	779	803	827	852	873	895	917	940	963
Female	645	664	684	705	726	744	762	781	801	821
Male	0	0	0	0	0	0	0	0	0	0
Self-described gender	0	0	0	0	0	0	0	0	0	0
Vacant	112	115	119	122	126	129	132	136	139	142
Total Corporate Services	9,281	9,559	9,846	10,142	10,446	10,707	10,975	11,249	11,530	11,818

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructure										
Permanent - Full time	14,637	15,077	15,529	15,995	16,475	16,886	17,309	17,741	18,185	18,639
Female	1,700	1,751	1,803	1,858	1,913	1,961	2,010	2,060	2,112	2,165
Male	12,288	12,657	13,036	13,428	13,830	14,176	14,531	14,894	15,266	15,648
Self-described gender	0	0	0	0	0	0	0	0	0	0
Vacant	649	669	689	710	731	749	768	787	807	827
Permanent - Part time	350	361	371	383	394	404	414	424	435	446
Female	258	265	273	281	290	297	305	312	320	328
Male	48	49	51	52	54	55	57	58	60	61
Self-described gender	0	0	0	0	0	0	0	0	0	0
Vacant	45	46	47	49	50	51	53	54	55	57
Total Infrastructure	14,988	15,437	15,900	16,377	16,869	17,290	17,723	18,166	18,620	19,085
Sustainable Development										
Permanent - Full time	6,747	6,949	7,157	7,372	7,593	7,783	7,978	8,177	8,382	8,591
Female	3,678	3,789	3,902	4,019	4,140	4,243	4,349	4,458	4,570	4,684
Male	2,574	2,652	2,731	2,813	2,897	2,970	3,044	3,120	3,198	3,278
Self-described gender	0	0	0	0	0	0	0	0	0	0
Vacant	494	509	524	540	556	570	584	599	614	629
Permanent - Part time	1,412	1,455	1,498	1,543	1,590	1,629	1,670	1,712	1,755	1,798
Female	1,350	1,390	1,432	1,475	1,519	1,557	1,596	1,636	1,677	1,719
Male	63	65	67	69	71	72	74	76	78	80
Self-described gender	0	0	0	0	0	0	0	0	0	0
Vacant	0	0	0	0	0	0	0	0	0	0
Total Sustainable Development	8,159	8,404	8,656	8,915	9,183	9,412	9,648	9,889	10,136	10,390

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Casuals, temporary and other expenditure	4,368	4,499	4,634	4,773	4,916	5,039	5,165	5,294	5,427	5,562
Capitalised labour costs	1,360	1,400	1,442	1,486	1,530	1,568	1,608	1,648	1,689	1,731
Total staff expenditure	54,206	55,832	57,507	59,232	61,009	62,534	64,097	65,700	67,342	69,026

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Community										
Permanent - Full time	78.0	78.4	78.8	79.2	79.6	80.0	80.4	80.8	81.2	81.6
Female	55.0	55.3	55.6	55.8	56.1	56.4	56.7	57.0	57.2	57.5
Male	12.0	12.1	12.1	12.2	12.2	12.3	12.4	12.4	12.5	12.6
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	11.0	11.1	11.2	11.2	11.3	11.3	11.4	11.4	11.5	11.5
Permanent - Part time	104.6	105.1	105.6	106.2	106.7	107.2	107.8	108.3	108.8	109.4
Female	85.0	85.4	85.8	86.2	86.7	87.1	87.5	88.0	88.4	88.9
Male	4.4	4.4	4.4	4.4	4.5	4.5	4.5	4.5	4.5	4.6
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	15.3	15.3	15.4	15.5	15.6	15.6	15.7	15.8	15.9	16.0
Total Community	182.6	183.5	184.5	185.4	186.3	187.2	188.2	189.1	190.1	191.0

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Corporate Services										
Permanent - Full time	82.0	82.4	82.8	83.2	83.6	84.1	84.5	84.9	85.3	85.8
Female	48.0	48.2	48.5	48.7	49.0	49.2	49.5	49.7	50.0	50.2
Male	28.0	28.1	28.3	28.4	28.6	28.7	28.9	29.0	29.1	29.3
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	6.0	6.0	6.1	6.1	6.1	6.1	6.2	6.2	6.2	6.3
Permanent - Part time	9.3	9.4	9.4	9.4	9.5	9.5	9.6	9.6	9.7	9.7
Female	7.8	7.8	7.8	7.9	7.9	8.0	8.0	8.0	8.1	8.1
Male	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	1.5	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Total Corporate Services	91.3	91.8	92.2	92.7	93.1	93.6	94.1	94.5	95.0	95.5
Infrastructure										
Permanent - Full time	164.7	165.5	166.3	167.2	168.0	168.8	169.7	170.5	171.4	172.2
Female	17.0	17.1	17.2	17.3	17.3	17.4	17.5	17.6	17.7	17.8
Male	139.6	140.3	141.0	141.7	142.4	143.1	143.8	144.5	145.3	146.0
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	8.1	8.1	8.2	8.2	8.3	8.3	8.4	8.4	8.4	8.5
Permanent - Part time	4.6	4.6	4.7	4.7	4.7	4.7	4.8	4.8	4.8	4.8
Female	3.3	3.3	3.4	3.4	3.4	3.4	3.4	3.4	3.5	3.5
Male	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7
Total Infrastructure	169.3	170.2	171.0	171.9	172.7	173.6	174.5	175.3	176.2	177.1

