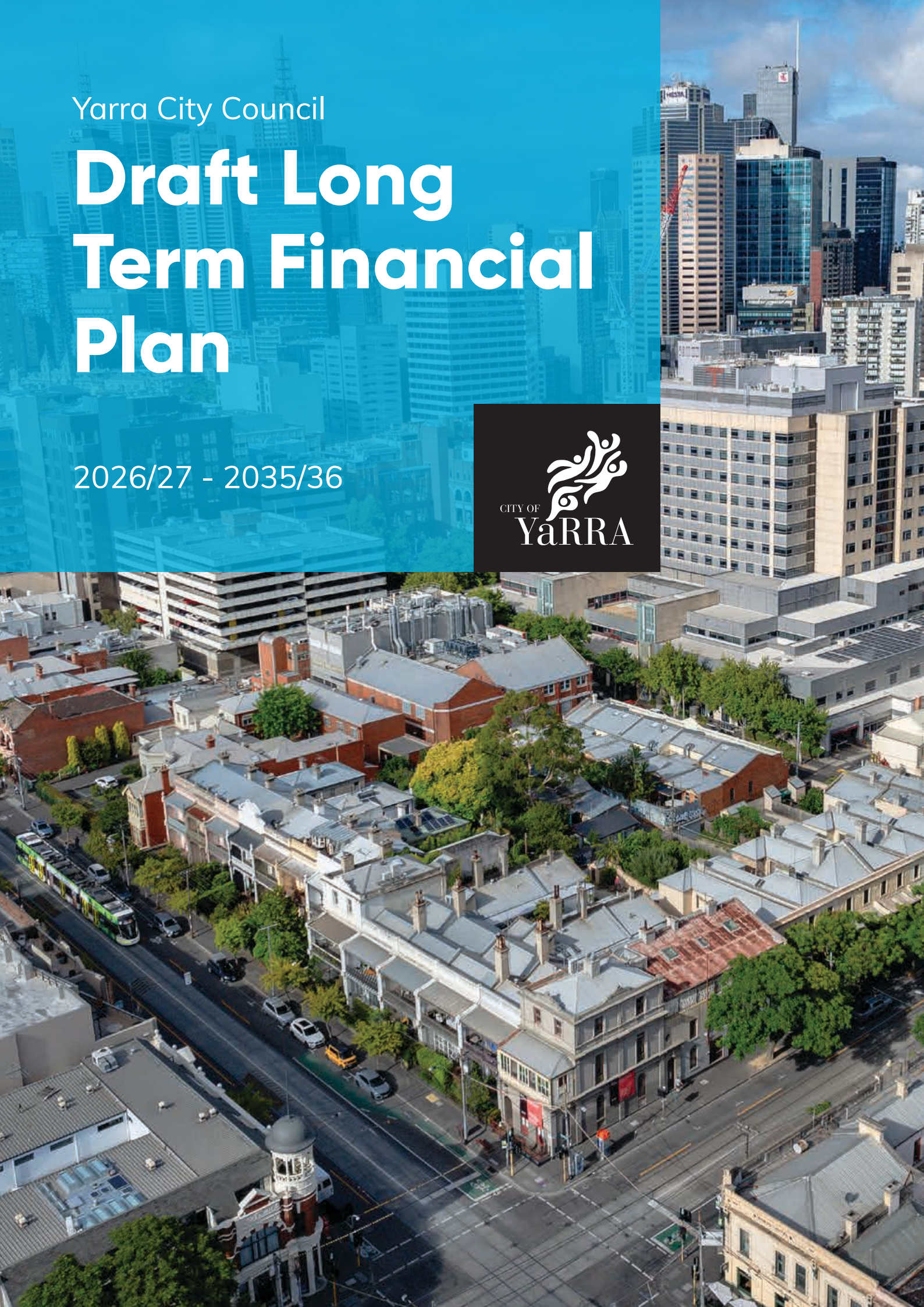
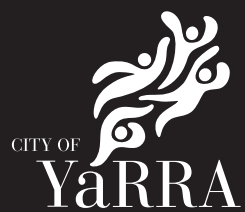


Yarra City Council

# Draft Long Term Financial Plan

2026/27 - 2035/36



# Wominjeka

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 and present.

## Content

|                                                                     |    |
|---------------------------------------------------------------------|----|
| Executive Summary                                                   | 3  |
| Local Government Sector and Yarra City challenges and opportunities | 4  |
| Financial Plan Context                                              | 6  |
| Financial Plan Statements                                           | 12 |
| Comprehensive Income Statement                                      | 12 |
| Balance Sheet                                                       | 14 |
| Statement of Changes in Equity                                      | 16 |
| Statement of Cash Flows                                             | 20 |
| Statement of Capital Works                                          | 22 |
| Statement of Human Resources                                        | 24 |
| Financial performance indicators                                    | 34 |
| Strategies and Plans                                                | 39 |

# Executive Summary

**Yarra City Council's Long Term Financial Plan 2026/27 to 2035/36 sets out a clear and responsible financial pathway to deliver the priorities of the Council Plan 2025/29 and the Yarra 2036 Community Vision. It reflects the community's expectations for a city that is liveable, inclusive and financially sustainable, with reliable services, accessible open space and infrastructure that meets the needs of both current and future residents.**

Yarra is projected to grow significantly over the coming decades, including approximately 44,000 additional dwellings by 2050, increasing demand on local infrastructure, public spaces and essential services. This growth requires careful planning to ensure that the city continues to function effectively while maintaining the qualities that make it a desirable place to live.

In response, Council has developed a 10-year capital works program focused on maintaining and renewing existing assets while preparing for future demand. This includes continued investment in roads, community facilities and public spaces, alongside a strong emphasis on improving the quality, accessibility and usability of open space. Given the constraints of an inner metropolitan environment, the Plan also provides for strategic land acquisitions to expand green space over time. These investments may be partially funded through borrowings, which will be applied in a measured and responsible way to ensure that costs are shared fairly across current and future generations.

At the same time, the Plan recognises the importance of improving how services are delivered. Ongoing investment in modern systems and digital capabilities will enable Council to provide faster, more accessible and more responsive services, making it easier for the community to engage with Council and access support when needed.

The financial environment in which the Council operates remains challenging. Like the broader local government sector, Yarra continues to face structural financial pressures, with the cost of delivering services increasing at a rate consistently above the State-imposed rate cap. Key cost drivers include sustained increases in construction materials, utilities, waste charges and labour. These factors limit the Council's ability to generate additional revenue and strain its capacity to fund services, maintain assets, and deliver new infrastructure.

To manage these challenges, the Plan is underpinned by the Council's Financial Sustainability Strategy, which provides a disciplined framework for balancing investment with long-term affordability. This approach supports the delivery of a scaled but sustainable capital program, the establishment of appropriate cash reserves, and ongoing monitoring of financial risks. It also ensures that decision-making remains transparent and aligned with community expectations.

Overall, the Long-Term Financial Plan presents a balanced, forward-looking approach maintaining essential services, protecting and enhancing open space, and investing in infrastructure to support a growing population, while carefully managing financial constraints. It provides the stability and flexibility needed to support Yarra's continued growth and ensures the city remains a strong, safe and vibrant community for current and future generations.

# Local Government Sector and Yarra City challenges and opportunities

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 and significant increases to the cost of materials and services, (through higher utilities and statutory waste charges) and labour (superannuation, workcover and sector-specific increases). At the same time, Yarra's population will grow significantly by the 2040's, putting increasing pressure on services and infrastructure. It is anticipated that Yarra's population will increase to approximately 150,000 by the year 2040.

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 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.

Despite all the financial challenges Yarra City Council has delivered a Financial Plan that enables new investment in a scaled-up capital works programs, to establish cash reserves to help prepare Council for renew and future population growth.

Through the Financial Sustainability Strategy (FSS), Council has strengthened its financial position, whilst able to deliver service and infrastructure levels without the need to significantly increase rates or significantly reduce services.

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

The Financial Plan commits to reinvesting 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. The Financial Plan continues 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.

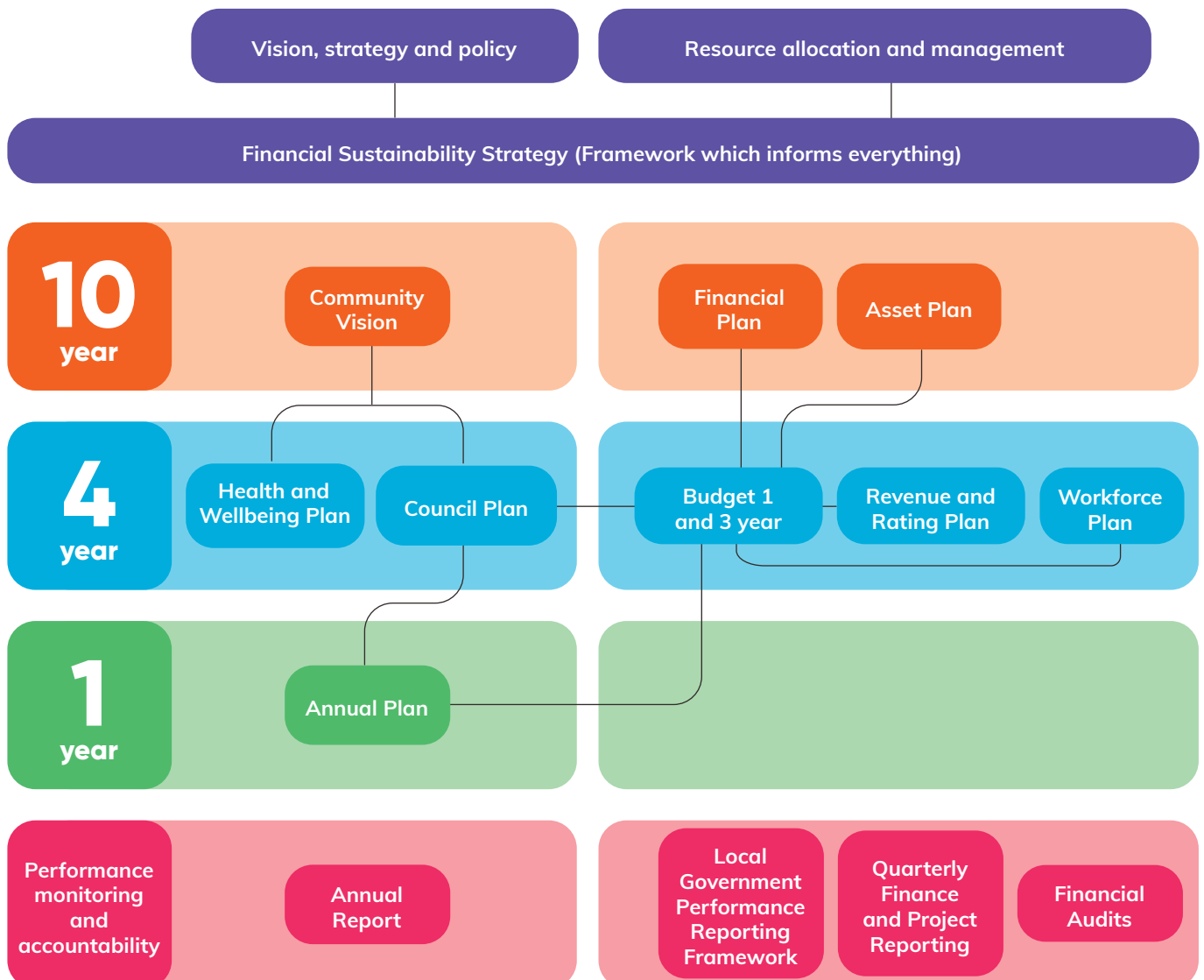
## 2.1. Introduction

The Financial Plan is developed through the Local Government Act 2020 (LGA) and provided a ten year financially sustainable projection regarding how the actions of the Council Plan 2025/2029 may be funded to achieve the aspirations in Yarra 2036 Community Vision.

