



Long Term Financial Plan

2024/25 to 2033/34



Yarra City Council acknowledges the Wurundjeri Woi Wurrung people as the Traditional Owners and true sovereigns of the land now known as Yarra. We also acknowledge the significant contributions made by other Aboriginal and Torres Strait Islander people to life in Yarra. We pay our respects to Elders from all nations and to their Elders past, present and future.

Contents

Executive Summary	1
1. Financial Plan Context	3
1.1. Introduction	3
1.2. Integrated Strategic Planning & Reporting Framework	3
1.3. Engagement Principles	4
1.4. Service Performance Principles	5
1.5. Financial Management Principles	6
1.6. Asset Plan Integration	6
1.7. Financial Policy Statements.....	8
1.8. Assumptions to the financial plan statements	9
1.9. Financial Plan Overview and Strategic Actions	10
1.9.1 Adjusted Underlying Result.....	10
1.9.2 Asset Renewal, New and Upgrade expenditure	10
1.9.3 Council property	11
1.9.4 Rates and Other Revenue	12
1.9.5 Financial position (Working Capital Ratio)	13
1.9.6 Borrowings	13
2. Financial Plan Statements	14
2.1. Comprehensive Income Statement	15
2.2. Balance Sheet.....	16
2.3. Statement of Changes in Equity	17
2.4. Statement of Cash Flows	19
2.5. Statement of Capital Works	20
2.6. Statement of Human Resources.....	21
2.7. Summary of Planned Human Resources Expenditure For the ten years ended 30 June 2034	23
3. Financial performance indicators	25
4. Strategies and Plans.....	28
4.1. Borrowing Strategy	28
4.1.1 Current Debt Position	28
4.1.2 Future Borrowing Requirements	29
4.2. Reserves Strategy	29
4.2.1 Current Reserves	29
4.2.2 Reserve Usage Projections.....	30

Executive Summary

Yarra City Council has prepared this updated Long Term Financial Plan 2024/25 to 2033/34 (the Financial Plan) to support the Community Vision and Council Plan. Through the development of the Vision, the community has told us about their desire for Yarra City Council to be financially sustainable to support a strong and vibrant community. The Council Plan includes actions to deliver on this vision with a focused investment in new and renewed assets and community-valued services.

Yarra's long-term planning principles are focused on creating a sustainable financial environment to enable Council to continue to provide the community with high quality 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.
- **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.
- **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:

- Increase Council's commitment to sustainable asset renewal and maintenance of the community's assets;
- Improve Council's cash position for financial sustainability;
- Improve long-term financial sustainability including, cost containment and 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 to fund community service levels, capital work programs and debt repayment.

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.

Drawing upon ABS data and other sources, it is estimated that as of 2023, the City of Yarra has an estimated resident population of 97,448 and 47,988 households.

2021 Census data: The average household size is 2.02 people compared with Greater Melbourne at 2.6. Half of these households (51%) rent their home which is well above the Greater Melbourne average (29%). Eight per cent of Yarra's residents live in social housing, well above the Greater Melbourne rate at 2.3%. Almost 4 in 10 Yarra households (38%) are in the highest income quartile earning over \$2,947 per week. Around 1 in 5 households (18.5%) are in the lowest quartile group earning up to \$881 per week. 29% of Yarra's residents were born overseas. By 2041, the population for the City of Yarra is forecast to increase to 149,137 residents.

The local government sector continues to face significant financial pressures including rate capping and cost shifting. Constant changes to the economic landscape have compounded these challenges with no real reduction of the general level of prices (despite declining inflation) and significant increases to the cost of materials and services and labour. At the same time, Yarra's population will grow significantly by the 2040's, putting increasing pressure on services and infrastructure.

These financial pressures have significantly contributed to Council's ability to generate adequate cash flow to fund a large scope of community services, capital work programs and reduce debt levels.

The reality for Yarra City Council (and the whole sector) is that increases in the price of services in real terms are significantly higher than the rate cap. This has been the case year on year since the rate cap system was introduced.

In addition, we have limited untied reserves in the bank as a result of the COVID pandemic, legacy commitments on superannuation, and interest on borrowings. That means less funds available to pay for roads, footpaths, parks and other open space assets and to repay borrowings.

As part of our commitment to improve Council's financial health, in December 2023 we adopted a Financial Sustainability Strategy (FSS). Financial sustainability is achieved when service and infrastructure levels and standards are delivered according to a long-term plan without the need to significantly increase rates or significantly reduce services.

The FSS looks at the predicted numbers in our Long-Term Financial Plan (LTFP) and identifies ways to address them. It also identifies reforms and provides direction on how to achieve a healthy long-term financial position.

In the last 12 months, significant gains have already been made towards financial sustainability and Council is committed to the consistent focus required to ensure we can provide for our community now and into the future.

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 community meeting spaces, service buildings and facilities evolve and adapt to reflect the changing needs of our diverse community, continue to maximise the use of unused public spaces, and increase availability and usability of open spaces to address existing shortages and respond to population growth.

Services also evolve, and Council 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.

Financial Plan Context

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

1.1. Introduction

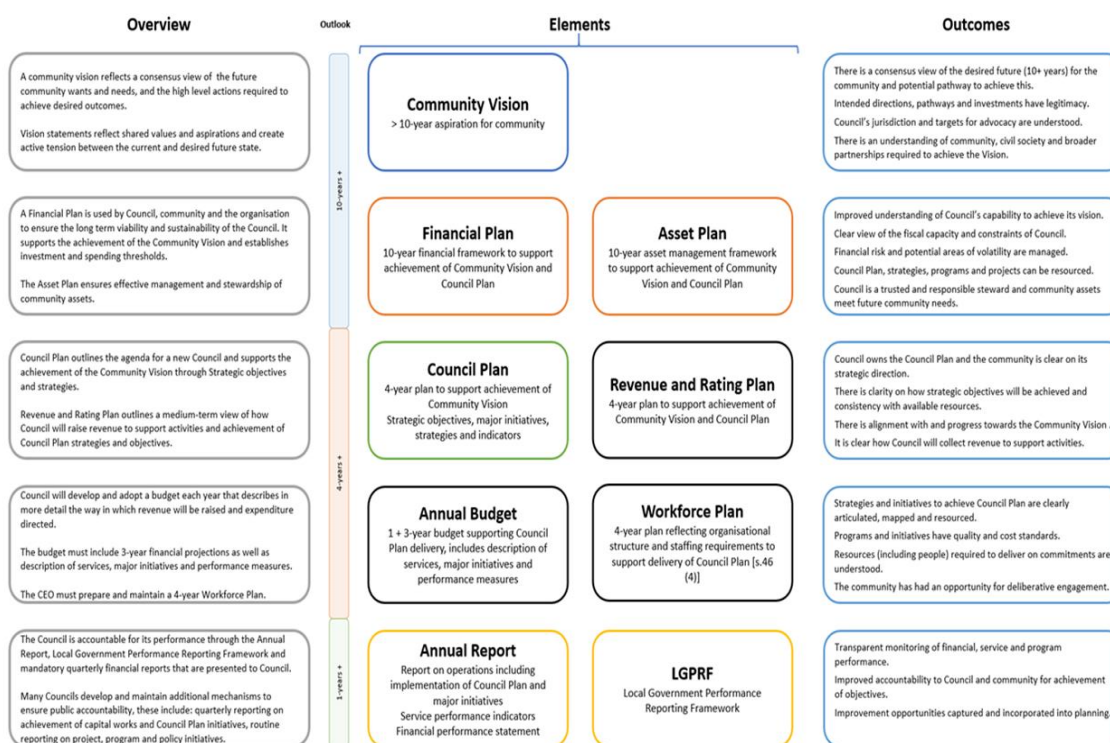
The Long-Term Financial Plan 2021-22 to 2030-31 was required to be developed through the *Local Government Act 2020 (LGA)* and provided a ten year financially sustainable projection regarding how the actions of the Council Plan 2021-2025 may be funded to achieve the aspirations in Yarra 2036 Community 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 2024-25 to 2033-34 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).

