

East Gippsland Shire Council

# Financial Plan

2025/26

– 2034/35



Adopted at Council meeting held on 23 June 2025





## **Acknowledgement of Country**

East Gippsland Shire Council acknowledges the Gunaikurnai, Monero and the Bidawal people as the Traditional Custodians of this land that encompasses East Gippsland Shire, and their enduring relationship with country. the Traditional Custodians have cared and nurtured East Gippsland for tens of thousands of years.

Council values their living culture and practices and their right to self-determination. council pays respect to all Aboriginal and Torres Strait Islander people living in East Gippsland, their Elders, past, present, and future.

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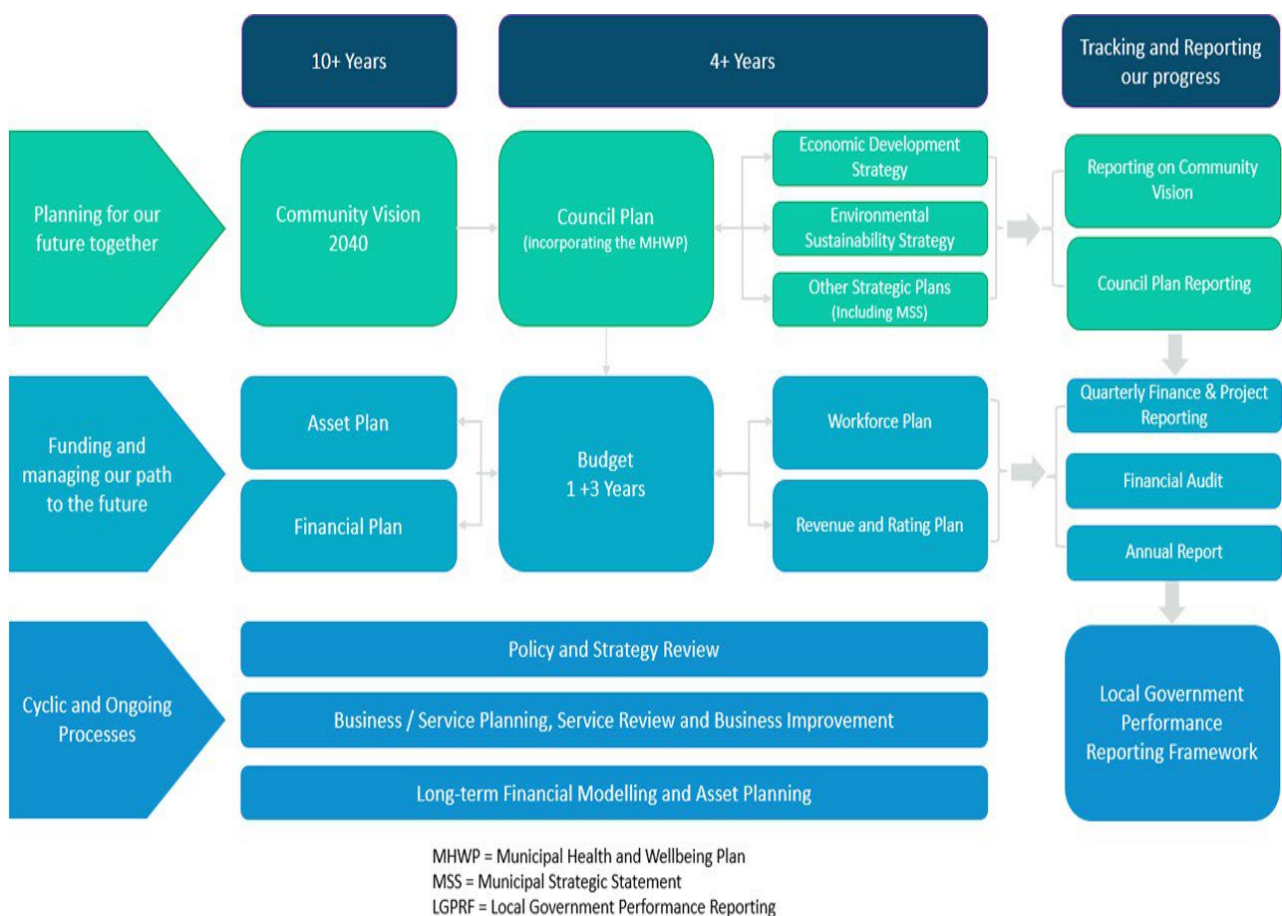
# 1 Legislative Requirements

The *Local Government Act 2020* (the Act) requires Councils to prepare a Long-Term Financial Plan (the Financial Plan) in the year following a general election.

The Integrated Planning and Reporting Framework guides Council in identifying community needs and aspirations over:

- The long-term through the Community Vision and Financial Plan;
- The medium-term through the Council Plan, Workforce Plan, and Revenue and Rating Plan; and
- The short-term through the Department Plans and Budget.

Council holds itself accountable through the Organisational and Financial Performance Reports and the Annual Report.



## 2 About this Financial Plan

The Financial Plan outlines the funding commitments needed to support delivery of the key strategic plans including the Council Plan, Asset Plan and Revenue and Rating Plan.

The Financial Plan demonstrates our financial sustainability over the next ten years with the key assumptions we have used to forecast income and expenditure.

This Financial Plan is the product of hard thinking, focused discussions and quality evidence, shaped and informed by community engagement. This includes a set of strategic actions that outline our risk-based approach to financial sustainability and funding priorities.

### 2.1 Asset Plan Integration

It is essential that any approach towards strategic financial planning be integrated to the Asset Plan. This will ensure that future funding is allocated in a manner that supports service delivery in terms of the plans and the effective management of Council's assets into the future.

The Asset Plan outlines our approach to managing and maintaining our assets, including infrastructure, community facilities, and open spaces. It ensures that we take a risk-based approach to invest in and maintain our assets to meet current and future community needs and that we manage assets across their life cycle in a financially sustainable manner.

The Asset Plan informs the Financial Plan by identifying the amount of capital renewal, backlog and maintenance funding that is required over the life of each asset category. The level of funding will incorporate 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 quantifies the asset portfolio and the financial implications of those practices. Together the Financial Plan and Asset Plan seek to balance projected investment requirements against projected budgets.

### 2.2 Strategic Planning Principles

This Financial Plan provides a 10-year financially sustainable projection regarding how the actions of the Council Plan may be funded to achieve the Community Vision. Council has identified the strategic themes that will support the aspirations of the Community Vision 2040 and direction of the Council Plan. The table below shows the alignment of the Long-Term Financial Plan to the Council Plan.