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 2025 to 30 June 2029) and our 10-year financial and asset management plans. The community engagement on the 2026/27 Budget and Financial Plan was delivered in line with our Community Engagement Policy.

The development of the 2026/27 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 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) '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 News;
- (f) Digital Screens in customer service centres, libraries and leisure centres;
- (g) Social media;
- (h) FAQs on Your Say Yarra project page.

## 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

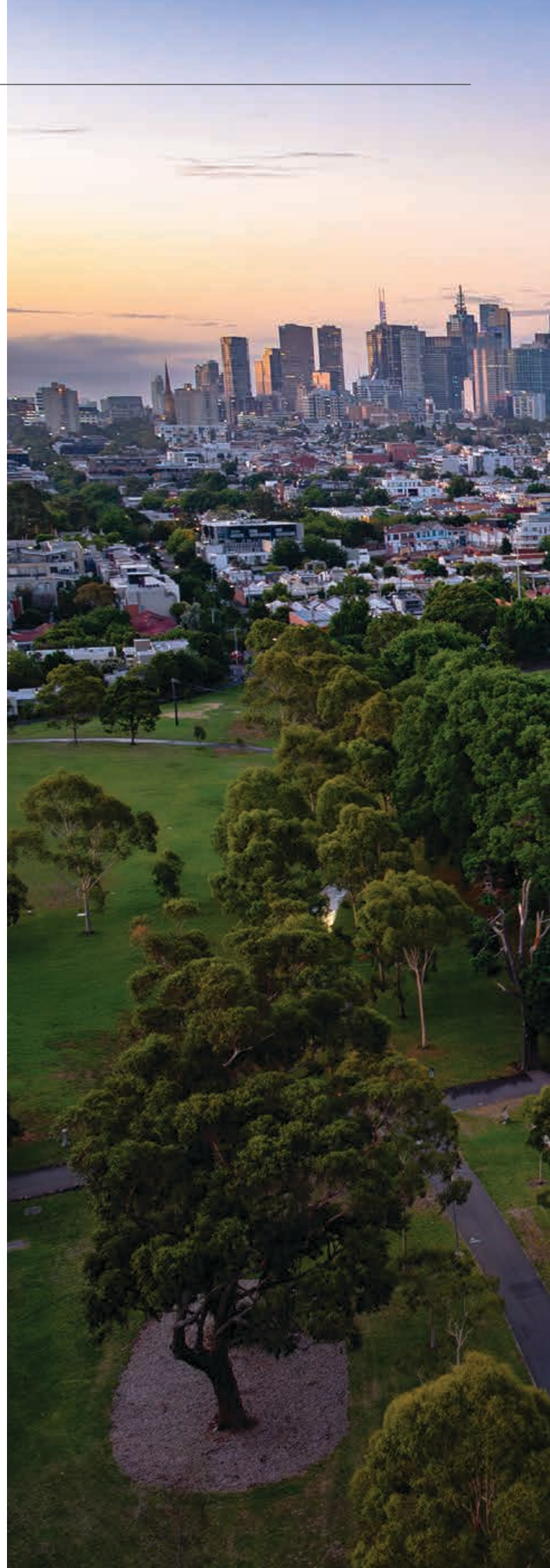
## 2.6. Asset Plan Integration

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.





### 3. Financial Plan Statements

#### 3.1 Comprehensive Income Statement

|                                                                                 | Assump-<br>tions | Forecast |         |         |
|---------------------------------------------------------------------------------|------------------|----------|---------|---------|
|                                                                                 |                  | 2025/26  | 2026/27 | 2027/28 |
|                                                                                 |                  | \$'000   | \$'000  | \$'000  |
| Income / Revenue                                                                |                  |          |         |         |
| Rates and charges                                                               | 4.1.1            | 146,286  | 150,286 | 159,601 |
| Statutory fees and fines                                                        | 4.1.2            | 42,168   | 45,071  | 46,198  |
| User fees                                                                       | 4.1.3            | 34,762   | 34,001  | 34,851  |
| Grants - operating                                                              | 4.1.4            | 16,882   | 17,901  | 18,348  |
| Grants - capital                                                                | 4.1.4            | 9,809    | 8,632   | 7,837   |
| Contributions - monetary                                                        | 4.1.5            | 3,114    | 3,116   | 6,694   |
| Net gain (or loss) on disposal of property, infrastructure, plant and equipment |                  | 654      | 329     | 50      |
| Other income                                                                    | 4.1.6            | 5,167    | 5,113   | 2,576   |
| Total income / revenue                                                          |                  | 258,841  | 264,451 | 276,156 |
| Expenses                                                                        |                  |          |         |         |
| Employee costs                                                                  | 4.1.7            | 104,969  | 109,434 | 112,053 |
| Materials and services                                                          | 4.1.8            | 92,924   | 104,205 | 98,727  |
| Depreciation                                                                    | 4.1.9            | 30,718   | 32,531  | 32,844  |
| Amortisation - right of use assets                                              | 4.1.11           | 1,269    | 1,269   | 1,145   |
| Allowance for impairment losses                                                 |                  | 4,659    | 4,659   | 4,351   |
| Borrowing costs                                                                 | 4.1.10           | 651      | 509     | 397     |
| Finance Costs - leases                                                          | 4.1.10           | 218      | 141     | 219     |
| Other expenses                                                                  | 4.1.12           | 794      | 778     | 797     |
| Total expenses                                                                  |                  | 236,201  | 253,526 | 250,533 |
| Surplus/(deficit) for the year                                                  |                  |          |         |         |
|                                                                                 |                  | 22,640   | 10,925  | 25,623  |
| Other comprehensive income                                                      |                  |          |         |         |
| Items that will not be reclassified to surplus or deficit in future periods     |                  |          |         |         |
| Net asset revaluation gain /(loss)                                              |                  | 121,707  | 21,603  | 87,584  |
| Total other comprehensive income                                                |                  | 121,707  | 21,603  | 87,584  |
| Total comprehensive result                                                      |                  |          |         |         |
|                                                                                 |                  | 144,347  | 32,528  | 113,208 |

| 2028/29        | 2029/30        | 2030/31        | 2031/32        | 2032/33        | 2033/34        | 2034/35        | 2035/36        |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| \$'000         | \$'000         | \$'000         | \$'000         | \$'000         | \$'000         | \$'000         | \$'000         |
| 164,781        | 170,205        | 175,777        | 181,502        | 187,384        | 193,427        | 199,635        | 206,014        |
| 47,353         | 48,537         | 49,750         | 50,994         | 52,269         | 53,576         | 54,915         | 56,288         |
| 35,723         | 36,616         | 37,531         | 38,469         | 39,431         | 40,417         | 41,427         | 42,463         |
| 18,807         | 19,277         | 19,759         | 20,253         | 20,759         | 21,278         | 21,810         | 22,356         |
| 637            | 637            | 637            | 637            | 637            | 637            | 637            | 637            |
| 6,862          | 7,033          | 7,209          | 7,389          | 7,574          | 7,763          | 7,957          | 8,156          |
| 50             | 50             | 50             | 50             | 50             | 50             | 50             | 50             |
| 2,595          | 2,615          | 2,635          | 2,656          | 2,678          | 2,699          | 2,722          | 2,745          |
| <b>276,807</b> | <b>284,970</b> | <b>293,349</b> | <b>301,951</b> | <b>310,782</b> | <b>319,847</b> | <b>329,154</b> | <b>338,709</b> |
| 117,783        | 123,468        | 128,764        | 134,281        | 139,836        | 145,775        | 151,262        | 156,199        |
| 99,905         | 102,728        | 105,631        | 108,619        | 111,693        | 114,857        | 118,112        | 121,461        |
| 34,397         | 34,893         | 37,281         | 37,912         | 39,452         | 39,862         | 42,278         | 42,690         |
| 889            | 1,159          | 1,422          | 1,553          | 1,294          | 1,031          | 1,355          | 1,819          |
| 4,460          | 4,571          | 4,686          | 4,803          | 4,923          | 5,046          | 5,172          | 5,301          |
| 310            | 221            | 1,029          | 1,746          | 1,566          | 1,386          | 1,206          | 1,026          |
| 134            | 167            | 166            | 311            | 198            | 98             | 137            | 400            |
| 817            | 838            | 859            | 880            | 902            | 925            | 948            | 972            |
| <b>258,696</b> | <b>268,045</b> | <b>279,837</b> | <b>290,104</b> | <b>299,865</b> | <b>308,979</b> | <b>320,469</b> | <b>329,867</b> |
| <b>18,111</b>  | <b>16,925</b>  | <b>13,512</b>  | <b>11,848</b>  | <b>10,917</b>  | <b>10,869</b>  | <b>8,685</b>   | <b>8,842</b>   |
| 22,932         | 139,571        | 24,854         | 101,098        | 26,301         | 159,449        | 28,186         | 113,839        |
| <b>22,932</b>  | <b>139,571</b> | <b>24,854</b>  | <b>101,098</b> | <b>26,301</b>  | <b>159,449</b> | <b>28,186</b>  | <b>113,839</b> |
| <b>41,043</b>  | <b>156,497</b> | <b>38,366</b>  | <b>112,945</b> | <b>37,218</b>  | <b>170,317</b> | <b>36,871</b>  | <b>122,681</b> |

