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MELTON
CITY
COUNCIL

Financial Plan

2025–2035



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Background

Melton City Council is one of the fastest growing municipalities in Australia, offering urban and rural lifestyles. Council embraces a series of townships and communities, the larger towns being Caroline Springs and Melton. Caroline Springs is 19 kilometres west of Melbourne's Central Business District and Melton is 35 kilometres west of Melbourne's CBD and 15 minutes west of the Western Ring Road.

Other communities are Aintree, Bonnie Brook, Brookfield, Burnside, Burnside Heights, Cobblebank, Deanside, Diggers Rest, Exford, Eynesbury, Fieldstone, Fraser Rise, Grangefields, Harkness, Hillside, Kurunjang, Melton South, Melton West, Mount Cottrell, Parwan, Plumpton, Ravenhall, Rockbank, Strathulloh, Taylors Hill, Thornhill Park, Toolern Vale, Truganina and Weir Views.

The City is bounded by five other municipalities: Moorabool Shire Council to the west, Macedon Ranges Shire Council to the north, Hume City Council and Brimbank City Council to the east, and Wyndham City Council to the south.

The population of Melton City has increased significantly in the past twenty years, and it is predicted that this high level of growth shall continue over the next 30 years, with an eventual predicted build-out of the City by 2051 with an estimated population of 485,061 residents.

In 2017, 11 new suburbs were announced within the municipality that will be required to accommodate the anticipated population growth.

10,348 
Over 10,348 businesses registered and operating in the Melton City Council.

29% 
of Melton businesses employing between 1 to 19 employees.

33yrs 
One of the youngest municipalities with the median age of residents sitting at 33 years.

52 
52 babies are born each week with more than 70% of the population under 49 years of age.

130 
High rate of people born overseas representing more than 100 nations speaking over 130 different languages.

39,887 
Of the 39,887 hectares designated in the Urban Growth Zones around Melbourne, the highest number is allocated to the City of Melton (over 10,000Ha).

Purpose and Objectives

Under the Local Government Act 2020, Council must develop a 10-year Financial Plan annually. The Financial Plan covers all aspects of Council's role including the delivery of programs and services, building new infrastructure, as well as the maintenance of roads, footpaths, bike paths, buildings, and parks.

The financial planning process helps Council to understand its resourcing requirements to deliver the required levels of service and infrastructure for the community. The Financial Plan outlines how Council will utilise available funds and generate additional revenue opportunities to deliver Council services, programs, and infrastructure, while ensuring that Council is financially sustainable over the long term.

It has been prepared through a rigorous process of review by the officers, management and Councillors to ensure that it is aligned to the community vision, Asset Plan 2025-2035 and management plans required as per the Local Government Act 2020.

Strategy and Outlook

Melton City Council has a strong track record of sound management of the City of Melton's fiscal resources. This has left Council well positioned to navigate significant challenges over the next decade (refer to 3.4 Other Matters impacting the 10-year financial projections) including the:

- impact of new developments on Council finances; and
- challenges that rate capping poses on Council's long-term financial sustainability.

Council's ongoing financial sustainability will be ensured through prudent financial management as demonstrated in this Financial Plan with Council generating on average modestly positive underlying surplus over the long term,

minimal borrowings and a strong balance sheet with healthy cash reserves to meet future obligations (refer to 3.1 Financial Policy Statements).

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Council bears responsibility for the stewardship and governance of the assets entrusted to it by the community and the Financial Plan 2025-2035 seeks to represent a continuation of those efforts.

Council encourages everyone to look through the document and understand how it plans to continue to sustainably fund a wide variety of quality infrastructure projects, initiatives, and services for the City of Melton.

\$25m

AVERAGE UNDERLYING RESULT (SURPLUS)

1.36

AVERAGE WORKING CAPITAL RATIO

6.3%

AVERAGE YEAR ON YEAR GROWTH IN PROPERTY,
INFRASTRUCTURE, PLANT AND EQUIPMENT

1.9%

AVERAGE BORROWING COSTS DIVIDED BY RATE
REVENUE

1. Legislative Requirements

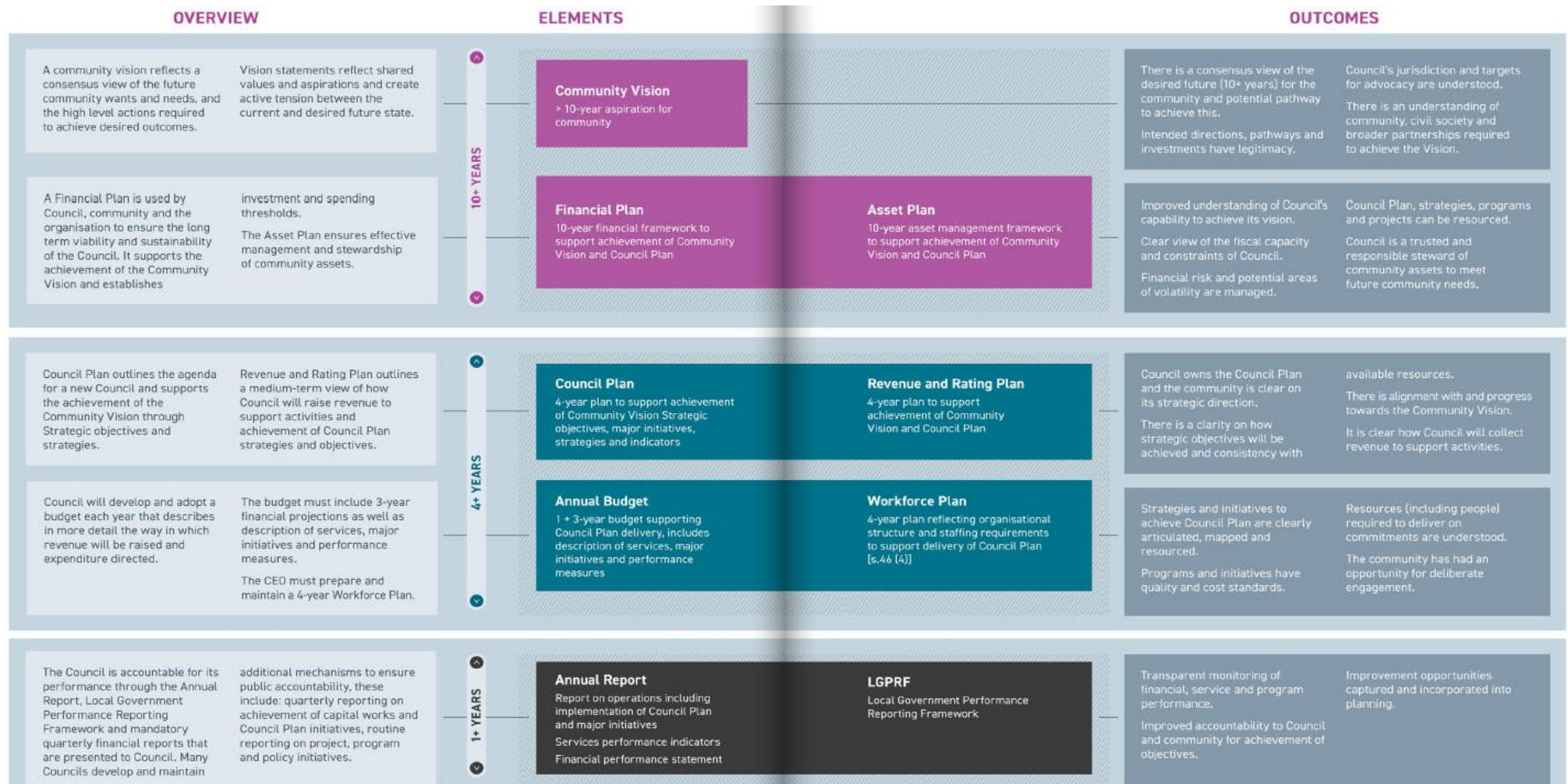
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This section describes how the Financial Plan links to the achievement of the community vision and the Council and Wellbeing Plan within the Integrated Strategic Planning and Reporting framework.

This framework guides Council in identifying community needs and aspirations over the long term (community vision), medium term (Council and Wellbeing Plan) and short term (annual budget) and then holding itself accountable (annual report). The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.

The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.

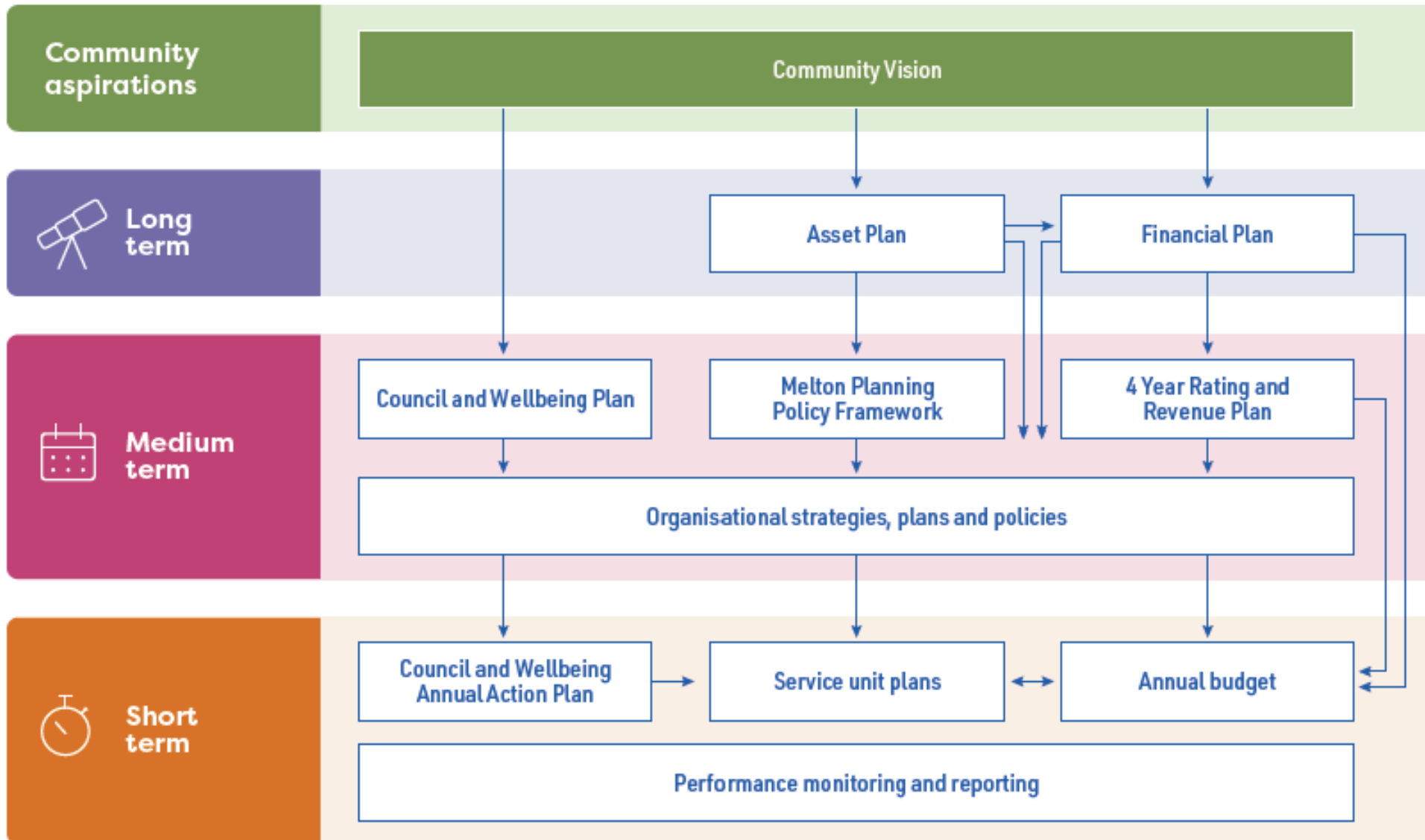
Diagram 1: Integrated Strategic Planning and Reporting Framework and Outcomes



2. Guiding Principles

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The Financial Plan 2025-2035 has been prepared in accordance with a number of guiding principles. These include nine, overarching community principles which were developed by a community panel as part of a deliberative engagement process and are supported by five strategic planning principles, four financial management principles and four service performance principles, all of which are outlined in this document.



