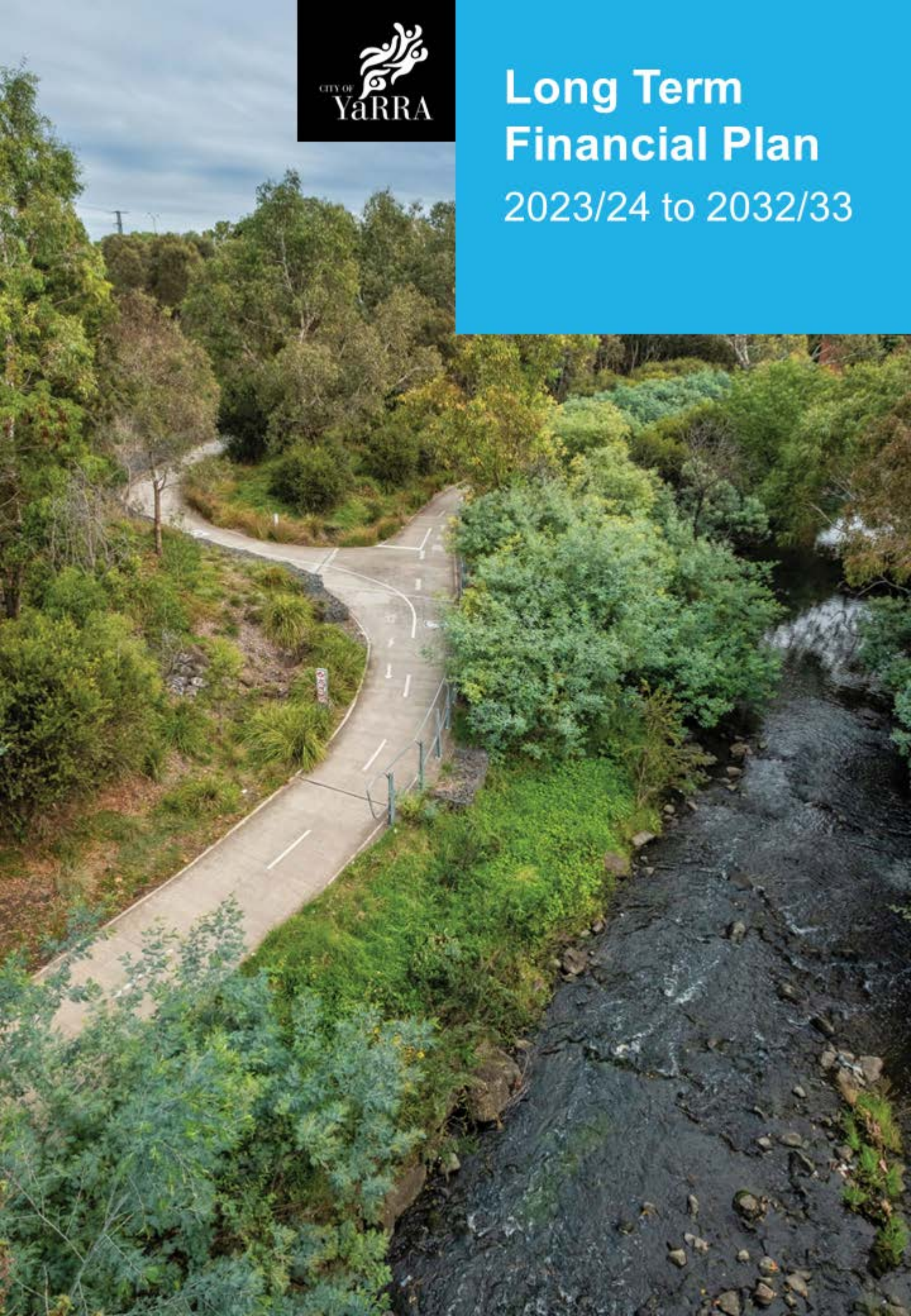




Long Term Financial Plan 2023/24 to 2032/33



Financial Plan

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1. Executive Summary

Yarra City Council has prepared this updated Long Term Financial Plan 2023/24 to 2032/33 (the Financial Plan) to support the Community's Vision and Council Plan. Through the development of the vision, the community has told us their desire for Yarra City Council to be environmentally and financially sustainable and to have a strong and vibrant community. The Council Plan includes actions to deliver on this vision with a focused investment in renewals and new assets and community valued services.

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

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

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

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

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

- Increase Council's commitment to sustainable asset renewal and maintenance of the community's assets;
- Improve Council's cash position for financial sustainability;
- Improve on 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, id® consulting estimates that as of 2023, the City of Yarra has an estimated resident population of 99,557 and 47,988 households. The average household size is 2.02 people compared with Greater Melbourne at 2.7. Half of these households rent their home which is well above the Greater Melbourne average (29%). Ten per cent of Yarra's residents live in public housing, well above the Greater Melbourne rate at 2.6%. Almost 4 in 10 Yarra households are in the highest income quartile earning over \$2,395 per week. Around 1 in 5 households are in the lowest quartile group earning up to \$740 per week. 29% of Yarra's residents were born overseas. By 2041, the population for the City of Yarra is forecast to increase to 157,607 residents.

Like all Councils across Victoria, Yarra has been impacted financially by the COVID-19 pandemic, both through increased spending to support our local community and businesses and loss of revenue. Council made a deliberate and considered decision to step up and assist the community and businesses during the pandemic. However, whilst COVID-19 significantly impacted Councils' financial position, pre existing budgetary structural issues have also significantly contributed to Councils ability to generate adequate cash flow to fund a large scope of community services, capital work programs and reduce debt levels.

External factors such as uncertain global impacts, inflation (being much higher than the rate cap), cost shifting, increasing population, pressure to expand service delivery and inadequate changes to fees and charges in the past presents significant risks to Council's budget outcomes.

In order to continue to deliver what our community wants and expects, as well as continuing to deliver on Yarra's vision, Council is developing a financial sustainability strategy. 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. To prepare for the 2023/24 budget, the Financial Plan and Financial Sustainability Strategy, Council has looked at the internal environment and already achieved operational efficiencies, held costs and prudently managed debt.

The Financial Sustainability Strategy will seek to articulate the challenges and opportunities for Council and to identify options to ensure long term financial sustainability including both strategic and systemic reforms. Strategic reforms seek 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. Systemic reforms include expenditure/cost controls, prudent management of debt, operational efficiencies and capital works delivery management among many others.

Separate but related, is the responsibility of Councils to also take action to limit the impacts of known future financial risks wherever possible. This is the case with waste services, as the rising cost of providing waste services is a known risk. Separating the waste charge from general rates is critical to addressing this risk to ensure Council's financial sustainability is not eroded further. This approach has been implemented across the Victorian local government sector irrespective of each Council's specific financial circumstances.

Council has made the decision to separate waste and recycling costs from general rates and implement a separate rate for public and kerbside waste services. This would be achieved by reducing general rates by the equivalent value. Whilst in future years waste service charges would not be subject to the rate cap, any charges applied would be for cost recovery only, hence limited to the cost of providing waste and recycling services. Without a separate waste charge, all future costs associated with waste services will need to be met using rate revenue noting that the costs of waste and recycling is continually outpacing the rate cap. This will directly impact Council's capacity to fund other priorities and its ability to deliver and maintain current services in other areas. Yarra is the last Council in Victoria to make the decision to separate waste charges from general rates.