## 3.2 Balance Sheet

|                                                                | Forecast         |                  |                  |
|----------------------------------------------------------------|------------------|------------------|------------------|
|                                                                | 2025/26          | 2026/27          | 2027/28          |
|                                                                | \$'000           | \$'000           | \$'000           |
| <b>Assets</b>                                                  |                  |                  |                  |
| <b>Current assets</b>                                          |                  |                  |                  |
| Cash and cash equivalents                                      | 119,006          | 114,729          | 115,752          |
| Trade and other receivables                                    | 42,428           | 47,350           | 52,550           |
| Other financial assets                                         | 1,955            | 1,955            | 1,955            |
| Inventories                                                    | 77               | 77               | 77               |
| <b>Total current assets</b>                                    | <b>163,466</b>   | <b>164,111</b>   | <b>170,335</b>   |
| <b>Non-current assets</b>                                      |                  |                  |                  |
| Investments in associates, joint arrangements and subsidiaries | 5                | 5                | 5                |
| Property, infrastructure, plant & equipment                    | 2,160,292        | 2,189,611        | 2,293,155        |
| Right-of-use assets                                            | 2,493            | 1,427            | 2,484            |
| <b>Total non-current assets</b>                                | <b>2,162,790</b> | <b>2,191,043</b> | <b>2,295,644</b> |
| <b>Total assets</b>                                            | <b>2,326,256</b> | <b>2,355,153</b> | <b>2,465,978</b> |
| <b>Liabilities</b>                                             |                  |                  |                  |
| <b>Current liabilities</b>                                     |                  |                  |                  |
| Trade and other payables                                       | 11,791           | 13,944           | 13,779           |
| Trust funds and deposits                                       | 17,598           | 17,598           | 17,598           |
| Contract and other liabilities                                 | 8,552            | 8,552            | 8,552            |
| Provisions                                                     | 17,148           | 17,148           | 17,148           |
| Interest-bearing liabilities                                   | 4,811            | 3,305            | 3,391            |
| Lease liabilities                                              | 1,326            | 1,077            | 866              |
| <b>Total current liabilities</b>                               | <b>61,226</b>    | <b>61,624</b>    | <b>61,334</b>    |
| <b>Non-current liabilities</b>                                 |                  |                  |                  |
| Provisions                                                     | 1,446            | 1,582            | 1,638            |
| Other liabilities                                              | 411              | 411              | 411              |
| Interest-bearing liabilities                                   | 16,489           | 13,184           | 9,792            |
| Lease liabilities                                              | 1,309            | 450              | 1,693            |
| <b>Total non-current liabilities</b>                           | <b>19,655</b>    | <b>15,627</b>    | <b>13,534</b>    |
| <b>Total liabilities</b>                                       | <b>80,881</b>    | <b>77,251</b>    | <b>74,868</b>    |
| <b>Net assets</b>                                              | <b>2,245,375</b> | <b>2,277,903</b> | <b>2,391,110</b> |
| <b>Equity</b>                                                  |                  |                  |                  |
| Accumulated surplus                                            | 735,949          | 746,424          | 771,009          |
| Asset revaluation Reserve                                      | 1,464,549        | 1,486,152        | 1,573,736        |
| Reserves                                                       | 44,877           | 45,327           | 46,365           |
| <b>Total equity</b>                                            | <b>2,245,375</b> | <b>2,277,903</b> | <b>2,391,110</b> |

| 2028/29          | 2029/30          | 2030/31          | 2031/32          | 2032/33          | 2033/34          | 2034/35          | 2035/36          |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| \$'000           | \$'000           | \$'000           | \$'000           | \$'000           | \$'000           | \$'000           | \$'000           |
|                  |                  |                  |                  |                  |                  |                  |                  |
| 115,533          | 119,419          | 122,104          | 122,951          | 124,268          | 125,107          | 125,402          | 126,493          |
| 57,916           | 63,456           | 69,173           | 75,074           | 81,162           | 87,443           | 93,922           | 100,605          |
| 1,955            | 1,955            | 1,955            | 1,955            | 1,955            | 1,955            | 1,955            | 1,955            |
| 77               | 77               | 77               | 77               | 77               | 77               | 77               | 77               |
| <b>175,482</b>   | <b>184,908</b>   | <b>193,310</b>   | <b>200,057</b>   | <b>207,462</b>   | <b>214,582</b>   | <b>221,356</b>   | <b>229,130</b>   |
|                  |                  |                  |                  |                  |                  |                  |                  |
| 5                | 5                | 5                | 5                | 5                | 5                | 5                | 5                |
| 2,326,189        | 2,485,367        | 2,527,441        | 2,630,127        | 2,657,476        | 2,818,562        | 2,845,970        | 2,958,619        |
| 1,835            | 3,308            | 1,886            | 4,337            | 1,990            | 959              | 3,054            | 5,558            |
| <b>2,328,029</b> | <b>2,488,680</b> | <b>2,529,332</b> | <b>2,634,469</b> | <b>2,659,471</b> | <b>2,819,526</b> | <b>2,849,029</b> | <b>2,964,182</b> |
| <b>2,503,511</b> | <b>2,673,588</b> | <b>2,722,641</b> | <b>2,834,525</b> | <b>2,866,933</b> | <b>3,034,108</b> | <b>3,070,385</b> | <b>3,193,312</b> |
|                  |                  |                  |                  |                  |                  |                  |                  |
| 14,228           | 14,742           | 15,391           | 15,956           | 16,493           | 16,994           | 17,626           | 18,143           |
| 17,598           | 17,598           | 17,598           | 17,598           | 17,598           | 17,598           | 17,598           | 17,598           |
| 8,552            | 8,552            | 8,552            | 8,552            | 8,552            | 8,552            | 8,552            | 8,552            |
| 17,148           | 17,148           | 17,148           | 17,148           | 17,148           | 17,148           | 17,148           | 17,148           |
| 3,480            | 3,572            | 4,240            | 3,000            | 3,000            | 3,000            | 3,000            | 3,000            |
| 1,144            | 1,451            | 1,453            | 1,266            | 1,061            | 1,396            | 1,667            | -                |
| <b>62,151</b>    | <b>63,063</b>    | <b>64,383</b>    | <b>63,519</b>    | <b>63,852</b>    | <b>64,688</b>    | <b>65,590</b>    | <b>64,441</b>    |
|                  |                  |                  |                  |                  |                  |                  |                  |
| 1,695            | 1,754            | 1,816            | 1,879            | 1,945            | 2,013            | 2,083            | 2,156            |
| 411              | 411              | 411              | 411              | 411              | 411              | 411              | 411              |
| 6,312            | 17,740           | 28,500           | 25,500           | 22,500           | 19,500           | 16,500           | 13,500           |
| 789              | 1,970            | 516              | 3,255            | 1,046            | -                | 1,433            | 5,756            |
| <b>9,207</b>     | <b>21,875</b>    | <b>31,243</b>    | <b>31,045</b>    | <b>25,902</b>    | <b>21,924</b>    | <b>20,427</b>    | <b>21,823</b>    |
| <b>71,358</b>    | <b>84,938</b>    | <b>95,625</b>    | <b>94,564</b>    | <b>89,753</b>    | <b>86,612</b>    | <b>86,018</b>    | <b>86,264</b>    |
| <b>2,432,153</b> | <b>2,588,650</b> | <b>2,627,016</b> | <b>2,739,961</b> | <b>2,777,179</b> | <b>2,947,496</b> | <b>2,984,367</b> | <b>3,107,048</b> |
|                  |                  |                  |                  |                  |                  |                  |                  |
| 788,989          | 805,630          | 815,067          | 820,934          | 831,247          | 841,274          | 848,976          | 856,055          |
| 1,596,668        | 1,736,239        | 1,761,093        | 1,862,190        | 1,888,492        | 2,047,940        | 2,076,126        | 2,189,964        |
| 46,496           | 46,781           | 50,856           | 56,836           | 57,441           | 58,283           | 59,266           | 61,028           |
| <b>2,432,153</b> | <b>2,588,650</b> | <b>2,627,016</b> | <b>2,739,961</b> | <b>2,777,179</b> | <b>2,947,496</b> | <b>2,984,367</b> | <b>3,107,048</b> |

### 3.3 Statement of Changes in Equity

|                                             | Total            | Accumulated Surplus | Revaluation Reserve | Other Reserves |
|---------------------------------------------|------------------|---------------------|---------------------|----------------|
|                                             | \$'000           | \$'000              | \$'000              | \$'000         |
| <b>2026 Forecast</b>                        |                  |                     |                     |                |
| Balance at beginning of the financial year  | 2,101,027        | 714,714             | 1,342,841           | 43,472         |
| Surplus/(deficit) for the year              | 22,640           | 22,640              | -                   | -              |
| Net asset revaluation gain/(loss)           | 121,707          | -                   | 121,707             | -              |
| Transfers to other reserves                 | -                | (9,154)             | -                   | 9,154          |
| Transfers from other reserves               | -                | 7,749               | -                   | (7,749)        |
| <b>Balance at end of the financial year</b> | <b>2,245,375</b> | <b>735,949</b>      | <b>1,464,549</b>    | <b>44,877</b>  |
| <b>2027 Budget</b>                          |                  |                     |                     |                |
| Balance at beginning of the financial year  | 2,245,375        | 735,949             | 1,464,549           | 44,877         |
| Surplus/(deficit) for the year              | 10,925           | 10,925              | -                   | -              |
| Net asset revaluation gain/(loss)           | 21,603           | -                   | 21,603              | -              |
| Transfers to other reserves                 | -                | (9,500)             | -                   | 9,500          |
| Transfers from other reserves               | -                | 9,050               | -                   | (9,050)        |
| <b>Balance at end of the financial year</b> | <b>2,277,903</b> | <b>746,424</b>      | <b>1,486,152</b>    | <b>45,327</b>  |
| <b>2028</b>                                 |                  |                     |                     |                |
| Balance at beginning of the financial year  | 2,277,903        | 746,424             | 1,486,152           | 45,327         |
| Surplus/(deficit) for the year              | 25,623           | 25,623              | -                   | -              |
| Net asset revaluation gain/(loss)           | 87,584           | -                   | 87,584              | -              |
| Transfers to other reserves                 | -                | (6,038)             | -                   | 6,038          |
| Transfers from other reserves               | -                | 5,000               | -                   | (5,000)        |
| <b>Balance at end of the financial year</b> | <b>2,391,110</b> | <b>771,009</b>      | <b>1,573,736</b>    | <b>46,365</b>  |
| <b>2029</b>                                 |                  |                     |                     |                |
| Balance at beginning of the financial year  | 2,391,110        | 771,009             | 1,573,736           | 46,365         |
| Surplus/(deficit) for the year              | 18,111           | 18,111              | -                   | -              |
| Net asset revaluation gain/(loss)           | 22,932           | -                   | 22,932              | -              |
| Transfers to other reserves                 | -                | (5,163)             | -                   | 5,163          |
| Transfers from other reserves               | -                | 5,032               | -                   | (5,032)        |
| <b>Balance at end of the financial year</b> | <b>2,432,153</b> | <b>788,989</b>      | <b>1,596,668</b>    | <b>46,496</b>  |

|  | Total  | Accumulated<br>Surplus | Revaluation<br>Reserve | Other<br>Reserves |
|--|--------|------------------------|------------------------|-------------------|
|  | \$'000 | \$'000                 | \$'000                 | \$'000            |