2.1 Strategic planning with our community

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In February 2025, Melton City Council engaged a community panel to provide input into the development of four strategic documents:

- Community Vision 2051
- Financial Plan 2025-2035
- Asset Plan 2025-2035
- Council and Wellbeing Plan 2025-2035

The community panel brought together 50 residents, who were representative of the community as a whole, and reflected the diversity of locations, ages, and backgrounds of the City of Melton.

The community panel was asked to consider various challenges and to develop specific outputs in relation to the Community Vision, Council and Wellbeing Plan, Asset Plan and Financial Plan.

The challenges, outputs and Council's promise on how it would use the panel's outputs are presented in Table below. Council's promise to the panel was aligned with the IAP2 Spectrum for Public Participation and its Community Engagement Policy.

The challenge	Panel outputs	Council's promise
Community Vision: Our Community Vision was created in 2020 and since then our community has changed. We want to review the Vision to ensure it is still fit for purpose and articulates the long-term aspirations for our community to 2051.	Reviewed Community Vision Statement with minor updates to ensure it continues to articulate the long-term aspirations for the community to 2051.	
Council and Wellbeing Plan: The Community Vision has five themes that frame the priorities that are most important to our community. We want to check-in with the community to ensure these are still the right themes to shape our community's future to 2051, and to understand the role of Council in delivering on these priorities.	Reviewed themes to ensure they still capture the priorities that are most important to the community. Under each theme, up to four points that highlight what the panel see are the most important for Council to deliver over the next four-years and why.	Collaborate: We will look to the Panel for its advice and innovation in formulating solutions and incorporate the advice and recommendations to the maximum extent possible.
Financial Plan and Asset Plan: How should we spend Council funds on local infrastructure, services and facilities in a way that gives our community what they need, while making sure we can afford it long-term?	Responses to the question: How supportive are you of Council borrowing money to invest in our community's future infrastructure needs? Responses to dilemma questions focusing on the advantages and disadvantages of three options: 1) Find more revenue for growth via rates; 2) Fund growth only if supported by grants; 3) Rationalise and consolidate.	Involve: We will work with the Panel to ensure that their concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how their input influenced the decision. Council will provide feedback on how the panel's recommendations has influenced decisions.

THE ROLE OF THE COMMUNITY PANEL

As part of the community panel's role, members contributed to the review of these nine principles which will guide Council's financial and asset management decisions.

Community-focused

Council will respond to the diverse and changing needs of the community and make decisions based on these needs.

Equity and inclusion

Council will deliver services and infrastructure that are equitable, accessible, and encouraging of community participation.

Quality

Council will deliver services and infrastructure that are safe, sustainable and fit for purpose, and seek to continuously improve them based on community needs and feedback.

Leadership

Council will identify and address changing circumstances, make informed decisions about how to best allocate resources for current and future needs, and seek to provide stability in the financial impact on the community.

Community voices

Council will listen to the perspectives of the community to inform decisions, encourage an open and transparent dialogue, and work to achieve the community's vision.

Health and wellbeing

Council will make decisions that promote community health and wellbeing.

Innovation

Council will strive to deliver best- practice and evidence-informed services and infrastructure, invest in technology, and attract new business and services to the City.

Sustainability

Council will undertake responsible spending and investment to manage financial, social and environmental sustainability.

Integration

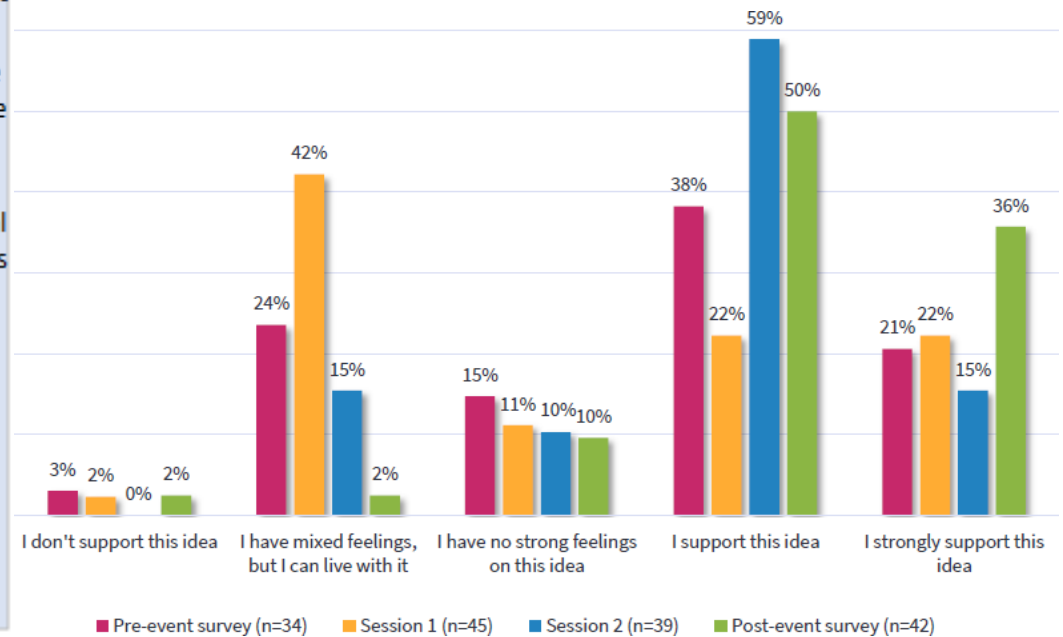
Council will take an integrated, long-term and transparent approach to planning, and coordinate with and advocate to local, state and federal government.

How supportive are you of Melton City Council borrowing money to invest in our community's future infrastructure needs?

Panel members were asked this question four times to test whether there was a shift in preferences over time, particularly as the group become more informed about the financial challenges facing Council.

The panel was also introduced to the idea of intergenerational equity and asked to consider this when responding to the question. Intergenerational equity was defined as, "...a way of saying that we should consider the needs of future generations as well as our own".

Over the four times this question was asked, support for Council borrowing money to invest in future infrastructure increased. In the pre-event survey, 59% of respondents said they either supported or strongly supported the idea (38% + 21%), and this increased to 86% in the post-event survey (50% + 36%). Additionally, 24% of respondents in the pre-event survey said they had mixed feelings, and this dropped to just 2% in the post-event survey.



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2.2 Strategic planning principles

The 10-year Financial Plan provides a financially sustainable roadmap that will facilitate the implementation of actions outlined within the Council Plan, and ultimately realises the aspirations detailed in our community. It is a long-term plan to finance the Projects, initiatives and programs that our community thinks are most important for our City. The Financial Plan has been developed in the context of the following strategic planning principles:

- a) Council has an integrated approach to planning, monitoring and performance reporting.
- b) Council's Financial Plan addresses the community vision by funding the aspirations of the Council and Wellbeing Plan. The Council and Wellbeing Plan aspirations and actions are formulated in the context of the community vision
- c) The Financial Plan Statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the Council and Wellbeing Plan to achieve the community vision
- d) Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan. The Financial risks are included at section 2.3.2 below
- e) The Financial Plan provides for the strategic planning principles of progress monitoring and reviews, to identify and adapt to changing circumstance. Council will identify and address challenging circumstances, make informed decisions about how to best allocate resources for current and future needs and seek to provide stability in the financial impact on the community

2.3 Financial management principles

The Financial Plan demonstrates the following financial management principles:

- 2.3.1 Revenue, expenses, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- 2.3.2 Management of the following risks:
 - a) The financial viability of the Council (refer to section 3.1 Financial Policy Statements).
 - b) The management of current and future liabilities of the Council. The estimated 10 year liabilities are disclosed in section 4.2 Balance Sheet projections.
 - c) The beneficial enterprises of Council (where appropriate).
- 2.3.3 Financial policies and strategic plans are designed to provide financial stability and predictability to the community.
- 2.3.4 Council maintains accounts and records that explain its financial operations and financial position (refer section 4 Financial Statements).

2.4 Service performance principles

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

- a) Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council and Wellbeing Plan is designed to the key services and projects to be delivered to the community. The Financial Plan provides the mechanism to demonstrate how the services aspirations within the Council and Wellbeing Plan may be funded.
- b) Services are accessible to relevant users within the community.
- c) Council provides quality services that provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) is designed to communicate Council's performance regarding the provision of quality and efficient services.
- d) Council is developing a performance monitoring framework to continuously improve its service delivery standards.

2.5 Asset Plan 2025-2035 integration

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Integration with the Asset Plan 2025-2035 is key to the development of Council's strategic financial planning principles. These have been designed to ensure future funding is allocated in a way that supports service delivery and the effective management of Council's assets into the future.

The Asset Plan 2025-2035 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 2025-2035, 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 2025-2035 is designed to inform the 10-year Financial Plan by identifying the amount of capital renewal and maintenance funding that is required over the life of each asset category. The level of funding will incorporate knowledge of asset condition, the risk assessment issues as well as the impact of reviewing and setting intervention and service levels for each asset class.

In addition to identifying the operational and strategic practices that ensure that Council manages assets across their life cycle in a financially sustainable manner, the Asset Plan 2025-2035 quantifies the asset portfolio and financial implications of those practice. Together, the Financial Plan and Asset Plan 2025-2035 seek to balance projected investment requirements against projected budgets.

3. Financial Plan Context

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

3.1 Financial Policy Statements

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

POLICY STATEMENT	MEASURE	TARGET	Annual Forecast 2024/25	Proposed Budget 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29	Projected 2029/30	Projected 2030/31	Projected 2031/32	Projected 2032/33	Projected 2033/34	Projected 2034/35
Achieve average positive adjusted underlying result over the medium to long term	Adjusted underlying result greater than \$0	Above \$0m	\$9.6m	\$11.2m	\$8.5m	\$6.0m	\$9.8m	\$11.7m	\$24.1m	\$31.9m	\$35.1m	\$47.2m	\$64.6m
Council will invest in renewal and upgrade	Renewal & Upgrade Exp / Depreciation to be greater than 100%	Above 100%	117.8%	110.3%	199.8%	77.4%	67.3%	47.7%	58.2%	65.1%	87.7%	79.4%	87.2%
Council will strive to minimise its reliance on rate revenue	Rate revenue / adjusted underlying revenue	Below 70%	63.83%	63.63%	66.02%	65.60%	66.55%	67.57%	67.33%	68.20%	68.99%	69.76%	69.95%
Council will strive to maximise investment performance	Interest on investments / value of investments	Above 5.5%	4.8%	5.7%	5.5%	6.2%	6.4%	6.5%	8.9%	9.9%	9.9%	10.0%	10.1%
Council will be conservative in its borrowings	Non-current liabilities / Own Source Revenue	Below 60%	1.9%	7.1%	16.3%	20.0%	19.5%	27.9%	27.5%	33.2%	37.9%	35.9%	32.8%
Provide capital projects to meet the requirements of a growing municipality	Year on year growth in property, infrastructure, plant & equipment at rate comparable to municipal growth	Above 4.5%	4.7%	7.8%	12.0%	7.7%	5.8%	5.8%	4.7%	5.4%	4.3%	5.1%	4.3%

3.2 Strategic Actions

Below is a list of strategic actions that disclose Council's key financial strategies over the next ten years. By adopting these strategic actions in conjunction with the annual adoption of the Financial Plan, council is demonstrating its key financial strategies in order to ensure ongoing financial sustainability.