Council Plan			Long Term Financial Plan Alignment
Theme	Outcome	Priority	
Community Wellbeing and Social Responsibility	A connected and inclusive community where no one is left behind	We work with local communities to deliver a shared future	<ul style="list-style-type: none"> <li>Allocate funds to community programs that promote inclusivity and support vulnerable groups.</li> <li>Financial support for community engagement initiatives and collaborative projects.</li> </ul>
	A stronger collaborative community that is actively engaged and supported	Support the social well-being of our community	<ul style="list-style-type: none"> <li>Investment in community centers and resources that facilitate active engagement and support networks.</li> <li>Budgeting for health, wellness, and social services that enhance community well-being.</li> </ul>
Prosperity	Thriving, self-sufficient communities with strong local businesses and social enterprises	Strengthen economic opportunities through local investment and employment	<ul style="list-style-type: none"> <li>Funding for local business development programs and social enterprise support.</li> <li>Investment in infrastructure projects that create jobs and stimulate local economy.</li> </ul>
		Support the growth and development of our towns	<ul style="list-style-type: none"> <li>Financial planning for urban development and town revitalisation projects.</li> </ul>
	A well-functioning planning system that responds to our communities needs	Land use planning – we've got plans for the right things	<ul style="list-style-type: none"> <li>Allocation for efficient land use planning and responsive development policies.</li> </ul>
Making the Most of What We've Got	Natural assets are well-managed	Promote sustainable management of natural and environmental assets	<ul style="list-style-type: none"> <li>Funding for conservation and sustainable management of natural resources.</li> <li>Budgeting for environmental sustainability initiatives and climate risk mitigation.</li> </ul>
		Promote environmental sustainability including mitigation and planning for climate risks	<ul style="list-style-type: none"> <li>Investment in climate adaptation strategies.</li> </ul>
	Our Cultural heritage is managed and preserved	The management, preservation and promotion of cultural heritage of the community	<ul style="list-style-type: none"> <li>Financial support for cultural heritage preservation and promotion programs.</li> <li>Allocation for heritage sites maintenance and community cultural events.</li> </ul>
	Our assets are well maintained, utilised and meet community needs	Make the most of council assets	<ul style="list-style-type: none"> <li>Budgeting for regular maintenance and optimisation of council assets.</li> </ul>
Managing Council Well	Council operates transparently and effectively with public trust	Council is transparent, easy to engage and do business with	<ul style="list-style-type: none"> <li>Financial strategies that ensure transparency and accountability in council operations.</li> <li>Investment in technology and processes that enhance public engagement and service accessibility.</li> </ul>
	Decision-making is streamlined, efficient, and responsive to community needs	Council services are efficient and effective.	<ul style="list-style-type: none"> <li>Budgeting for initiatives that improve decision-making efficiency and responsiveness.</li> <li>Allocation for continuous improvement of council services and operational efficiency.</li> </ul>

The Financial Plan is developed in the context of the following strategic planning principles:

- Developed in an integrated way across our suite of strategic plans.
- Preserving Financial sustainability.
- Having services and service levels acceptable to the community.
- Ensuring we are keeping up with asset renewals.
- Efficient use of rate payers' money.
- Renewal and upgrade of existing assets is prioritised over the creation of new assets and new assets are designed for cost management and community need.

## **2.3 Financial Management Principles**

The Financial Plan demonstrates the following financial management principles:

- Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- Management of the following financial risks:
  - The financial viability of the Council to ensure financial sustainability in the future.
  - The management of current and future liabilities of the Council.
- Financial policies and strategic plans are designed to provide financial stability and predictability to the community.

## **2.4 Community Engagement**

We undertook a significant community engagement campaign with input from over 4000 people to assist us in developing our suite of strategic plans, including the Long-term Financial Plan. This is one of East Gippsland's most extensive community engagement programs to date.

As part of this engagement program, in December 2024, 25 community members from diverse geographic locations, age groups and genders formed the East Gippsland Community Panel.

The Community made recommendations to Council for consideration in the development of the Long-term Financial Plan.

The recommendations were all reviewed by Council and have either been included in the Long-term Financial Plan or will be included as part of other relevant policies and reviews.

Recommendations presented to Council are detailed below:

Recommendation	Rationale	Our Response
Council to investigate using assets where possible to maximise income.	To assist with generating additional income.	This Plan considers how we maximise income or recover a reasonable cost from services that operate from Council assets, such as marinas, livestock exchange, caravan parks and recreation centres. Service reviews also consider the cost of delivering services vs income we can generate and we are committed to doing two service reviews a year.
For Council to continue to improve communications with community about the financial issues faced.	To improve transparency of Council to the community.	The information in the annual budget and this plan will provide details of financial challenges on how Council is dealing with them when planning for financial sustainability in the long term. The Council Plan details the continued focus of simplifying how we communicate key financial information.
Council strives to find additional efficiencies and report back to the community.	This is to ensure value for money.	Ongoing efficiency savings are built into 25/26, 26/27 and 27/28 with further savings to be identified as part of the Financial Sustainability Strategy (see below).
Recommendation to use qualified local consultants in place of external consultants to ensure a competitive tender process to ensure competitive price and keeping contractors local.	Using local consultants ensures value for money by reducing costs. It supports the local economy.	This has been picked up in the Council Plan as a focus area. Budget has been aligned to reviewing the Procurement Policy and implementing a new procurement management system.
It is recommended that the Council explore opportunities to recycle materials and produce recycled products for use in production or resale to other producers.	This will create an additional source of income for Council, as well as contribute to the circular economy.	<b>Recommendation related to commitments within the Waste Action Plan:</b> The Council's Waste Action Plan aims to offset rising landfill costs and EPA levies by partnering with recyclers to manage materials, generating income from items like metals and vehicle batteries, while the new Resource Recovery Facility at Bairnsdale Landfill will divert recyclables and reduce landfill. Additionally, the plan includes expanding the Mallacoota "Kitchen to Compost" site, processing up to 25,000 tonnes of organic waste, and exploring technologies like pyrolysis and anaerobic digestion for energy productions.
We recommend establishing a working group of experts, community and Council staff on the Carbon Economy, to capitalize on the economic benefits of selling offset and Carbon Credits.	This would result in an additional source of income for Council.	<b>Recommendation related to commitments in the Environmental Sustainability Strategy:</b> Council has established an emission reduction target for 2032. This is likely to require some offsetting of emissions. There is an opportunity to explore the benefits of sell credits derived from Council activities (i.e. landfill gas capture), noting that as we approach 2032 it is likely that any credits will be required to offset residual Council emission.



## 2.5 Financial Sustainability Strategy

Sound long-term financial management is critical to providing the financial certainty and flexibility needed for efficient and effective service delivery and asset management.

Whilst we are financially sound demonstrated by the indicators below, we want to ensure a strong continued focus on being as efficient as we can – this is in line with the budgeting principles of efficient use of ratepayers' money and keeping services and service levels at an acceptable level for the community.

We have also strongly advocated to the State and Federal Governments for our fair share of funding so we can use these funds to provide our services to the community. The State and Federal inquiries into financial sustainability of local government are considering recommendations made across Local Government and we hope many of our recommendations will be implemented.

We are emerging from historically high increases in expenditure driven by the effects of the Black Summer Bushfires so now is the time to develop a framework for realising future savings and efficiencies in how we provide services to our communities.

### Scope of the Strategy:

- Establishing a long-term vision of a financially sustainable organisation to provide direction to the Council and establish appropriate governance for financially responsible decision making.
- Assessment of the capacity to pay of the community and the impact on considerations for rate settings and affordability of fees and charges for services.
- Review our long-term modelling to ensure it includes all reasonable financial estimates.
- Assessment of the current level of income.
- Examine all aspects of the budget including operating, capital and project budgets and the progress of projects against timeframes.
- Consider the efficiency of current services and administration and then consider what we are in the business of doing.
- Review assets to define how we rationalise under-utilised and end-of life assets and the trade-off for the impact on delivery of services.
- Consider the maturity of asset management and the accuracy of current projections of the required asset renewals.
- Consider revenue opportunities.
- Recommend appropriate measures Council should implement to improve its financial sustainability.