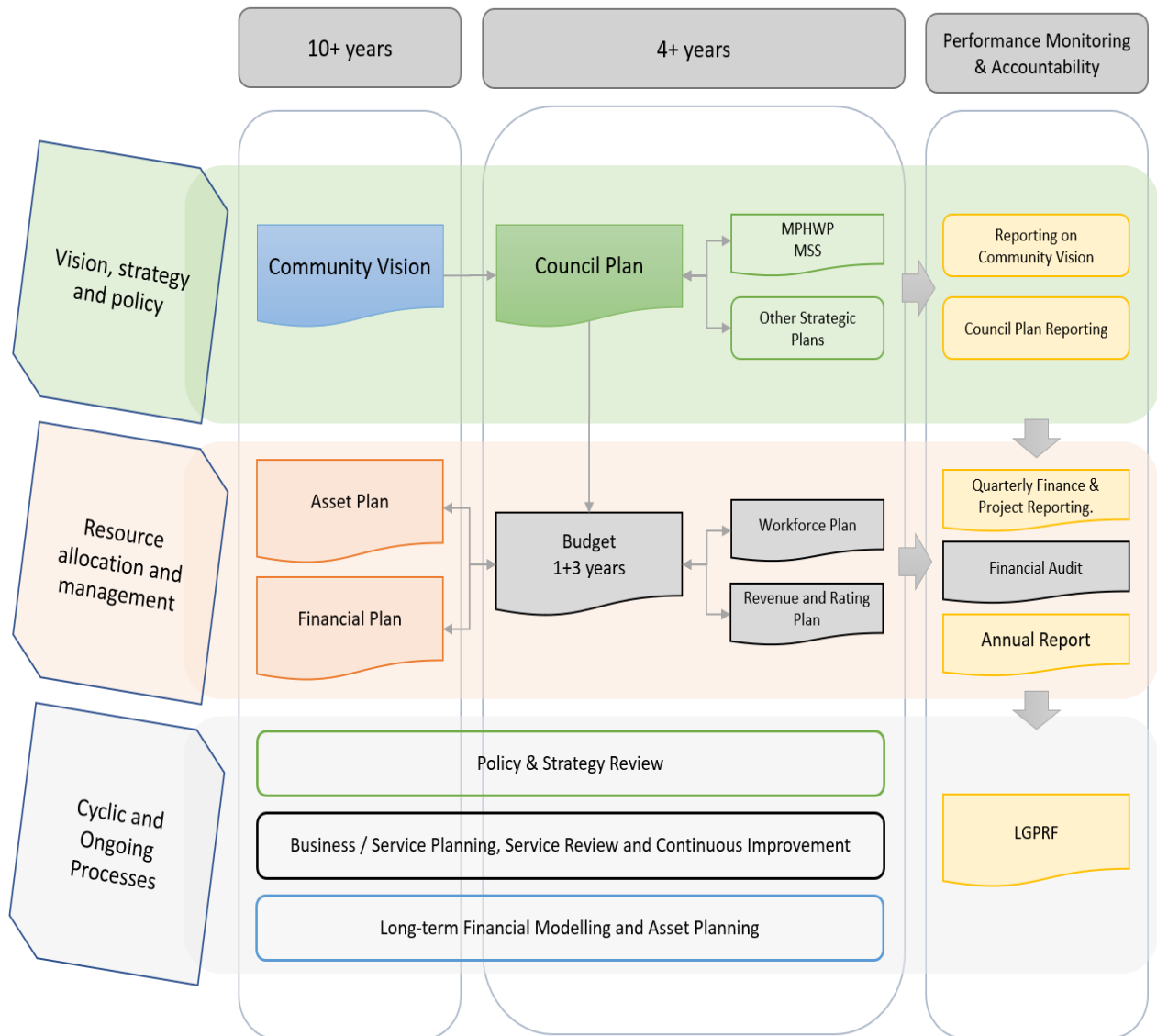
1.2. Integrated Strategic Planning & Reporting Framework

Part 4 of the LGA 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.

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



1.3. 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 community engagement on the 2024/25 Budget and Financial Plan was delivered in line with our Community Engagement Policy.

The development of the 2024/25 budget and the financial plan aligns to the Financial Sustainability Strategy. The strategy is a representation of Council's commitment to the responsible management of ratepayer's funds. By making this move we're ensuring that we can meet the service and infrastructure needs of our community, now and into the future.

The Strategy identifies two main levers for change to ensure Council's long term financial sustainability:

1. Strategic levers - to ensure that future investment decisions are based on need, underpinned by evidence and guided by informed strategies including detailed asset management plans, contemporary property management and community infrastructure planning and an ongoing program of service reviews.
2. Systemic levers - to manage expenditure, prudent debt management, operational efficiencies, and capital works delivery management among others.

The Strategy will guide future decision-making so Council can transparently, proactively and prudently plan to be financially sustainable. It will ensure financial sustainability remains consistent with maximizing our community impact and delivering efficient and effective services and infrastructure and meet our financial obligations both today and in the future.

In the long term, the Financial Sustainability Strategy aims are:

- 0-2 years: Maintain a net positive position by delivering a surplus, ensure our operating activities no longer relies on borrowings, hold costs and start to build cash reserves for specified purposes;
- 3-5 years: Achieve a financial position where Council has sufficient cash reserves to repay borrowings, generate new revenue, can cover all known operating expenses without borrowing, deliver a long-term financial plan that more reliably reflects future financial requirements ('unknown risks'), and have approximately \$20m available in cash reserves for risk and strategic growth; and
- Within 10 years: Ensure that Council has sufficient cash reserves (approximately \$30m) to meet unforeseen or emergency expenses and support population growth without relying on borrowing or compromising essential services.

The proposed engagement approach including promotion will aim to reach the diverse community and will include:

- (a) Online survey via the Your Say Yarra project page;
- (b) Two in person 'pop-up' sessions with Bi-cultural Liaison Officers at relevant sessions, and hardcopy surveys available;
- (c) Your Say Yarra email newsletter;
- (d) News item via Corporate website;
- (e) Yarra Life newsletter;
- (f) Yarra News;
- (g) Digital Screens in customer service centres, libraries and leisure centres;
- (h) Postcards (for pop-up sessions and at customer service centres);
- (i) Social media;
- (j) Hard copy surveys and postcards distributed to key Council locations;
- (k) FAQs on Your Say Yarra project page; and
- (l) Email to past budget participants.

1.4. 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.

1.5. 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:

- To ensure significant forecast in population underpinning high levels of development can be provided in a financially sustainable manner;
- To ensure the right level of services are provided to the community and effectively plan for future and changing community needs;
- To ensure that Council can maintain its asset base at a standard that can effectively service the needs of our community now and into the future;
- To achieve our desired financial sustainability targets whilst minimising the impact on our ratepayers;
- To achieve sufficient annual operational surpluses to fund capital work programs;
- To have a deliverable capital construction program with the right blend of renewal, upgrade and new works in alignment to community preference;
- To improve cash levels to enable future investment;
- Any borrowings are directed towards funding of inter-generational growth infrastructure special projects and major asset renewal that support growth;
- Trust funds and statutory reserves are fully cash backed, and
- Improved integrated strategic planning (including asset management) underpinned by efficiency, evaluation, and ongoing service reviews

1.6. 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 need and 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.

1.7. 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.

Measure	Target	Forecast/ Actual										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Adjusted underlying result												
Adjusted underlying surplus (deficit) /Adjusted underlying revenue	> 5.0%	5.1%	2.3%	(1.0%)	(2.0%)	(1.9%)	(3.1%)	(4.1%)	(5.4%)	(6.8%)	(8.7%)	(9.7%)
Working Capital												
Current Assets/ Current Liabilities	>1.4	2.0	1.9	2.0	2.0	1.8	1.7	1.6	1.4	1.3	1.1	0.9
Asset renewal												
Asset renewal and upgrade expenses/ Depreciation	> or = 1.0	0.8	1.1	0.9	0.9	1.0	0.9	0.9	0.8	0.8	0.9	0.8
Indebtedness												
Non-current liabilities/ own source revenue	<40.0%	32.0%	31.0%	28.5%	27.1%	26.4%	25.9%	25.3%	24.4%	22.8%	22.3%	21.8%

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.