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 changing needs of our diverse community, continue to maximise the use or unused streets and spaces and increase availability and diversity use of open spaces to address existing shortages and respond to population growth.

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

2. Financial Plan Context

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

2.1 Introduction

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

Council is committed to a transparent and accountable budget and financial plan process. Whilst not required under the LGA, Council is updating the Financial Plan document annually as part of the budget preparation process. Together with the budget document, it is subject to ongoing review and may be updated during the budget year through a revised budget process. This updated Long Term Financial Plan 2023-24 to 2032-33 is keeping with that commitment.

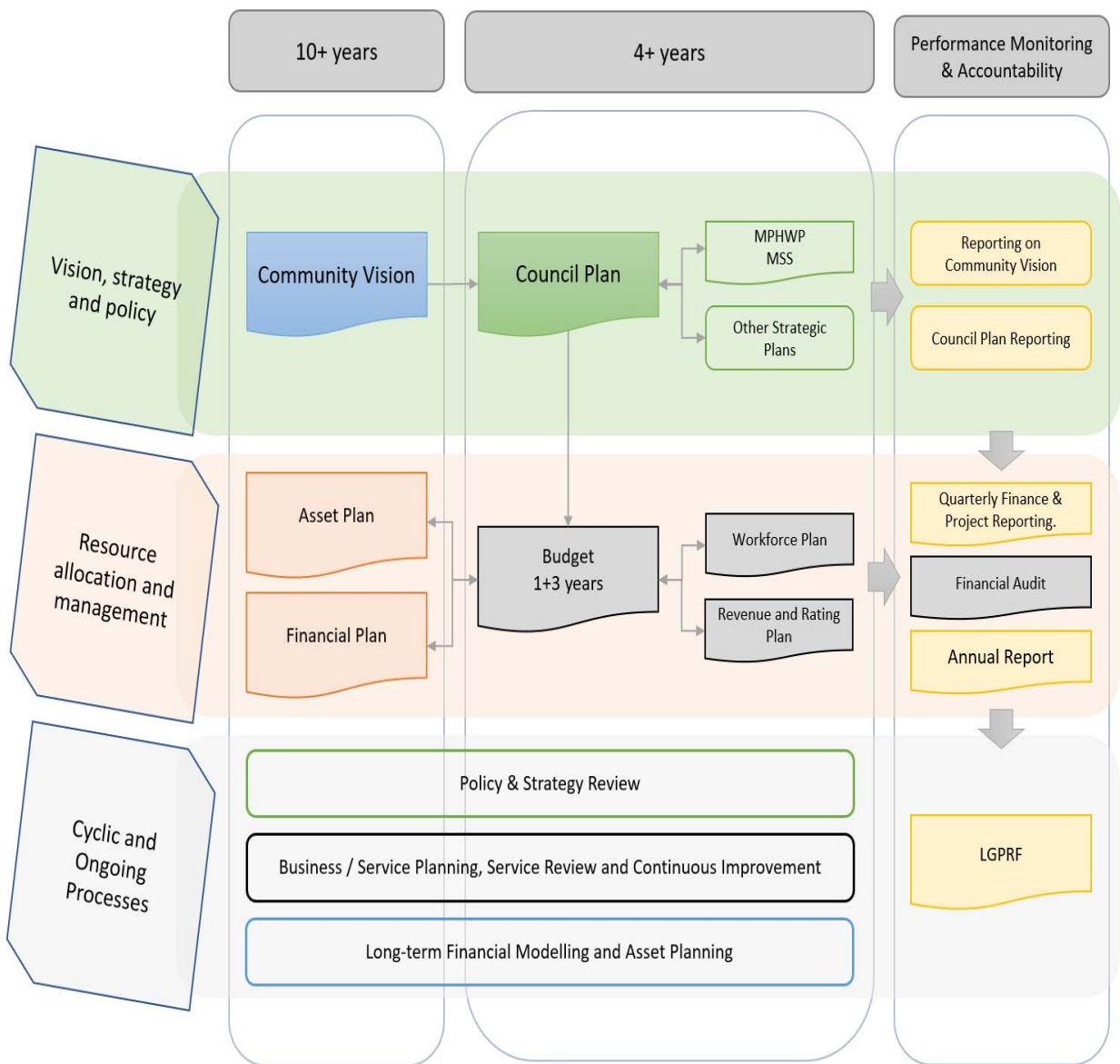
This section describes how the Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning & Reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision), medium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

2.2 Integrated Strategic Planning & Reporting Framework

Part 4 of the 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.



2.3 Engagement Principles

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

The Community Vision informs all planning and decision making for Council and our community. It informs our Council Plan (effective from 1 July 2021 to 30 June 2025) and our 10-year financial and asset management plans. The community engagement on the 2023/24 Budget and Financial Plan was delivered in line with our Community Engagement Policy.

Initial community engagement on the Budget took place from November to December in 2022. Council invited the community to share its priorities and ideas for the Budget. Feedback was invited online via 'Your Say Yarra' and through a series of in person pop ups at various locations across the City of Yarra. A youth forum was also held to capture the priorities of young people living in the city. The feedback from the community has assisted in the development of the draft Budget and Financial Plan.

The draft Budget and associated documents were presented to the Ordinary Council meeting on 18 April 2023. These were adopted in principle, to seek community feedback. The next stage of community engagement included a public exhibition period which closed on 19 May, seeking feedback on the draft Budget, draft Financial Plan and draft Revenue and Rating Plan. Engagement during the exhibition period included on-line portal, hard copy through various points and a significant number of in person community engagement sessions to promote the draft Budget 2023/24 and explain the separation of the waste services charge.

Further, a dedicated youth event was held at the Yarra Youth Centre, a family-friendly Depot Open Day was held to provide an insight into a variety of Council services and events were held in almost every suburb in the municipality. A dedicated Your Say Yarra webpage was also created for both the draft Budget and waste charge. The feedback from the community has assisted in the development of the draft Budget and Financial Plan.

2.4 Service Performance Principles

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

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

2.5 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

2.6 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.

2.7 Financial Policy Statements

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

Measure	Target										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Adjusted underlying result											
Adjusted underlying surplus (deficit) /Adjusted underlying revenue	> 5.0%	0.7%	1.5%	3.3%	1.4%	1.3%	1.7%	2.5%	1.9%	1.4%	0.8%
Working Capital											
Current Assets/ Current Liabilities	>1.4	1.8	1.8	1.8	1.8	1.8	1.8	1.9	1.9	2.1	2.2
Asset renewal											
Asset renewal and upgrade expenses/ Depreciation	> or = 1.0	0.8	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Indebtedness											
Non-current liabilities/ own source revenue	<40.0%	14.1%	11.2%	8.5%	6.7%	5.0%	3.4%	1.8%	0.7%	0.6%	0.6%

Adjusted underlying result

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

Working Capital

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

Asset renewal

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

Indebtedness

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

2.8 Assumptions to the financial plan statements

This section presents information in regard to the assumptions to the Comprehensive Income Statement for the 10 years from 2023/24 to 2032/33. The assumptions comprise the annual escalations/movement for each line items of the Comprehensive Income Statement.