## 2.6 Strategic Actions

The following strategic actions outline our risk-based approach to financial sustainability and funding priorities, they are a result of deep thinking and focused discussions informed by our community consultation.

### Financial sustainability

We will be guided by the risk levels recommended by the Victorian Auditor General's Office (VAGO) for our Financial Sustainability Indicators.

- All key financial sustainability indicators will remain at low risk except for the underlying result.
- The underlying result remains at medium risk until the Financial Sustainability Strategy is completed which will recommend appropriate measures Council should implement to improve its financial sustainability.
- Ongoing efficiency savings are built into the 2025/26, 2026/27 and 2027/28 years with further savings to be identified as part of the Financial Sustainability Strategy.

- As part of the Financial Sustainability Strategy examine all aspects of the budget including operating, capital and project budgets ensuring efficient and accountable service delivery and project and contract management.
- Council will consider risk appetite levels as they apply to financial sustainability and will build any mitigations needed into long term financial planning.

### Asset management

- Through the asset management plans we will increase our focus on maintenance and renewal of existing assets over the creation of new ones, focusing on cost management and community need.

### Service levels

- Service levels are to remain largely at similar levels pending the outcomes of our ongoing service review program and Financial Sustainability Strategy.
- As part of the service review process the most appropriate fees and charges are considered to balance the key principles of service cost and quality standards, value-for-money, community expectations, affordability and accessibility. This is aligned with the three pricing strategies of market pricing (benchmarked), full cost recovery (cost neutral) and subsidised.

### Borrowings

- All new borrowings are a Council decision based on individual business cases and should only be for new assets that are aligned to the intergenerational needs of the community. A borrowing policy will be drafted for Council consideration to confirm the policy position.

## 3 Financial Performance Statement

### 3.1 Financial Sustainability Indicators

Council is committed to remaining in a strong financial position and utilises VAGO's financial sustainability indicators when making assessments regarding financial risks and forward planning.

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

The table below shows the forecast result for the six key VAGO financial sustainability indicators over the 10 years of the Financial Plan.

Indicator	Target	Forecast											Risk rating
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	
Net result %	>0%	7.8%	6.4%	16.3%	9.4%	7.4%	7.0%	9.6%	4.2%	4.3%	3.6%	5.3%	Low
Underlying surplus/ (deficit) %	>5%	(12.55%)	(6.73%)	0.18	1.63%	0.70%	0.81%	4.08%	0.71%	1.57%	0.86%	2.83%	Medium
Liquidity/ Working Capital (ratio)	1.5	3.21	2.47	2.03	2.0	2.37	2.33	2.19	2.14	2.16	2.16	2.37	Low
Asset renewal %	100%	117.1%	189.1%	179.6%	120.2%	92.1%	120.5%	127.7%	103.2%	104.4%	101.1%	101%	Low
Indebtedness - Non- current liabilities /own source revenue %	60%	16.6%	16.7%	14.5%	15.5%	15.0%	14.6%	14.7%	11.9%	10.3%	11.2%	10.5%	Low
Unrestricted Cash/ Current Liabilities %	>80%	191.2%	170.6%	110.4%	103.7%	139.8%	135.8%	125.9%	122.0%	120.0%	120.8%	137.2%	Low

### 3.2 VAGO's Key Sustainability Indicators Risk Ratings

Ratio	Calculation	Description	VAGO risk rating
Net result %	Net result/total revenue	A positive result indicates a surplus, and the larger the percentage, the stronger the result. A negative result indicates a deficit. Operating deficits cannot be sustained in the long term.	Less than negative 10% Insufficient revenue is being generated to fund operations and asset renewal
			Negative 10 to 0% Risk of long term run down to cash reserves and inability to fund asset renewals
			More than 0% Generating surpluses consistently
Adjusted underlying result	Adjusted underlying surplus (or deficit)/adjusted underlying revenue	This measures an entity's ability to generate surplus in the ordinary course of business, excluding non-recurrent capital grants, non-monetary asset contributions and other contributions, to fund capital expenditure from its net result. A surplus or increasing surplus suggests an improvement in the operating position.	Less than 0% Insufficient surplus being generated to fund operations
			0-5% Surplus being generated to fund operations
			More than 5% Generating strong surpluses to fund operations
Liquidity	Current assets/current liabilities	This measures an entity's ability to pay existing liabilities in the next 12 months. A ration of 1or more means that an entity has more cash and liquid assets than short-term liabilities.	Less than 0.75 Immediate sustainability issues
			0.75-1.0 Need for caution with cashflow
			More than 1 No immediate issues with repaying short term liabilities
Indebtness	Non-current liabilities/own-sourced revenue	This assesses an entity's ability to pay the principal and interest on its borrowings when they are due from the funds its generates. The lower the ration, the less revenue the entity is required to use to repay its total debt. Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.	More than 60% Potentially long-term concern over ability to repay debt
			40-60% Some concern over ability to repay debt
			40% or less No concern over ability to repay debt
Renewal gap	Renewal and upgrade expenditure/depreciation	This compares the rate of spending on renewing, restoring and replacing existing assets with depreciation. Ratios higher than 1 indicate that spending on existing assets is faster than the depreciation rate.	Less than 0.5 Spending on existing assets has not kept pace with consumption
			0.5 – 1.0 May indicate insufficient spending on renewal of existing assets
			More than 1 Low risk of insufficient spending on asset base



## 4 Economic assumptions

### 4.1 Economic assumption forecasts

This section presents information regarding economic assumptions. The assumptions comprise the annual escalations for each line item of the Comprehensive Income Statement.

Assumption	% of income/ expense	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
CPI		2.50%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Growth		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Rates increases	51.6%	2.00%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Statutory fees and fines	1.8%	3.00%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
User fees	9.9%	3.00%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Grants - Operating	1.8%	3.00%	3.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Grants - Victoria Grants Commission	14.8%	3.00%	3.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Grants - Capital	13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions - monetary (Noncapital as capital contributions are based on the capital program)	0.3%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Contributions – Non-monetary	2.8%	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other income	4%	3.00%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Employee costs	32.1%	3.50%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Lump sum contracts and provisionals	20.1%	4.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Materials and services and other expenses	17.8%	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Borrowings	0.3%	3.00%	3.00%	3.00%	3% to 5%	3% to 5%	3% to 5%	3% to 5%	3% to 5%	3% to 5%	3% to 5%
Depreciation and amortisation	24.9%	2.22%	0.98%	1.88%	2.24%	0.62%	0.95%	0.88%	1.3%	0.67%	0.63%
Utilities	1.7%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Insurances	1.6%	11.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Other expenses	1.5%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

## 4.2 Economic assumptions commentary

### Consumer Price Index

The Financial Plan assumes a conservative increase of 2.75% for the 2026/27 year and then 2.50% thereafter and has been based on the assumptions outlined in the Victorian State Government Budget May 2025. This in effect builds in a strategy for cost containment and encourages efficiencies as current economic indicators reflect a greater increase in prices for various consumer goods.