In our view, the gap between the rate cap and inflation, rising construction costs, and the expectation of future wage increases has presented major cost pressures on councils going forward.

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 and upgrade capital to replace assets and infrastructure as they reach the end of their service life. Council is targeting an asset renewal ratio of above 1.0.

Indebtedness

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.

1.8. Assumptions to the financial plan statements

This section presents information regarding the assumptions to the Comprehensive Income Statement for the 10 years from 2024/25 to 2033/34. 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 indicator across the 10 year period.

Escalation Factors % movement	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Rates and charges	2.75%	2.50%	2.50%	2.50%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Statutory fees, fines and User Fees	3.50%	2.50%	2.50%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
User fees	4.00%	2.50%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Operating Grants	2.75%	2.50%	2.50%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Employee costs	2.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Materials, services & Other	3.50%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%
Depreciation & Amortisation	1.71m	1.71m	1.71m	1.71m	1.71m	1.71m	1.71m	1.71m	1.71m	1.71m

1.9. 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.

Council is deeply committed to serving the best interests of the community and recognises that consistent effort will be required to ensure that we remain financially sustainable and make the most effective use of public funds.

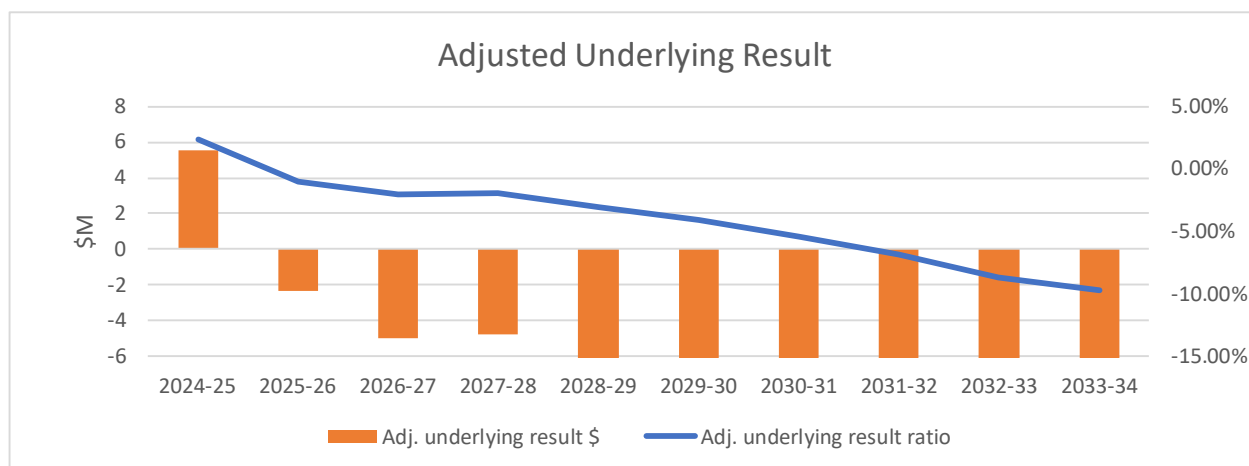
The Financial Plan does not incorporate future growth in FTE numbers. Requirements to fulfil statutory obligations or increased customer demand in a rate capped environment will be a challenge and Yarra will continue (as achieved in 2022/23) and for 2023/24 identify efficiency gains in the operating budget to hold costs and increase revenue without impacting community service levels.

1.9.1 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. To continue to deliver what our community wants and expects, as well as continuing to deliver on Yarra's vision.

Financial Performance improved during 2023/24 and 2024/25 because of achieved improved operational efficiencies and holding of costs, despite persistent inflation and sector wide legacy structural issues. Medium- and longer-term presents escalating uncontrollable costs and restrained income levels as a result of the impact of the rate cap.

Lower than target and negative net results will not also result in the inability to provide core services and meet its objectives but also reduce unrestricted cash significantly.



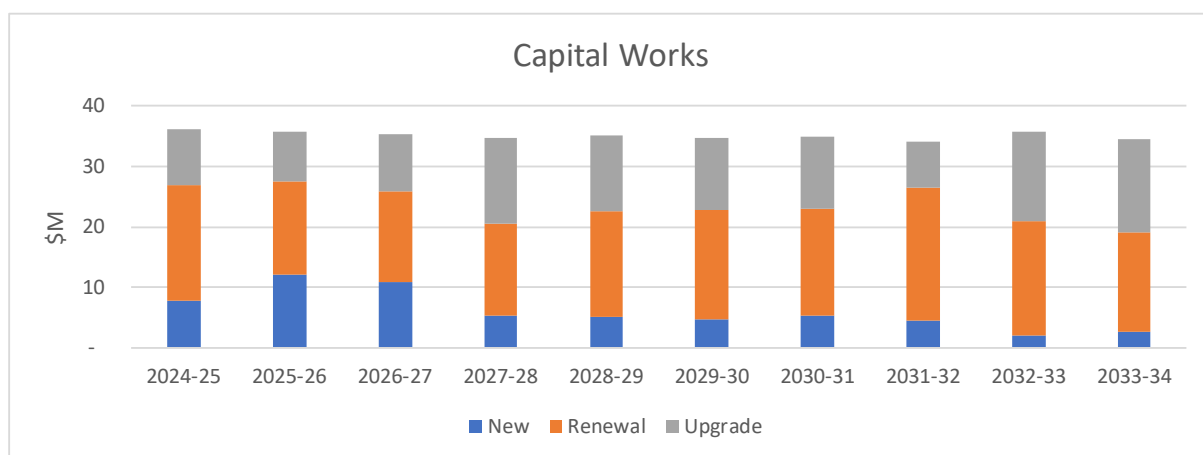
1.9.2 Asset Renewal, New and Upgrade expenditure

Council intends to spend approximately \$35m annually 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 assessed as 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.

The financial sustainability strategy will focus on the capturing, processing and monitoring of data and making informed decisions in alignment to community benefit.

In addition, 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:

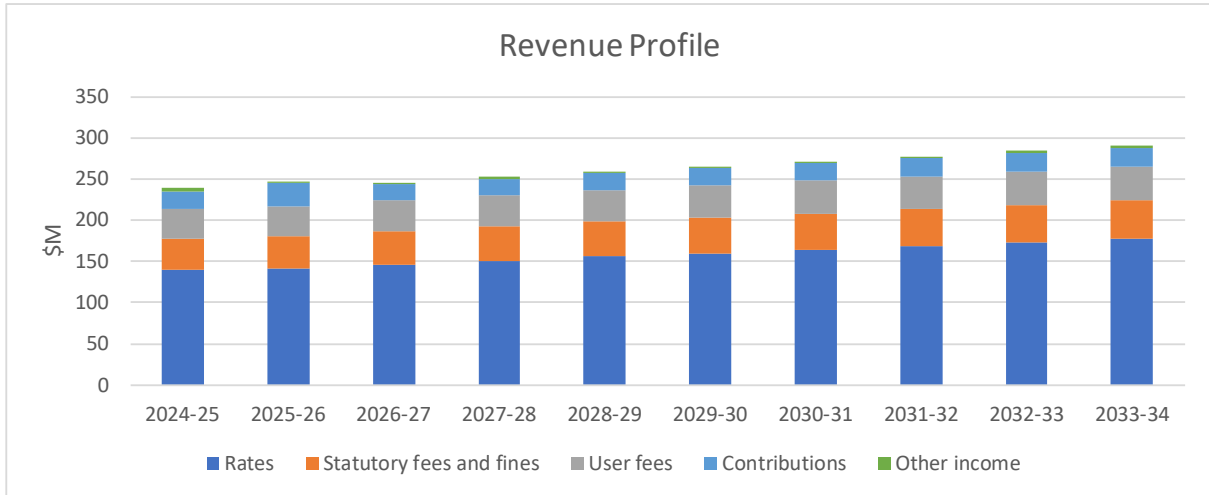
- The application of Yarra's Asset Management Strategy and Plan;
- Defining sustainable service levels that meet sustainable community expectations;
- An organisational wide information system for asset data management, reporting and works planning, and
- A planned and fully funded approach to timely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

1.9.3 Council property

In 2018, Council adopted a Property Strategy, which provides a comprehensive 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 the Financial Sustainability Strategy Council will review and evaluate its property portfolio to ensure that public value is maximised.