**2030**

|                                             |                  |                |                  |               |
|---------------------------------------------|------------------|----------------|------------------|---------------|
| Balance at beginning of the financial year  | 2,432,153        | 788,989        | 1,596,668        | 46,496        |
| Surplus/(deficit) for the year              | 16,925           | 16,925         | -                | -             |
| Net asset revaluation gain/(loss)           | 139,571          | -              | 139,571          | -             |
| Transfers to other reserves                 | -                | (5,293)        | -                | 5,293         |
| Transfers from other reserves               | -                | 5,008          | -                | (5,008)       |
| <b>Balance at end of the financial year</b> | <b>2,588,650</b> | <b>805,630</b> | <b>1,736,239</b> | <b>46,781</b> |

**2031**

|                                             |                  |                |                  |               |
|---------------------------------------------|------------------|----------------|------------------|---------------|
| Balance at beginning of the financial year  | 2,588,650        | 805,630        | 1,736,239        | 46,781        |
| Surplus/(deficit) for the year              | 13,512           | 13,512         | -                | -             |
| Net asset revaluation gain/(loss)           | 24,854           | -              | 24,854           | -             |
| Transfers to other reserves                 | -                | (10,925)       | -                | 10,925        |
| Transfers from other reserves               | -                | 6,850          | -                | (6,850)       |
| <b>Balance at end of the financial year</b> | <b>2,627,016</b> | <b>815,067</b> | <b>1,761,093</b> | <b>50,856</b> |

**2032**

|                                             |                  |                |                  |               |
|---------------------------------------------|------------------|----------------|------------------|---------------|
| Balance at beginning of the financial year  | 2,627,016        | 815,067        | 1,761,093        | 50,856        |
| Surplus/(deficit) for the year              | 11,848           | 11,848         | -                | -             |
| Net asset revaluation gain/(loss)           | 101,098          | -              | 101,098          | -             |
| Transfers to other reserves                 | -                | (11,060)       | -                | 11,060        |
| Transfers from other reserves               | -                | 5,080          | -                | (5,080)       |
| <b>Balance at end of the financial year</b> | <b>2,739,961</b> | <b>820,934</b> | <b>1,862,190</b> | <b>56,836</b> |

**2033**

|                                             |                  |                |                  |               |
|---------------------------------------------|------------------|----------------|------------------|---------------|
| Balance at beginning of the financial year  | 2,739,961        | 820,934        | 1,862,190        | 56,836        |
| Surplus/(deficit) for the year              | 10,917           | 10,917         | -                | -             |
| Net asset revaluation gain/(loss)           | 26,301           | -              | 26,301           | -             |
| Transfers to other reserves                 | -                | (5,699)        | -                | 5,699         |
| Transfers from other reserves               | -                | 5,095          | -                | (5,095)       |
| <b>Balance at end of the financial year</b> | <b>2,777,179</b> | <b>831,247</b> | <b>1,888,492</b> | <b>57,441</b> |

|  | Total  | Accumulated<br>Surplus | Revaluation<br>Reserve | Other<br>Reserves |
|--|--------|------------------------|------------------------|-------------------|
|  | \$'000 | \$'000                 | \$'000                 | \$'000            |

**2034**

|                                             |                  |                |                  |               |
|---------------------------------------------|------------------|----------------|------------------|---------------|
| Balance at beginning of the financial year  | 2,777,179        | 831,247        | 1,888,492        | 57,441        |
| Surplus/(deficit) for the year              | 10,869           | 10,869         | -                | -             |
| Net asset revaluation gain/(loss)           | 159,449          | -              | 159,449          | -             |
| Transfers to other reserves                 | -                | (5,842)        | -                | 5,842         |
| Transfers from other reserves               | -                | 5,000          | -                | (5,000)       |
| <b>Balance at end of the financial year</b> | <b>2,947,496</b> | <b>841,274</b> | <b>2,047,940</b> | <b>58,283</b> |

**2035**

|                                             |                  |                |                  |               |
|---------------------------------------------|------------------|----------------|------------------|---------------|
| Balance at beginning of the financial year  | 2,947,496        | 841,274        | 2,047,940        | 58,283        |
| Surplus/(deficit) for the year              | 8,685            | 8,685          | -                | -             |
| Net asset revaluation gain/(loss)           | 28,186           | -              | 28,186           | -             |
| Transfers to other reserves                 | -                | (5,988)        | -                | 5,988         |
| Transfers from other reserves               | -                | 5,005          | -                | (5,005)       |
| <b>Balance at end of the financial year</b> | <b>2,984,367</b> | <b>848,976</b> | <b>2,076,126</b> | <b>59,266</b> |

**2036**

|                                             |                  |                |                  |               |
|---------------------------------------------|------------------|----------------|------------------|---------------|
| Balance at beginning of the financial year  | 2,984,367        | 848,976        | 2,076,126        | 59,266        |
| Surplus/(deficit) for the year              | 8,842            | 8,842          | -                | -             |
| Net asset revaluation gain/(loss)           | 113,839          | -              | 113,839          | -             |
| Transfers to other reserves                 | -                | (6,138)        | -                | 6,138         |
| Transfers from other reserves               | -                | 4,375          | -                | (4,375)       |
| <b>Balance at end of the financial year</b> | <b>3,107,048</b> | <b>856,055</b> | <b>2,189,964</b> | <b>61,028</b> |



### 3.4 Statement of Cash Flows

|                                                                     | Forecast        |                 |                 |
|---------------------------------------------------------------------|-----------------|-----------------|-----------------|
|                                                                     | 2025/26         | 2026/27         | 2027/28         |
|                                                                     | \$'000          | \$'000          | \$'000          |
|                                                                     | Inflows         | Inflows         | Inflows         |
|                                                                     | (Outflows)      | (Outflows)      | (Outflows)      |
| <b>Cash flows from operating activities</b>                         |                 |                 |                 |
| Rates and charges                                                   | 141,024         | 145,364         | 154,401         |
| Statutory fees and fines                                            | 37,509          | 40,412          | 41,847          |
| User fees                                                           | 34,762          | 34,001          | 34,851          |
| Grants - operating                                                  | 16,882          | 17,901          | 18,348          |
| Grants - capital                                                    | 7,380           | 8,632           | 7,837           |
| Contributions - monetary                                            | 3,114           | 3,116           | 6,694           |
| Interest received                                                   | 3,475           | 4,356           | 1,800           |
| Other receipts                                                      | 1,692           | 757             | 776             |
| Employee costs                                                      | (104,853)       | (109,298)       | (111,998)       |
| Materials and services                                              | (96,421)        | (102,052)       | (98,891)        |
| Other payments                                                      | (794)           | (778)           | (797)           |
| <b>Net cash provided by/(used in) operating activities</b>          | <b>43,769</b>   | <b>42,412</b>   | <b>54,868</b>   |
| <b>Cash flows from investing activities</b>                         |                 |                 |                 |
| Payments for property, infrastructure, plant and equipment          | (40,881)        | (40,277)        | (49,304)        |
| Proceeds from sale of property, infrastructure, plant and equipment | 686             | 360             | 550             |
| <b>Net cash provided by/ (used in) investing activities</b>         | <b>(40,195)</b> | <b>(39,917)</b> | <b>(48,754)</b> |
| <b>Cash flows from financing activities</b>                         |                 |                 |                 |
| Finance costs                                                       | (651)           | (509)           | (397)           |
| Proceeds from borrowings                                            | -               | -               | -               |
| Repayment of borrowings                                             | (4,669)         | (4,811)         | (3,305)         |
| Interest paid - lease liability                                     | (218)           | (141)           | (219)           |
| Repayment of lease liabilities                                      | (1,274)         | (1,311)         | (1,171)         |
| <b>Net cash provided by/(used in) financing activities</b>          | <b>(6,812)</b>  | <b>(6,772)</b>  | <b>(5,091)</b>  |
| <b>Net increase/(decrease) in cash &amp; cash equivalents</b>       | <b>(3,237)</b>  | <b>(4,277)</b>  | <b>1,024</b>    |
| Cash and cash equivalents at the beginning of the financial year    | 122,243         | 119,006         | 114,729         |
| <b>Cash and cash equivalents at the end of the financial year</b>   | <b>119,006</b>  | <b>114,729</b>  | <b>115,752</b>  |