### Annual Growth

The Financial Plan assumes that growth in the rates base as well as in the use of Council services will grow by 1% each year which has been consistently the case for numerous years.

### Rates and Charges

Base rate income is proposed to increase by 2% in the 2025/26 Financial Year, which is in direct response to the cost-of-living pressures face by our community and is 1% less than the State Government Rate Cap. From 2026/27 onwards it is assumed that the rates revenue will align with the conservative CPI increases.

### Statutory Fees and Fines

The Financial Plan applies a conservative increase of 2.75% for the 2026/27 year and then a 2.50% increase for all future years for statutory fees as they are outside of the control of Council.

### User fees

Most user fees are budgeted to increase by 3% for 2025/26 in line with CPI. Details of the user fees can be found in the schedule of fees and charges included in the 2025/26 Budget.

### Grants

Council currently receives grants for tied (specific purpose grants) and un-tied Financial Assistance Grant funding received via the Victorian Local Government Grants Commission (VLGGC). Operating grants are expected to increase on an annual basis by approximately 2.75% except for the 2026/27 year where it is assumed that the Victorian Grants Commission annual grant will increase by 3%. This is based on historical increases received for the Victorian Grants Commission annual grant allocation and the calculation they use to distribute this across councils in Victoria which sees our area get a slightly greater share in comparison with a large amount of other councils.

Capital grants include all monies received from state and federal sources for the purpose of funding the capital works program. The amount of capital grant funding received each year can vary significantly depending on the types of works included in the capital works program each year. For this Financial Plan, forecast is as per estimates provided on specific capital projects.

### Other income

The Financial Plan assumes that other income increases each year will be in line with conservative CPI assumptions.

### Employee costs

A new Enterprise Agreement for East Gippsland Shire Council employees was registered in December 2024 and provides for employee remuneration increases through until the expiry of the agreement in 2027. This Plan has been developed based on the increases provided in the Enterprise Agreement, with an additional uplift to allow for banding increments. Superannuation guarantee charge increases were announced as part of the 2014 Federal Budget and this Plan assumes that superannuation will increase progressively from 10% in 2021/22 to 12% by 2025/26.

Employee numbers will reduce from 2024/25 and again in 2025/26 as the black summer bushfire recovery efforts conclude. Employee numbers are then forecast to remain the same.

### Lump sum contracts and provisionals

Lump sum contracts and provisional payments are assumed to increase above CPI each year based on cost escalations that have been experienced in the past for this type of expense.

### **Materials and Services and other expenses**

Material costs include items required for the maintenance and repair of Council buildings, roads, drains and footpaths which are more governed by market forces based on availability than CPI. Other associated costs included under this category are utilities, and consumable items for a range of services. Council also utilises external expertise on a range of matters, including legal services and audit. This Plan assumes that these costs will continue to rise at a rate greater than CPI for 2025/26 and beyond.

### **Depreciation and amortization**

Depreciation and amortisation have been based on the projected capital spending contained within this Plan and periodic revaluations

### **Utilities**

This Plan assumes that these costs will continue to rise at a rate greater than CPI for 2025/26 and beyond.

### **Insurances**

Insurance premiums are assumed to increase significantly above CPI each year based on expected cost escalations.

## 5. Financial Plan Statements

This section presents information in regard to the Financial Plan Statements for the 10 years from 2025/26 to 2034/35. The following statements for the 10 years are provided with commentary following each statement.

5.1 Comprehensive Income Statement

5.2 Balance Sheet

5.3 Statement of Changes in Equity

5.4 Statement of Cash Flows

5.5 Statement of Capital Works

5.6 Statement of Human Resources

5.7 Summary of Planned Human Resources Expenditure



## 5.1 Comprehensive Income Statement

Income Statement	Forecast / Budget		Projections								
	Actual										
	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
<b>Income / Revenue</b>											
Rates and charges	72,597	74,425	76,935	79,351	81,842	84,410	87,057	89,785	92,596	95,494	98,481
Statutory fees and fines	2,503	2,693	2,767	2,836	2,907	2,980	3,055	3,131	3,209	3,289	3,372
User fees	14,298	14,268	14,875	15,231	15,596	15,969	16,352	16,745	17,147	17,559	17,981
Grants - Operating	26,752	23,973	22,926	23,541	24,173	24,822	25,488	26,173	26,876	27,599	28,341
Grants - Capital	22,048	18,929	26,032	13,594	11,553	10,230	14,295	4,978	5,480	3,230	5,480
Contributions - monetary	203	430	918	338	309	312	315	318	322	325	328
Contributions - non-monetary	8,438	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Other income	13,039	5,364	4,680	4,549	4,317	4,388	4,461	4,536	4,613	4,692	4,773
<b>Total income / Revenue</b>	<b>159,878</b>	<b>144,082</b>	<b>153,133</b>	<b>143,440</b>	<b>144,697</b>	<b>147,111</b>	<b>155,023</b>	<b>149,666</b>	<b>154,243</b>	<b>156,188</b>	<b>162,756</b>
<b>Expenses</b>											
Employee costs	44,446	43,368	44,334	45,538	46,723	48,271	49,656	51,080	52,542	54,045	55,589
Materials and services	66,357	55,602	47,751	47,821	49,804	50,753	52,344	53,894	56,187	57,278	59,015
Depreciation	31,572	32,270	32,493	32,891	33,411	33,632	33,969	34,286	34,755	35,001	35,236
Amortisation - intangible assets	1,103	1,133	1,239	1,476	1,727	1,727	1,727	1,727	1,727	1,727	1,727
Depreciation - right of use assets	89	76	71	71	71	71	71	71	71	71	71
Bad and doubtful debts - allowance for impairment losses	43	23	24	24	25	25	26	27	27	28	29
Borrowing costs	391	369	314	196	299	328	260	219	175	129	98
Finance Costs - leases	1	1	1	1	1	1	1	1	1	1	1
Net loss on disposal of property, infrastructure, plant and equipment	986	0	0	0	0	0	0	0	0	0	0
Other expenses	2,376	2,009	1,895	1,942	1,991	2,040	2,091	2,144	2,197	2,252	2,308
<b>Total expenses</b>	<b>147,364</b>	<b>134,851</b>	<b>128,122</b>	<b>129,960</b>	<b>134,052</b>	<b>136,848</b>	<b>140,145</b>	<b>143,449</b>	<b>147,682</b>	<b>150,532</b>	<b>154,074</b>
<b>Surplus/(deficit) for the year</b>	<b>12,514</b>	<b>9,231</b>	<b>25,011</b>	<b>13,480</b>	<b>10,645</b>	<b>10,263</b>	<b>14,878</b>	<b>6,217</b>	<b>6,561</b>	<b>5,656</b>	<b>8,682</b>
<b>Other comprehensive income</b>											
<b>Items that will not be reclassified to surplus or deficit in future periods</b>											
Net asset revaluation gain/(loss)	0	0	30,000	120,252	0	0	30,000	135,345		0	0
<b>Total comprehensive result</b>	<b>12,514</b>	<b>9,231</b>	<b>55,011</b>	<b>133,732</b>	<b>10,645</b>	<b>10,263</b>	<b>44,878</b>	<b>141,562</b>	<b>6,561</b>	<b>5,656</b>	<b>8,682</b>

### 5.1.1 RATES AND CHARGES

Under the Victorian Government's Fair Go Rates System (FGRS) Council has no ability to raise revenue from rates and charges in excess of the annual rate cap announced by the Minister for Local Government. The exception being if Council applies for a variation. The rates and charges revenue in the 10 Year Financial Plan has a rates increase of 2% for the 2025/26 year (1% less than the rate cap) and all other years assume that the annual increase in rates and charges will be in accordance with the rate cap. Supplementary rates and charges are additional income raised as a result of growth in new or extended properties. Current estimates of rates and charges revenue are outlined in the table below.