1.9.4 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 2024/25 at 2.75%. This follows rate caps of 3.5% in 2023/24, 1.75% in 2022/23, 1.5% in 2021/22, 2.0% in 2020/21, 2.50% in 2019/20, and 2.25% in 2018/19. As the rate cap is lower than CPI, this will continue to put pressure on price, level and delivery of services.

Council separates waste and recycling costs from general rates. (First introduced through the adopted budget 2023/24). General rates are now reduced by the same amount to ensure that total revenue is within the rate cap. Waste service charges are not subject to the rate cap however, as it is for cost recovery only, it is capped by the cost of providing waste and recycling services.

Separating the waste charge from general rates is a critical component to ensuring Council's future financial sustainability is not eroded further.

All other councils in Victoria have taken this into consideration of their financial future and have either separated or made the decision to separate waste services charges. Yarra was the last Council in Victoria to make the decision to separate waste charges from general rates.

Other Revenue

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

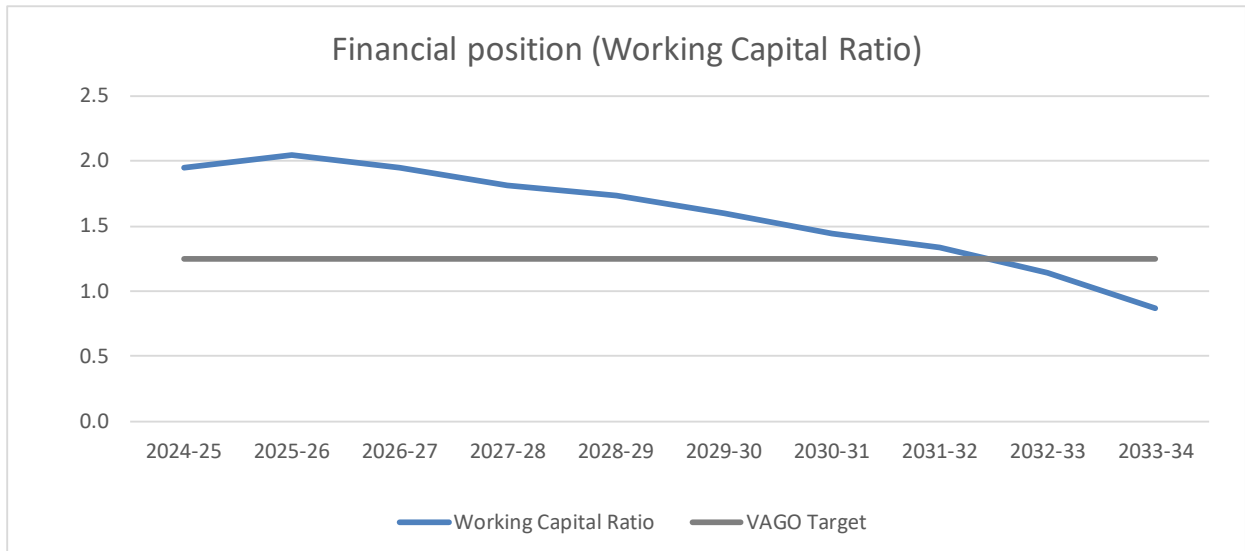
Council will continue to develop partnerships (which are beneficial to Council and community) to source external grants and grow its own-sourced revenue, which includes contributions, interest, asset sales and other income. Council will pro-actively advocate to other levels of government for grant funding 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.

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.

1.9.5 Financial position (Working Capital Ratio)

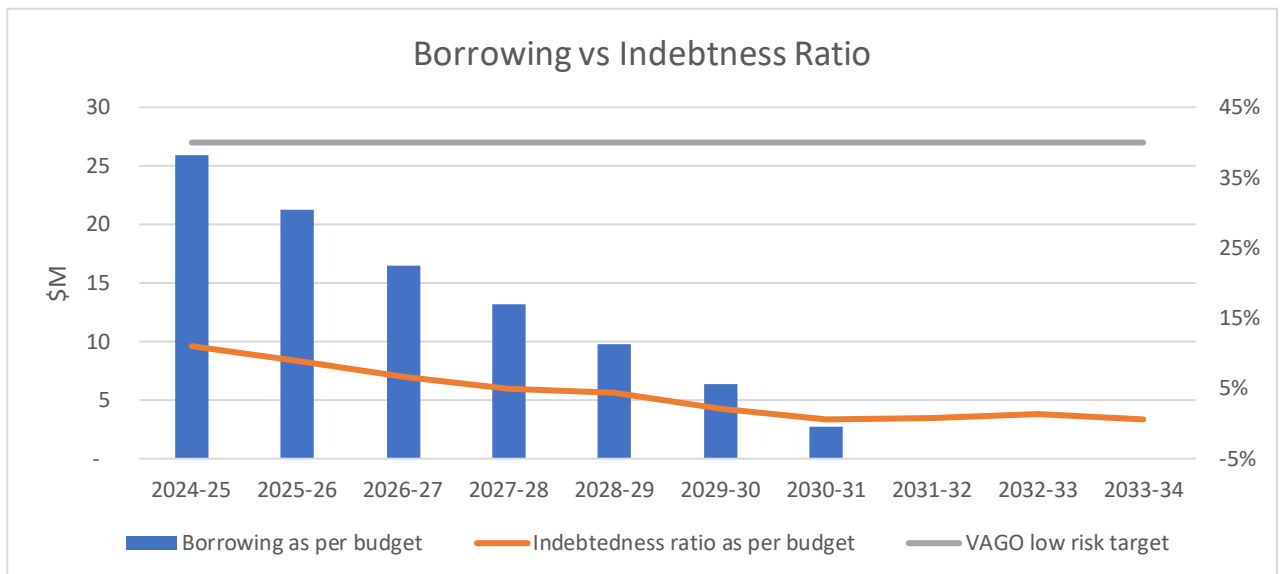
Despite adequate levels of working capital throughout the Financial Plan, Council is still at risk of not



generating sufficient funds to maintain existing (and plan for future) levels of service, maintain and improve Council facilities and infrastructure through the Capital Works Program and re-pay debt.

1.9.6 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 \$32.5m principal and interest loan, due to be repaid by 2031/32 and a \$13.5m 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 above 60% in the high risk category. The indebtedness ratio in the Financial Plan is

expected to be 14% at the end of the current 2023/24 budget year and will continue to decrease during the life of the Financial Plan, to reduce the already low risk to Council.

2. Financial Plan Statements

This section presents information regarding the Financial Plan Statements for the 10 years from 2024/25 to 2033/34.