| 2028/29         | 2029/30         | 2030/31         | 2031/32         | 2032/33         | 2033/34         | 2034/35         | 2035/36         |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| \$'000          | \$'000          | \$'000          | \$'000          | \$'000          | \$'000          | \$'000          | \$'000          |
| Inflows         | Inflows         | Inflows         | Inflows         | Inflows         | Inflows         | Inflows         | Inflows         |
| (Outflows)      | (Outflows)      | (Outflows)      | (Outflows)      | (Outflows)      | (Outflows)      | (Outflows)      | (Outflows)      |
| 159,415         | 164,666         | 170,060         | 175,602         | 181,296         | 187,146         | 193,156         | 199,331         |
| 42,893          | 43,966          | 45,065          | 46,191          | 47,346          | 48,530          | 49,743          | 50,987          |
| 35,723          | 36,616          | 37,531          | 38,469          | 39,431          | 40,417          | 41,427          | 42,463          |
| 18,807          | 19,277          | 19,759          | 20,253          | 20,759          | 21,278          | 21,810          | 22,356          |
| 637             | 637             | 637             | 637             | 637             | 637             | 637             | 637             |
| 6,862           | 7,033           | 7,209           | 7,389           | 7,574           | 7,763           | 7,957           | 8,156           |
| 1,800           | 1,800           | 1,800           | 1,800           | 1,800           | 1,800           | 1,800           | 1,800           |
| 795             | 815             | 835             | 856             | 878             | 899             | 922             | 945             |
| (117,726)       | (123,409)       | (128,702)       | (134,217)       | (139,770)       | (145,707)       | (151,192)       | (156,126)       |
| (99,456)        | (102,213)       | (104,983)       | (108,054)       | (111,156)       | (114,355)       | (117,480)       | (120,944)       |
| (817)           | (838)           | (859)           | (880)           | (902)           | (925)           | (948)           | (972)           |
| <b>48,932</b>   | <b>48,349</b>   | <b>48,353</b>   | <b>48,047</b>   | <b>47,892</b>   | <b>47,484</b>   | <b>47,834</b>   | <b>48,633</b>   |
| (45,000)        | (55,000)        | (55,000)        | (40,000)        | (41,000)        | (42,000)        | (42,000)        | (42,000)        |
| 550             | 550             | 550             | 550             | 550             | 550             | 550             | 550             |
| <b>(44,450)</b> | <b>(54,450)</b> | <b>(54,450)</b> | <b>(39,450)</b> | <b>(40,450)</b> | <b>(41,450)</b> | <b>(41,450)</b> | <b>(41,450)</b> |
| (310)           | (221)           | (1,029)         | (1,746)         | (1,566)         | (1,386)         | (1,206)         | (1,026)         |
| -               | 15,000          | 15,000          | -               | -               | -               | -               | -               |
| (3,391)         | (3,480)         | (3,572)         | (4,240)         | (3,000)         | (3,000)         | (3,000)         | (3,000)         |
| (134)           | (167)           | (166)           | (311)           | (198)           | (98)            | (137)           | (400)           |
| (866)           | (1,144)         | (1,451)         | (1,453)         | (1,361)         | (711)           | (1,747)         | (1,667)         |
| <b>(4,701)</b>  | <b>9,987</b>    | <b>8,782</b>    | <b>(7,750)</b>  | <b>(6,125)</b>  | <b>(5,194)</b>  | <b>(6,089)</b>  | <b>(6,092)</b>  |
| (219)           | 3,886           | 2,685           | 847             | 1,317           | 840             | 295             | 1,091           |
| 115,752         | 115,533         | 119,419         | 122,104         | 122,951         | 124,268         | 125,107         | 125,402         |
| <b>115,533</b>  | <b>119,419</b>  | <b>122,104</b>  | <b>122,951</b>  | <b>124,268</b>  | <b>125,107</b>  | <b>125,402</b>  | <b>126,493</b>  |

### 3.5 Statement of Capital Works

|                                        | Forecast      |               |               |
|----------------------------------------|---------------|---------------|---------------|
|                                        | 2025/26       | 2026/27       | 2027/28       |
|                                        | \$'000        | \$'000        | \$'000        |
| <b>Property</b>                        |               |               |               |
| Land                                   | 4,599         | -             | -             |
| <b>Total land</b>                      | <b>4,599</b>  |               |               |
| Buildings                              | 11,459        | 14,806        | 16,580        |
| <b>Total buildings</b>                 | <b>11,459</b> | <b>14,806</b> | <b>16,580</b> |
| <b>Total property</b>                  | <b>16,058</b> | <b>14,806</b> | <b>16,580</b> |
| <b>Plant and equipment</b>             |               |               |               |
| Waste management                       | 50            | 350           | 500           |
| Plant, machinery and equipment         | -             | -             | 940           |
| Computers and telecommunications       | 830           | 830           | 1,390         |
| Library books                          | 622           | 640           | 687           |
| <b>Total plant and equipment</b>       | <b>1,502</b>  | <b>1,820</b>  | <b>3,517</b>  |
| <b>Infrastructure</b>                  |               |               |               |
| Roads                                  | 6,434         | 3,718         | 7,755         |
| Bridges                                | -             | -             | 150           |
| Footpaths and cycleways                | 3,898         | 5,753         | 6,651         |
| Drainage                               | 4,265         | 4,240         | 4,150         |
| Parks, open space and streetscapes     | 7,890         | 9,380         | 9,815         |
| Kerb and channel                       | -             | 45            | -             |
| Other infrastructure                   | 835           | 515           | 686           |
| <b>Total infrastructure</b>            | <b>23,321</b> | <b>23,651</b> | <b>29,207</b> |
| <b>Total capital works expenditure</b> | <b>40,881</b> | <b>40,277</b> | <b>49,304</b> |
| <b>Represented by:</b>                 |               |               |               |
| New asset expenditure                  | 11,842        | 7,530         | 10,297        |
| Asset renewal expenditure              | 15,424        | 15,926        | 16,829        |
| Asset upgrade expenditure              | 13,615        | 16,821        | 22,179        |
| <b>Total capital works expenditure</b> | <b>40,881</b> | <b>40,277</b> | <b>49,304</b> |
| <b>Funding sources represented by:</b> |               |               |               |
| Grants                                 | 9,809         | 8,632         | 7,837         |
| Contributions                          | 7,749         | 5,050         | 5,000         |
| Council cash                           | 23,323        | 26,595        | 36,467        |
| <b>Total capital works expenditure</b> | <b>40,881</b> | <b>40,277</b> | <b>49,304</b> |

| 2028/29       | 2029/30       | 2030/31       | 2031/32       | 2032/33       | 2033/34       | 2034/35       | 2035/36       |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| \$'000        | \$'000        | \$'000        | \$'000        | \$'000        | \$'000        | \$'000        | \$'000        |
| -             | 15,000        | 15,000        | -             | -             | -             | -             | -             |
| -             | <b>15,000</b> | <b>15,000</b> | -             | -             | -             | -             | -             |
| 16,293        | 13,621        | 12,283        | 13,979        | 13,845        | 17,964        | 19,169        | 15,541        |
| <b>16,293</b> | <b>13,621</b> | <b>12,283</b> | <b>13,979</b> | <b>13,845</b> | <b>17,964</b> | <b>19,169</b> | <b>15,541</b> |
| <b>16,293</b> | <b>28,621</b> | <b>27,283</b> | <b>13,979</b> | <b>13,845</b> | <b>17,964</b> | <b>19,169</b> | <b>15,541</b> |
| 443           | 176           | 294           | 297           | 306           | 305           | 267           | 311           |
| 1,186         | 562           | 1,165         | 931           | 958           | 956           | 829           | 664           |
| 1,177         | 887           | 1,429         | 1,188         | 1,468         | 518           | 1,007         | 602           |
| 651           | 692           | 826           | 896           | 990           | 1,060         | 998           | 1,161         |
| <b>3,456</b>  | <b>2,317</b>  | <b>3,714</b>  | <b>3,312</b>  | <b>3,723</b>  | <b>2,839</b>  | <b>3,101</b>  | <b>2,738</b>  |
| 7,527         | 6,805         | 4,156         | 4,970         | 4,553         | 4,702         | 4,300         | 5,006         |
| -             | -             | -             | 1,139         | -             | -             | 178           | -             |
| 5,213         | 4,314         | 4,641         | 4,921         | 4,802         | 5,144         | 5,213         | 5,083         |
| 3,668         | 3,866         | 5,042         | 4,307         | 6,475         | 4,931         | 4,322         | 8,455         |
| 7,925         | 8,518         | 9,541         | 6,743         | 6,658         | 5,795         | 5,169         | 4,539         |
| -             | -             | -             | -             | -             | -             | -             | -             |
| 917           | 559           | 623           | 630           | 944           | 625           | 548           | 638           |
| <b>25,251</b> | <b>24,062</b> | <b>24,002</b> | <b>22,709</b> | <b>23,432</b> | <b>21,197</b> | <b>19,730</b> | <b>23,721</b> |
| <b>45,000</b> | <b>55,000</b> | <b>55,000</b> | <b>40,000</b> | <b>41,000</b> | <b>42,000</b> | <b>42,000</b> | <b>42,000</b> |
| 4,762         | 18,278        | 22,863        | 7,348         | 6,853         | 8,179         | 7,887         | 9,866         |
| 12,833        | 14,493        | 16,409        | 20,697        | 20,612        | 18,785        | 20,118        | 18,751        |
| 27,405        | 22,229        | 15,728        | 11,956        | 13,536        | 15,036        | 13,996        | 13,383        |
| <b>45,000</b> | <b>55,000</b> | <b>55,000</b> | <b>40,000</b> | <b>41,000</b> | <b>42,000</b> | <b>42,000</b> | <b>42,000</b> |
| 637           | 637           | 637           | 637           | 637           | 637           | 637           | 637           |
| 5,032         | 5,008         | 6,850         | 5,080         | 5,095         | 5,000         | 5,005         | 4,375         |
| 39,331        | 49,355        | 47,513        | 34,283        | 35,268        | 36,363        | 36,358        | 36,988        |
| <b>45,000</b> | <b>55,000</b> | <b>55,000</b> | <b>40,000</b> | <b>41,000</b> | <b>42,000</b> | <b>42,000</b> | <b>42,000</b> |

### 3.6 Statement of Human Resources

|  | Forecast |         |         |
|--|----------|---------|---------|
|  | 2025/26  | 2026/27 | 2027/28 |
|  | \$'000   | \$'000  | \$'000  |

#### Staff expenditure

##### Staff expenditure

|                                |                |                |                |
|--------------------------------|----------------|----------------|----------------|
| Employee costs - operating     | 106,900        | 111,459        | 114,150        |
| Employee costs - capital       | (1,931)        | (2,026)        | (2,097)        |
| <b>Total staff expenditure</b> | <b>104,969</b> | <b>109,434</b> | <b>112,053</b> |

|  | Forecast |         |         |
|--|----------|---------|---------|
|  | 2025/26  | 2026/27 | 2027/28 |
|  | FTE      | FTE     | FTE     |

#### Staff numbers

##### Staff numbers

|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| Employees                  | 888.7        | 878.0        | 878.0        |
| Employees -Capital         | (20.5)       | (20.9)       | (20.9)       |
| <b>Total staff numbers</b> | <b>868.2</b> | <b>857.1</b> | <b>857.1</b> |