#### RATES AND CHARGES ESTIMATES

Description	Forecast /	Budget	Projections								
	Actual										
	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 raised	59,827	61,679	63,760	65,762	67,824	69,948	72,137	74,390	76,712	79,103	81,566
Waste Service charges	10,008	10,338	10,746	11,141	11,550	11,973	12,411	12,864	13,332	13,817	14,318
Waste Levy	1,657	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675
Supplementary rates and charges	639	350	360	370	380	390	399	410	420	431	442
Rating Agreements	101	103	106	108	111	114	117	120	123	126	129
Penalty interest on rates and charges	365	280	288	295	302	310	318	326	334	342	351
<b>Total</b>	<b>72,597</b>	<b>74,425</b>	<b>76,935</b>	<b>79,351</b>	<b>81,842</b>	<b>84,410</b>	<b>87,057</b>	<b>89,785</b>	<b>92,596</b>	<b>95,494</b>	<b>98,481</b>

## 5.2 Balance Sheet

Balance Sheet	Forecast /	Budget	Projections								
	Actual										
	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
<b>Assets</b>											
<b>Current assets</b>											
Cash and cash equivalents	95,890	59,153	36,587	33,491	42,783	42,503	42,898	42,264	41,468	42,714	46,838
Trade and other receivables	11,693	10,276	10,825	10,137	10,177	10,296	10,800	10,374	10,645	10,729	11,140
Prepayments	711	732	754	777	800	824	849	874	901	928	956
Other assets	3,819	3,925	4,033	4,145	4,261	4,379	4,502	4,628	4,758	4,891	5,029
<b>Total current assets</b>	<b>112,113</b>	<b>74,086</b>	<b>52,199</b>	<b>48,550</b>	<b>58,021</b>	<b>58,002</b>	<b>59,049</b>	<b>58,140</b>	<b>57,772</b>	<b>59,262</b>	<b>63,963</b>
<b>Non-current assets</b>											
Trade and other receivables	154	124	160	150	140	120	100	80	60	40	20
Property, infrastructure, plant & equipment	1,383,980	1,421,104	1,490,221	1,625,357	1,628,217	1,639,888	1,683,572	1,824,996	1,831,527	1,835,468	1,839,300
Right-of-use assets	504	504	504	504	504	504	504	504	504	504	504
Investment property	10,787	10,787	10,787	10,787	10,787	10,787	10,787	10,787	10,787	10,787	10,787
Intangible assets	2,560	6,942	8,637	10,835	9,337	8,314	11,229	9,732	8,234	10,676	9,888
Other financial assets	10	10	10	10	10	10	10	10	10	10	10
<b>Total non-current assets</b>	<b>1,397,995</b>	<b>1,439,471</b>	<b>1,510,319</b>	<b>1,647,643</b>	<b>1,648,995</b>	<b>1,659,623</b>	<b>1,706,202</b>	<b>1,846,109</b>	<b>1,851,122</b>	<b>1,857,485</b>	<b>1,860,509</b>
<b>Total assets</b>	<b>1,510,108</b>	<b>1,513,557</b>	<b>1,562,518</b>	<b>1,696,193</b>	<b>1,707,016</b>	<b>1,717,625</b>	<b>1,765,251</b>	<b>1,904,249</b>	<b>1,908,894</b>	<b>1,916,747</b>	<b>1,924,472</b>
<b>Liabilities</b>											
<b>Current liabilities</b>											
Trade and other payables	10,000	10,865	9,680	7,661	6,898	7,723	8,049	7,605	7,876	7,739	8,001
Trust funds and deposits	4,137	4,137	4,137	4,137	4,137	4,137	4,137	4,137	4,137	4,137	4,137
Contract and other liabilities	5,958	5,958	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408
Provisions	14,059	8,216	9,682	10,159	10,421	10,286	12,007	12,563	11,914	13,680	12,963
Interest-bearing liabilities	695	728	764	801	1,549	1,224	1,284	1,348	1,345	418	440
Lease liabilities	79	79	79	79	79	79	79	79	79	79	79
<b>Total current liabilities</b>	<b>34,928</b>	<b>29,983</b>	<b>25,750</b>	<b>24,245</b>	<b>24,492</b>	<b>24,857</b>	<b>26,964</b>	<b>27,140</b>	<b>26,759</b>	<b>27,461</b>	<b>27,028</b>
<b>Non-current liabilities</b>											
Contract and other liabilities	419	419	419	420	420	420	420	420	420	420	420
Provisions	7,489	7,381	6,327	8,575	7,754	7,578	9,504	8,112	7,922	9,835	9,751
Interest-bearing liabilities	8,501	7,772	7,009	6,208	6,960	7,117	5,832	4,484	3,139	2,721	2,281
Lease liabilities	600	600	600	600	600	600	600	600	600	600	600
<b>Total non-current liabilities</b>	<b>17,009</b>	<b>16,172</b>	<b>14,355</b>	<b>15,803</b>	<b>15,734</b>	<b>15,715</b>	<b>16,356</b>	<b>13,616</b>	<b>12,081</b>	<b>13,576</b>	<b>13,052</b>
<b>Total liabilities</b>	<b>51,937</b>	<b>46,155</b>	<b>40,105</b>	<b>40,048</b>	<b>40,226</b>	<b>40,572</b>	<b>43,320</b>	<b>40,756</b>	<b>38,840</b>	<b>41,037</b>	<b>40,080</b>
<b>Net assets</b>	<b>1,458,171</b>	<b>1,467,402</b>	<b>1,522,413</b>	<b>1,656,145</b>	<b>1,666,790</b>	<b>1,677,053</b>	<b>1,721,931</b>	<b>1,863,493</b>	<b>1,870,054</b>	<b>1,875,710</b>	<b>1,884,392</b>
<b>Equity</b>											
Accumulated surplus	520,575	529,624	554,485	567,765	578,210	588,273	602,951	608,968	615,329	620,785	629,267
Reserves	937,596	937,778	967,928	1,088,380	1,088,580	1,088,780	1,118,980	1,254,525	1,254,725	1,254,925	1,255,125
<b>Total equity</b>	<b>1,458,171</b>	<b>1,467,402</b>	<b>1,522,413</b>	<b>1,656,145</b>	<b>1,666,790</b>	<b>1,677,053</b>	<b>1,721,931</b>	<b>1,863,493</b>	<b>1,870,054</b>	<b>1,875,710</b>	<b>1,884,392</b>