- (1) That council adopt the budgeted statement of financial performance (Comprehensive Income Statement); statement of financial position (Balance Sheet); statement of cash flows (Cash Flow) as an integral part of the budget setting process for current and future budgets.
- (2) Council maintains on average a positive adjusted underlying result over the medium to long term.
- (3) Proceeds from the sale of land from Atherstone Joint Venture set aside in the Infrastructure & Strategic Investment reserve for major capital works and investments to diversify Council's income streams and reduce reliance on rates income.
- (4) Council reviews, develops and implements optimal pricing models and fees to ensure appropriate fees and charges for Council services.
- (5) Assess and recommend opportunities for the strategic acquisition of land for development.
- (6) Undertake strategic procurement activities which analyse and benchmark contract costs to identify opportunities for savings.
- (7) Develop a strategy and process to maximise the use of funds received from Developer Contributions to fund Community Infrastructure while minimising the Council's exposure to the increase in land values.
- (8) Council to invest in information technology to improve the efficiency of services to its growing community, to enable greater levels of productivity across Council staff and service providers.
- (9) Council progressively reviewing all of its key services to ensure that the community is receiving value for money. Council regularly reviews its services in detail to ensure that it is operating efficiently and delivering the services required by the community.
- (10) Council maximise income from grant funding from the Federal and State Governments to offset funding for infrastructure investment and delivery of ongoing services.

(11) Divestment of surplus land and or buildings.

(12) Review key leases and licenses based on external commercial assessments.

(13) Further invest surplus funds with the Victorian Funds Management Corporation (VFMC) for greater investment returns.

(14) Continued maturity of strategic asset management and capital delivery to optimise renewals and new capital investments based on evidence based decisions and strong project governance.

(15) Increased customer care programs to support all customers.

3.3 Assumptions to the financial plan statements

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This section represents information regarding the assumptions to the Comprehensive Income Statement for the 10 years from 2025/26 to 2034/35. The assumptions comprise the annual escalations / movement for each line item of the Comprehensive Income Statement.

ESCALATION FACTORS		Proposed Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
% MOVEMENT	NOTES	2025/26 %	2026/27 %	2027/28 %	2028/29 %	2029/30 %	2030/31 %	2031/32 %	2032/33 %	2033/34 %	2034/35 %
Rates and Charges (incl growth in number of assessments)	3.3.1	8.48%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Statutory Fees and Fines	3.3.2	(4.83%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
User Fees	3.3.3	19.19%	26.42%	79.41%	2.73%	2.73%	2.73%	2.73%	2.73%	2.73%	2.73%
Grants - Operating	3.3.4	4.66%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Grants - Capital	3.3.4	183.84%	(70.05%)	(52.79%)	6.06%	(7.64%)	(1.42%)	11.95%	(3.32%)	(0.61%)	14.08%
Contributions - Monetary	3.3.5	12.31%	47.53%	(15.80%)	18.62%	(18.79%)	(35.42%)	(33.58%)	(13.40%)	67.04%	(64.14%)
Contributions - Non-Monetary	3.3.5	(44.97%)	(1.59%)	0.18%	9.15%	22.80%	(33.09%)	6.82%	(6.60%)	32.98%	(19.43%)
Other Income	3.3.6	34.36%	1.00%	1.00%	1.00%	1.00%	78.37%	44.38%	31.04%	23.93%	26.90%
Employee Costs	3.3.7	6.15%	6.82%	2.49%	7.21%	7.20%	7.19%	7.18%	7.17%	7.16%	7.16%
Materials and Services	3.3.8	7.49%	5.41%	4.18%	4.20%	5.35%	5.35%	3.46%	5.38%	5.38%	5.38%
Depreciation and Amortisation	3.3.9	12.90%	0.22%	31.35%	5.80%	4.46%	3.83%	4.29%	6.62%	0.90%	1.67%
Borrowing Costs	3.3.10	595.68%	142.80%	38.93%	9.45%	45.04%	9.71%	32.35%	23.87%	3.06%	1.67%

3.3.1 Rates and Charges

The two components to the increase in Rates and Charges revenue over the prior year are base rate revenues and Council growth expectations. Rate revenue increases / decreases are driven by the state government rate cap. This component of the rate income increase, as set by the state government rate cap, is 3% for the 2025/26 year and is expected to remain constant each year thereafter in the Financial Plan. The other component to the increase in Rates and Charges income, (Growth in supplementary rates represented as additional properties coming online), is expected to increase by 5% in 2025/26.

3.3.2 Statutory Fees and Fines

Council has prepared projections of statutory fees based on a service planning exercise which incorporated growth indicators relevant to each individual business unit resulting in bottom up forward estimates rather than formula driven escalations. Escalations are reflective of population and housing growth in the municipality, in conjunction with indexation of statutory fees set by legislation, which is projected to escalate at CPI.

3.3.3 User Fees

Revenue from user fees is largely based on a service planning exercise which incorporated growth indicators relevant to each individual business unit resulting in bottom up forward estimates rather than formula driven escalations.

3.3.4 Grant Income

Operating grant income increases for the ensuing years are based on a conservative annual rate of increase equivalent to CPI while capital grant income is directly related to the capital works plan.

3. Financial Plan Context

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3.3 Assumptions to the financial plan statements (continued)

3.3.5 Contributions

Council receives contributions from developers. These contributions take on two forms, monetary and non-monetary. Monetary contributions are statutory by nature and represent funds to enable Council to provide the necessary infrastructure to accommodate development growth. They are for specific purposes and often require Council to outlay funds for infrastructure works sometimes before receipt of this income source. Non-monetary contributions comprise in-kind contributions in the form of infrastructure delivered to Council ownership once a development has been completed. The escalation factors for both these are based on estimates of developments in the pipeline to be delivered by developers.

3.3.6 Other Income

Revenue from other income mainly comprises investment income as well as a variety of other more minor sources such as rental income received from the hire of Council facilities. Given the relative inconsistencies associated with interest rates and subsequent revenues, modest increases have been factored into the ensuing years.

3.3.7 Employee Costs

An average escalation of factor of 7% per annum has been incorporated into the 10 year outlook which factors in enterprise agreements as well as growth in staff FTE numbers based on service planning exercises.

3.3.8 Materials and Services

Materials and Services includes expenses such as those required for the repairs and maintenance of Council assets which are largely driven by contractual agreements; utilities; the engagement of contractors and professional services; and other administrative costs. The escalation factors incorporated into the financial plan factor in developed service levels as well as CPI and Council growth.

3.3.9 Depreciation

Escalation estimates for depreciation have been based on the projected impact of capital expenditure, disposals, non-monetary (in-kind) contributions by developers, and the anticipated asset life of assets for the planning period.

3.3.10 Borrowing Costs

Borrowing costs comprise the interest expense to service Council's loan portfolio that is described in section 6.1 Borrowing Strategy. The escalations in the assumptions table are reflective of Council's increased investment in infrastructure to facilitate the growth in the municipality. There are increases in the escalation rate between the years from 2025/26 to 2031/32 which are reflective of Council's increased borrowings. The escalation rates then slowly dissipate in the ensuing years. This is in direct correlation with Council's Borrowing Strategy in section 6.1.

3.4 Other matters impacting the 10-year financial projections

3.4.1 Impact of new developments for Council finances

The City of Melton is one of the fastest growing municipalities in Australia with an annual population growth of 6.61 per cent. According to Forecast.id, the City of Melton population forecast for 2025 is 241,121, and is forecast to grow to over 500,000 by 2050. With much of the growth stemming from new development of land such as Council's initiative Atherstone Estate, Council will need to provide new facilities and increase services to meet the needs of the changing and growing community.

New development of land requires new infrastructure such as roads, footpaths, drainage and community facilities to meet the future needs of the community. New developments represent a challenge to Council's Financial Plan because as a growing Council, while we receive developer contributions in the form of both in-kind gifting of infrastructure and monetary contributions, Council generally has to fund shortfalls with regard to community infrastructure in new suburb developments. Further, Council is also then obligated to service and maintain them.

Council builds or receives from developers over \$150 million in assets annually. As these new assets age, Council will be responsible for maintaining and renewing them. This is not a major issue in the short to medium term whilst infrastructure is new, however as infrastructure ages, a large portion of Council's budget will be required to pay for renewal works.

3.4.2 Challenges that rate capping poses on Council finances

In 2016, the Victorian Government introduced rate capping to restrict the amount that Councils can raise their rates each year. The rate cap is set each year by the Minister for Local Government and has ranged between 1.5% to 3.5% since inception. The rate cap applies to the percentage increase in a Council's average general rate and municipal charge.

Rate capping of 3% has been set for 2025/26.

The services delivered by Council are mainly delivered by both Council employees and service contractors. Employee and labour costs increase at a rate that is usually greater than the Consumer Price Index (CPI). In addition, the growth in population numbers across the community and increasing demand for services means that additional human resources as well as materials and equipment are required by Council to meet these demands.

3.4.2 Challenges that rate capping poses on Council finances (cont)

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Rate capping reinforces that Council must be financially prudent in anticipating the long-term future service and infrastructure needs of the community. Council does have the sole discretion to simply raise Rates Revenue in proportion to expenditure which may grow faster than the rate cap, resulting in a budget shortfall. Such a shortfall may quickly compound over a number of years and pose a serious potential risk to Council's ability to continue delivering the services the community requires and expects.

If the rate cap does not meet Council's needs, Council can submit to the Essential Services Commission for a higher rate cap to be allowed for up to four years. Oversight of the rate cap, and applications for a higher rate, are managed by the Essential Services Commission.

3.4.3 What Council is doing to address revenue constraints

1. Council officers are continually looking at ways to operate more efficiently and finding cost savings.
2. Council is investing in information technology to improve the efficiency of services to its growing community, which enables greater levels of productivity across Council staff and service providers.
3. Council is also progressively reviewing all of its key services to ensure that the community is receiving value for money. Council regularly reviews its services in detail to ensure that it is operating efficiently and delivering the services required by the community.
4. Council is constantly looking for additional grant funding from the Federal and State Governments to fund infrastructure. Council also continually advocates for operational grants to continue offering services to the community.
5. Council continually reviews its fees and charges to reduce the reliance on rates (which is shared by all property owners).
6. Council is looking at initiatives to diversify its revenue sources away from rates revenue to lessen the burden on ratepayers. An example of this is the establishment by Council of the Infrastructure and Strategic Investments Reserve. This Reserve utilises proceeds from the Council owned Atherstone development in Cobblebank to fund major infrastructure for the community and generate additional income.
7. Council is reviewing all the land and buildings it owns to determine whether any are excess to current and future requirements and able to be sold or further developed to generate revenue to lessen the need to borrow.
8. Council is reviewing all leases and licences to ensure they are in line with current market rates and Council's leases and licences policy.