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

|                                          | Comprises      |               |               |              |              |
|------------------------------------------|----------------|---------------|---------------|--------------|--------------|
|                                          | Total          | Permanent     |               |              |              |
|                                          |                | Full Time     | Part Time     | Casual       | Temporary    |
|                                          | \$'000         | \$'000        | \$'000        | \$'000       | \$'000       |
| <b>Department</b>                        |                |               |               |              |              |
| Chief Executive Office                   | 672            | 672           | -             | -            | -            |
| Corporate Services                       | 18,302         | 16,840        | 1,374         | 88           | -            |
| City Sustainability and Strategy         | 23,426         | 20,422        | 1,757         | 1,053        | 195          |
| Community Strengthening                  | 37,864         | 25,784        | 9,745         | 1,518        | 817          |
| Infrastructure and Environment           | 29,485         | 23,132        | 2,200         | 3,980        | 173          |
| <b>Total permanent staff expenditure</b> | <b>109,749</b> | <b>86,849</b> | <b>15,077</b> | <b>6,639</b> | <b>1,184</b> |
| Other employee related expenditure       | 1,710          |               |               |              |              |
| Capitalised labour costs                 | (2,026)        | (2,026)       |               |              |              |
| <b>Total staff expenditure</b>           | <b>109,434</b> | <b>84,823</b> | <b>15,077</b> | <b>6,639</b> | <b>1,184</b> |

| 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 |
|---------|---------|---------|---------|---------|---------|---------|---------|
| \$'000  | \$'000  | \$'000  | \$'000  | \$'000  | \$'000  | \$'000  | \$'000  |

|                |                |                |                |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 119,953        | 125,714        | 131,088        | 136,686        | 142,326        | 148,352        | 153,930        | 158,960        |
| (2,170)        | (2,246)        | (2,325)        | (2,406)        | (2,490)        | (2,577)        | (2,667)        | (2,761)        |
| <b>117,783</b> | <b>123,468</b> | <b>128,764</b> | <b>134,281</b> | <b>139,836</b> | <b>145,775</b> | <b>151,262</b> | <b>156,199</b> |

| 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 |
|---------|---------|---------|---------|---------|---------|---------|---------|
| FTE     | FTE     | FTE     | FTE     | FTE     | FTE     | FTE     | FTE     |

|              |              |              |              |              |              |              |              |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 878.0        | 878.0        | 878.0        | 878.0        | 878.0        | 878.0        | 878.0        | 878.0        |
| (20.9)       | (20.9)       | (20.9)       | (20.9)       | (20.9)       | (20.9)       | (20.9)       | (20.9)       |
| <b>857.1</b> | <b>857.1</b> | <b>857.1</b> | <b>857.1</b> | <b>857.1</b> | <b>857.1</b> | <b>857.1</b> | <b>857.1</b> |

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

|                                  | Comprises    |              |              |             |            |
|----------------------------------|--------------|--------------|--------------|-------------|------------|
|                                  | Total        | Permanent    |              |             |            |
|                                  |              | Full Time    | Part Time    | Casual      | Temporary  |
| Department                       |              |              |              |             |            |
| Chief Executive Office           | 2.0          | 2.0          | -            | -           | -          |
| Corporate Services               | 128.5        | 114.8        | 12.9         | 0.8         | -          |
| City Sustainability and Strategy | 176.7        | 149.0        | 15.8         | 10.1        | 1.8        |
| Community Strengthening          | 325.1        | 214.0        | 90.8         | 13.6        | 6.6        |
| Infrastructure and Environment   | 245.7        | 183.0        | 23.8         | 37.9        | 1.0        |
| <b>Total staff</b>               | <b>878.0</b> | <b>662.8</b> | <b>143.4</b> | <b>62.4</b> | <b>9.4</b> |

### 3.7 Summary of Planned Human Resources Expenditure

| For the ten years ended 30 June 2036 | 2026/27 | 2027/28 | 2028/29 |
|--------------------------------------|---------|---------|---------|
|                                      | \$'000  | \$'000  | \$'000  |

#### Chief Executive Office

|                                     |            |            |            |
|-------------------------------------|------------|------------|------------|
| Permanent - Full time               | 672        | 688        | 723        |
| Women                               | 672        | 688        | 723        |
| Men                                 | -          | -          | -          |
| Persons of self-described gender    | -          | -          | -          |
| <b>Total Chief Executive Office</b> | <b>672</b> | <b>688</b> | <b>723</b> |

#### Corporate Services

|                                  |               |               |               |
|----------------------------------|---------------|---------------|---------------|
| Permanent - Full time            | 14,809        | 15,164        | 15,939        |
| Women                            | 7,856         | 8,044         | 8,455         |
| Men                              | 6,954         | 7,120         | 7,484         |
| Persons of self-described gender | -             | -             | -             |
| Permanent - Part time            | 1,034         | 1,059         | 1,113         |
| Women                            | 811           | 830           | 873           |
| Men                              | 223           | 228           | 240           |
| Persons of self-described gender | -             | -             | -             |
| <b>Total Corporate Services</b>  | <b>15,843</b> | <b>16,223</b> | <b>17,052</b> |

#### City Sustainability and Strategy

|                                               |               |               |               |
|-----------------------------------------------|---------------|---------------|---------------|
| Permanent - Full time                         | 19,599        | 20,068        | 21,094        |
| Women                                         | 8,543         | 8,748         | 9,195         |
| Men                                           | 11,055        | 11,320        | 11,899        |
| Persons of self-described gender              | -             | -             | -             |
| Permanent - Part time                         | 1,526         | 1,563         | 1,643         |
| Women                                         | 495           | 507           | 533           |
| Men                                           | 1,031         | 1,056         | 1,110         |
| Persons of self-described gender              | -             | -             | -             |
| <b>Total City Sustainability and Strategy</b> | <b>21,125</b> | <b>21,631</b> | <b>22,737</b> |

| 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 |
|---------|---------|---------|---------|---------|---------|---------|
| \$'000  | \$'000  | \$'000  | \$'000  | \$'000  | \$'000  | \$'000  |

|            |            |            |            |            |            |            |
|------------|------------|------------|------------|------------|------------|------------|
| 758        | 791        | 825        | 859        | 895        | 929        | 959        |
| 758        | 791        | 825        | 859        | 895        | 929        | 959        |
| -          | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | -          | -          | -          | -          |
| <b>758</b> | <b>791</b> | <b>825</b> | <b>859</b> | <b>895</b> | <b>929</b> | <b>959</b> |

|               |               |               |               |               |               |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 16,709        | 17,425        | 18,172        | 18,924        | 19,727        | 20,470        | 21,138        |
| 8,863         | 9,243         | 9,639         | 10,038        | 10,464        | 10,858        | 11,213        |
| 7,845         | 8,182         | 8,532         | 8,885         | 9,263         | 9,612         | 9,925         |
| -             | -             | -             | -             | -             | -             | -             |
| 1,167         | 1,217         | 1,269         | 1,322         | 1,378         | 1,429         | 1,476         |
| 915           | 954           | 995           | 1,036         | 1,080         | 1,121         | 1,158         |
| 252           | 263           | 274           | 285           | 297           | 308           | 318           |
| -             | -             | -             | -             | -             | -             | -             |
| <b>17,875</b> | <b>18,642</b> | <b>19,441</b> | <b>20,245</b> | <b>21,105</b> | <b>21,899</b> | <b>22,614</b> |

|               |               |               |               |               |               |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 22,112        | 23,061        | 24,049        | 25,044        | 26,107        | 27,090        | 27,974        |
| 9,639         | 10,053        | 10,483        | 10,917        | 11,381        | 11,809        | 12,194        |
| 12,473        | 13,008        | 13,565        | 14,127        | 14,727        | 15,281        | 15,780        |
| -             | -             | -             | -             | -             | -             | -             |
| 1,722         | 1,796         | 1,873         | 1,951         | 2,033         | 2,110         | 2,179         |
| 559           | 583           | 608           | 633           | 660           | 685           | 707           |
| 1,163         | 1,213         | 1,265         | 1,318         | 1,373         | 1,425         | 1,472         |
| -             | -             | -             | -             | -             | -             | -             |
| <b>23,835</b> | <b>24,857</b> | <b>25,922</b> | <b>26,994</b> | <b>28,141</b> | <b>29,200</b> | <b>30,153</b> |

### 3.7 Summary of Planned Human Resources Expenditure

| For the ten years ended 30 June 2036        | 2026/27        | 2027/28        | 2028/29        |
|---------------------------------------------|----------------|----------------|----------------|
|                                             | \$'000         | \$'000         | \$'000         |
| <b>Community Strengthening</b>              |                |                |                |
| Permanent - Full time                       | 23,244         | 23,800         | 25,017         |
| Women                                       | 17,623         | 18,045         | 18,968         |
| Men                                         | 5,620          | 5,755          | 6,049          |
| Persons of self-described gender            | -              | -              | -              |
| Permanent - Part time                       | 8,401          | 8,602          | 9,042          |
| Women                                       | 7,404          | 7,581          | 7,969          |
| Men                                         | 997            | 1,021          | 1,074          |
| Persons of self-described gender            | -              | -              | -              |
| <b>Total Community Strengthening</b>        | <b>31,645</b>  | <b>32,403</b>  | <b>34,060</b>  |
| <b>Infrastructure and Environment</b>       |                |                |                |
| Permanent - Full time                       | 20,928         | 21,428         | 22,524         |
| Women                                       | 6,676          | 6,835          | 7,185          |
| Men                                         | 14,079         | 14,416         | 15,153         |
| Persons of self-described gender            | 173            | 177            | 186            |
| Permanent - Part time                       | 1,797          | 1,840          | 1,934          |
| Women                                       | 948            | 970            | 1,020          |
| Men                                         | 849            | 869            | 914            |
| Persons of self-described gender            | -              | -              | -              |
| <b>Total Infrastructure and Environment</b> | <b>22,724</b>  | <b>23,268</b>  | <b>24,458</b>  |
| Casuals, temporary and other expenditure    | 19,449         | 19,937         | 20,923         |
| Capitalised labour cost                     | (2,026)        | (2,097)        | (2,170)        |
| <b>Total staff expenditure</b>              | <b>109,434</b> | <b>112,053</b> | <b>117,783</b> |