### 5.3 Statement of Changes in Equity

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2025 Forecast Actual</b>				
Balance at beginning of the financial year	1,445,657	508,156	934,911	2,590
Surplus/(deficit) for the year	12,514	12,514	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfers to other reserves	0	(100)	0	100
Transfers from other reserves	0	5	0	(5)
<b>Balance at end of the financial year</b>	<b>1,458,171</b>	<b>520,575</b>	<b>934,911</b>	<b>2,685</b>
<b>2026</b>				
Balance at beginning of the financial year	1,458,171	520,575	934,911	2,685
Surplus/(deficit) for the year	9,231	9,231	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfers to other reserves	0	(300)	0	300
Transfers from other reserves	0	118	0	(118)
<b>Balance at end of the financial year</b>	<b>1,467,402</b>	<b>529,624</b>	<b>934,911</b>	<b>2,867</b>
<b>2027</b>	-			
Balance at beginning of the financial year	1,467,402	529,624	934,911	2,867
Surplus/(deficit) for the year	25,011	25,011	0	0
Net asset revaluation increment/(decrement)	30,000	0	30,000	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	50	0	(50)
<b>Balance at end of the financial year</b>	<b>1,522,413</b>	<b>554,485</b>	<b>964,911</b>	<b>3,017</b>
<b>2028</b>				
Balance at beginning of the financial year	1,522,413	554,485	964,911	3,017
Surplus/(deficit) for the year	13,480	13,480	0	0
Net asset revaluation increment/(decrement)	120,252	0	120,252	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	0	0	0
<b>Balance at end of the financial year</b>	<b>1,656,145</b>	<b>567,765</b>	<b>1,085,163</b>	<b>3,217</b>
<b>2029</b>				
Balance at beginning of the financial year	1,656,145	567,765	1,085,163	3,217
Surplus/(deficit) for the year	10,645	10,645	0	0
Net asset revaluation increment/(decrement)	0	0	-	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	0	0	0
<b>Balance at end of the financial year</b>	<b>1,666,790</b>	<b>578,210</b>	<b>1,085,163</b>	<b>3,417</b>
<b>2030</b>				
Balance at beginning of the financial year	1,666,790	578,210	1,085,163	3,417
Surplus/(deficit) for the year	10,263	10,263	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	0	0	0
<b>Balance at end of the financial year</b>	<b>1,677,053</b>	<b>588,273</b>	<b>1,085,163</b>	<b>3,617</b>



	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2031</b>				
Balance at beginning of the financial year	1,677,053	588,273	1,085,163	3,617
Surplus/(deficit) for the year	14,878	14,878	0	0
Net asset revaluation increment/(decrement)	30,000	0	30,000	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	0	0	0
<b>Balance at end of the financial year</b>	<b>1,721,931</b>	<b>602,951</b>	<b>1,115,163</b>	<b>3,817</b>
<b>2032</b>				
Balance at beginning of the financial year	1,721,931	602,951	1,115,163	3,817
Surplus/(deficit) for the year	6,217	6,217	0	0
Net asset revaluation increment/(decrement)	135,345	0	135,345	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	0	0	0
<b>Balance at end of the financial year</b>	<b>1,863,493</b>	<b>608,968</b>	<b>1,250,508</b>	<b>4,017</b>
<b>2033</b>				
Balance at beginning of the financial year	1,863,493	608,968	1,250,508	4,017
Surplus/(deficit) for the year	6,561	6,561	0	0
Net asset revaluation increment/(decrement)	0	0	-	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	0	0	0
<b>Balance at end of the financial year</b>	<b>1,870,054</b>	<b>615,329</b>	<b>1,250,508</b>	<b>4,217</b>
<b>2034</b>				
Balance at beginning of the financial year	1,870,054	615,329	1,250,508	4,217
Surplus/(deficit) for the year	5,656	5,656	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	0	0	0
<b>Balance at end of the financial year</b>	<b>1,875,710</b>	<b>620,785</b>	<b>1,250,508</b>	<b>4,417</b>
<b>2035</b>				
Balance at beginning of the financial year	1,875,710	620,785	1,250,508	4,417
Surplus/(deficit) for the year	8,682	8,682	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfers to other reserves	0	(200)	0	200
Transfers from other reserves	0	0	0	0
<b>Balance at end of the financial year</b>	<b>1,884,392</b>	<b>629,267</b>	<b>1,250,508</b>	<b>4,617</b>

## 5.4 Statement of Cash Flows

Statement of Cash Flows	Forecast / Actual 2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>											
Rates and charges	71,912	76,271	76,760	79,182	81,668	84,230	86,871	89,594	92,400	95,292	98,272
Statutory fees and fines	2,460	2,693	2,767	2,836	2,907	2,980	3,055	3,131	3,209	3,289	3,372
User fees	11,029	13,742	14,333	15,963	15,601	15,906	15,906	17,228	16,936	17,534	17,634
Grants - operating	26,358	23,973	22,926	23,541	24,173	24,822	25,488	26,173	26,876	27,599	28,341
Grants - capital	15,584	18,929	21,482	13,594	11,553	10,230	14,295	4,978	5,480	3,230	5,480
Contributions - monetary	203	430	918	338	309	312	315	318	322	325	328
Interest received	4,797	2,500	1,540	1,340	1,140	1,040	1,040	1,040	1,040	1,040	1,040
Trust funds and deposits taken	8,500	8,650	8,500	8,650	8,800	8,950	9,100	9,250	9,400	9,550	9,700
Other receipts	8,500	2,863	3,140	3,207	3,177	3,349	3,420	3,496	3,572	3,651	3,732
Employee costs	(44,808)	(42,833)	(43,797)	(44,985)	(46,156)	(47,686)	(49,054)	(50,460)	(51,905)	(53,390)	(54,915)
Materials and services	(69,156)	(61,245)	(49,085)	(50,992)	(51,723)	(50,852)	(52,305)	(55,823)	(57,425)	(57,721)	(60,262)
Trust funds and deposits repaid	(8,500)	(8,650)	(8,500)	(8,650)	(8,800)	(8,950)	(9,100)	(9,250)	(9,400)	(9,550)	(9,700)
Other payments	(2,376)	(2,009)	(1,893)	(1,942)	(1,991)	(2,040)	(2,091)	(2,144)	(2,197)	(2,252)	(2,308)
<b>Net cash provided by/(used in) operating activities</b>	<b>24,503</b>	<b>35,314</b>	<b>49,091</b>	<b>42,082</b>	<b>40,658</b>	<b>42,291</b>	<b>46,940</b>	<b>37,531</b>	<b>38,308</b>	<b>38,597</b>	<b>40,714</b>
<b>Cash flows from investing activities</b>											
Payments for property, infrastructure, plant and equipment	(46,143)	(71,711)	(71,214)	(44,817)	(33,166)	(42,674)	(45,660)	(37,261)	(38,181)	(36,476)	(36,673)
Proceeds from sale of property, infrastructure, plant and equipment	1,393	725	600	600	600	600	600	600	600	600	600
Proceeds from sale of investments	0	0	0	0	0	0	0	0	0	0	0
<b>Net cash provided by/ (used in) investing activities</b>	<b>(44,750)</b>	<b>(70,986)</b>	<b>(70,614)</b>	<b>(44,217)</b>	<b>(32,566)</b>	<b>(42,074)</b>	<b>(45,060)</b>	<b>(36,661)</b>	<b>(37,581)</b>	<b>(35,876)</b>	<b>(36,073)</b>
<b>Cash flows from financing activities</b>											
Finance costs	(391)	(369)	(314)	(196)	(299)	(328)	(260)	(219)	(174)	(129)	(98)
Proceeds from borrowings	0	0	0	0	2,500	1,500	0	0	0	0	0
Repayment of borrowings	(663)	(695)	(728)	(764)	(1,000)	(1,668)	(1,224)	(1,284)	(1,348)	(1,345)	(418)
Interest paid - lease liability	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
<b>Net cash provided by/(used in) financing activities</b>	<b>(1,055)</b>	<b>(1,065)</b>	<b>(1,043)</b>	<b>(961)</b>	<b>1,200</b>	<b>(497)</b>	<b>(1,485)</b>	<b>(1,504)</b>	<b>(1,523)</b>	<b>(1,475)</b>	<b>(517)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(21,302)</b>	<b>(36,737)</b>	<b>(22,566)</b>	<b>(3,096)</b>	<b>9,292</b>	<b>(280)</b>	<b>395</b>	<b>(634)</b>	<b>(796)</b>	<b>1,246</b>	<b>4,124</b>
Cash and cash equivalents at the beginning of the financial year	117,192	95,890	59,153	36,587	33,491	42,783	42,503	42,898	42,264	41,468	42,714
<b>Cash and cash equivalents at the end of the financial year</b>	<b>95,890</b>	<b>59,153</b>	<b>36,587</b>	<b>33,491</b>	<b>42,783</b>	<b>42,503</b>	<b>42,898</b>	<b>42,264</b>	<b>41,468</b>	<b>42,714</b>	<b>46,838</b>