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

Escalation Factors % movement	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Rates and charges	3.50%	2.00%	2.00%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Statutory fees, fines and User Fees	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
User fees	4.00%	2.75%	2.50%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Operating Grants	2.75%	2.75%	2.50%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Employee costs	1.85%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials, services & Other	7.05%	6.35%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%
Depreciation & Amortisation	0.5m	0.5m	0.5m	0.5m	0.5m	0.5m	0.5m	0.5m	0.5m	0.5m

2.9 Financial Plan Overview and Strategic Actions

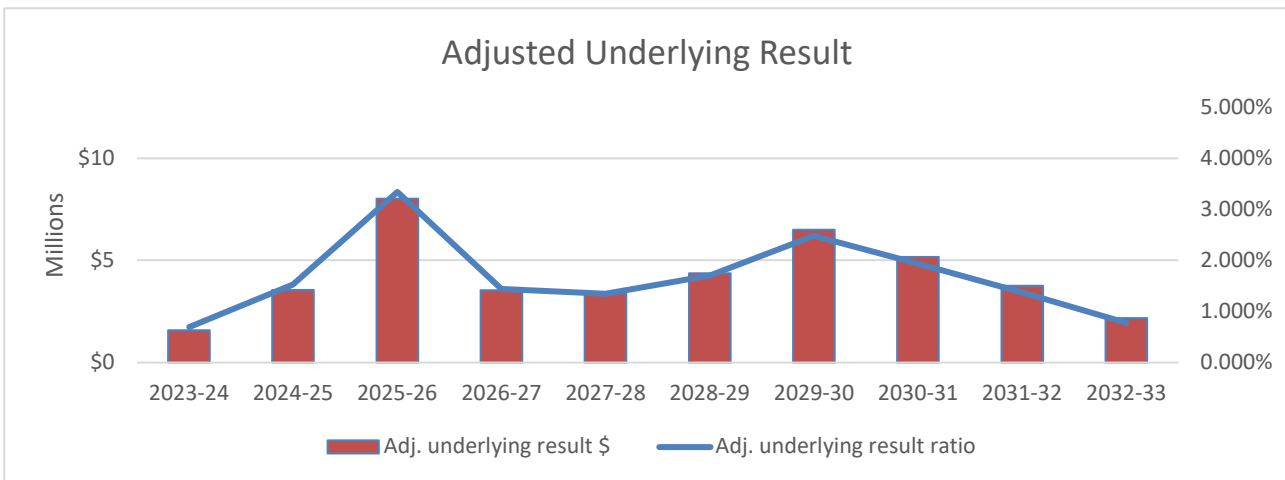
The Financial Plan includes a ten year projection of Council’s financial performance and position, cash flows, capital works program, and planned human resources outlining the expected resources that will be required to achieve the Community Vision 2036 and Council Plan 2021-2025. It also includes information 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.

2.9.1 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. In order to continue to deliver what our community wants and expects, as well as continuing to deliver on Yarra's vision. In order for Council to make well informed strategic decisions to improve financial sustainability, a financial sustainability strategy will be developed to achieve improved operational efficiencies, managing costs, attracting external funding and expand on opportunities to generate revenue. In preparation for 2023/24 Council has already strongly managed employee costs and held on costs, despite significant increases in CPI during 2022/23.



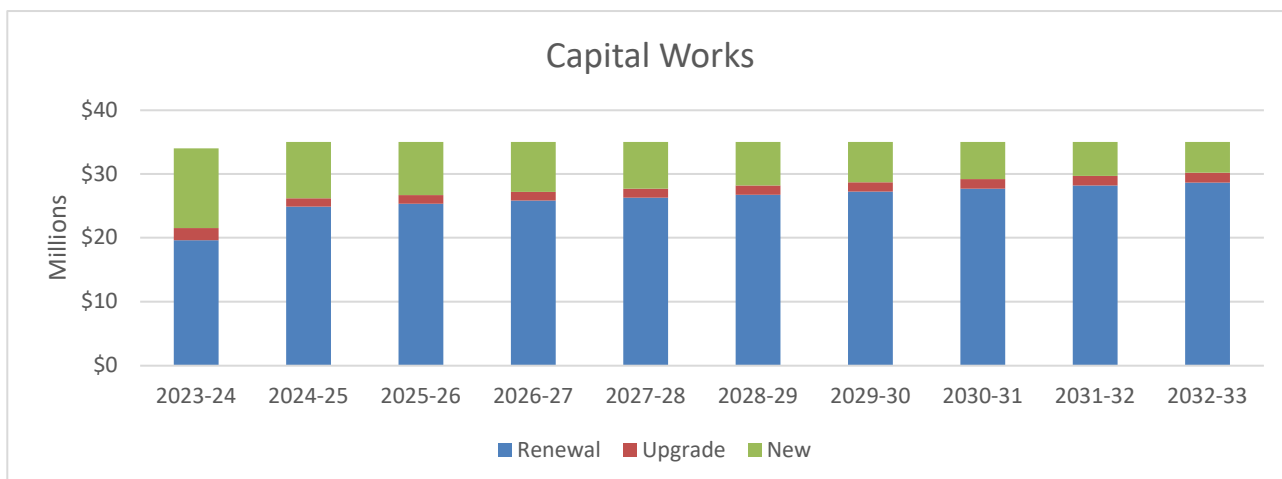
2.9.2 Asset Renewal, New and Upgrade expenditure

Council intends to spend \$349m 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.

2.9.3 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.

2.9.4 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 2023/24 at 3.5%. This follows rate caps of 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 has made the decision to separate waste and recycling costs from general rates in 2023/24. The general rates would be reduced by the same amount to ensure that total revenue is within the rate cap. In future years waste service charges would not be 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.

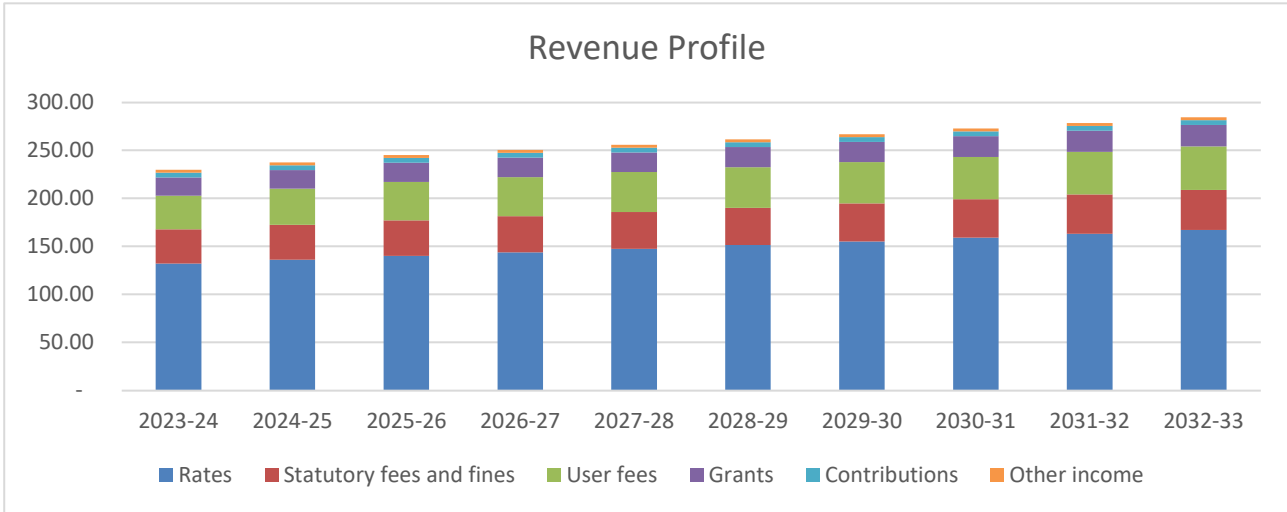
All other councils in Victoria have taken this into consideration of their financial future and have either separated or made the decision to separate waste services charges. Yarra was the last Council in Victoria to make the decision to separate waste charges from general rates.