| 2029/30        | 2030/31        | 2031/32        | 2032/33        | 2033/34        | 2034/35        | 2035/36        |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| \$'000         | \$'000         | \$'000         | \$'000         | \$'000         | \$'000         | \$'000         |
| 26,225         | 27,349         | 28,521         | 29,701         | 30,963         | 32,128         | 33,177         |
| 19,883         | 20,736         | 21,625         | 22,519         | 23,476         | 24,359         | 25,154         |
| 6,341          | 6,613          | 6,897          | 7,182          | 7,487          | 7,769          | 8,022          |
| -              | -              | -              | -              | -              | -              | -              |
| 9,479          | 9,885          | 10,309         | 10,735         | 11,191         | 11,613         | 11,992         |
| 8,353          | 8,712          | 9,085          | 9,461          | 9,863          | 10,234         | 10,568         |
| 1,125          | 1,174          | 1,224          | 1,275          | 1,329          | 1,379          | 1,424          |
| -              | -              | -              | -              | -              | -              | -              |
| <b>35,704</b>  | <b>37,235</b>  | <b>38,830</b>  | <b>40,437</b>  | <b>42,154</b>  | <b>43,741</b>  | <b>45,168</b>  |
| 23,611         | 24,624         | 25,679         | 26,742         | 27,877         | 28,927         | 29,871         |
| 7,532          | 7,855          | 8,191          | 8,530          | 8,892          | 9,227          | 9,528          |
| 15,885         | 16,566         | 17,276         | 17,991         | 18,755         | 19,461         | 20,096         |
| 195            | 203            | 212            | 221            | 230            | 239            | 246            |
| 2,027          | 2,114          | 2,204          | 2,296          | 2,393          | 2,483          | 2,564          |
| 1,069          | 1,115          | 1,163          | 1,211          | 1,262          | 1,310          | 1,353          |
| 958            | 999            | 1,042          | 1,085          | 1,131          | 1,173          | 1,212          |
| -              | -              | -              | -              | -              | -              | -              |
| <b>25,638</b>  | <b>26,738</b>  | <b>27,884</b>  | <b>29,037</b>  | <b>30,270</b>  | <b>31,410</b>  | <b>32,435</b>  |
| 21,904         | 22,826         | 23,786         | 24,754         | 25,787         | 26,751         | 27,630         |
| (2,246)        | (2,325)        | (2,406)        | (2,490)        | (2,577)        | (2,667)        | (2,761)        |
| <b>123,468</b> | <b>128,764</b> | <b>134,281</b> | <b>139,836</b> | <b>145,775</b> | <b>151,262</b> | <b>156,199</b> |

### 3.7 Summary of Planned Human Resources Expenditure

For the ten years ended 30 June 2036

|                                               | 2026/27       | 2027/28       | 2028/29       |
|-----------------------------------------------|---------------|---------------|---------------|
|                                               | FTE           | FTE           | FTE           |
| <b>Chief Executive Office</b>                 |               |               |               |
| Permanent - Full time                         | 2.00          | 2.00          | 2.00          |
| Women                                         | 2.00          | 2.00          | 2.00          |
| Men                                           | -             | -             | -             |
| Persons of self-described gender              | -             | -             | -             |
| Permanent - Part time                         | -             | -             | -             |
| Women                                         | -             | -             | -             |
| Men                                           | -             | -             | -             |
| Persons of self-described gender              | -             | -             | -             |
| <b>Total Chief Executive Office</b>           | <b>2.00</b>   | <b>2.00</b>   | <b>2.00</b>   |
| <b>Corporate Services</b>                     |               |               |               |
| Permanent - Full time                         | 100.80        | 100.80        | 100.80        |
| Women                                         | 55.80         | 55.80         | 55.80         |
| Men                                           | 45.00         | 45.00         | 45.00         |
| Persons of self-described gender              | -             | -             | -             |
| Permanent - Part time                         | 9.51          | 9.51          | 9.51          |
| Women                                         | 7.47          | 7.47          | 7.47          |
| Men                                           | 2.04          | 2.04          | 2.04          |
| Persons of self-described gender              | -             | -             | -             |
| <b>Total Corporate Services</b>               | <b>110.31</b> | <b>110.31</b> | <b>110.31</b> |
| <b>City Sustainability and Strategy</b>       |               |               |               |
| Permanent - Full time                         | 142.00        | 142.00        | 142.00        |
| Women                                         | 60.00         | 60.00         | 60.00         |
| Men                                           | 82.00         | 82.00         | 82.00         |
| Persons of self-described gender              | -             | -             | -             |
| Permanent - Part time                         | 13.69         | 13.69         | 13.69         |
| Women                                         | 4.10          | 4.10          | 4.10          |
| Men                                           | 9.59          | 9.59          | 9.59          |
| Persons of self-described gender              | -             | -             | -             |
| <b>Total City Sustainability and Strategy</b> | <b>155.69</b> | <b>155.69</b> | <b>155.69</b> |



### 3.7 Summary of Planned Human Resources Expenditure

For the ten years ended 30 June 2036

|                                             | 2026/27       | 2027/28       | 2028/29       |
|---------------------------------------------|---------------|---------------|---------------|
|                                             | FTE           | FTE           | FTE           |
| <b>Community Strengthening</b>              |               |               |               |
| Permanent - Full time                       | 190.00        | 190.00        | 190.00        |
| Women                                       | 145.00        | 145.00        | 145.00        |
| Men                                         | 45.00         | 45.00         | 45.00         |
| Persons of self-described gender            | -             | -             | -             |
| Permanent - Part time                       | 76.24         | 76.24         | 76.24         |
| Women                                       | 66.80         | 66.80         | 66.80         |
| Men                                         | 9.44          | 9.44          | 9.44          |
| Persons of self-described gender            | -             | -             | -             |
| <b>Total Community Strengthening</b>        | <b>266.24</b> | <b>266.24</b> | <b>266.24</b> |
| <b>Infrastructure and Environment</b>       |               |               |               |
| Permanent - Full time                       | 163.00        | 163.00        | 163.00        |
| Women                                       | 51.00         | 51.00         | 51.00         |
| Men                                         | 111.00        | 111.00        | 111.00        |
| Persons of self-described gender            | 1.00          | 1.00          | 1.00          |
| Permanent - Part time                       | 19.05         | 19.05         | 19.05         |
| Women                                       | 9.34          | 9.34          | 9.34          |
| Men                                         | 9.71          | 9.71          | 9.71          |
| Persons of self-described gender            | -             | -             | -             |
| <b>Total Infrastructure and Environment</b> | <b>182.05</b> | <b>182.05</b> | <b>182.05</b> |
| Casuals and temporary staff                 | 161.75        | 161.75        | 161.75        |
| Capitalised labour cost                     | (20.9)        | (20.9)        | (20.9)        |
| <b>Total staff numbers</b>                  | <b>857.12</b> | <b>857.12</b> | <b>857.12</b> |



## 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 |         |         |  |
|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-------|----------|---------|---------|--|
|                                                                                                                                        |                                                                                                                                                |       | 2025/26  | 2026/27 | 2027/28 |  |
| Operating position                                                                                                                     |                                                                                                                                                |       |          |         |         |  |
| Adjusted underlying result<br>(an adjusted underlying surplus is generated in the ordinary course of business)                         | Adjusted underlying result<br>(an adjusted underlying surplus is generated in the ordinary course of business)                                 | 1     | 4.0%     | (0.3%)  | 4.2%    |  |
| Liquidity                                                                                                                              |                                                                                                                                                |       |          |         |         |  |
| Working Capital<br>(sufficient working capital is available to pay bills as and when they fall due)                                    | Current assets compared to current liabilities<br>Current assets / current liabilities                                                         | 2     | 267.0%   | 266.3%  | 277.7%  |  |
| Unrestricted cash<br>(sufficient cash that is free of restrictions is available to pay bills as and when they fall due)                | Unrestricted cash compared to current liabilities<br>Unrestricted cash / current liabilities                                                   | 3     | 54.3%    | 55.7%   | 57.6%   |  |
| Obligations                                                                                                                            |                                                                                                                                                |       |          |         |         |  |
| Loans and borrowings<br>(level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities) | Loans and borrowings compared to rates<br>Interest bearing loans and borrowings / rate revenue                                                 | 4     | 14.6%    | 11.0%   | 8.3%    |  |
| Loans and borrowings<br>(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<br>Interest and principal repayments on interest bearing loans and borrowings / rate revenue | 5     | 3.8%     | 3.7%    | 2.4%    |  |
| Indebtedness<br>(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<br>Non-current liabilities / own source revenue                                         | 6     | 8.6%     | 6.7%    | 5.6%    |  |
| Asset renewal<br>(assets are renewed as planned)                                                                                       | Asset renewal compared to depreciation<br>Asset renewal and upgrade expense / Asset depreciation                                               | 7     | 93.8%    | 132.2%  | 122.5%  |  |

|         |         |         |         |         |         |         |         | Trend |
|---------|---------|---------|---------|---------|---------|---------|---------|-------|
| 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 | +/-   |
| 3.9%    | 3.3%    | 2.0%    | 1.3%    | 0.9%    | 0.8%    | 0.0%    | 0.0%    | -     |
| 282.3%  | 293.2%  | 300.3%  | 315.0%  | 324.9%  | 331.7%  | 337.5%  | 355.6%  | +     |
| 56.3%   | 61.2%   | 66.3%   | 67.8%   | 68.5%   | 67.7%   | 65.7%   | 65.8%   | +     |
| 5.9%    | 12.5%   | 18.6%   | 15.7%   | 13.6%   | 11.6%   | 9.8%    | 8.0%    | +     |
| 2.3%    | 2.2%    | 2.7%    | 3.4%    | 2.5%    | 2.3%    | 2.2%    | 2.0%    | +     |
| 3.7%    | 8.5%    | 11.8%   | 11.3%   | 9.2%    | 7.6%    | 6.8%    | 7.1%    | +     |
| 106.8%  | 92.1%   | 87.6%   | 90.1%   | 85.7%   | 85.6%   | 85.6%   | 76.0%   | -     |

| Indicator                                                                                | Measure                                                                                                          | Notes | Forecast |         |         |  |
|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-------|----------|---------|---------|--|
|                                                                                          |                                                                                                                  |       | 2025/26  | 2026/27 | 2027/28 |  |
| Stability                                                                                |                                                                                                                  |       |          |         |         |  |
| <b>Rates concentration</b><br>(revenue is generated from a range of sources)             | <b>Rates compared to adjusted underlying revenue</b><br>Rate revenue / adjusted underlying revenue               | 8     | 58.7%    | 58.7%   | 59.5%   |  |
| <b>Rates effort</b><br>(rating level is set based on the community's capacity to pay)    | <b>Rates compared to property values</b><br>Rate revenue / CIV of rateable properties in the municipality        | 9     | 0.2%     | 0.2%    | 0.2%    |  |
| Efficiency                                                                               |                                                                                                                  |       |          |         |         |  |
| <b>Expenditure level</b><br>(resources are used efficiently in the delivery of services) | <b>Expenses per property assessment</b><br>Total expenses/ no. of property assessments                           | 10    | \$3,896  | \$4,154 | \$4,078 |  |
| <b>Revenue level</b><br>(resources are used efficiently in the delivery of services)     | <b>Average rate per property assessment</b><br>General rates and municipal charges / no. of property assessments | 11    | \$2,037  | \$2,079 | \$2,146 |  |