4. Financial Statements

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4.1 Comprehensive Income Statement

For the ten years ending 30 June 3035

	Actual 2023/24 \$'000	Annual Forecast 2024/25 \$'000	Proposed Budget 2025/26 \$'000	Projected 2026/27 \$'000	Projected 2027/28 \$'000	Projected 2028/29 \$'000	Projected 2029/30 \$'000	Projected 2030/31 \$'000	Projected 2031/32 \$'000	Projected 2032/33 \$'000	Projected 2033/34 \$'000	Projected 2034/35 \$'000
Revenue												
Rates and charges	177,031	191,001	206,022	222,504	240,304	259,528	280,291	302,714	326,931	353,085	381,332	411,839
Statutory fees and fines	14,871	14,787	14,068	14,490	14,925	15,372	15,834	16,309	16,798	17,302	17,821	18,356
User fees	10,404	11,529	13,526	17,100	30,679	31,515	32,374	33,257	34,164	35,097	36,055	37,039
Grants – operating	25,896	42,778	43,985	45,305	46,664	48,064	49,506	50,991	52,521	54,096	55,719	57,391
Grants - capital	10,513	23,673	43,000	12,879	6,080	6,448	5,956	5,871	6,573	6,354	6,315	7,205
Contributions - monetary	32,876	81,934	85,980	126,849	106,808	126,700	102,888	66,441	44,129	38,216	63,836	22,893
Contributions - non-monetary	246,042	265,066	154,410	151,959	152,226	166,152	204,029	136,519	145,834	136,212	181,141	145,954
Net gain (or loss) on disposal of property, infrastructure, plant and equipment.	(2,756)	(3,607)	6,330	10,178	10,743	11,874	11,874	12,439	6,691	-	-	-
Fair value adjustments for investment	-	4,867	6,030	8,130	4,398	4,562	4,733	5,960	6,175	6,397	6,629	6,870
Other income	38,404	34,285	40,171	29,479	29,373	30,922	32,070	40,367	42,754	45,839	49,069	57,234
Total income / revenue	553,281	666,313	613,523	638,871	642,197	701,138	739,553	670,867	682,570	692,599	797,917	764,779
Expenses												
Employee costs	72,049	87,852	93,259	99,623	102,104	109,461	117,339	125,773	134,804	144,472	154,823	165,904
Materials and services	122,668	136,787	147,027	154,978	161,451	168,224	177,227	186,717	193,176	203,564	214,517	226,066
Depreciation	56,203	61,118	68,456	69,023	91,497	97,195	101,644	105,543	110,067	117,358	118,413	120,390
Amortisation - intangible assets	327	327	590	177	53	16	5	1	0	-	-	-
Depreciation - right of use assets	354	437	819	822	426	99	-	-	-	-	-	-
Bad and doubtful debts - allowance for	2,678	2,935	1,366	1,379	1,393	1,407	1,421	1,435	1,450	1,464	1,479	1,493
Borrowing costs	197	147	1,023	2,483	3,450	3,776	5,476	6,008	7,952	9,850	10,151	10,321
Finance costs - leases	20	12	90	50	15	1	-	-	-	-	-	-
Total expenses	254,496	289,615	312,629	328,535	360,389	380,178	403,111	425,477	447,449	476,708	499,382	524,174
Surplus/(deficit) for the year	298,785	376,698	300,894	310,337	281,809	320,959	336,443	245,390	235,121	215,891	298,535	240,605
Other comprehensive income												
Items that will not be reclassified to surplus or deficit in future periods												
Net asset revaluation increment /(decrement)	173,053	-	34,058	34,334	34,648	8,733	35,008	35,293	35,582	8,969	35,953	36,249
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-
Items that may be reclassified to surplus or deficit in future periods												
	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive result	471,838	376,698	334,951	344,670	316,456	329,692	371,450	280,683	270,702	224,860	334,488	276,853

4.2 Balance Sheet Statement

DRAFT FOR CONSULTATION
As at 30 June 2035

	Actual 2023/24 \$'000	Annual Forecast 2024/25 \$'000	Proposed Budget 2025/26 \$'000	Projected 2026/27 \$'000	Projected 2027/28 \$'000	Projected 2028/29 \$'000	Projected 2029/30 \$'000	Projected 2030/31 \$'000	Projected 2031/32 \$'000	Projected 2032/33 \$'000	Projected 2033/34 \$'000	Projected 2034/35 \$'000
Assets												
Current assets												
Cash and cash equivalents	18,771	42,952	70,499	46,548	18,796	6,005	51,920	115,253	121,000	98,947	70,456	8,649
Trade and other receivables	64,139	35,537	35,938	40,835	40,345	43,322	42,913	42,827	43,334	45,293	50,354	50,736
Other financial assets	236,000	300,000	270,000	81,000	24,300	25,029	25,780	26,553	27,350	28,170	29,015	29,886
Inventories	15	17	18	18	19	19	20	20	21	22	22	23
Prepayments	302	-	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as held for sale	230	-	-	-	-	-	-	-	-	-	-	-
Other assets	15,512	27,509	27,509	27,509	27,509	27,509	27,509	27,509	27,509	27,509	27,509	27,509
Total current assets	334,969	406,015	403,963	195,909	110,968	101,884	148,142	212,162	219,213	199,941	177,356	116,802
Non-current assets												
Other financial assets	324,673	320,000	329,600	339,488	349,673	360,163	370,968	296,774	237,419	213,677	192,310	198,079
Property, infrastructure, plant & equipment	4,219,875	4,416,377	4,762,217	5,333,309	5,743,458	6,075,715	6,426,261	6,727,448	7,089,888	7,395,568	7,776,129	8,106,992
Right-of-use assets	608	1,197	1,334	519	98	-	-	-	-	-	-	-
Investment property	9,525	7,170	13,200	21,329	25,727	30,289	35,021	40,982	47,156	53,554	60,183	67,053
Intangible assets	2,775	1,396	806	629	576	560	555	554	554	554	554	554
Total non-current assets	4,557,456	4,746,140	5,107,157	5,695,275	6,119,531	6,466,727	6,832,806	7,065,758	7,375,017	7,663,353	8,029,175	8,372,677
Total assets	4,892,425	5,152,155	5,511,121	5,891,184	6,230,499	6,568,611	6,980,947	7,277,920	7,594,231	7,863,294	8,206,531	8,489,479
Liabilities												
Current liabilities												
Trade and other payables	53,886	46,486	49,762	51,004	51,730	53,010	54,472	56,023	57,271	59,083	60,924	62,879
Trust funds and deposits	47,602	40,299	41,508	42,753	44,036	45,357	46,718	48,119	49,563	51,050	52,581	54,158
Unearned income/revenue	17,205	-	-	-	-	-	-	-	-	-	-	-
Provisions	15,324	14,297	14,297	14,297	14,297	14,297	14,297	14,297	14,297	14,297	14,297	14,297
Interest-bearing liabilities	2,240	1,537	5,613	11,241	16,159	19,352	21,996	27,749	38,594	47,623	50,437	54,902
Lease liabilities	262	392	843	446	105	-	-	-	-	-	-	-
Total current liabilities	136,519	103,011	112,024	119,741	126,327	132,016	137,482	146,188	159,725	172,053	178,239	186,236
Non-current liabilities												
Provisions	2,116	1,682	1,682	1,682	1,682	1,682	1,682	1,682	1,682	1,682	1,682	1,682
Interest-bearing liabilities	922	2,387	17,687	45,805	62,181	64,912	100,332	107,916	139,987	171,863	174,426	172,524
Lease liabilities	387	844	546	104	-	-	-	-	-	-	-	-
Total non-current liabilities	3,425	4,913	19,914	47,591	63,863	66,594	102,014	109,598	141,669	173,545	176,108	174,206
Total liabilities	139,944	107,924	131,938	167,332	190,190	198,610	239,496	255,786	301,394	345,598	354,347	360,441
Net assets	4,752,481	5,044,231	5,379,182	5,723,853	6,040,309	6,370,001	6,741,451	7,022,134	7,292,836	7,517,696	7,852,184	8,129,038
Equity												
Accumulated surplus	2,605,020	2,945,074	3,226,680	3,578,439	3,826,336	4,160,041	4,490,520	4,729,340	5,203,280	5,506,796	5,864,523	6,130,918
Reserves	2,147,461	2,099,157	2,152,502	2,145,414	2,213,973	2,209,960	2,250,931	2,292,793	2,089,557	2,010,901	1,987,661	1,998,119
Total equity	4,752,481	5,044,231	5,379,182	5,723,853	6,040,309	6,370,001	6,741,451	7,022,134	7,292,836	7,517,696	7,852,184	8,129,038

4.3 Cashflow Statement

DRAFT FOR CONSULTATION
For the ten years ending 30 June 2035

	Actual 2023/24 \$'000	Annual Forecast 2024/25 \$'000	Proposed Budget 2025/26 \$'000	Projected 2026/27 \$'000	Projected 2027/28 \$'000	Projected 2028/29 \$'000	Projected 2029/30 \$'000	Projected 2030/31 \$'000	Projected 2031/32 \$'000	Projected 2032/33 \$'000	Projected 2033/34 \$'000	Projected 2034/35 \$'000
Cash Flows from Operating Activities												
Inflows												
Rates and charges	168,075	190,894	205,289	220,497	238,246	257,196	277,889	300,108	324,168	349,944	378,048	408,396
Statutory fees and fines	11,318	15,117	15,420	15,852	16,335	16,818	17,330	17,849	18,388	18,930	19,504	20,095
User fees	12,274	14,145	14,826	18,439	32,471	34,485	35,441	36,406	37,405	38,408	39,468	40,556
Grants - operating	18,417	39,928	43,829	45,057	46,431	47,803	49,259	50,734	52,264	53,808	55,438	57,117
Grants - capital	7,663	28,044	42,847	15,219	6,602	6,399	5,979	5,862	6,500	6,352	6,301	7,116
Contributions - monetary	32,876	81,934	85,980	126,849	106,808	126,700	102,888	66,441	44,129	38,216	63,836	22,893
Interest received	19,336	32,515	33,961	23,207	23,038	24,524	25,608	28,840	26,112	24,031	22,043	22,937
Trust funds and deposits taken	9,532	1,174	1,209	1,245	1,283	1,321	1,361	1,402	1,444	1,487	1,531	1,577
Other receipts	37,962	56,401	22,007	26,388	30,793	30,436	32,178	35,430	31,892	28,258	33,145	42,815
Net GST refund / payment	23,168	17,462	21,588	38,467	30,122	19,721	17,189	24,000	29,161	31,102	27,969	34,110
Outflows												
Employee Costs	(70,012)	(108,283)	(92,061)	(99,100)	(101,923)	(108,834)	(116,691)	(125,080)	(134,092)	(143,647)	(153,972)	(164,993)
Materials and Services	(147,414)	(175,101)	(159,652)	(169,758)	(177,052)	(184,395)	(194,136)	(204,531)	(211,958)	(222,934)	(234,979)	(247,629)
Net Cash provided by/(used in) operating activities	123,195	194,230	235,243	262,364	253,154	272,174	254,294	237,460	225,413	223,956	258,333	244,990
Cash Flows from Investing Activities												
Payments for property, infrastructure, plant and	(114,943)	(153,262)	(245,556)	(495,793)	(344,803)	(275,787)	(229,411)	(254,876)	(313,189)	(299,985)	(302,573)	(292,398)
Proceeds from sale of property, infrastructure, plant and equipment	5,110											
Payments for Investments, other properties and intangibles	(14,816)	(16,595)	-	-	-	(11,219)	(11,556)	-	-	-	-	(6,640)
Proceeds from Sale of Investments			20,400	179,112	46,515	-	-	73,420	58,558	22,921	20,523	-
Net Cash provided by/(used in) investing activities	(124,649)	(169,857)	(225,156)	(316,681)	(298,287)	(287,006)	(240,966)	(181,456)	(254,631)	(277,064)	(282,050)	(299,038)
Cash Flows from Financing Activities												
Repayment of borrowings	(2,608)	(2,912)	(6,327)	(10,812)	(15,538)	(19,076)	(26,936)	(26,663)	(37,083)	(49,095)	(54,624)	(57,438)
Finance Costs	(197)	(135)	(1,023)	(2,483)	(3,450)	(3,776)	(5,476)	(6,008)	(7,952)	(9,850)	(10,151)	(10,321)
Proceeds from Borrowings	-	3,300	25,703	44,558	36,833	25,000	65,000	40,000	80,000	90,000	60,000	60,000
Interest Paid - Lease Liability	(20)	(72)	(90)	(50)	(15)	(1)	-	-	-	-	-	-
Repayment of Lease Liability	(351)	(373)	(803)	(846)	(449)	(106)	-	-	-	-	-	-
Net Cash provided by/(used in) financing activities	(3,176)	(192)	17,460	30,366	17,381	2,041	32,588	7,329	34,965	31,055	(4,775)	(7,758)
Net Increase/(Decrease) in Cash and Cash Equivalents	(4,630)	24,181	27,547	(23,951)	(27,752)	(12,791)	45,915	63,333	5,747	(22,052)	(28,492)	(61,806)
CASH POSITION												
Cash on Hand at the beginning of the year	23,401	18,771	42,952	70,499	46,548	18,796	6,005	51,920	115,253	121,000	98,947	70,456
Net Increase/(Decrease) in Cash and Cash Eq	(4,630)	24,181	27,547	(23,951)	(27,752)	(12,791)	45,915	63,333	5,747	(22,052)	(28,492)	(61,806)
Cash on Hand at the end of the year	18,771	42,952	70,499	46,548	18,796	6,005	51,920	115,253	121,000	98,947	70,456	8,649
plus Other Financial Assets CA - Term Deposits	236,000	300,000	270,000	81,000	24,300	25,029	25,780	26,553	27,350	28,170	29,015	29,886
plus Other Financial Assets NCA - Term Deposits	324,673	320,000	329,600	339,488	349,673	360,163	370,968	296,774	237,419	213,677	192,310	198,079
Cash on Hand plus Term Deposits	579,444	662,952	670,099	467,036	392,768	391,197	448,667	438,580	385,769	340,795	291,781	236,614