Comprehensive Income Statement

Balance Sheet

Statement of Cash Flows

Statement of Capital Works

Statement of Human Resources

Statement of Changes in Equity

2.1. Comprehensive Income Statement

	Forecast/ Actual										
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income / Revenue											
Rates and charges	132,121	139,277	141,078	145,740	150,630	155,656	159,849	164,134	168,512	172,987	177,561
Statutory fees and fines	38,135	38,816	39,787	40,781	41,495	42,221	42,960	43,712	44,477	45,255	46,047
User fees	32,208	35,628	36,518	37,157	37,808	38,469	39,142	39,827	40,524	41,234	41,955
Grants - operating	18,159	18,751	19,220	19,701	20,045	20,396	20,753	21,116	21,486	21,862	22,244
Grants - capital	3,542	2,764	8,573	259	259	259	259	259	259	259	259
Contributions - monetary	7,320	6,879	6,925	6,974	7,008	7,043	7,079	7,115	7,152	7,190	7,228
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	584	260	50	50	50	50	50	50	50	50	50
Other income	6,424	4,298	2,721	2,744	2,760	2,777	2,794	2,812	2,829	2,847	2,866
Total income / revenue	238,493	246,673	254,872	253,405	260,055	266,872	272,887	279,025	285,290	291,684	298,211
Expenses											
Employee costs	102,443	103,313	109,232	113,134	116,523	120,707	125,038	129,520	134,158	138,959	143,896
Materials and services	82,006	95,489	98,275	101,208	102,677	106,785	109,261	113,251	117,390	122,885	125,898
Depreciation	25,578	25,477	27,189	28,900	30,611	32,322	34,033	35,744	37,455	39,166	40,877
Depreciation - right of use assets	1,215	1,298	1,409	1,418	1,418	1,606	1,610	1,610	1,698	1,829	1,829
Allowance for impairment losses	2,949	4,184	4,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Borrowing costs	894	788	661	519	397	310	221	129	36	-	-
Finance Costs - leases	160	185	185	215	141	53	292	208	110	162	289
Other expenses	730	752	771	791	820	850	882	914	948	983	1,019
Total expenses	215,974	231,486	241,722	251,185	257,587	267,632	276,337	286,376	296,796	308,983	318,808
Surplus/(deficit) for the year	22,518	15,186	13,150	2,220	2,469	(761)	(3,450)	(7,351)	(11,506)	(17,299)	(20,597)
Other comprehensive income											
Net asset revaluation gain/(loss)	-	-	77,613	-	81,280	-	84,774	-	88,120	-	91,334
Total other comprehensive income	-	-	77,613	-	81,280	-	84,774	-	88,120	-	91,334
Total comprehensive result	22,518	15,186	90,763	2,220	83,749	(761)	81,323	(7,351)	76,614	(17,299)	70,737

2.2. Balance Sheet

	Forecast / Actual										
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Current assets											
Cash and cash equivalents	104,410	104,609	98,952	89,829	80,550	76,437	66,799	55,798	44,838	32,964	16,518
Trade and other receivables	24,666	24,829	27,040	27,669	28,329	29,007	29,573	30,151	30,741	31,345	31,962
Other financial assets	2,148	2,148	2,148	2,148	2,148	2,148	2,148	2,148	2,148	2,148	2,148
Inventories	147	147	147	147	147	147	147	147	147	147	147
Total current assets	131,370	131,732	128,286	119,792	111,173	107,739	98,666	88,243	77,874	66,603	50,775
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	1,929,633	1,940,329	2,025,968	2,032,003	2,116,970	2,119,340	2,204,363	2,202,988	2,287,350	2,283,341	2,367,887
Right-of-use assets	3,483	2,292	1,459	41	4,064	4,064	4,064	4,064	4,064	4,064	4,064
Total non-current assets	1,933,122	1,942,627	2,027,432	2,032,049	2,121,038	2,123,409	2,208,431	2,207,057	2,291,419	2,287,410	2,371,956
Total assets	2,064,492	2,074,359	2,155,718	2,151,841	2,232,212	2,231,147	2,307,097	2,295,299	2,369,292	2,354,013	2,422,730
Liabilities											
Current liabilities											
Trade and other payables	15,976	17,234	17,234	17,234	17,234	17,634	17,634	17,634	17,634	17,634	17,634
Trust funds and deposits	15,797	15,797	15,797	15,797	15,797	15,797	15,797	15,797	15,797	15,797	15,797
Contract and other liabilities	11,839	10,932	5,801	5,801	5,801	5,801	5,489	5,489	5,489	5,489	5,489
Provisions	17,759	17,759	17,759	17,759	17,759	17,759	17,759	17,759	17,759	17,759	17,759
Interest-bearing liabilities	4,532	4,669	4,811	3,305	3,391	3,480	3,572	2,740	-	-	-
Lease liabilities	1,140	1,177	1,434	1,523	1,492	1,581	1,679	1,724	1,743	1,851	1,743
Total current liabilities	67,043	67,568	62,836	61,418	61,474	62,052	61,930	61,143	58,422	58,530	58,422
Non-current liabilities											
Provisions	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227
Other liabilities	386	386	386	386	386	386	386	386	386	386	386
Interest-bearing liabilities	25,968	21,299	16,489	13,184	9,792	6,312	2,740	-	-	-	-
Lease liabilities	2,455	1,279	1,417	43	-	2,599	920	-	100	2,011	100
Total non-current liabilities	30,037	24,192	19,519	14,840	11,406	10,524	5,273	1,613	1,713	3,625	1,713
Total liabilities	97,080	91,759	82,355	76,259	72,880	72,576	67,203	62,756	60,136	62,155	60,136
Net assets	1,967,412	1,982,599	2,073,363	2,075,583	2,159,331	2,158,571	2,239,894	2,232,543	2,309,157	2,291,858	2,362,595
Equity											
Accumulated surplus	694,767	709,992	723,142	725,362	727,830	727,070	723,619	716,268	704,763	687,464	666,867
Reserves	1,272,645	1,272,608	1,350,221	1,350,221	1,431,501	1,431,501	1,516,275	1,516,275	1,604,394	1,604,394	1,695,728
Total equity	1,967,412	1,982,599	2,073,363	2,075,583	2,159,331	2,158,571	2,239,894	2,232,543	2,309,157	2,291,858	2,362,595

2.3. Statement of Changes in Equity

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2024 Forecast Actual				
Balance at beginning of the financial year	1,944,894	674,425	1,244,894	25,575
Surplus/(deficit) for the year	22,518	22,518	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	-	(4,800)	-	4,800
Transfers from other reserves	-	2,624	-	(2,624)
Balance at end of the financial year	1,967,412	694,767	1,244,894	27,751
2025				
Balance at beginning of the financial year	1,967,412	694,767	1,244,894	27,751
Surplus/(deficit) for the year	15,187	15,187	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,037	-	(5,037)
Balance at end of the financial year	1,982,599	709,992	1,244,894	27,714
2026				
Balance at beginning of the financial year	1,982,599	709,992	1,244,894	27,714
Surplus/(deficit) for the year	13,150	13,150	-	-
Net asset revaluation gain/(loss)	77,613	-	77,613	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,073,363	723,142	1,322,507	27,714
2027				
Balance at beginning of the financial year	2,073,363	723,142	1,322,507	27,714
Surplus/(deficit) for the year	2,220	2,220	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,075,583	725,362	1,322,507	27,714
2028				
Balance at beginning of the financial year	2,075,583	725,362	1,322,507	27,714
Surplus/(deficit) for the year	2,469	2,469	-	-
Net asset revaluation gain/(loss)	81,280	-	81,280	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,159,331	727,830	1,403,787	27,714

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2029				
Balance at beginning of the financial year	2,159,331	727,830	1,403,787	27,714
Surplus/(deficit) for the year	(761)	(761)	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,158,571	727,070	1,403,787	27,714
2030				
Balance at beginning of the financial year	2,158,571	727,070	1,403,787	27,714
Surplus/(deficit) for the year	(3,450)	(3,450)	-	-
Net asset revaluation gain/(loss)	84,774	-	84,774	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,239,894	723,619	1,488,561	27,714
2031				
Balance at beginning of the financial year	2,239,894	723,619	1,488,561	27,714
Surplus/(deficit) for the year	(7,351)	(7,351)	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,232,543	716,268	1,488,561	27,714
2032				
Balance at beginning of the financial year	2,232,543	716,268	1,488,561	27,714
Surplus/(deficit) for the year	(11,506)	(11,506)	-	-
Net asset revaluation gain/(loss)	88,120	-	88,120	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,309,157	704,763	1,576,680	27,714
2033				
Balance at beginning of the financial year	2,309,157	704,763	1,576,680	27,714
Surplus/(deficit) for the year	(17,299)	(17,299)	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,291,858	687,464	1,576,680	27,714
2034				
Balance at beginning of the financial year	2,291,858	687,464	1,576,680	27,714
Surplus/(deficit) for the year	(20,597)	(20,597)	-	-
Net asset revaluation gain/(loss)	91,334	-	91,334	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,362,595	666,867	1,668,014	27,714