**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

|         |         |         |         |         |         |         |         | Trend |
|---------|---------|---------|---------|---------|---------|---------|---------|-------|
| 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 | +/-   |
| 59.7%   | 59.9%   | 60.1%   | 60.2%   | 60.4%   | 60.6%   | 60.8%   | 60.9%   | +     |
| 0.2%    | 0.2%    | 0.2%    | 0.2%    | 0.2%    | 0.2%    | 0.2%    | 0.2%    | o     |
| \$4,184 | \$4,252 | \$4,411 | \$4,545 | \$4,668 | \$4,780 | \$4,927 | \$5,041 | +     |
| \$2,199 | \$2,226 | \$2,283 | \$2,340 | \$2,399 | \$2,459 | \$2,519 | \$2,581 | +     |

## 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 Council's 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 the 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 Rate Cap forecast.

## 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 2013/14 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 2029/30 and 2030/31 financial projections include capacity for Council to undertake borrowings of up to \$15 million in each year. This provision supports the delivery of new open space, aligned with the Council Plan and the Yarra 2036 Community Vision, ensuring that growing demand for accessible green space is met in a financially responsible and sustainable manner.

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      |               |               |
|--------------------------|---------------|---------------|---------------|
|                          | 2025/26       | 2026/27       | 2027/28       |
|                          | \$'000        | \$'000        | \$'000        |
| <b>Opening balance</b>   | 25,968        | 21,299        | 16,489        |
| Plus New loans           | -             | -             | -             |
| Less Principal repayment | (4,669)       | (4,811)       | (3,305)       |
| <b>Closing balance</b>   | <b>21,299</b> | <b>16,489</b> | <b>13,184</b> |
| Interest payment         | 651           | 509           | 397           |

|                                   | Target    | Forecast |         |         |
|-----------------------------------|-----------|----------|---------|---------|
|                                   |           | 2025/26  | 2026/27 | 2027/28 |
|                                   |           | %        | %       | %       |
| Total borrowings / Rate revenue   | Below 60% | 14.56%   | 10.97%  | 8.26%   |
| Debt servicing / Rate revenue     | Below 5%  | 0.44%    | 0.34%   | 0.25%   |
| Debt commitment / Rate revenue    | Below 10% | 3.64%    | 3.54%   | 2.32%   |
| Indebtedness / Own source revenue | Below 60% | 8.58%    | 6.66%   | 5.56%   |

## 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.

| 2028/29      | 2029/30       | 2030/31       | 2031/32       | 2032/33       | 2033/34       | 2034/35       | 2035/36       |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| \$'000       | \$'000        | \$'000        | \$'000        | \$'000        | \$'000        | \$'000        | \$'000        |
| 13,184       | 9,792         | 21,312        | 32,740        | 28,500        | 25,500        | 22,500        | 19,500        |
| -            | 15,000        | 15,000        | -             | -             | -             | -             | -             |
| (3,391)      | (3,480)       | (3,572)       | (4,240)       | (3,000)       | (3,000)       | (3,000)       | (3,000)       |
| <b>9,792</b> | <b>21,312</b> | <b>32,740</b> | <b>28,500</b> | <b>25,500</b> | <b>22,500</b> | <b>19,500</b> | <b>16,500</b> |
| 310          | 221           | 1,029         | 1,746         | 1,566         | 1,386         | 1,206         | 1,026         |

| 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 |
|---------|---------|---------|---------|---------|---------|---------|---------|
| %       | %       | %       | %       | %       | %       | %       | %       |
| 5.94%   | 12.52%  | 18.63%  | 15.70%  | 13.61%  | 11.63%  | 9.77%   | 8.01%   |
| 0.19%   | 0.13%   | 0.59%   | 0.96%   | 0.84%   | 0.72%   | 0.60%   | 0.50%   |
| 2.25%   | 2.17%   | 2.62%   | 3.30%   | 2.44%   | 2.27%   | 2.11%   | 1.95%   |
| 3.68%   | 8.48%   | 11.76%  | 11.34%  | 9.19%   | 7.56%   | 6.84%   | 7.10%   |

### Risk Mitigation Reserve

The Risk Mitigation Reserve is a discretionary reserve holding funds set aside to fund emergency or unplanned events that have significant financial impacts that if not addressed appropriately could have significant and long-lasting financial sustainability issues. Examples include funding calls on the Local Authorities Superannuation Defined Benefits Plan, significant projects related to emergency events or climate change impacts deemed as unavoidable.

### Strategic Growth Reserve

The Strategic Growth Reserve is a discretionary reserve to fund future land acquisition and new major community infrastructure projects that provide direct benefit to the Yarra community informed by the Community Infrastructure plan and 10-year capital works plan.

### 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 | Forecast |         |         |
|----------|----------|---------|---------|
|          | 2025/26  | 2026/27 | 2027/28 |
|          | \$000's  | \$000's | \$000's |

| Public Open Space Reserve | Restricted |               |               |               |
|---------------------------|------------|---------------|---------------|---------------|
| Opening balance           |            | 29,472        | 23,224        | 19,674        |
| Transfer to reserve       |            | 1,500         | 1,500         | 5,038         |
| Transfer from reserve     |            | (7,749)       | (5,050)       | (5,000)       |
| <b>Closing balance</b>    |            | <b>23,224</b> | <b>19,674</b> | <b>19,711</b> |

| Risk Mitigation Reserve | Discretionary |               |               |               |
|-------------------------|---------------|---------------|---------------|---------------|
| Opening balance         |               | 9,000         | 13,000        | 17,000        |
| Transfer to reserve     |               | 4,000         | 4,000         | 500           |
| Transfer from reserve   |               | -             | -             | -             |
| <b>Closing balance</b>  |               | <b>13,000</b> | <b>17,000</b> | <b>17,500</b> |

| Strategic Growth Reserve | Discretionary |              |              |              |
|--------------------------|---------------|--------------|--------------|--------------|
| Opening balance          |               | 5,000        | 8,654        | 8,654        |
| Transfer to reserve      |               | 3,654        | -            | 500          |
| Transfer from reserve    |               | -            | -            | -            |
| <b>Closing balance</b>   |               | <b>8,654</b> | <b>8,654</b> | <b>9,154</b> |

| Reserves Summary       |  |               |               |               |
|------------------------|--|---------------|---------------|---------------|
| Opening balance        |  | 43,472        | 44,877        | 45,327        |
| Transfer to reserve    |  | 9,154         | 5,500         | 6,038         |
| Transfer from reserve  |  | (7,749)       | (5,050)       | (5,000)       |
| <b>Closing balance</b> |  | <b>44,877</b> | <b>45,327</b> | <b>46,365</b> |

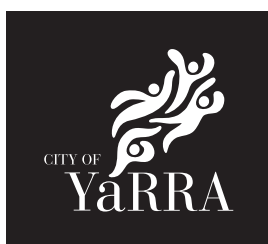
| 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 |
|---------|---------|---------|---------|---------|---------|---------|---------|
| \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's | \$000's |

|               |               |               |               |               |               |               |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 19,711        | 19,843        | 20,127        | 18,702        | 19,183        | 19,787        | 20,629        | 21,612        |
| 5,163         | 5,293         | 5,425         | 5,560         | 5,699         | 5,842         | 5,988         | 6,138         |
| (5,032)       | (5,008)       | (6,850)       | (5,080)       | (5,095)       | (5,000)       | (5,005)       | (4,375)       |
| <b>19,843</b> | <b>20,127</b> | <b>18,702</b> | <b>19,183</b> | <b>19,787</b> | <b>20,629</b> | <b>21,612</b> | <b>23,375</b> |

|               |               |               |               |               |               |               |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 17,500        | 17,500        | 17,500        | 22,000        | 26,500        | 26,500        | 26,500        | 26,500        |
| -             | -             | 4,500         | 4,500         | -             | -             | -             | -             |
| -             | -             | -             | -             | -             | -             | -             | -             |
| <b>17,500</b> | <b>17,500</b> | <b>22,000</b> | <b>26,500</b> | <b>26,500</b> | <b>26,500</b> | <b>26,500</b> | <b>26,500</b> |

|              |              |               |               |               |               |               |               |
|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 9,154        | 9,154        | 9,154         | 10,154        | 11,154        | 11,154        | 11,154        | 11,154        |
| -            | -            | 1,000         | 1,000         | -             | -             | -             | -             |
| -            | -            | -             | -             | -             | -             | -             | -             |
| <b>9,154</b> | <b>9,154</b> | <b>10,154</b> | <b>11,154</b> | <b>11,154</b> | <b>11,154</b> | <b>11,154</b> | <b>11,154</b> |

|               |               |               |               |               |               |               |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 46,365        | 46,496        | 46,781        | 50,856        | 56,836        | 57,441        | 58,283        | 59,266        |
| 5,163         | 5,293         | 10,925        | 11,060        | 5,699         | 5,842         | 5,988         | 6,138         |
| (5,032)       | (5,008)       | (6,850)       | (5,080)       | (5,095)       | (5,000)       | (5,005)       | (4,375)       |
| <b>46,496</b> | <b>46,781</b> | <b>50,856</b> | <b>56,836</b> | <b>57,441</b> | <b>58,283</b> | <b>59,266</b> | <b>61,028</b> |



## Contact us

### Visit us

Richmond Town Hall, 333 Bridge Road, Richmond

Collingwood Town Hall, 140 Hoddle Street, Abbotsford

Connie Benn Family and Children's Centre, 160 Brunswick Street, Fitzroy

Bargoonga Nganjin – North Fitzroy Library, 182–186 St Georges Road, Fitzroy North

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