4.4 Capital Works Statement

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

	Actual 2023/24 \$'000	Annual Forecast 2024/25 \$'000	Proposed Budget 2025/26 \$'000	Projected 2026/27 \$'000	Projected 2027/28 \$'000	Projected 2028/29 \$'000	Projected 2029/30 \$'000	Projected 2030/31 \$'000	Projected 2031/32 \$'000	Projected 2032/33 \$'000	Projected 2033/34 \$'000	Projected 2034/35 \$'000
<u>Property</u>												
Land	3,510	17,045	28,549	34,111	14,476	42,366	50,576	35,337	70,122	56,588	74,940	35,578
Total land	3,510	17,045	28,549	34,111	14,476	42,366	50,576	35,337	70,122	56,588	74,940	35,578
Buildings	36,415	31,363	64,703	77,101	61,959	69,677	70,323	65,240	52,075	78,035	69,845	40,940
Building improvements	-	-	2,462	3,556	5,791	7,744	5,131	7,052	8,414	7,541	7,767	8,000
Total buildings	36,415	31,363	67,165	80,657	67,750	77,421	75,454	72,292	60,489	85,576	77,612	48,940
Total property	39,925	48,408	95,714	114,768	82,226	119,787	126,030	107,629	130,611	142,164	152,552	84,518
<u>Plant and equipment</u>												
Plant, machinery and equipment	28	643	459	4,905	709	948	628	863	1,030	923	951	980
Fixtures, fittings and furniture	74	393	354	535	840	1,107	754	1,017	1,203	1,087	1,119	1,153
Computers and telecommunications	674	1	131	-	-	-	-	-	-	-	-	-
Library books	526	588	600	922	950	978	1,008	1,038	1,069	1,101	1,134	1,168
Total plant and equipment	1,302	1,625	1,544	6,362	2,499	3,033	2,390	2,918	3,302	3,111	3,204	3,301
<u>Infrastructure</u>												
Roads	49,828	46,528	32,867	84,872	50,664	46,060	42,540	45,163	50,559	45,388	48,579	51,461
Bridges	902	474	2,917	9,218	27,508	4,403	2,917	4,009	4,783	4,287	4,415	4,548
Footpaths and cycleways	3,764	2,771	15,248	18,885	8,220	8,697	6,845	7,097	7,551	9,090	7,303	6,952
Drainage	1,703	886	910	2,102	2,052	2,862	2,113	2,491	3,002	2,794	2,768	2,965
Recreational, leisure and community facilities	14,705	37,267	54,593	201,895	129,804	58,243	18,608	53,044	79,079	57,871	50,025	102,309
Parks, open space and streetscapes		5,446	12,268	11,651	8,586	8,521	9,106	9,762	9,234	9,769	9,963	9,835
Off street car parks	568	116	655	-	-	-	-	-	-	-	-	-
Other infrastructure	2,019	13,606	9,112	4,069	3,214	2,961	2,604	2,805	2,971	3,384	3,070	3,162
Total infrastructure	73,489	107,094	128,570	332,692	230,048	131,747	84,733	124,371	157,179	132,583	126,123	181,232
Total capital works expenditure	114,716	157,127	225,828	453,822	314,773	254,567	213,153	234,918	291,092	277,858	281,879	269,051
<u>Represented by:</u>												
New asset expenditure	58,886	85,102	150,303	315,948	243,937	189,168	164,672	173,471	219,431	174,980	187,839	164,090
Asset renewal expenditure	17,489	11,542	15,439	22,832	37,135	49,566	32,911	45,074	53,762	48,216	49,702	50,786
Asset expansion expenditure	4,250	-	-	-	-	-	-	-	-	-	-	-
Asset upgrade expenditure	34,091	60,483	60,086	115,042	33,701	15,833	15,570	16,373	17,899	54,662	44,338	54,175
Total capital works	114,716	157,127	225,828	453,822	314,773	254,567	213,153	234,918	291,092	277,858	281,879	269,051
<u>Funding sources represented by:</u>												
Grants	10,513	23,673	43,000	12,879	6,080	6,448	5,956	5,871	6,573	6,354	6,315	7,205
Contributions	12,087	276	35,090	92,142	107,346	46,000	-	28,072	20,823	-	42,981	26,020
Council Cash	92,116	132,902	122,035	304,050	165,002	177,189	142,355	160,551	183,986	181,548	172,610	176,137
Borrowings		-	25,703	44,751	36,345	24,929	64,843	40,424	79,710	89,955	59,973	59,690
Total capital works expenditure	114,716	157,127	225,828	453,822	314,773	254,567	213,153	234,918	291,092	277,858	281,879	269,051

4.5 Statement of Changes in Equity

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

	Total	Accumulated	Revaluation		Total	Accumulated	Revaluation	
	Surplus	Reserve	Other Reserves		Surplus	Reserve	Other Reserves	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	2024/25 (Forecast)				2025/26 (Budget)			
Balance at beginning of the financial year	4,752,481	2,605,020	1,635,811	511,650	5,044,231	2,945,074	1,635,811	463,346
Surplus/(deficit) for the year	376,698	376,698	-	-	300,894	300,894	-	-
Net asset revaluation increment/(decrement)	-	-	-	-	34,058	-	34,058	-
Transfer (to)/from reserves	(84,948)	(36,644)	-	(48,304)	(0)	(19,288)	-	19,288
Balance at end of financial year	5,044,231	2,945,074	1,635,811	463,346	5,379,182	3,226,680	1,669,869	482,634
	2026/27				2027/28			
Balance at beginning of the financial year	5,379,182	3,226,680	1,669,869	482,634	5,723,853	3,578,439	1,704,203	441,211
Surplus/(deficit) for the year	310,337	310,337	-	-	281,809	281,809	-	-
Net asset revaluation increment/(decrement)	34,334	-	34,334	-	34,648	-	34,648	-
Transfer (to)/from reserves	(0)	41,422	-	(41,422)	0	(33,911)	-	33,911
Balance at end of financial year	5,723,853	3,578,439	1,704,203	441,211	6,040,309	3,826,336	1,738,850	475,122
	2028/29				2029/30			
Balance at beginning of the financial year	6,040,309	3,826,336	1,738,850	475,122	6,370,001	4,160,041	1,747,583	462,378
Surplus/(deficit) for the year	320,959	320,959	-	-	336,443	336,443	-	-
Net asset revaluation increment/(decrement)	8,733	-	8,733	-	35,008	-	35,008	-
Transfer (to)/from reserves	0	12,745	-	(12,745)	0	(5,963)	-	5,963
Balance at end of financial year	6,370,001	4,160,041	1,747,583	462,378	6,741,451	4,490,520	1,782,590	468,340
	2030/31				2031/32			
Balance at beginning of the financial year	6,741,451	4,490,520	1,782,590	468,340	7,022,134	4,729,340	1,817,883	474,910
Surplus/(deficit) for the year	245,390	245,390	-	-	235,121	235,121	-	-
Net asset revaluation increment/(decrement)	35,293	-	35,293	-	35,582	-	35,582	-
Transfer (to)/from reserves	0	(6,570)	-	6,570	(0)	238,819	-	(238,819)
Balance at end of financial year	7,022,134	4,729,340	1,817,883	474,910	7,292,836	5,203,280	1,853,465	236,092
	2032/33				2033/34			
Balance at beginning of the financial year	7,292,836	5,203,280	1,853,465	236,092	7,517,696	5,506,796	1,862,433	148,467
Surplus/(deficit) for the year	215,891	215,891	-	-	298,535	298,535	-	-
Net asset revaluation increment/(decrement)	8,969	-	8,969	-	35,953	-	35,953	-
Transfer (to)/from reserves	(0)	87,625	-	(87,625)	0	59,193	-	(59,193)
Balance at end of financial year	7,517,696	5,506,796	1,862,433	148,467	7,852,184	5,864,523	1,898,387	89,275
	2034/35							
Balance at beginning of the financial year	7,852,184	5,864,523	1,898,387	89,275				
Surplus/(deficit) for the year	240,605	240,605	-	-				
Net asset revaluation increment/(decrement)	36,249	-	36,249	-				
Transfer (to)/from reserves	0	25,791	-	(25,791)				
Balance at end of financial year	8,129,038	6,130,918	1,934,635	63,484				

4.6 Statement of Human Resources

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

TOTAL STAFF EXPENDITURE	Annual Forecast 2024/25	Proposed Budget 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29	Projected 2029/30	Projected 2030/31	Projected 2031/32	Projected 2032/33	Projected 2033/34	Projected 2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure											
Employee costs - operating	87,852	93,259	99,623	102,104	109,461	117,339	125,773	134,804	144,472	154,823	165,904
Employee costs - capital	9,699	13,649	10,068	14,237	13,360	11,701	9,786	6,231	2,277 -	1,387 -	5,487
Total staff expenditure ##	97,551	106,908	109,691	116,341	122,821	129,040	135,559	141,035	146,749	153,436	160,417
## Includes other indirect labour costs eg, Psychometric testing & Medical checks											
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Staff numbers											
Employees - operating	723.9	788.8	820.2	848.7	874.1	896.0	918.3	932.1	946.2	965.2	984.5
Employees - capital	83.9	90.9	94.6	98.1	101.1	103.6	106.3	107.9	109.4	111.6	113.7
Total staff numbers	807.8	879.7	914.8	946.8	975.2	999.6	1,024.6	1,040.0	1,055.6	1,076.8	1,098.2

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

Directorate	Proposed Budget	Comprises		
	2025/26	Full Time Perm	Part Time Perm	Casual / Temporary
	\$'000	\$'000	\$'000	\$'000
City Delivery	18,641	15,813	2,440	388
City Futures	14,288	13,931	357	-
City Life	36,649	22,705	12,466	1,478
Office of the CEO	13,851	12,532	1,254	65
Organisational Performance	18,987	18,831	156	-
Total Staff Expenditure	102,416	83,812	16,673	1,931
Efficiency Factor	(10,000)			
Capitalised labour costs	13,649			
Other employee related expenditure	843			
Total Expenditure	106,908			