2.4. Statement of Cash Flows

	Forecast /										
	Actual 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	2032/33 \$'000	2033/34 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities											
Rates and charges	133,176	139,114	138,867	145,111	149,970	154,978	159,283	163,555	167,921	172,383	176,944
Statutory fees and fines	35,186	34,633	35,787	35,781	36,495	37,221	37,960	38,712	39,477	40,255	41,047
User fees	32,208	35,628	36,518	37,157	37,808	38,469	39,142	39,827	40,524	41,234	41,955
Grants - operating	17,372	18,298	16,654	19,701	20,045	20,396	20,441	21,116	21,486	21,862	22,244
Grants - capital	2,755	2,311	6,007	259	259	259	259	259	259	259	259
Contributions - monetary	7,320	6,879	6,925	6,974	7,008	7,043	7,079	7,115	7,152	7,190	7,228
Interest received	4,300	3,400	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Other receipts	2,124	898	921	944	960	977	994	1,012	1,029	1,047	1,066
Net GST refund / payment	-	-	-	-	-	-	-	-	-	-	-
Employee costs	(102,443)	(103,313)	(109,232)	(113,134)	(116,523)	(120,707)	(125,038)	(129,520)	(134,158)	(138,959)	(143,896)
Materials and services	(73,218)	(94,231)	(98,275)	(101,208)	(102,677)	(106,385)	(109,261)	(113,251)	(117,390)	(122,885)	(125,898)
Short-term, low value and variable lease Other payments	(730)	(752)	(771)	(791)	(820)	(850)	(882)	(914)	(948)	(983)	(1,019)
Net cash provided by/(used in) operating activities	58,050	42,864	35,201	32,593	34,326	33,201	31,778	29,712	27,152	23,204	21,730
Cash flows from investing activities											
Payments for property, infrastructure, plant and Proceeds from sale of property, infrastructure, plant and equipment	(28,957) 770	(36,219) 305	(35,714) 550	(35,435) 550	(34,797) 550	(35,192) 550	(34,782) 550	(34,869) 550	(34,197) 550	(35,657) 550	(34,589) 550
Net cash provided by/ (used in) investing activities	(28,187)	(35,914)	(35,164)	(34,885)	(34,247)	(34,642)	(34,232)	(34,319)	(33,647)	(35,107)	(34,039)
Cash flows from financing activities											
Finance costs	(894)	(788)	(661)	(519)	(397)	(310)	(221)	(129)	(36)	-	-
Repayment of borrowings	(4,399)	(4,532)	(4,669)	(4,811)	(3,305)	(3,391)	(3,480)	(3,572)	(2,740)	-	-
Interest paid - lease liability	(160)	(185)	(185)	(215)	(141)	(53)	(292)	(208)	(110)	(162)	(289)
Repayment of lease liabilities	(1,124)	(1,246)	(179)	(1,286)	(5,515)	1,082	(3,191)	(2,485)	(1,579)	191	(3,848)
Net cash provided by/(used in) financing activities	(6,577)	(6,751)	(5,694)	(6,831)	(9,357)	(2,672)	(7,185)	(6,394)	(4,465)	29	(4,137)
Net increase/(decrease) in cash & cash equivalents	23,286	199	(5,657)	(9,123)	(9,279)	(4,113)	(9,639)	(11,001)	(10,959)	(11,875)	(16,445)
Cash and cash equivalents at the beginning of the financial year	81,124	104,410	104,609	98,952	89,829	80,550	76,437	66,799	55,798	44,838	32,964
Cash and cash equivalents at the end of the financial year	104,410	104,609	98,952	89,829	80,550	76,437	66,799	55,798	44,838	32,964	16,518

2.5. Statement of Capital Works

	Forecast /										
	Actual										
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Buildings	4,564	9,674	16,280	14,058	14,615	14,650	12,935	11,340	10,680	13,410	14,320
Total buildings	4,564	9,674	16,280	14,058	14,615	14,650	12,935	11,340	10,680	13,410	14,320
Total property	4,564	9,674	16,280	14,058	14,615	14,650	12,935	11,340	10,680	13,410	14,320
Plant and equipment											
Waste management	1,702	270	200	200	200	200	200	300	300	300	300
Plant, machinery and equipment	412	940	690	690	690	840	840	1,130	940	1,090	940
Fixtures, fittings and furniture	191	165	135	285	140	100	110	260	240	60	170
Computers and telecommunications	323	1,440	1,342	1,400	1,325	1,690	1,400	1,407	1,400	1,840	439
Library books	600	600	600	600	600	600	600	600	600	600	600
Total plant and equipment	3,229	3,415	2,967	3,175	2,955	3,430	3,150	3,697	3,480	3,890	2,449
Infrastructure											
Roads	6,856	8,041	4,425	4,295	4,800	4,200	4,800	4,950	4,880	4,970	5,200
Bridges	-	-	-	150	150	-	-	-	1,000	-	-
Footpaths and cycleways	1,511	-	2,000	2,000	2,000	2,500	2,500	2,500	2,500	2,500	2,500
Drainage	2,495	4,050	3,500	3,500	3,500	3,500	4,500	5,000	5,000	4,800	4,800
Parks, open space and streetscapes	7,465	7,980	4,945	6,790	5,480	5,535	5,520	6,005	5,280	5,120	4,930
Other infrastructure	2,836	3,059	1,597	1,467	1,297	1,377	1,377	1,377	1,377	967	390
Total infrastructure	21,164	23,130	16,467	18,202	17,227	17,112	18,697	19,832	20,037	18,357	17,820
Total capital works expenditure	28,957	36,219	35,714	35,435	34,797	35,192	34,782	34,869	34,197	35,657	34,589
Represented by:											
New asset expenditure	8,261	7,808	12,165	10,850	5,312	5,167	4,747	5,285	4,517	1,997	2,600
Asset renewal expenditure	19,322	19,042	15,299	15,090	15,215	17,355	18,025	17,755	22,035	18,970	16,554
Asset upgrade expenditure	1,374	9,369	8,250	9,495	14,270	12,670	12,010	11,830	7,645	14,690	15,435
Total capital works expenditure	28,957	36,219	35,714	35,435	34,797	35,192	34,782	34,869	34,197	35,657	34,589
Funding sources represented by:											
Grants	3,542	2,764	8,573	259	259	259	259	259	259	259	259
Contributions	2,624	5,037	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Council cash	22,791	28,418	22,141	30,176	29,538	29,933	29,523	29,610	28,938	30,398	29,330
Total capital works expenditure	28,957	36,219	35,714	35,435	34,797	35,192	34,782	34,869	34,197	35,657	34,589

2.6. Statement of Human Resources

Staff expenditure	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure											
Employee costs - operating	103,580	105,113	111,095	115,063	118,519	122,773	127,176	131,733	136,448	141,329	146,349
Employee costs - capital	(1,137)	(1,800)	(1,863)	(1,928)	(1,996)	(2,066)	(2,138)	(2,213)	(2,290)	(2,370)	(2,453)
Total staff expenditure	102,443	103,313	109,232	113,134	116,523	120,707	125,038	129,520	134,158	138,959	143,896

Staff numbers	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Staff numbers											
Employees	932.0	896.2	896.2	896.2	896.2	896.2	896.2	896.2	896.2	896.2	896.2
Employees -Capital	(12.7)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)
Total staff numbers	919.3	877.1	877.1	877.1	877.1	877.1	877.1	877.1	877.1	877.1	877.1