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.

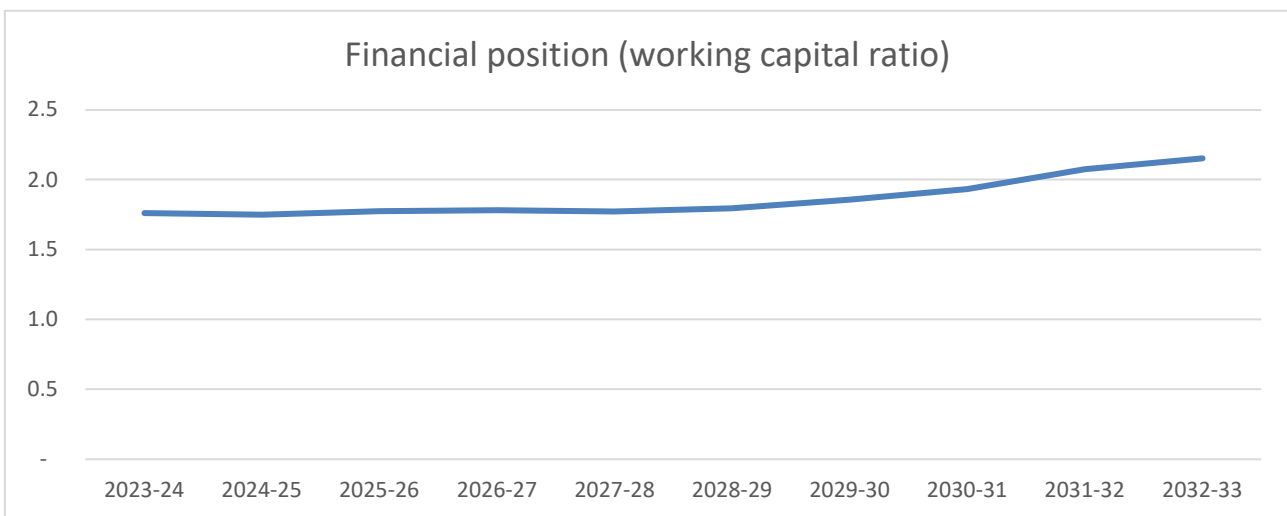
Council collects revenue from the application of statutory fees and fines under the direction of legislation or other government directions. These can be: Planning and subdivision fees, Building and Inspection fees, infringements and fines and land information certificate fees.



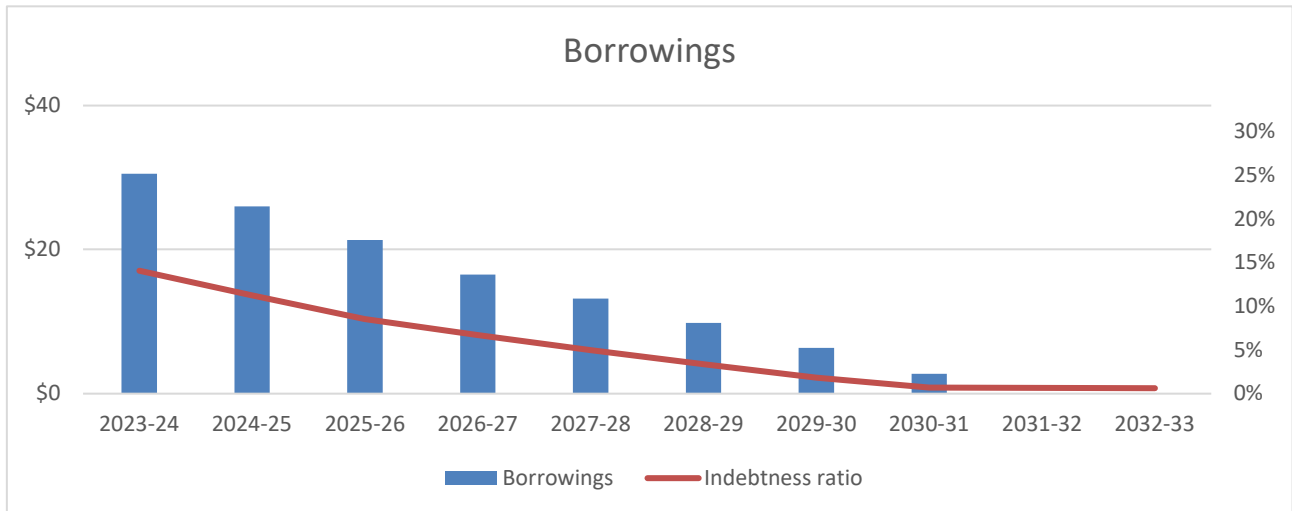
The Financial Plan is reviewed annually as part of Council’s budget deliberations and future rate increases will be considered in light of prevailing economic conditions, community needs and the rate cap ordered by the Minister for Local Government.

2.9.5 Financial position (working capital ratio)

Despite the increases to the working capital position 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.



2.9.6 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 60% in the high risk category. The indebtedness ratio in the Financial Plan is expected to be 17% at the end of the current 2022/23 budget year and will continue to decrease during the life of the Financial Plan, to reduce the already low risk to Council.

3. Financial Plan Statements

This section presents information in regard to the Financial Plan Statements for the 10 years from 2023/24 to 2032/33.