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

Directorate	Proposed Budget	Comprises		
	2025/26	Full Time Perm	Part Time Perm	Casual / Temporary
	FTE	FTE	FTE	FTE
City Delivery	159.1	127.5	28.3	3.3
City Futures	106.2	102.7	3.5	-
City Life	290.4	173.7	106.8	9.9
Office of the CEO	98.6	85.2	12.9	0.5
Organisational Performance	134.5	133.2	1.3	-
Total Staff Expenditure	788.8	622.3	152.8	13.7

4.7 (a) Summary of Planned Human Resources Expenditure

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

	Annual Forecast 2024/25 \$'000	Proposed Budget 2025/26 \$'000	Projected 2026/27 \$'000	Projected 2027/28 \$'000	Projected 2028/29 \$'000	Projected 2029/30 \$'000	Projected 2030/31 \$'000	Projected 2031/32 \$'000	Projected 2032/33 \$'000	Projected 2033/34 \$'000	Projected 2034/35 \$'000
City Delivery											
Permanent - Full Time	14,385	15,813	16,938	17,964	18,963	19,919	20,924	21,766	22,651	23,688	24,763
Male	7,784	8,557	9,172	9,728	10,267	10,785	11,322	11,779	12,266	12,816	13,401
Female	6,521	7,168	7,677	8,144	8,589	9,024	9,489	9,871	10,266	10,735	11,222
Persons of self-described gender	80	88	89	92	107	110	113	116	119	137	140
Permanent - Part Time	2,220	2,440	2,611	2,767	2,921	3,070	3,225	3,355	3,491	3,653	3,819
Male	447	491	524	555	588	612	647	673	700	728	768
Female	1,710	1,880	2,016	2,139	2,249	2,372	2,490	2,592	2,698	2,819	2,943
Persons of self-described gender	63	69	71	73	84	86	88	90	93	106	108
Casual - Temporary	353	388	412	435	458	482	508	534	562	590	620
Male	246	270	291	298	318	339	348	370	393	417	428
Female	107	118	121	137	140	143	160	164	169	173	192
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total City Delivery	16,958	18,641	19,961	21,166	22,342	23,471	24,657	25,655	26,704	27,931	29,202
City Futures											
Permanent - Full Time	12,983	13,931	14,922	15,825	16,705	17,543	18,429	19,175	19,945	20,860	21,807
Male	6,827	7,325	7,852	8,321	8,778	9,223	9,685	10,085	10,483	10,961	11,474
Female	6,042	6,484	6,958	7,375	7,780	8,170	8,590	8,932	9,284	9,716	10,163
Persons of self-described gender	114	122	112	129	147	150	154	158	178	183	170
Permanent - Part Time	333	357	378	399	419	441	464	487	511	537	564
Male	57	61	63	65	66	79	81	83	85	87	90
Female	276	296	315	334	353	362	383	404	426	450	474
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Casual - Temporary	-	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total City Futures	13,316	14,288	15,300	16,224	17,124	17,984	18,893	19,662	20,456	21,397	22,371

4.7 (a) Summary of Planned Human Resources Expenditure (cont)

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

	Annual Forecast 2024/25 \$'000	Proposed Budget 2025/26 \$'000	Projected 2026/27 \$'000	Projected 2027/28 \$'000	Projected 2028/29 \$'000	Projected 2029/30 \$'000	Projected 2030/31 \$'000	Projected 2031/32 \$'000	Projected 2032/33 \$'000	Projected 2033/34 \$'000	Projected 2034/35 \$'000
City Life											
Permanent - Full Time	20,553	22,705	24,317	25,793	27,231	28,607	30,050	31,259	32,524	34,009	35,565
Male	4,899	5,412	5,803	6,155	6,493	6,829	7,163	7,449	7,760	8,114	8,481
Female	15,536	17,163	18,379	19,500	20,582	21,619	22,709	23,627	24,577	25,703	26,887
Persons of self-described gender	118	130	135	138	156	159	178	183	187	192	197
Permanent - Part Time	11,283	12,466	13,356	14,171	14,968	15,730	16,522	17,192	17,888	18,707	19,555
Male	1,056	1,167	1,250	1,331	1,402	1,476	1,553	1,605	1,673	1,758	1,831
Female	10,015	11,065	11,854	12,581	13,288	13,956	14,664	15,261	15,880	16,606	17,358
Persons of self-described gender	212	234	252	259	278	298	305	326	335	343	366
Casual - Temporary	1,337	1,478	1,584	1,687	1,777	1,871	1,969	2,053	2,139	2,230	2,323
Male	162	179	185	205	210	232	238	244	267	274	281
Female	1,175	1,299	1,399	1,482	1,567	1,639	1,731	1,809	1,872	1,956	2,042
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total City Life	33,173	36,649	39,257	41,651	43,976	46,208	48,541	50,504	52,551	54,946	57,443
Office of CEO											
Permanent - Full Time	9,575	12,532	13,424	14,240	15,042	15,809	16,606	17,278	17,974	18,783	19,641
Male	2,563	3,354	3,591	3,820	4,027	4,242	4,448	4,628	4,814	5,042	5,261
Female	6,900	9,031	9,666	10,265	10,840	11,388	11,957	12,444	12,949	13,525	14,158
Persons of self-described gender	112	147	167	155	175	179	201	206	211	216	222
Permanent - Part Time	958	1,254	1,342	1,427	1,505	1,585	1,668	1,733	1,800	1,880	1,963
Male	44	58	60	62	74	75	77	79	81	83	85
Female	877	1,147	1,232	1,303	1,378	1,456	1,525	1,586	1,649	1,726	1,793
Persons of self-described gender	37	49	50	62	53	54	66	68	70	71	85
Casual - Temporary	50	65	67	69	70	72	74	76	78	80	82
Male	-	-	-	-	-	-	-	-	-	-	-
Female	50	65	67	69	70	72	74	76	78	80	82
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total Office of the CEO	10,583	13,851	14,833	15,736	16,617	17,466	18,348	19,087	19,852	20,743	21,686

4.7 (a) Summary of Planned Human Resources Expenditure (cont)

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

	Annual Forecast 2024/25 \$'000	Proposed Budget 2025/26 \$'000	Projected 2026/27 \$'000	Projected 2027/28 \$'000	Projected 2028/29 \$'000	Projected 2029/30 \$'000	Projected 2030/31 \$'000	Projected 2031/32 \$'000	Projected 2032/33 \$'000	Projected 2033/34 \$'000	Projected 2034/35 \$'000
Organisational Performance											
<i>Permanent - Full Time</i>	13,354	18,831	20,167	21,387	22,580	23,725	24,929	25,931	26,985	28,213	29,504
Male	6,417	9,048	9,698	10,283	10,862	11,400	11,990	12,471	12,969	13,570	14,193
Female	6,937	9,783	10,469	11,104	11,718	12,325	12,939	13,460	14,016	14,643	15,311
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
<i>Permanent - Part Time</i>	111	156	173	177	182	186	191	196	201	206	211
Male	-	-	-	-	-	-	-	-	-	-	-
Female	111	156	173	177	182	186	191	196	201	206	211
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
<i>Casual - Temporary</i>	-	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total Organisational Performance	13,465	18,987	20,340	21,564	22,762	23,911	25,120	26,127	27,186	28,419	29,715
Grand Totals ##	87,495	102,416	109,691	116,341	122,821	129,040	135,559	141,035	146,749	153,436	160,417

Excludes other indirect labour costs eg, Psychometric testing & Medical checks

4.7 (b) Summary of Planned Human Resources by FTE

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

	Annual Forecast 2024/25 FTE	Proposed Budget 2025/26 FTE	Projected 2026/27 FTE	Projected 2027/28 FTE	Projected 2028/29 FTE	Projected 2029/30 FTE	Projected 2030/31 FTE	Projected 2031/32 FTE	Projected 2032/33 FTE	Projected 2033/34 FTE	Projected 2034/35 FTE
City Delivery											
Permanent - Full Time	138.0	127.5	132.6	137.2	141.3	144.8	148.4	150.6	152.9	156.0	159.1
Male	74.4	69.0	71.8	74.3	76.5	78.4	80.3	81.5	82.8	84.4	86.1
Female	63.6	57.8	60.1	62.2	64.0	65.6	67.3	68.3	69.3	70.7	72.1
Persons of self-described gender	-	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.9	0.9
Permanent - Part Time	25.7	28.3	29.4	30.4	31.3	32.1	32.9	33.4	33.9	34.6	35.3
Male	4.5	5.7	5.9	6.1	6.3	6.4	6.6	6.7	6.8	6.9	7.1
Female	21.2	21.8	22.7	23.5	24.1	24.8	25.4	25.8	26.2	26.7	27.2
Persons of self-described gender	-	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9	1.0	1.0
Casual - Temporary	3.8	3.3	3.4	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2
Male	2.8	2.3	2.4	2.4	2.5	2.6	2.6	2.7	2.8	2.9	2.9
Female	1.0	1.0	1.0	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.3
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total City Delivery	167.5	159.1	165.4	171.1	176.2	180.6	185.1	187.9	190.8	194.7	198.6
City Futures											
Permanent - Full Time	102.7	102.7	106.8	110.5	113.8	116.6	119.5	121.3	123.1	125.6	128.1
Male	53.9	54.0	56.2	58.1	59.8	61.3	62.8	63.8	64.7	66.0	67.4
Female	48.8	47.8	49.8	51.5	53.0	54.3	55.7	56.5	57.3	58.5	59.7
Persons of self-described gender	-	0.9	0.8	0.9	1.0	1.0	1.0	1.0	1.1	1.1	1.0
Permanent - Part Time	2.6	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3	4.4
Male	0.9	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7
Female	1.7	2.9	3.0	3.1	3.2	3.2	3.3	3.4	3.5	3.6	3.7
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Casual - Temporary	-	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total City Futures	105.3	106.2	110.4	114.2	117.6	120.5	123.5	125.4	127.3	129.9	132.5

4.7 (b) Summary of Planned Human Resources by FTE (cont)

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

	Annual Forecast 2024/25 FTE	Proposed Budget 2025/26 FTE	Projected 2026/27 FTE	Projected 2027/28 FTE	Projected 2028/29 FTE	Projected 2029/30 FTE	Projected 2030/31 FTE	Projected 2031/32 FTE	Projected 2032/33 FTE	Projected 2033/34 FTE	Projected 2034/35 FTE
City Life											
<i>Permanent - Full Time</i>	173.9	173.7	180.6	186.9	192.5	197.3	202.2	205.2	208.3	212.5	216.8
Male	39.3	41.4	43.1	44.6	45.9	47.1	48.2	48.9	49.7	50.7	51.7
Female	134.6	131.3	136.5	141.3	145.5	149.1	152.8	155.1	157.4	160.6	163.9
Persons of self-described gender	-	1.0	1.0	1.0	1.1	1.1	1.2	1.2	1.2	1.2	1.2
<i>Permanent - Part Time</i>	105.6	106.8	111.1	115.0	118.5	121.5	124.5	126.4	128.3	130.9	133.5
Male	9.0	10.0	10.4	10.8	11.1	11.4	11.7	11.8	12.0	12.3	12.5
Female	95.2	94.8	98.6	102.1	105.2	107.8	110.5	112.2	113.9	116.2	118.5
Persons of self-described gender	1.4	2.0	2.1	2.1	2.2	2.3	2.3	2.4	2.4	2.4	2.5
<i>Casual - Temporary</i>	8.3	9.9	10.3	10.7	11.0	11.3	11.6	11.8	12.0	12.2	12.4
Male	1.5	1.2	1.2	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.5
Female	6.8	8.7	9.1	9.4	9.7	9.9	10.2	10.4	10.5	10.7	10.9
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total City Life	287.8	290.4	302.0	312.6	322.0	330.1	338.3	343.4	348.6	355.6	362.7
Office of CEO											
<i>Permanent - Full Time</i>	65.3	85.2	88.6	91.7	94.5	96.9	99.3	100.8	102.3	104.3	106.4
Male	13.2	22.8	23.7	24.6	25.3	26.0	26.6	27.0	27.4	28.0	28.5
Female	52.1	61.4	63.8	66.1	68.1	69.8	71.5	72.6	73.7	75.1	76.7
Persons of self-described gender	-	1.0	1.1	1.0	1.1	1.1	1.2	1.2	1.2	1.2	1.2
<i>Permanent - Part Time</i>	13.8	12.9	13.4	13.9	14.3	14.7	15.1	15.3	15.5	15.8	16.1
Male	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Female	13.2	11.8	12.3	12.7	13.1	13.5	13.8	14.0	14.2	14.5	14.7
Persons of self-described gender	-	0.5	0.5	0.6	0.5	0.5	0.6	0.6	0.6	0.6	0.7
<i>Casual - Temporary</i>	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Male	-	-	-	-	-	-	-	-	-	-	-
Female	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total Office of the CEO	79.6	98.6	102.5	106.1	109.3	112.1	114.9	116.6	118.3	120.6	123.0