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

Department	Total \$'000	Permanent			
		Full Time \$'000	Part Time \$'000	Casual \$'000	Temporary \$'000
Chief Executive Office	627	627	-	-	-
Corporate Services and Transformation	13,065	12,503	414	-	148
City Sustainability and Strategy	22,744	20,014	1,903	713	113
Community Strengthening	31,871	21,257	8,893	1,380	341
Infrastructure and Environment	28,233	22,493	1,686	3,984	70
Governance, Communications and Customer Service	7,104	6,115	885	104	-
Total permanent staff expenditure	103,643	83,010	13,781	6,181	672
Other employee related expenditure	1,470				
Capitalised labour costs	(1,800)	(1,800)			
Total staff expenditure	103,313	81,210	13,781	6,181	672

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

Department	Total	Permanent			
		Full Time	Part Time	Casual	Temporary
Chief Executive Office	2.0	2.0	-	-	-
Corporate Services and Transformation	94.2	89.0	3.4	-	1.8
City Sustainability and Strategy	183.0	155.0	19.1	7.0	2.0
Community Strengthening	302.8	196.8	88.4	13.2	4.3
Infrastructure and Environment	254.4	191.0	19.4	41.9	2.0
Governance, Communications and Customer Service	59.9	49.0	9.9	1.0	-
Total staff	896.2	682.8	140.3	63.1	10.1

2.7. Summary of Planned Human Resources Expenditure For the ten years ended 30 June 2034

	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Chief Executive Office										
Permanent - Full time	627	663	687	708	733	759	787	815	844	874
Women	627	663	687	708	733	759	787	815	844	874
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Chief Executive Office	627	663	687	708	733	759	787	815	844	874
Corporate Services and Transformation										
Permanent - Full time	11,171	11,811	12,233	12,599	13,051	13,520	14,004	14,506	15,025	15,559
Women	5,668	5,993	6,207	6,393	6,622	6,860	7,106	7,360	7,624	7,895
Men	5,503	5,818	6,026	6,206	6,429	6,660	6,898	7,146	7,401	7,664
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	315	334	345	356	369	382	395	410	424	439
Women	315	334	345	356	369	382	395	410	424	439
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Corporate Services and Transformation	11,486	12,144	12,578	12,955	13,420	13,902	14,400	14,915	15,449	15,998
City Sustainability and Strategy										
Permanent - Full time	18,838	19,918	20,629	21,247	22,010	22,800	23,617	24,463	25,338	26,238
Women	8,591	9,083	9,408	9,689	10,037	10,397	10,770	11,156	11,555	11,966
Men	10,248	10,835	11,222	11,558	11,973	12,402	12,847	13,307	13,783	14,273
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	1,477	1,562	1,618	1,666	1,726	1,788	1,852	1,918	1,987	2,057
Women	741	784	812	836	866	897	930	963	997	1,033
Men	736	778	806	830	860	890	922	955	990	1,025
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total City Sustainability and Strategy	20,316	21,480	22,247	22,913	23,736	24,588	25,469	26,381	27,325	28,296
Community Strengthening										
Permanent - Full time	18,531	19,593	20,292	20,900	21,651	22,428	23,231	24,063	24,924	25,810
Women	14,278	15,096	15,635	16,103	16,682	17,280	17,899	18,540	19,204	19,886
Men	4,253	4,497	4,657	4,797	4,969	5,147	5,332	5,523	5,721	5,924
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	7,459	7,887	8,168	8,413	8,715	9,028	9,352	9,686	10,033	10,390
Women	6,532	6,906	7,153	7,367	7,632	7,905	8,189	8,482	8,785	9,098
Men	928	981	1,016	1,046	1,084	1,123	1,163	1,204	1,248	1,292
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Community Strengthening	25,990	27,479	28,461	29,313	30,366	31,455	32,583	33,750	34,957	36,200
Infrastructure and Environment										
Permanent - Full time	20,598	21,778	22,556	23,231	24,065	24,929	25,822	26,747	27,704	28,689
Women	5,875	6,212	6,434	6,627	6,865	7,111	7,366	7,630	7,903	8,183
Men	14,722	15,566	16,122	16,605	17,201	17,818	18,457	19,118	19,802	20,505
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	1,025	1,083	1,122	1,156	1,197	1,240	1,284	1,331	1,378	1,427
Women	731	773	800	824	854	884	916	949	983	1,018
Men	294	311	322	331	343	356	368	382	395	409
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Infrastructure and Environment	21,622	22,861	23,678	24,387	25,263	26,169	27,107	28,078	29,082	30,116
Governance, Communications and Customer Service										
Permanent - Full time	5,404	5,713	5,917	6,095	6,314	6,540	6,775	7,017	7,268	7,526
Women	4,075	4,309	4,463	4,596	4,761	4,932	5,109	5,292	5,481	5,676
Men	1,329	1,405	1,455	1,499	1,552	1,608	1,666	1,725	1,787	1,851
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	885	935	969	998	1,034	1,071	1,109	1,149	1,190	1,232
Women	558	590	611	629	651	675	699	724	750	777
Men	327	346	358	369	382	396	410	425	440	456
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Governance, Communications and Customer Service	6,289	6,649	6,886	7,093	7,347	7,611	7,884	8,166	8,458	8,759
Casuals, temporary and other expenditure	18,783	19,819	20,526	21,150	21,908	22,692	23,504	24,344	25,213	26,108
Capitalised labour cost	(1,800)	(1,863)	(1,928)	(1,996)	(2,066)	(2,138)	(2,213)	(2,290)	(2,370)	(2,453)
Total staff expenditure	103,313	109,232	113,134	116,523	120,707	125,038	129,520	134,158	138,959	143,896

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Chief Executive Office										
Permanent - Full time	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Women	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Chief Executive Office	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Corporate Services and Transformation										
Permanent - Full time	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00
Women	39.00	39.00	39.00	39.00	39.00	39.00	39.00	39.00	39.00	39.00
Men	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63
Women	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Corporate Services and Transformation	81.63	81.63	81.63	81.63	81.63	81.63	81.63	81.63	81.63	81.63
City Sustainability and Strategy										
Permanent - Full time	144.95	144.95	144.95	144.95	144.95	144.95	144.95	144.95	144.95	144.95
Women	66.00	66.00	66.00	66.00	66.00	66.00	66.00	66.00	66.00	66.00
Men	78.95	78.95	78.95	78.95	78.95	78.95	78.95	78.95	78.95	78.95
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	14.39	14.39	14.39	14.39	14.39	14.39	14.39	14.39	14.39	14.39
Women	6.64	6.64	6.64	6.64	6.64	6.64	6.64	6.64	6.64	6.64
Men	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total City Sustainability and Strategy	159.34	159.34	159.34	159.34	159.34	159.34	159.34	159.34	159.34	159.34
Community Strengthening										
Permanent - Full time	164.80	164.80	164.80	164.80	164.80	164.80	164.80	164.80	164.80	164.80
Women	127.80	127.80	127.80	127.80	127.80	127.80	127.80	127.80	127.80	127.80
Men	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	72.11	72.11	72.11	72.11	72.11	72.11	72.11	72.11	72.11	72.11
Women	61.88	61.88	61.88	61.88	61.88	61.88	61.88	61.88	61.88	61.88
Men	10.23	10.23	10.23	10.23	10.23	10.23	10.23	10.23	10.23	10.23
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Community Strengthening	236.91	236.91	236.91	236.91	236.91	236.91	236.91	236.91	236.91	236.91
Infrastructure and Environment										
Permanent - Full time	173.00	173.00	173.00	173.00	173.00	173.00	173.00	173.00	173.00	173.00
Women	49.00	49.00	49.00	49.00	49.00	49.00	49.00	49.00	49.00	49.00
Men	124.00	124.00	124.00	124.00	124.00	124.00	124.00	124.00	124.00	124.00
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	11.09	11.09	11.09	11.09	11.09	11.09	11.09	11.09	11.09	11.09
Women	7.54	7.54	7.54	7.54	7.54	7.54	7.54	7.54	7.54	7.54
Men	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Infrastructure and Environment	184.09	184.09	184.09	184.09	184.09	184.09	184.09	184.09	184.09	184.09
Governance, Communications and Customer Service										
Permanent - Full time	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00
Women	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
Men	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	9.87	9.87	9.87	9.87	9.87	9.87	9.87	9.87	9.87	9.87
Women	6.05	6.05	6.05	6.05	6.05	6.05	6.05	6.05	6.05	6.05
Men	3.82	3.82	3.82	3.82	3.82	3.82	3.82	3.82	3.82	3.82
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Governance, Communications and Customer Service	52.87	52.87	52.87	52.87	52.87	52.87	52.87	52.87	52.87	52.87
Casuals and temporary staff	179.37	179.37	179.37	179.37	179.37	179.37	179.37	179.37	179.37	179.37
Capitalised labour cost	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)	(19.1)
Total staff numbers	877.06	877.06	877.06	877.06	877.06	877.06	877.06	877.06	877.06	877.06