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Sustainable Development										
Permanent - Full time	66.5	66.8	67.2	67.5	67.8	68.2	68.5	68.9	69.2	69.6
Female	37.0	37.2	37.4	37.6	37.7	37.9	38.1	38.3	38.5	38.7
Male	23.0	23.1	23.2	23.3	23.5	23.6	23.7	23.8	23.9	24.1
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	6.5	6.5	6.6	6.6	6.6	6.7	6.7	6.7	6.8	6.8
Permanent - Part time	14.5	14.5	14.6	14.7	14.7	14.8	14.9	15.0	15.0	15.1
Female	13.7	13.8	13.8	13.9	14.0	14.0	14.1	14.2	14.3	14.3
Male	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Sustainable Development	81.0	81.4	81.8	82.2	82.6	83.0	83.4	83.8	84.3	84.7
Casuals, temporary and other expenditure	40.4	40.6	40.8	41.0	41.2	41.4	41.6	41.8	42.1	42.3
Capitalised labour costs	17.0	17.0	17.1	17.2	17.3	17.4	17.5	17.6	17.6	17.7
Total staff expenditure	581.5	584.5	587.4	590.3	593.3	596.2	599.2	602.2	605.2	608.2

7. 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	Actual											Trend +/-
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
Operating position														
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	8.0%	(10.8%)	(5.8%)	(2.0%)	(1.1%)	(0.5%)	0.2%	0.9%	1.2%	1.6%	2.4%	+
Liquidity														
Working capital	Current assets / current liabilities	2	155.5%	146.1%	124.8%	118.5%	130.7%	123.6%	148.2%	159.1%	200.9%	206.6%	270.5%	o
unrestricted cash	Unrestricted cash / current liabilities		47.0%	68.3%	45.0%	43.0%	51.7%	43.4%	64.9%	78.3%	117.8%	121.6%	184.7%	+
Obligations														
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	28.7%	39.1%	34.1%	29.2%	24.3%	19.6%	15.6%	12.6%	10.0%	7.4%	4.9%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		3.1%	4.3%	5.1%	5.0%	4.8%	4.7%	4.0%	2.9%	2.6%	2.5%	2.4%	+
Indebtedness	Non-current liabilities / own source revenue		39.5%	50.5%	46.0%	41.5%	37.0%	33.1%	30.1%	27.3%	24.8%	22.3%	20.8%	+
Asset renewal	Asset renewal and upgrade expense / Asset depreciation	4	79.6%	137.3%	132.0%	78.4%	101.5%	121.7%	92.9%	76.8%	76.4%	119.6%	57.9%	o

Indicator	Measure	Notes	Actual											Trend +/-/0
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
Stability														
Rates concentration	Rate revenue / adjusted underlying revenue	5	55.0%	65.7%	65.7%	64.5%	64.8%	64.9%	65.1%	65.1%	65.5%	65.8%	65.8%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	o
Efficiency														
Expenditure level	Total expenses/ no. of property assessments		\$4,308	\$4,458	\$4,327	\$4,336	\$4,374	\$4,425	\$4,472	\$4,520	\$4,570	\$4,622	\$4,674	+
Revenue level	Total rate revenue / no. of property assessments		\$2,269	\$2,089	\$2,105	\$2,126	\$2,152	\$2,173	\$2,195	\$2,217	\$2,239	\$2,261	\$2,283	+

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

7.1 Notes to the Financial Performance Indicators

7.1.1 Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. 2020/2021 and 2021/2022 results have been impacted by the early receipt of 50% of the 2021/2022 Federal Financial Assistance Grant funds in June 2021. Excluding the impact of early receipt of Federal Financial Assistance Grant funds, the trend for the Adjusted Underlying Result is increasing, highlighting focus by the Council on generating an annual operating surplus.

7.1.2 Working Capital

The proportion of current liabilities represented by current assets. Council will ensure sufficient working capital is maintained to meet obligations as they fall due.

7.1.3 Debt compared to rates

The trend reflects Council paying back existing debts, with new borrowings proposed for 2021/2022.

7.1.4 Asset renewal

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. From 2021/2022 to 2030/2031, the indicator averages to close to 100% which is considered steady.

7.1.5 Rates concentration

Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council remains reliant on rate revenue compared to all other revenue source.



8. BORROWING STRATEGY & RESTRICTED INVESTMENTS

This section describes the borrowing strategy and restricted investments that support the 10-year financial projections included in the Financial Plan.

8.1 Borrowing Strategy

Council's Borrowing Policy can be found on our website [here](#). The Borrowing Policy provides Council with the parameters to undertake borrowings within a sound financial management framework, enabling Council to respond to financing requirements whilst minimising risk and remaining financially sustainable.