Comprehensive Income Statement

Balance Sheet

Statement of Cash Flows

Statement of Capital Works

Statement of Human Resources

Statement of Changes in Equity

3.1 Comprehensive Income Statement

	Forecast/ Actual										
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income / Revenue											
Rates and charges	126,140	132,118	136,250	140,165	143,810	147,518	151,290	155,129	159,035	163,010	167,054
Statutory fees and fines	34,577	35,592	36,215	36,849	37,494	38,150	38,818	39,497	40,188	40,891	41,607
User fees	32,228	35,136	37,702	40,205	40,908	41,624	42,352	43,094	43,848	44,615	45,396
Grants - Operating	18,819	18,739	19,254	19,736	20,081	20,432	20,790	21,154	21,524	21,901	22,284
Grants - Capital	6,635	7,263	3,000	259	259	260	259	259	259	259	259
Contributions - monetary	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Contributions - monetary - Other	1,733	1,351	1,351	1,351	1,351	1,351	1,351	1,351	1,351	1,351	1,351
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2,080	134	50	50	50	50	50	50	50	50	50
Other income	4,347	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996
Total income / revenue	231,559	238,329	241,819	246,611	251,949	257,381	262,906	268,530	274,251	280,073	285,997
Expenses											
Employee costs	100,302	101,505	104,845	107,796	110,450	113,157	115,919	118,736	121,609	124,539	127,529
Materials and services	82,807	88,963	91,270	91,045	97,852	100,340	101,684	101,934	105,686	109,579	113,616
Depreciation	24,837	25,697	26,197	26,697	27,197	27,697	28,197	28,697	29,197	29,697	30,197
Amortisation - right of use assets	1,163	234	45	-	-	-	-	-	-	-	-
Bad and doubtful debts - allowance for impairment losses	4,424	5,095	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Borrowing costs	1,059	894	798	661	519	397	310	221	129	36	-
Finance Costs - leases	58	8	2	-	-	-	-	-	-	-	-
Other expenses	840	753	767	780	794	808	822	836	851	866	881
Total expenses	215,491	223,149	228,922	231,978	241,811	247,398	251,931	255,423	262,472	269,716	277,222
Surplus/(deficit) for the year	16,068	15,180	12,897	14,633	10,137	9,983	10,976	13,107	11,779	10,357	8,775
Other comprehensive income											
Items that will not be reclassified to surplus or deficit in future periods											
Net asset revaluation increment /(decrement)	-	82,074	-	86,013	-	90,058	-	94,185	-	98,396	-
Total other comprehensive income	-	82,074	-	86,013	-	90,058	-	94,185	-	98,396	-
Total comprehensive result	16,068	97,254	12,897	100,646	10,137	100,041	10,976	107,292	11,779	108,754	8,775

3.2 Balance Sheet

	Forecast/ Actual										
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Current assets											
Cash and cash equivalents	82,566	87,051	87,723	89,396	86,832	86,016	86,503	89,825	92,120	94,214	97,854
Trade and other receivables	21,873	19,659	18,643	18,729	18,917	19,374	19,769	20,270	20,879	21,598	22,429
Inventories	180	180	180	180	180	180	180	180	180	180	180
Other assets	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267
Total current assets	105,887	108,157	107,813	109,573	107,196	106,838	107,719	111,542	114,446	117,259	121,730
Non-current assets											
Trade and other receivables	5	5	5	5	5	5	5	5	5	5	5
Property, infrastructure, plant & equipment	2,051,861	2,142,031	2,150,334	2,244,151	2,251,455	2,348,316	2,354,620	2,454,608	2,459,912	2,563,112	2,567,415
Right-of-use assets	1,112	1,076	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082
Total non-current assets	2,052,978	2,143,112	2,151,421	2,245,238	2,252,542	2,349,403	2,355,707	2,455,695	2,460,998	2,564,198	2,568,502
Total assets	2,158,864	2,251,269	2,259,234	2,354,811	2,359,737	2,456,241	2,463,425	2,567,237	2,575,444	2,681,458	2,690,232
Liabilities											
Current liabilities											
Trade and other payables	11,075	11,075	11,075	11,075	11,075	11,075	10,675	10,675	10,675	10,675	10,675
Trust funds and deposits	15,359	15,359	15,359	15,359	15,359	15,359	15,359	15,359	15,359	15,359	15,359
Unearned income/revenue	10,994	10,994	10,994	10,994	10,994	10,994	10,994	10,994	10,994	10,994	10,994
Provisions	18,527	18,527	18,527	18,527	18,527	18,527	18,527	18,527	18,527	18,527	18,527
Interest-bearing liabilities	4,399	4,532	4,669	4,811	3,305	3,391	3,480	3,572	2,740	-	-
Lease liabilities	1,011	961	961	961	961	961	961	961	961	961	961
Total current liabilities	61,365	61,448	61,585	61,727	60,220	60,307	59,996	60,088	59,256	56,516	56,516
Non-current liabilities											
Provisions	1,443	1,443	1,443	1,443	1,443	1,443	1,443	1,443	1,443	1,443	1,443
Other liabilities	1,856	1,456	1,056	656	256	23	23	23	23	23	23
Interest-bearing liabilities	30,501	25,968	21,299	16,489	13,184	9,792	6,312	2,740	-	-	-
Lease liabilities	150	150	150	150	150	150	150	150	150	150	150
Total non-current liabilities	33,950	29,017	23,948	18,737	15,033	11,408	7,928	4,356	1,616	1,616	1,616
Total liabilities	95,315	90,465	85,533	80,464	75,253	71,716	67,924	64,444	60,872	58,132	58,132
Net assets	2,063,549	2,160,804	2,173,701	2,274,347	2,284,484	2,384,525	2,395,501	2,502,793	2,514,572	2,623,326	2,632,101
Equity											
Accumulated surplus	667,390	679,768	692,665	707,298	717,435	727,418	738,394	751,501	763,280	773,638	782,412
Reserves	1,396,159	1,481,036	1,481,036	1,567,049	1,567,049	1,657,107	1,657,107	1,751,292	1,751,292	1,849,688	1,849,688
Total equity	2,063,549	2,160,804	2,173,701	2,274,347	2,284,484	2,384,525	2,395,501	2,502,793	2,514,572	2,623,326	2,632,101

3.3 Statement of Changes in Equity

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2023 Forecast Actual				
Balance at beginning of the financial year	2,047,481	654,052	1,371,719	21,710
Surplus/(deficit) for the year	16,068	16,068	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	2,270	-	(2,270)
Balance at end of the financial year	2,063,549	667,390	1,371,719	24,440
2024				
Balance at beginning of the financial year	2,063,549	667,390	1,371,719	24,440
Surplus/(deficit) for the year	15,180	15,180	-	-
Net asset revaluation increment/(decrement)	82,074	-	82,074	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	2,198	-	(2,198)
Balance at end of the financial year	2,160,804	679,768	1,453,794	27,242
2025				
Balance at beginning of the financial year	2,160,804	679,768	1,453,794	27,242
Surplus/(deficit) for the year	12,897	12,897	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,173,701	692,665	1,453,794	27,242
2026				
Balance at beginning of the financial year	2,173,701	692,665	1,453,794	27,242
Surplus/(deficit) for the year	14,633	14,633	-	-
Net asset revaluation increment/(decrement)	86,013	-	86,013	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,274,347	707,298	1,539,807	27,242
2027				
Balance at beginning of the financial year	2,274,347	707,298	1,539,807	27,242
Surplus/(deficit) for the year	10,137	10,137	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,284,484	717,435	1,539,807	27,242
2028				
Balance at beginning of the financial year	2,284,484	717,435	1,539,807	27,242
Surplus/(deficit) for the year	9,983	9,983	-	-
Net asset revaluation increment/(decrement)	90,058	-	90,058	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,384,525	727,418	1,629,865	27,242