3. 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											Trend
			2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
Operating position														
Adjusted underlying result (an adjusted underlying surplus is generated in the ordinary course of business)	Adjusted underlying surplus (or deficit) Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	5.1%	2.3%	(1.0%)	(2.0%)	(1.9%)	(3.1%)	(4.1%)	(5.4%)	(6.8%)	(8.7%)	(9.7%)	-
Liquidity														
Working Capital (sufficient working capital is available to pay bills as and when they fall due)	Current assets compared to current liabilities Current assets / current liabilities	2	195.9%	195.0%	204.2%	195.0%	180.8%	173.6%	159.3%	144.3%	133.3%	113.8%	86.9%	-
Unrestricted cash (sufficient cash that is free of restrictions is available to pay bills as and when they fall due)	Unrestricted cash compared to current liabilities Unrestricted cash / current liabilities	3	52.0%	53.3%	56.5%	42.9%	27.8%	20.9%	5.9%	(12.0%)	(31.3%)	(51.6%)	(79.8%)	-
Obligations														
Loans and borrowings (level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities)	Loans and borrowings compared to rates Interest bearing loans and borrowings / rate revenue	4	23.1%	18.6%	15.1%	11.3%	8.8%	6.3%	3.9%	1.7%	-	-	-	+
Loans and borrowings (level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities)	Loans and borrowings repayments compared to rates Interest and principal repayments on interest bearing loans and borrowings / rate revenue	5	4.0%	3.8%	3.8%	3.7%	2.5%	2.4%	2.3%	2.3%	1.7%	-	-	+
Indebtedness (level of long term liabilities is appropriate to the size and nature of a Council's activities)	Non-current liabilities compared to own-source revenue Non-current liabilities / own source revenue	6	32.0%	31.0%	28.5%	27.1%	26.4%	25.9%	25.3%	24.4%	22.8%	22.3%	21.8%	+
Asset renewal (assets are renewed as planned)	Asset renewal compared to depreciation Asset renewal and upgrade expense / Asset depreciation	7	80.9%	111.5%	86.6%	85.1%	96.3%	92.9%	88.3%	82.8%	79.2%	85.9%	78.3%	-
Stability														
Rates concentration (revenue is generated from a range of sources)	Rates compared to adjusted underlying revenue Rate revenue / adjusted underlying revenue	8	56.2%	57.1%	57.3%	57.6%	58.0%	58.4%	58.6%	58.9%	59.1%	59.4%	59.6%	+
Rates effort (rating level is set based on the community's capacity to pay)	Rates compared to property values Rate revenue / CIV of rateable properties in the municipality	9	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	o

Key to Forecast Trend:

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

Indicator	Measure	Notes	Forecast											Trend	
			Actual	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33		2033/34
Efficiency															
Expenditure level (resources are used efficiently in the delivery of services)	Expenses per property assessment Total expenses/ no. of property assessments	10	\$3,624	\$3,856	\$3,947	\$4,022	\$4,046	\$4,126	\$4,182	\$4,257	\$4,334	\$4,434	\$4,497	-	
Revenue level (resources are used efficiently in the delivery of services)	Average rate per property assessment General rates and municipal charges / no. of property assessments	11	\$1,898	\$1,952	\$1,930	\$1,954	\$1,980	\$2,007	\$2,019	\$2,032	\$2,046	\$2,060	\$2,074	o	

Key to Forecast Trend:

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

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 mean 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. Unrestricted Cash

It is the objective of Financial Sustainability Strategy to maintain and improve unrestricted cash.

4. Loans and borrowings 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.

5. Loans and borrowings repayments to rates

Trend indicates a reduced reliance on long term debt and forecast increasing rates base.

6. Indebtedness

Trend indicates a reduced reliance on long term debt and increasing own source revenue.

7. 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 Council has achieved greater than 100% in the past, forward planning of less than 100% is still sustainable whilst ensuring assets are not deteriorating faster than they are being renewed.

8. 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.

9. Rates effort

Rates effort is expected to stay steady over the term of the financial plan, due to the forecast increase in Rate Cap being in line with forecast increase in CIV of rateable properties.

10. Expenditure level

Trend indicates an increase over the term of the financial plan, which is consistent with CPI forecasts.

11. Revenue level

Trend indicates an increase over the term of the financial plan, which is consistent with Rates cap forecasts.

4. Strategies and Plans

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

4.1. Borrowing Strategy

4.1.1 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, including acquisition of 345 Bridge Road Richmond. 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.

Council cash levels are currently supplemented by borrowings. The FSS key strategy is to reduce debt and increase cash levels. This has been achieved for 2024/25 through careful management of costs and improved cash flow management. However, for the medium- and longer-term Council must generate additional cash flows to ensure delivery significant program of capital works. The FSS defines the requirements of borrowings and strategies for improved generation of cash flows.

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.

4.1.2 Future Borrowing Requirements

	Forecast / Actual											
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Opening balance	30,501	25,968	21,299	16,489	13,184	9,792	6,312	2,740	-	-	-	
Plus New loans	-	-	-	-	-	-	-	-	-	-	-	
Less Principal repayment	(4,532)	(4,669)	(4,811)	(3,305)	(3,391)	(3,480)	(3,572)	(2,740)	-	-	-	
Closing balance	25,968	21,299	16,489	13,184	9,792	6,312	2,740	0	-	-	-	
Interest payment	894	788	661	519	397	310	221	129	-	-	-	

4.2. Reserves Strategy

Performance Indicator	Target	Forecast / Actual										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
		%	%	%	%	%	%	%	%	%	%	%
Total borrowings / Rate revenue	Below 60%	23.09%	18.65%	15.10%	11.31%	8.75%	6.29%	3.95%	1.67%	0.00%	0.00%	0.00%
Debt servicing / Rate revenue	Below 5%	0.68%	0.68%	0.57%	0.47%	0.36%	0.26%	0.20%	0.14%	0.08%	0.02%	0.00%
Debt commitment / Rate revenue	Below 10%	4.11%	3.92%	3.88%	2.62%	2.51%	2.44%	2.37%	1.75%	0.02%	0.00%	0.00%
Indebtedness / Own source revenue	Below 60%	32.01%	30.95%	28.54%	27.12%	26.41%	25.94%	25.30%	24.41%	22.79%	22.31%	21.76%

4.2.1 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.

4.2.2 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 / Discretionary	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	2032/33 \$000's	2033/34 \$000's
Public Open Space Reserve	Restricted											
Opening balance		25,575	27,751	27,714	27,714	27,714	27,714	27,714	27,714	27,714	27,714	27,714
Transfer to reserve		4,800	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfer from reserve		(2,624)	(5,037)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Closing balance		27,751	27,714	27,714	27,714	27,714	27,714	27,714	27,714	27,714	27,714	27,714