4.7 (b) Summary of Planned Human Resources by FTE (cont)

DRAFT FOR CONSULTATION
For the ten years ending 30 June 3035

	Annual Forecast 2024/25 FTE	Proposed Budget 2025/26 FTE	Projected 2026/27 FTE	Projected 2027/28 FTE	Projected 2028/29 FTE	Projected 2029/30 FTE	Projected 2030/31 FTE	Projected 2031/32 FTE	Projected 2032/33 FTE	Projected 2033/34 FTE	Projected 2034/35 FTE
Organisational Performance											
<i>Permanent - Full Time</i>	82.9	133.2	138.5	143.3	147.6	151.3	155.1	157.4	159.8	163.0	166.3
Male	38.3	64.0	66.6	68.9	71.0	72.7	74.6	75.7	76.8	78.4	80.0
Female	44.6	69.2	71.9	74.4	76.6	78.6	80.5	81.7	83.0	84.6	86.3
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
<i>Permanent - Part Time</i>	0.8	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Male	-	-	-	-	-	-	-	-	-	-	-
Female	0.8	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
<i>Casual - Temporary</i>	-	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total Organisational Performance	83.7	134.5	139.9	144.7	149.0	152.7	156.5	158.8	161.2	164.4	167.7
Grand Totals ##	723.9	788.8	820.2	848.7	874.1	896.0	918.3	932.1	946.2	965.2	984.5

5. Financial performance indicators

DRAFT FOR CONSULTATION

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	Annual Forecast 2024/25	Proposed Budget 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29	Projected 2029/30	Projected 2030/31	Projected 2031/32	Projected 2032/33	Projected 2033/34	Projected 2034/35	Trend +/-
<u>Operating position</u>														
Adjusted underlying result (an adjusted underlying surplus is generated in the ordinary course of business)	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	3.2%	3.5%	2.5%	1.6%	2.5%	2.8%	5.4%	6.7%	6.9%	8.6%	11.0%	+
<u>Liquidity</u>														
Working Capital (sufficient working capital is available to pay bills as and when they fall due)	Current assets / current liabilities	2	394.1%	360.6%	163.6%	87.8%	77.2%	107.8%	145.1%	137.2%	116.2%	99.5%	62.7%	o
Unrestricted cash (sufficient cash that is free of restrictions is available to pay bills as and when they fall due)	Unrestricted cash / current liabilities	3	478.8%	411.4%	167.7%	59.0%	101.9%	180.2%	177.7%	331.2%	200.2%	117.7%	52.4%	o
<u>Obligations</u>														
Loans and borrowings to Rates	Interest bearing loans and borrowings / rate revenue	4	2.1%	11.3%	25.6%	32.6%	32.5%	43.6%	44.8%	54.6%	62.2%	59.0%	55.2%	o
Loans and borrowings repayments to Rates	Interest and principal repayments on interest bearing loans and borrowings / rate revenue	4	1.6%	3.6%	6.0%	7.9%	8.8%	11.6%	10.8%	13.8%	16.7%	17.0%	16.5%	+
Indebtedness	Non-current liabilities / own source revenue	5	1.9%	7.1%	16.3%	20.0%	19.5%	27.9%	27.5%	33.2%	37.9%	35.9%	32.8%	+
Asset Renewal	Asset renewal & upgrade exp / depreciation	6	117.8%	110.3%	199.8%	77.4%	67.3%	47.7%	58.2%	65.1%	87.7%	79.4%	87.2%	-
<u>Stability</u>														
Rates Concentration	Rate revenue / Adjusted underlying revenue	7	63.827%	63.626%	66.023%	65.596%	66.552%	67.571%	67.330%	68.204%	68.987%	69.761%	69.954%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality	8	0.313%	0.307%	0.302%	0.296%	0.291%	0.285%	0.280%	0.275%	0.270%	0.265%	0.260%	o
<u>Efficiency</u>														
Revenue level	General rates and municipal charges / no. of property assessments	9	\$2,156	\$2,224	\$2,309	\$2,398	\$2,490	\$2,586	\$2,685	\$2,789	\$2,896	\$3,007	\$3,123	+
Expenditure level	Total expenses / no. of property assessments	9	\$3,269	\$3,374	\$3,409	\$3,596	\$3,648	\$3,719	\$3,774	\$3,817	\$3,910	\$3,938	\$3,975	+

Key to Trend:

- + increase in Council's overall targets
- o maintaining Council's overall targets
- decrease in Council's overall targets

Notes to indicators

1. Adjusted underlying result

ADJUSTED UNDERLYING SURPLUS / (DEFICIT)	Annual Forecast	Proposed Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total income	666,313	613,523	638,871	642,197	701,138	739,553	670,867	682,570	692,599	797,917	764,779
Less											
Grants - Capital non-recurrent	23,673	43,000	12,879	6,080	6,448	5,956	5,871	6,573	6,354	6,315	7,205
Contributions monetary	81,934	85,980	126,849	106,808	126,700	102,888	66,441	44,129	38,216	63,836	22,893
Contributions non monetary	265,066	154,410	151,959	152,226	166,152	204,029	136,519	145,834	136,212	181,141	145,954
Net gain (loss) on disposal of assets	(3,607)	6,330	10,178	10,743	11,874	11,874	12,439	6,691	-	-	-
Adjusted Underlying Revenue	299,247	323,802	337,007	366,341	389,963	414,807	449,598	479,343	511,817	546,625	588,728
Less											
Total expenses	289,615	312,629	328,535	360,389	380,178	403,111	425,477	447,449	476,708	499,382	524,174
Adjusted Underlying Surplus/(Deficit)	9,632	11,173	8,472	5,953	9,785	11,696	24,120	31,894	35,109	47,243	64,554
Indicator: Adjusted Underlying Result	3.2%	3.5%	2.5%	1.6%	2.5%	2.8%	5.4%	6.7%	6.9%	8.6%	11.0%

Underlying result is an indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. This ratio refers to the operational outcome as assessed in the comprehensive income statement, adjusted for non-operational items such as capital income, contributed monetary and non-monetary assets and non-operational asset sales.

The projected underlying surplus for 2025/26 is 11.2 million. Outer year projections remain positive which demonstrates Council's ongoing financial sustainability to deliver ongoing services and build important infrastructure assets.

2. Working Capital

WORKING CAPITAL	Annual Forecast	Proposed Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current Assets	406,015	403,963	195,909	110,968	101,884	148,142	212,162	219,213	199,941	177,356	116,802
Current Liabilities	103,011	112,024	119,741	126,327	132,016	137,482	146,188	159,725	172,053	178,239	186,236
Working Capital	303,004	291,939	76,169	(15,359)	(30,132)	10,659	65,974	59,488	27,888	(882)	(69,433)
Indicator: Working Capital	394.1%	360.6%	163.6%	87.8%	77.2%	107.8%	145.1%	137.2%	116.2%	99.5%	62.7%
less											
- Restricted Reserves	339,904	357,058	334,744	342,051	300,794	278,244	254,938	291	(87,020)	(141,201)	(165,676)
Working Capital (net of Restricted Reserves)	(36,900)	(65,118)	(258,576)	(357,410)	(330,926)	(267,585)	(188,964)	59,197	114,908	140,319	96,243
less											
- Discretionary Reserves	123,442	125,576	106,467	133,071	161,583	190,096	219,972	235,801	235,487	230,476	229,160
Unrestricted working capital	(160,342)	(190,694)	(365,043)	(490,481)	(492,509)	(457,680)	(408,936)	(176,603)	(120,579)	(90,157)	(132,917)

Working capital is a general measure of the organisation's liquidity and its ability to meet its commitments as and when they fall due. A working capital ratio of above 1 (100%) indicates that Council is able to adequately meet all of its short-term expenses. Council's working capital position remains strong over the ten years of the Financial Plan.

3. Unrestricted Cash

UNRESTRICTED CASH AND INVESTMENTS	Forecast	Budget									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total Cash & Investments	662,952	670,099	467,036	392,768	391,197	448,667	438,580	385,769	340,795	291,781	236,614
Restricted Cash & Investments											
- Restricted Reserves	339,904	357,058	334,744	342,051	300,794	278,244	254,938	291	(87,020)	(141,201)	(165,676)
- Cash to fund carry forward capital works		-	-	-	-	-	-	-	-	-	-
Unrestricted Cash & Investments	323,048	313,041	132,291	50,718	90,403	170,423	183,642	385,478	253,775	150,579	70,938
Current Liabilities (<i>incl Tr. & Oth Receivables/Current Assets</i>)	67,474	76,086	78,906	85,983	88,694	94,569	103,362	116,391	126,760	127,885	135,500
Indicator: Unrestricted cash	478.8%	411.4%	167.7%	59.0%	101.9%	180.2%	177.7%	331.2%	200.2%	117.7%	52.4%

Part of the cash and cash equivalents held by Council are restricted in their application and are not fully available for all Council's operations. The budgeted unrestricted cash statement above indicates Council's unrestricted cash and reserve balances, however a significant proportion of the unrestricted funds are earmarked as funding for the Infrastructure and Strategic Investment Reserve.

4. Debt compared to rates

BORROWINGS vs RATES	Forecast	Budget									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Rates and charges	191,001	206,022	222,504	240,304	259,528	280,291	302,714	326,931	353,085	381,332	411,839
Interest bearing loans and borrowings	3,924	23,300	57,046	78,340	84,264	122,328	135,665	178,582	219,487	224,863	227,425
Indicator: Loans and borrowings compared to rates	2.1%	11.3%	25.6%	32.6%	32.5%	43.6%	44.8%	54.6%	62.2%	59.0%	55.2%
Interest and principal repayments	3,047	7,350	13,295	18,988	22,852	32,412	32,671	45,035	58,945	64,775	67,758
Indicator: Interest and principal repayments compared to rates	1.6%	3.6%	6.0%	7.9%	8.8%	11.6%	10.8%	13.8%	16.7%	17.0%	16.5%

These indicators measure the level of Council's total debt as a percentage of rate revenue, and the percentage of rate revenue required to service that debt respectively.

5. Indebtedness

INDEBTEDNESS	Forecast	Budget									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current liabilities	4,913	19,914	47,591	63,863	66,594	102,014	109,598	141,669	173,545	176,108	174,206
Adjusted Underlying Revenue	299,247	323,802	337,007	366,341	389,963	414,807	449,598	479,343	511,817	546,625	588,728
<u>less</u>											
Grants - operating	42,778	43,985	45,305	46,664	48,064	49,506	50,991	52,521	54,096	55,719	57,391
Own Source Revenue	256,469	279,817	291,702	319,677	341,899	365,301	398,607	426,822	457,720	490,906	531,337
Indicator: Indebtedness	1.9%	7.1%	16.3%	20.0%	19.5%	27.9%	27.5%	33.2%	37.9%	35.9%	32.8%

This indicator assesses a Council's ability to pay long term financial obligations (non-current liabilities) from the funds it generates. The higher the percentage, the less able Council is to cover non-current liabilities from the revenues Council generates itself. Own-sourced revenue is used (rather than total revenue) because it does not include contributions or capital grants, which are usually tied to specific projects.