## 5.5 Statement of Capital Works

Capital Works	Forecast / Actual										
	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
<b>Property</b>											
Land	242	250	70	70	70	70	70	70	70	70	70
<b>Total land</b>	<b>242</b>	<b>250</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>
Buildings	6,307	8,744	12,783	6,345	7,445	2,600	2,700	3,100	2,800	3,200	3,200
<b>Total buildings</b>	<b>6,307</b>	<b>8,744</b>	<b>12,783</b>	<b>6,345</b>	<b>7,445</b>	<b>2,600</b>	<b>2,700</b>	<b>3,100</b>	<b>2,800</b>	<b>3,200</b>	<b>3,200</b>
<b>Total property</b>	<b>6,549</b>	<b>8,994</b>	<b>12,853</b>	<b>6,415</b>	<b>7,515</b>	<b>2,670</b>	<b>2,770</b>	<b>3,170</b>	<b>2,870</b>	<b>3,270</b>	<b>3,270</b>
<b>Plant and equipment</b>											
Plant, machinery and equipment	4,065	5,107	2,980	6,335	2,452	2,945	2,980	3,851	3,111	2,836	2,563
Fixtures, fittings and furniture	36	50	30	30	30	30	30	30	30	30	30
Computers and telecommunications	1,570	5,592	3,004	445	300	775	1,413	300	300	940	1,010
Library books	209	209	209	209	209	209	209	209	209	209	209
<b>Total plant and equipment</b>	<b>5,880</b>	<b>10,958</b>	<b>6,223</b>	<b>7,019</b>	<b>2,991</b>	<b>3,959</b>	<b>4,632</b>	<b>4,390</b>	<b>3,650</b>	<b>4,015</b>	<b>3,812</b>
<b>Infrastructure</b>											
Roads	11,352	9,678	17,858	13,406	10,435	16,645	18,688	12,126	13,971	11,571	13,471
Bridges	757	250	580	2,610	250	650	350	1,100	350	350	350
Footpaths and cycleways	443	1,509	739	1,722	1,550	1,600	1,600	2,100	1,500	2,000	2,000
Drainage	1,946	4,620	4,342	4,619	5,810	2,960	3,610	3,950	2,150	3,950	4,150
Recreational, leisure and community facilities	2,236	8,062	6,410	2,229	820	4,015	4,840	5,125	3,670	3,370	3,350
Waste management	1,876	2,394	4,119	2,639	320	2,750	2,020	400	3170	2,600	820
Parks, open space and streetscapes	15,699	12,887	6,730	2,908	2,875	4,325	5,050	2,800	2,750	2,750	2,850
Aerodromes	262	11,585	10,410	500	100	100	100	100	100	100	100
Off street car parks	53	362	800	600	100	100	100	100	100	100	100
Other infrastructure	298	412	150	150	400	2,900	1,900	1,900	3,900	2,400	2,400
<b>Total infrastructure</b>	<b>34,922</b>	<b>51,759</b>	<b>52,138</b>	<b>31,383</b>	<b>22,660</b>	<b>36,045</b>	<b>38,258</b>	<b>29,701</b>	<b>31,661</b>	<b>29,191</b>	<b>29,591</b>
<b>Total capital works expenditure</b>	<b>47,351</b>	<b>71,711</b>	<b>71,214</b>	<b>44,817</b>	<b>33,166</b>	<b>42,674</b>	<b>45,660</b>	<b>37,261</b>	<b>38,181</b>	<b>36,476</b>	<b>36,673</b>
<b>Represented by:</b>											
New asset expenditure	10,394	10,685	12,859	5,272	2,399	2,134	2,283	1,863	1,909	1,094	1,100
Asset renewal expenditure	30,239	48,587	41,483	31,478	25,747	36,273	38,811	31,672	32,454	31,734	31,906
Asset expansion expenditure	0	0	0	0	0	0	0	0	0	0	0
Asset upgrade expenditure	6,718	12,439	16,872	8,067	5,020	4,267	4,566	3,726	3,818	3,648	3,667
<b>Total capital works expenditure</b>	<b>47,351</b>	<b>71,711</b>	<b>71,214</b>	<b>44,817</b>	<b>33,166</b>	<b>42,674</b>	<b>45,660</b>	<b>37,261</b>	<b>38,181</b>	<b>36,476</b>	<b>36,673</b>
<b>Funding sources represented by:</b>											
Grants	22,048	18,929	26,031	13,594	11,553	10,230	14,295	4,978	5,480	3,230	5,480
Contributions	1,635	23	615	32	0	0	0	0	0	0	0
Council cash	21,742	50,695	40,919	29,152	19,113	30,944	31,365	32,283	32,701	33,246	31,193
Reserves	1,926	2,064	3,649	2,039	0	0	0	0	0	0	0
Borrowings	0	0	0	0	2,500	1,500	0	0	0	0	0
<b>Total capital works expenditure</b>	<b>47,351</b>	<b>71,711</b>	<b>71,214</b>	<b>44,817</b>	<b>33,166</b>	<b>42,674</b>	<b>45,660</b>	<b>37,261</b>	<b>38,181</b>	<b>36,476</b>	<b>36,673</b>