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2029				
Balance at beginning of the financial year	2,384,525	727,418	1,629,865	27,242
Surplus/(deficit) for the year	10,976	10,976	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,395,501	738,394	1,629,865	27,242
2030				
Balance at beginning of the financial year	2,395,501	738,394	1,629,865	27,242
Surplus/(deficit) for the year	13,107	13,107	-	-
Net asset revaluation increment/(decrement)	94,185	-	94,185	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,502,793	751,501	1,724,050	27,242
2031				
Balance at beginning of the financial year	2,502,793	751,501	1,724,050	27,242
Surplus/(deficit) for the year	11,779	11,779	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,514,572	763,280	1,724,050	27,242
2032				
Balance at beginning of the financial year	2,514,572	763,280	1,724,050	27,242
Surplus/(deficit) for the year	10,357	10,357	-	-
Net asset revaluation increment/(decrement)	98,396	-	98,396	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,623,326	773,638	1,822,447	27,242
2033				
Balance at beginning of the financial year	2,623,326	773,638	1,822,447	27,242
Surplus/(deficit) for the year	8,775	8,775	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(5,000)	-	5,000
Transfers from other reserves	-	5,000	-	(5,000)
Balance at end of the financial year	2,632,101	782,412	1,822,447	27,242

3.4 Statement of Cash Flows

	Forecast/ Actual										
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'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	126,879	132,797	135,888	138,764	142,372	146,042	149,778	153,578	157,445	161,380	165,383
Statutory fees and fines	31,119	32,033	32,594	33,164	33,744	34,335	34,936	35,547	36,169	36,802	37,446
User fees	32,228	35,136	37,702	40,205	40,908	41,624	42,352	43,094	43,848	44,615	45,396
Grants - operating	18,819	18,739	19,254	19,736	20,081	20,432	20,790	21,154	21,524	21,901	22,284
Grants - capital	6,635	7,263	3,000	259	259	260	259	259	259	259	259
Contributions - monetary	6,733	6,351	6,351	6,351	6,351	6,351	6,351	6,351	6,351	6,351	6,351
Other receipts	4,347	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996
Employee costs	(100,302)	(101,505)	(104,845)	(107,796)	(110,450)	(113,157)	(115,919)	(118,736)	(121,609)	(124,539)	(127,529)
Materials and services	(84,048)	(90,117)	(92,436)	(92,225)	(99,046)	(101,547)	(102,905)	(102,770)	(106,537)	(110,444)	(114,497)
Net cash provided by/(used in) operating activities	42,410	43,693	40,504	41,454	37,215	37,336	38,638	41,473	40,446	39,320	38,090
Cash flows from investing activities											
Payments for property, infrastructure, plant and equipment	(35,450)	(34,008)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
Proceeds from sale of property, infrastructure, plant and equipment	2,430	350	550	550	550	550	550	550	550	550	550
Net cash provided by/ (used in) investing activities	(33,020)	(33,658)	(34,450)	(34,450)	(34,450)	(34,450)	(34,450)	(34,450)	(34,450)	(34,450)	(34,450)
Cash flows from financing activities											
Finance costs	(1,030)	(894)	(798)	(661)	(519)	(397)	(310)	(221)	(129)	(36)	-
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(4,271)	(4,399)	(4,532)	(4,669)	(4,811)	(3,305)	(3,391)	(3,480)	(3,572)	(2,740)	-
Interest paid - lease liability	(58)	(8)	(2)	-	-	-	-	-	-	-	-
Repayment of lease liabilities	(1,266)	(249)	(50)	-	-	-	-	-	-	-	-
Net cash provided by/(used in) financing activities	(6,625)	(5,549)	(5,382)	(5,330)	(5,330)	(3,701)	(3,701)	(3,701)	(3,701)	(2,776)	-
Net increase/(decrease) in cash & cash equivalents	2,765	4,485	672	1,674	(2,565)	(815)	486	3,322	2,295	2,094	3,640
Cash and cash equivalents at the beginning of the financial year	79,801	82,566	87,051	87,723	89,396	86,832	86,016	86,503	89,825	92,120	94,214
Cash and cash equivalents at the end of the financial year	82,566	87,051	87,723	89,396	86,832	86,016	86,503	89,825	92,120	94,214	97,854

3.5 Statement of Capital Works

	Forecast/ Actual										
	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000
Property											
Buildings	10,357	8,327	7,326	7,326	7,326	7,326	7,326	7,326	7,326	7,326	7,326
Total buildings	10,357	8,327	7,326	7,326	7,326	7,326	7,326	7,326	7,326	7,326	7,326
Total property	10,357	8,327	7,326	7,326	7,326	7,326	7,326	7,326	7,326	7,326	7,326
Plant and equipment											
Plant, machinery and equipment	1,137	336	98	98	98	98	98	98	98	98	98
Fixtures, fittings and furniture	212	962	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258
Computers and telecommunications	2,414	723	946	946	946	946	946	946	946	946	946
Library books	630	630	824	824	824	824	824	824	824	824	824
Total plant and equipment	4,393	2,651	3,126	3,126	3,126	3,126	3,126	3,126	3,126	3,126	3,126
Infrastructure											
Roads	6,921	7,889	10,114	10,114	10,114	10,114	10,114	10,114	10,114	10,114	10,114
Bridges	108	-	-	-	-	-	-	-	-	-	-
Footpaths and cycleways	3,026	1,420	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597
Drainage	2,888	2,510	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283
Waste management	100	1,880	2,459	2,459	2,459	2,459	2,459	2,459	2,459	2,459	2,459
Parks, open space and streetscapes	4,548	8,188	6,809	6,809	6,809	6,809	6,809	6,809	6,809	6,809	6,809
Other infrastructure	3,110	1,142	286	286	286	286	286	286	286	286	286
Total infrastructure	20,701	23,030	24,548	24,548	24,548	24,548	24,548	24,548	24,548	24,548	24,548
Total capital works expenditure	35,450	34,008	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Represented by:											
New asset expenditure	3,604	12,498	8,803	8,303	7,803	7,303	6,803	6,303	5,803	5,303	4,803
Asset renewal expenditure	27,581	19,588	24,853	25,328	25,802	26,276	26,751	27,225	27,700	28,174	28,648
Asset upgrade expenditure	4,265	1,923	1,343	1,369	1,394	1,420	1,446	1,471	1,497	1,523	1,548
Total capital works expenditure	35,450	34,008	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Funding sources represented by:											
Grants	2,448	8,239	9,469	3,148	259	259	259	259	259	259	259
Contributions	2,270	2,978	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Council cash	30,732	22,792	20,531	26,852	29,741	29,741	29,741	29,741	29,741	29,741	29,741
Total capital works expenditure	35,450	34,008	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000

3.6 Statement of Human Resources

Staff expenditure	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure											
Employee costs - operating	101,550	102,702	106,066	109,041	111,721	114,453	117,241	120,084	122,984	125,942	128,959
Employee costs - capital	(1,248)	(1,197)	(1,221)	(1,246)	(1,271)	(1,296)	(1,322)	(1,348)	(1,375)	(1,403)	(1,431)
Total staff expenditure	100,302	101,505	104,845	107,796	110,450	113,157	115,919	118,736	121,609	124,539	127,529