Borrowing funds is a legitimate and responsible financial management tool when used to finance capital projects, as it spreads the cost for constructing such assets across the generations of rate payers who benefit. Intergenerational equity allows the cost of the asset to be matched with the benefits from consumption of that asset. In other words, rather than today's users funding the whole asset, the future users will also contribute towards the cost of an asset that they will enjoy and benefit from.

Council may borrow for the following purposes in order of preference:

- To finance capital projects that result in income generating assets, where the interest costs of borrowing can be recovered through income.
- To finance large capital projects, giving consideration to the principle of intergenerational equity where it is appropriate to spread the cost across generations of ratepayers.
- To finance other capital projects where necessary to ensure Council's financial sustainability.

Council will not use borrowings to fund operating expenditure. This is not a sustainable practice and is not consistent with Council's objectives to generate an operating surplus each financial year. The generation of an annual operating surplus should also be sufficient to fund the annual renewal of Council assets. Borrowings will therefore not be used for this type of expenditure.

Ultimately, the aim for Council through the use of borrowings should be to:

- Obtain an alternative funding source that reduces the reliance on seeking rate cap variations; and
- Achieve better cash flow management, stretching out the timing of payments and matching income to expenses, while providing a level of predictability.

All proposed borrowings are incorporated within the Financial Plan, applying sound financial management principles. Council will only consider proposed new borrowings through the budget process or a formal revised budget process. Council's financial position is monitored through the Financial Plan on a quarterly basis and through the budget process. If the financial position changes and liquidity is projected to improve or decline, Council will re-assess current and future borrowing requirements.

8.1.1 Current Debt Position

The total amount borrowed as at 30 June 2021 was \$23.91 million, which included new borrowings for capital works of \$10 million. Council identified \$12 million of borrowings were required for capital works in the 2021/2022 Adopted Budget. Council has not yet drawn down this amount and will only draw down the borrowings if still required, subject to changes in capital expenditure or other factors during the year such as improved cash position.

8.1.2 Future Borrowing Requirements

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

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	15,586	23,907	33,238	29,823	26,279	22,600	18,778	15,345	12,809	10,430	7,972
Plus New loans	10,000	12,000	-	-	-	-	-	-	-	-	-
Less Principal repayment	(1,679)	(2,669)	(3,415)	(3,544)	(3,679)	(3,822)	(3,433)	(2,536)	(2,380)	(2,458)	(2,540)
Closing balance	23,907	33,238	29,823	26,279	22,600	18,778	15,345	12,809	10,430	7,972	5,432
Interest payment	(758)	(969)	(1,072)	(944)	(808)	(666)	(525)	(405)	(326)	(248)	(166)



8.2 Restricted Investments

Council budgets for income and expenditure in the financial year where the expenditure will be incurred or the revenue received. Council has traditionally operated with notional reserve funds that are allocated for specific purposes. Discretionary reserves are used only as an indicator of funds that are being held for specific purposes. In the interests of consistency of language, reserve funds are hereafter referred to as Restricted Investments.

Restricted investments include unexpended grants, developer contributions for future capital works, deposits held and discretionary reserves maintained by Council.

8.2.1 Unexpended Grants

These are grants recognised as revenue or liability that were obtained on condition that they are expended in a specified manner than had not been expended at balance date.

8.2.2 Developer Contributions

Development contribution receipts are payments or in-kind works, facilities or services provided by developers towards the supply of infrastructure (generally by the Council) required to meet the future needs of a particular community, of which the development forms part.

Under the current legislative framework, any funds that have been received from developers for infrastructure works, must be held in reserve or “restricted” for that actual infrastructure and cannot be reallocated for other non-related capital projects.

8.2.3 Statutory Reserves

Statutory reserves relate to contributions received which are subject to use on specific developments which comply with relevant regulations.

- Civil Works Development
- Parking cash in lieu
- Recreational Land Fund

8.2.4 Discretionary Restricted Investments

Discretionary restricted investments include carried forward Council funded capital projects that were not expended in the year that they were budgeted to be expended. These also include net income relating specific business areas of Council’s operations such as:

- Defined Benefit Superannuation Future Liability Fund
- Urban Development Strategy (Parking)
- Saleyards Strategy
- Waste Management Strategy

It is important to note that Council operations such as Parking, Waste and the Saleyards in effect, fund themselves. For example, Waste revenue not only funds kerbside collection and the landfill operation, but also the Resource Recovery Centres, waste education and administration. Another example includes Parking revenue which funds the school crossing supervisor program.

CONTACT US

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Join the conversation:    

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TTY users: 133 677 then ask for (03) 5832 9700.

Speak & Listen users: (speech-to-speech relay) 1300 555 727 then ask for (03) 5832 9700.

Internet relay users: Connect to the National Relay Service via www.relayservice.com.au and then ask for (03) 5832 9700.

A hearing loop is also available at Council's customer service centre and Council meeting rooms.



Interpreter service available.