6. Asset Renewal

ASSET RENEWAL	Forecast	Budget									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asset Renewal and Upgrade Expenses	72,025	75,525	137,874	70,836	65,399	48,481	61,447	71,661	102,878	94,040	104,961
Depreciation	61,118	68,456	69,023	91,497	97,195	101,644	105,543	110,067	117,358	118,413	120,390
Indicator: Asset renewal	117.8%	110.3%	199.8%	77.4%	67.3%	47.7%	58.2%	65.1%	87.7%	79.4%	87.2%

This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed. This would require future capital expenditure to renew assets base to their existing condition. While this is a useful indicator it should however be noted that depreciation is an accounting measure and may not always represent asset consumption on an annual basis, hence care should be used in its interpretation.

7. Rates concentration

RATES CONCENTRATION	Forecast	Budget									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Rates and Charges Revenue	191,001	206,022	222,504	240,304	259,528	280,291	302,714	326,931	353,085	381,332	411,839
Adjusted Underlying Revenue	299,247	323,802	337,007	366,341	389,963	414,807	449,598	479,343	511,817	546,625	588,728
Indicator: Rates concentration	63.83%	63.63%	66.02%	65.60%	66.55%	67.57%	67.33%	68.20%	68.99%	69.76%	69.95%

Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will continue to become reliant on rate revenue compared to all other revenue sources. Council aims to reduce this reliance over the long term with investment in other income generating activities through its Infrastructure and Strategic Investment Reserve.

8. Rates effort

RATES EFFORT	Forecast	Budget									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Rates and Charges Revenue	191,001	206,022	222,504	240,304	259,528	280,291	302,714	326,931	353,085	381,332	411,839
CIV of rateable properties in municipality	60,972,483	67,069,732	73,776,705	81,154,375	89,269,813	98,196,794	108,016,473	118,818,121	130,699,933	143,769,926	158,146,919
Indicator: Rates effort	0.00313	0.00307	0.00302	0.00296	0.00291	0.00285	0.00280	0.00275	0.00270	0.00265	0.00260

Rates effort is measured as rate revenue as a percentage of the capital improved value of rateable properties in the municipality.

9. Efficiency

EFFICIENCY	Forecast	Budget									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Number of property assessments (#s)	88,598	92,656	96,362	100,217	104,225	108,394	112,730	117,239	121,929	126,806	131,878
Total expenses	289,615	312,629	328,535	360,389	380,178	403,111	425,477	447,449	476,708	499,382	524,174
Indicator: Expenditure level	\$3,269	\$3,374	\$3,409	\$3,596	\$3,648	\$3,719	\$3,774	\$3,817	\$3,910	\$3,938	\$3,975
Rates and Charges Revenue	191,001	206,022	222,504	240,304	259,528	280,291	302,714	326,931	353,085	381,332	411,839
Indicator: Revenue level	\$2,156	\$2,224	\$2,309	\$2,398	\$2,490	\$2,586	\$2,685	\$2,789	\$2,896	\$3,007	\$3,123

This ratio measures the proportion of operating expenditure per property assessment and indicates if resources are planned to be used efficiently in the delivery of services.

6. Strategies and Plans

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

6.1 Borrowing strategy

6.1.1 Current debt position

In developing Councils 10-year Financial Plan, borrowings were identified as an important funding source for capital works programs. In correlation with our municipality's exponential growth in population, Council is investing in intergenerational assets to facilitate this growth utilising a combination of existing resources along with borrowings. Council is taking advantage of a competitive offering by Treasury Corporation of Victoria (TCV).

Since September 2021, the Victorian Government has provided loan facility support, with TCV being given the capacity to lend directly to Local Government entities. Accordingly, Council has resolved to use this facility to borrow \$527.1 million over the 10 year period. This represents 19% of the funding required to meet the total capital investment over the same period of \$2.8 billion.

The following table sets out future loan repayments, and total loan balances up to 2034/35 based on the forecast financial position of Council as at 30 June 2035.

6.1.2 Future borrowing requirements

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

BORROWINGS	Annual Actual	Annual Forecast	Proposed Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	6,144	3,536	3,924	23,300	57,046	78,340	84,264	122,328	135,665	178,582	219,487	224,863
Plus: New loans	-	3,300	25,703	44,558	36,833	25,000	65,000	40,000	80,000	90,000	60,000	60,000
Less: Principal repayment	2,608	2,912	6,327	10,812	15,538	19,076	26,936	26,663	37,083	49,095	54,624	57,438
Closing Balance	3,536	3,924	23,300	57,046	78,340	84,264	122,328	135,665	178,582	219,487	224,863	227,425
Interest payment	197	147	1,023	2,483	3,450	3,776	5,476	6,008	7,952	9,850	10,151	10,321

6.1.3 Performance indicators

The following table highlights Council's projected performance across a range of debt management performance indicators.

PERFORMANCE INDICATORS	Target	Annual Forecast	Proposed Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
		%	%	%	%	%	%	%	%	%	%	%
Total borrowing / Rate revenue	Below 60%	2%	11%	26%	33%	32%	44%	45%	55%	62%	59%	55%
Debt servicing / Rate revenue	Below 5%	0.1%	0.5%	1.1%	1.4%	1.5%	2.0%	2.0%	2.4%	2.8%	2.7%	2.5%
Indebtedness / Own source revenue	Below 60%	2%	8%	20%	25%	25%	33%	34%	42%	48%	46%	43%

6.2 Reserves Strategy

6.2.1 Current Reserves

COMMUNITY INFRASTRUCTURE

Purpose - This reserve retains funds collected from developers associated with the subdivision of land for the provision and delivery of infrastructure within the Precinct Structure Plans and Non-Precinct Structure Plans in accordance with the *Planning and Environment Act 1987* and *Subdivision Act 1988*. Development Contribution Plans and Infrastructure Contribution Plans were established to manage the proceeds contributed by developers. Where no development plans exist, s73 Agreement is applied as a mechanism to collect contributions from developers.

Movements - Transfers to the reserve (inflows) comprise of monetary levies and in-kind associated with developments. Transfers from the reserve (outflows) are applied to fund capital works for development infrastructure projects and community infrastructure projects and funds refunded to developers for capital works completed directly by the developer.

PERPETUAL MAINTENANCE

Purpose - Provision for perpetual maintenance of Melton Cemetery.

Movements - Transfer from the reserve (outflows) are aligned to operational requirements of Melton Cemetery.

INFRASTRUCTURE & STRATEGIC INVESTMENT

Purpose - Income generated from Atherstone Estate set aside for major capital works and investments to diversify Council's income streams.

Movements - Inflows to the reserve are mainly sourced from the sale of land from the Atherstone development. Transfers from the reserve (outflows) are aligned to Council's long-term strategy to fund major capital work projects and diversity Council's income stream via investing in income generating assets to reduce Council's reliance on rates income.

DEFINED BENEFIT CALL

Purpose - Provision for potential future funding call under the Defined Benefits Superannuation Scheme.

Movements - The contributions are required when called upon by the scheme so sufficient funds will be available to meet Council's obligation.

6.2.2 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. Restricted reserves are to be included to the disclosure of restricted cash assets.

OTHER RESERVES	Proposed Budget 2025/26 \$'000	Projected 2026/27 \$'000	Projected 2027/28 \$'000	Projected 2028/29 \$'000	Projected 2029/30 \$'000	Projected 2030/31 \$'000	Projected 2031/32 \$'000	Projected 2032/33 \$'000	Projected 2033/34 \$'000	Projected 2034/35 \$'000
Street Trees & Drainage	<i>Restricted</i>									
Opening Balance	1,064	1,104	1,144	1,184	1,224	1,264	1,304	1,344	1,384	1,424
Transfer To Reserve	40	40	40	40	40	40	40	40	40	40
Transfer From Reserve										
Closing Balance	1,104	1,144	1,184	1,224	1,264	1,304	1,344	1,384	1,424	1,464
Community Infrastructure	<i>Restricted</i>									
Opening Balance	338,840	355,954	333,600	340,867	299,570	276,980	253,634	(1,053)	(88,404)	(142,625)
Transfer To Reserve	117,285	162,676	145,260	163,356	148,635	89,333	64,331	41,711	66,922	22,893
Transfer From Reserve	(100,171)	(185,029)	(137,994)	(204,653)	(171,225)	(112,679)	(319,019)	(129,061)	(121,144)	(47,407)

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Closing Balance	355,954	333,600	340,867	299,570	276,980	253,634	(1,053)	(88,404)	(142,625)	(167,140)
Total Restricted	Total Restricted									
Opening Balance	339,904	357,058	334,744	342,051	300,794	278,244	254,938	291	(87,020)	(141,201)
Transfer To Reserve	117,325	162,716	145,300	163,396	148,675	89,373	64,371	41,751	66,962	22,933
Transfer From Reserve	(100,171)	(185,029)	(137,994)	(204,653)	(171,225)	(112,679)	(319,019)	(129,061)	(121,144)	(47,407)
Closing Balance	357,058	334,744	342,051	300,794	278,244	254,938	291	(87,020)	(141,201)	(165,676)

OTHER RESERVES DRAFT FOR CONSULTATION	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Perpetual Maintenance</u>	<i>Discretionary</i>									
Opening Balance	148	155	162	169	176	183	190	197	204	211
Transfer To Reserve	7	7	7	7	7	7	7	7	7	7
Transfer From Reserve										
Closing Balance	155	162	169	176	183	190	197	204	211	218
<u>Infrastructure & Strategic Investment</u>	<i>Discretionary</i>									
Opening Balance	122,873	124,985	105,854	132,436	160,926	189,417	219,271	235,078	234,742	229,709
Transfer To Reserve	15,393	25,188	26,587	29,386	29,386	30,785	16,559			
Transfer From Reserve	(13,281)	(44,319)	(5)	(896)	(896)	(931)	(752)	(336)	(5,033)	(1,338)
Closing Balance	124,985	105,854	132,436	160,926	189,417	219,271	235,078	234,742	229,709	228,371
<u>Defined Benefits Call</u>	<i>Discretionary</i>									
Opening Balance	421	436	451	466	481	496	511	526	541	556
Transfer To Reserve	15	15	15	15	15	15	15	15	15	15
Transfer From Reserve										
Closing Balance	436	451	466	481	496	511	526	541	556	571
<u>Total Discretionary</u>	<i>Total Discretionary</i>									
Opening Balance	123,442	125,576	106,467	133,071	161,583	190,096	219,972	235,801	235,487	230,476
Transfer To Reserve	15,415	25,210	26,609	29,408	29,408	30,807	16,581	22	22	22
Transfer From Reserve	(13,281)	(44,319)	(5)	(896)	(896)	(931)	(752)	(336)	(5,033)	(1,338)
Closing Balance	125,576	106,467	133,071	161,583	190,096	219,972	235,801	235,487	230,476	229,160
<u>Grand Total Restricted & Discretionary</u>	<i>Total Discretionary</i>									
Opening Balance	463,346	482,633	441,211	475,122	462,377	468,340	474,910	236,092	148,467	89,274
Transfer To Reserve	132,739	187,926	171,910	192,804	178,083	120,181	80,952	41,773	66,984	22,955
Transfer From Reserve	(113,452)	(229,348)	(137,999)	(205,549)	(172,121)	(113,610)	(319,771)	(129,397)	(126,177)	(48,745)
Closing Balance	482,633	441,211	475,122	462,377	468,340	474,910	236,092	148,467	89,274	63,484