Staff numbers	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Staff numbers											
Employees	913.0	913.0	908.9	908.9	908.9	908.9	908.9	908.9	908.9	908.9	908.9
Employee - Capital	(9.9)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)
Total staff numbers	903.1	900.3	896.2	896.2	896.2	896.2	896.2	896.2	896.2	896.2	896.2

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

Department	Total	Comprises				
		Permanent				Temporary
		Full Time	Part Time	Casual		
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Chief Executive Office	544	544	-	-	-	
Corporate Services and Transformation	11,258	10,789	406	-	63	
City Sustainability and Strategy	21,839	19,189	1,695	607	349	
Community Strengthening	29,743	19,984	8,073	1,337	349	
Infrastructure and Environment	27,184	21,210	1,599	3,910	467	
Governance, Communications and Customer Service	6,603	5,553	833	98	119	
Total permanent staff expenditure	97,172	77,269	12,605	5,951	1,347	
Other employee related expenditure	5,530					
Capitalised labour costs	(1,197)					
Total staff expenditure	101,505	77,269	12,605	5,951	1,347	

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

Department	Total	Comprises				
		Permanent				Temporary
		Full Time	Part Time	Casual		
Chief Executive Office	2.0	2.0	-	-	-	
Corporate Services and Transformation	87.6	83.2	3.6	-	0.8	
City Sustainability and Strategy	191.0	160.9	19.1	7.0	4.1	
Community Strengthening	291.9	186.9	86.4	13.3	5.4	
Infrastructure and Environment	266.1	198.0	20.2	41.9	6.0	
Governance, Communications and Customer Service	61.6	49.0	10.1	1.0	1.5	
Total staff	900.3	680.0	139.3	63.2	17.8	

**3.7 Summary of Planned Human Resources Expenditure
For the ten years ended 30 June 2033**

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Office										
Permanent - Full time	544	562	577	592	606	621	636	651	667	683
Women	544	562	577	592	606	621	636	651	667	683
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Chief Executive Office	544	562	577	592	606	621	636	651	667	683
Corporate Services and Transformation										
Permanent - Full time	10,789	11,144	11,457	11,740	12,027	12,321	12,620	12,926	13,237	13,555
Women	5,286	5,460	5,614	5,752	5,893	6,037	6,183	6,333	6,486	6,641
Men	5,503	5,684	5,844	5,988	6,134	6,284	6,437	6,593	6,751	6,914
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	406	419	431	442	453	464	475	486	498	510
Women	406	419	431	442	453	464	475	486	498	510
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Corporate Services and Transformation	11,195	11,563	11,889	12,181	12,480	12,784	13,095	13,412	13,735	14,065
City Sustainability and Strategy										
Permanent - Full time	19,189	19,821	20,378	20,880	21,392	21,914	22,447	22,990	23,544	24,109
Women	8,506	8,785	9,033	9,255	9,482	9,713	9,949	10,190	10,436	10,686
Men	10,684	11,035	11,346	11,625	11,910	12,201	12,497	12,800	13,108	13,423
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	1,695	1,750	1,800	1,844	1,889	1,935	1,982	2,030	2,079	2,129
Women	873	902	927	950	973	997	1,021	1,046	1,071	1,097
Men	822	849	873	894	916	938	961	984	1,008	1,032
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total City Sustainability and Strategy	20,884	21,571	22,178	22,724	23,281	23,849	24,429	25,020	25,623	26,238
Community Strengthening										
Permanent - Full time	19,984	20,642	21,223	21,745	22,278	22,822	23,377	23,942	24,519	25,108
Women	15,474	15,983	16,433	16,837	17,250	17,671	18,101	18,539	18,985	19,441
Men	4,510	4,659	4,790	4,908	5,028	5,151	5,276	5,404	5,534	5,667
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	8,073	8,338	8,573	8,784	9,000	9,219	9,443	9,672	9,905	10,143
Women	6,773	6,996	7,192	7,370	7,550	7,734	7,922	8,114	8,310	8,509
Men	1,300	1,343	1,381	1,415	1,449	1,485	1,521	1,558	1,595	1,633
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Community Strengthening	28,057	28,980	29,796	30,530	31,278	32,041	32,820	33,614	34,424	35,250
Infrastructure and Environment										
Permanent - Full time	21,210	21,908	22,524	23,079	23,644	24,221	24,810	25,410	26,023	26,647
Women	5,913	6,108	6,280	6,434	6,592	6,753	6,917	7,084	7,255	7,429
Men	15,297	15,800	16,245	16,645	17,053	17,469	17,893	18,326	18,768	19,218
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	1,599	1,651	1,698	1,739	1,782	1,826	1,870	1,915	1,961	2,008
Women	751	776	798	817	837	858	879	900	922	944
Men	847	875	900	922	945	968	991	1,015	1,040	1,065
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Infrastructure and Environment	22,808	23,559	24,222	24,818	25,427	26,047	26,680	27,326	27,984	28,656
Governance, Communications and Customer Service										
Permanent - Full time	5,553	5,736	5,897	6,043	6,191	6,342	6,496	6,653	6,814	6,977
Women	3,865	3,992	4,104	4,206	4,309	4,414	4,521	4,630	4,742	4,856
Men	1,688	1,744	1,793	1,837	1,882	1,928	1,975	2,023	2,072	2,121
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	833	860	885	906	929	951	974	998	1,022	1,047
Women	594	613	631	646	662	678	695	711	729	746
Men	239	247	254	260	267	273	280	287	294	301
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Governance, Communications and Customer Service	6,386	6,597	6,782	6,949	7,119	7,293	7,470	7,651	7,836	8,024
Casuals, temporary and other expenditure	12,828	13,235	13,597	13,926	14,262	14,604	14,954	15,310	15,673	16,044
Capitalised labour costs	(1,197)	(1,221)	(1,246)	(1,271)	(1,296)	(1,322)	(1,348)	(1,375)	(1,403)	(1,431)
Total staff expenditure	101,505	104,845	107,796	110,450	113,157	115,919	118,736	121,609	124,539	127,529

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Chief Executive Office										
Permanent - Full time	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Women	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Chief Executive Office	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Corporate Services and Transformation										
Permanent - Full time	83.2	83.2	83.2	83.2	83.2	83.2	83.2	83.2	83.2	83.2
Women	40.8	40.8	40.8	40.8	40.8	40.8	40.8	40.8	40.8	40.8
Men	42.4	42.4	42.4	42.4	42.4	42.4	42.4	42.4	42.4	42.4
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6
Women	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Corporate Services and Transformation	86.8	86.8	86.8	86.8	86.8	86.8	86.8	86.8	86.8	86.8
City Sustainability and Strategy										
Permanent - Full time	162.0	162.0	162.0	162.0	162.0	162.0	162.0	162.0	162.0	162.0
Women	71.9	71.9	71.9	71.9	71.9	71.9	71.9	71.9	71.9	71.9
Men	90.1	90.1	90.1	90.1	90.1	90.1	90.1	90.1	90.1	90.1
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	19.1	19.1	19.1	19.1	19.1	19.1	19.1	19.1	19.1	19.1
Women	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Men	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total City Sustainability and Strategy	181.1	181.1	181.1	181.1	181.1	181.1	181.1	181.1	181.1	181.1
Community Strengthening										
Permanent - Full time	198.5	198.5	198.5	198.5	198.5	198.5	198.5	198.5	198.5	198.5
Women	155.0	155.0	155.0	155.0	155.0	155.0	155.0	155.0	155.0	155.0
Men	43.5	43.5	43.5	43.5	43.5	43.5	43.5	43.5	43.5	43.5
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	86.4	86.4	86.4	86.4	86.4	86.4	86.4	86.4	86.4	86.4
Women	71.5	71.5	71.5	71.5	71.5	71.5	71.5	71.5	71.5	71.5
Men	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Community Strengthening	284.9	284.9	284.9	284.9	284.9	284.9	284.9	284.9	284.9	284.9
Infrastructure and Environment										
Permanent - Full time	198.0	198.0	198.0	198.0	198.0	198.0	198.0	198.0	198.0	198.0
Women	53.3	53.3	53.3	53.3	53.3	53.3	53.3	53.3	53.3	53.3
Men	144.7	144.7	144.7	144.7	144.7	144.7	144.7	144.7	144.7	144.7
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2
Women	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Men	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Infrastructure and Environment	218.2	218.2	218.2	218.2	218.2	218.2	218.2	218.2	218.2	218.2
Governance, Communications and Customer Service										
Permanent - Full time	49.0	49.0	49.0	49.0	49.0	49.0	49.0	49.0	49.0	49.0
Women	33.4	33.4	33.4	33.4	33.4	33.4	33.4	33.4	33.4	33.4
Men	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1
Women	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Men	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Governance, Communications and Customer Service	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1
Casuals and temporary staff	80.9	76.8	76.8	76.8	76.8	76.8	76.8	76.8	76.8	76.8
Capitalised labour	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)	(12.7)
Total staff numbers	900.3	896.2	896.2	896.2	896.2	896.2	896.2	896.2	896.2	896.2

4. Financial Performance Indicators

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

Indicator	Measure	Notes	Forecast Actual 2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	Trend +/-
Operating position														
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	1.24%	0.70%	1.53%	3.34%	1.44%	1.34%	1.70%	2.48%	1.93%	1.37%	0.77%	+
Liquidity														
Working Capital	Current assets / current liabilities	2	172.55%	176.01%	175.06%	177.51%	178.01%	177.16%	179.54%	185.63%	193.14%	207.48%	215.39%	+
Unrestricted cash	Unrestricted cash / current liabilities	3	69.69%	72.34%	73.27%	75.81%	73.45%	71.99%	73.17%	78.59%	83.57%	82.48%	80.07%	+
Obligations														
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	27.67%	23.09%	19.06%	15.20%	11.47%	8.94%	6.47%	4.07%	1.72%	0.00%	0.00%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue	5	4.20%	4.01%	3.91%	3.80%	3.71%	2.51%	2.45%	2.39%	2.33%	1.70%	0.00%	+
Indebtedness	Non-current liabilities / own source revenue	6	17.03%	14.09%	11.23%	8.51%	6.67%	4.95%	3.37%	1.81%	0.66%	0.64%	0.63%	+
Asset renewal	Asset renewal and upgrade expense / Asset depreciation	7	128.22%	83.71%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	o
Stability														
Rates concentration	Rate revenue / adjusted underlying revenue	8	56.08%	57.18%	57.05%	56.90%	57.14%	57.37%	57.60%	57.83%	58.04%	58.26%	58.46%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality	9	0.19%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.21%	0.21%	0.21%	0.21%	o
Efficiency														
Expenditure level	Total expenses/ no. of property assessments	10	\$3,652	\$3,719	\$3,753	\$3,742	\$3,838	\$3,866	\$3,817	\$3,812	\$3,860	\$3,909	\$3,960	+
Revenue level	General rates and municipal charges / no. of property assessments	11	\$2,119	\$2,200	\$2,231	\$2,258	\$2,280	\$2,303	\$2,290	\$2,313	\$2,337	\$2,360	\$2,384	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 means reliance on Councils' cash reserves or increased debt to maintain services and invest in capital works.

2. Working Capital

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

3. Unrestricted Cash

Unrestricted cash is forecast to improve to achieve the delivery of the capital works program as well as ensuring the open space reserve is cash backed.

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 decrease slightly over the term of the financial plan, due to the forecast increase in Rate Cap exceeding the 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.

5. Strategies and Plans

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

5.1 Borrowing Strategy

5.1.1 Current Debt Position

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

Council borrowed \$32.5m in 2013/2014 to settle the Vision Super unfunded defined benefit liability and fund major capital projects, including the 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.

The 2022/23 budget allowed capacity for Council to borrow an additional \$20m. However, cash flow assessment has indicated additional borrowings is not required during 2022/23, due to efficiencies realised and improved debt managed. Further borrowings are not planned during 2023/24. Council may need to generate additional cash flows to ensure delivery significant program of capital works. The Financial Sustainability Strategy will define the requirements of borrowings and strategise 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.

5.1.2 Future Borrowing Requirements

	Forecast / Actual											
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Opening balance	39,171	34,900	30,501	25,968	21,299	16,489	13,184	9,792	6,312	2,740	-	
Plus New loans	-	-	-	-	-	-	-	-	-	-	-	
Less Principal repayment	(4,271)	(4,399)	(4,532)	(4,669)	(4,811)	(3,305)	(3,391)	(3,480)	(3,572)	(2,740)	-	
Closing balance	34,900	30,501	25,968	21,299	16,489	13,184	9,792	6,312	2,740	-	-	
Interest payment	1,030	894	798	661	519	397	310	221	129	36	-	

Performance Indicator	Target	Forecast / Actual										
		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
		%	%	%	%	%	%	%	%	%	%	%
Total borrowings / Rate revenue	Below 60%	27.67%	23.09%	19.06%	15.20%	11.47%	8.94%	6.47%	4.07%	1.72%	0.00%	0.00%
Debt servicing / Rate revenue	Below 5%	0.82%	0.68%	0.59%	0.47%	0.36%	0.27%	0.20%	0.14%	0.08%	0.02%	0.00%
Debt commitment / Rate revenue	Below 10%	4.20%	4.01%	3.91%	3.80%	3.71%	2.51%	2.45%	2.39%	2.33%	1.70%	0.00%
Indebtedness / Own source revenue	Below 60%	17.03%	14.09%	11.23%	8.51%	6.67%	4.95%	3.37%	1.81%	0.66%	0.64%	0.63%

5.2 Reserves Strategy

5.2.1 Current Reserves

Open Space Reserve

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

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

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

5.2.2 Reserve Usage Projections

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

Reserves	Restricted	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Public Open Space Reserve												
Opening balance		21,710	24,440	27,242	27,242	27,242	27,242	27,242	27,242	27,242	27,242	27,242
Transfer to reserve		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfer from reserve		(2,270)	(2,198)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Closing balance		24,440	27,242	27,242	27,242	27,242	27,242	27,242	27,242	27,242	27,242	27,242