## 5.6 Statement of Human Resources

Staff expenditure	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
<b>Total staff expenditure</b>										
Female	20,617	21,558	22,143	22,712	23,308	23,944	24,598	25,270	25,960	26,670
Male	19,761	20,567	21,125	21,679	22,567	23,250	23,952	24,673	25,414	26,175
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>Total staff expenditure</b>	<b>40,378</b>	<b>42,125</b>	<b>43,268</b>	<b>44,391</b>	<b>45,875</b>	<b>47,194</b>	<b>48,550</b>	<b>49,943</b>	<b>51,374</b>	<b>52,844</b>
<b>Permanent full time</b>										
Female	14,786	15,496	15,923	16,362	16,789	17,252	17,728	18,217	18,719	19,236
Male	17,252	17,975	18,469	18,975	19,789	20,396	21,019	21,659	22,317	22,993
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>32,038</b>	<b>33,471</b>	<b>34,392</b>	<b>35,337</b>	<b>36,578</b>	<b>37,648</b>	<b>38,747</b>	<b>39,876</b>	<b>41,037</b>	<b>42,229</b>
<b>Permanent part time</b>										
Female	5,831	6,062	6,219	6,350	6,519	6,692	6,870	7,053	7,241	7,434
Male	2,509	2,592	2,657	2,704	2,778	2,854	2,933	3,014	3,096	3,182
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>8,340</b>	<b>8,653</b>	<b>8,876</b>	<b>9,054</b>	<b>9,297</b>	<b>9,547</b>	<b>9,803</b>	<b>10,066</b>	<b>10,337</b>	<b>10,615</b>
<b>Total Permanent staff expenditure</b>	<b>40,378</b>	<b>42,125</b>	<b>43,268</b>	<b>44,391</b>	<b>45,875</b>	<b>47,194</b>	<b>48,550</b>	<b>49,943</b>	<b>51,374</b>	<b>52,844</b>
Casuals, temporary and other expenditure	2,990	2,209	2,270	2,332	2,396	2,462	2,530	2,599	2,671	2,744
<b>Total Operating staff expenditure</b>	<b>43,368</b>	<b>44,334</b>	<b>45,538</b>	<b>46,723</b>	<b>48,271</b>	<b>49,656</b>	<b>51,080</b>	<b>52,542</b>	<b>54,045</b>	<b>55,589</b>
Capitalised labour costs	2,470	2,313	2,003	2,036	1,870	1,905	1,941	1,978	2,016	2,055
<b>Total Operating and Capital labour costs</b>	<b>45,838</b>	<b>46,647</b>	<b>47,541</b>	<b>48,759</b>	<b>50,141</b>	<b>51,561</b>	<b>53,021</b>	<b>54,520</b>	<b>56,061</b>	<b>57,644</b>

Staff numbers	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Total permanent staff numbers</b>										
Female	199.19	199.19	199.19	199.19	199.19	199.19	199.19	199.19	199.19	199.19
Male	185.36	185.36	185.36	185.36	185.36	185.36	185.36	185.36	185.36	185.36
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>Total permanent staff numbers</b>	<b>384.55</b>	<b>384.55</b>	<b>384.55</b>	<b>384.55</b>	<b>384.55</b>	<b>384.55</b>	<b>384.55</b>	<b>384.55</b>	<b>384.55</b>	<b>384.55</b>
<b>Permanent full time</b>										
Female	135.20	135.20	135.20	135.20	135.20	135.20	135.20	135.20	135.20	135.20
Male	154.00	154.00	154.00	154.00	154.00	154.00	154.00	154.00	154.00	154.00
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>289.20</b>	<b>289.20</b>	<b>289.20</b>	<b>289.20</b>	<b>289.20</b>	<b>289.20</b>	<b>289.20</b>	<b>289.20</b>	<b>289.20</b>	<b>289.20</b>
<b>Permanent part time</b>										
Female	63.99	63.99	63.99	63.99	63.99	63.99	63.99	63.99	63.99	63.99
Male	31.36	31.36	31.36	31.36	31.36	31.36	31.36	31.36	31.36	31.36
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>95.35</b>	<b>95.35</b>	<b>95.35</b>	<b>95.35</b>	<b>95.35</b>	<b>95.35</b>	<b>95.35</b>	<b>95.35</b>	<b>95.35</b>	<b>95.35</b>
Total permanent staff numbers	384.55	384.55	384.55	384.55	384.55	384.55	384.55	384.55	384.55	384.55
Casuals, temporary and other expenditure	26.60	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00
Capitalised	26.00	25.00	23.00	23.00	22.00	22.00	22.00	22.00	22.00	22.00
<b>Total staff numbers</b>	<b>437.15</b>	<b>428.55</b>	<b>426.55</b>	<b>426.55</b>	<b>425.55</b>	<b>425.55</b>	<b>425.55</b>	<b>425.55</b>	<b>425.55</b>	<b>425.55</b>

## Summary of expenditure

Directorate	Permanent Full Time				Permanent Part Time				2025/26
	Female	Male	Self-described	Total	Female	Male	Self-described	Total	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and Environment	2,301	10,747	0	13,048	1,007	1,397	0	2,404	15,452
Place and Community	4,109	3,731	0	7,840	1,595	573	0	2,168	10,008
Business Excellence	6,960	2,348	0	9,308	3,024	539	0	3,563	12,871
Office of the CEO	1,416	426	0	1,842	205	0	0	205	2,047
<b>Total permanent staff expenditure</b>	<b>14,786</b>	<b>17,252</b>	<b>0</b>	<b>32,038</b>	<b>5,831</b>	<b>2,509</b>	<b>0</b>	<b>8,340</b>	<b>40,378</b>
Casuals, temporary and other expenditure									2,990
<b>Total Employee Costs - Operating</b>	<b>14,786</b>	<b>17,252</b>	<b>0</b>	<b>32,038</b>	<b>5,831</b>	<b>2,509</b>	<b>0</b>	<b>8,340</b>	<b>43,368</b>
Capitalised labour costs									2,470
<b>Total employee costs including capitalised labour</b>	<b>14,786</b>	<b>17,252</b>	<b>0</b>	<b>32,038</b>	<b>5,831</b>	<b>2,509</b>	<b>0</b>	<b>8,340</b>	<b>45,838</b>

## 5.7 Summary of Planned Human Resources Expenditure

For the ten years ended 30 June 2035

Directorate	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2034/34 \$'000	2034/35 \$'000
<b>Assets and Environment</b>										
Permanent - Full time	13,048	13,654	14,029	14,414	15,025	15,489	15,965	16,454	16,956	17,472
Women	2,301	2,364	2,429	2,496	2,575	2,645	2,718	2,793	2,870	2,949
Men	10,747	11,290	11,600	11,918	12,451	12,843	13,246	13,661	14,086	14,524
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	2,404	2,470	2,537	2,607	2,679	2,752	2,828	2,906	2,986	3,068
Women	1,007	1,035	1,063	1,092	1,122	1,153	1,185	1,217	1,251	1,285
Men	1,397	1,435	1,473	1,515	1,557	1,599	1,643	1,689	1,735	1,783
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
<b>Total Assets and Environment</b>	<b>15,452</b>	<b>16,124</b>	<b>16,566</b>	<b>17,021</b>	<b>17,704</b>	<b>18,241</b>	<b>18,793</b>	<b>19,359</b>	<b>19,942</b>	<b>20,540</b>
<b>Place and Community</b>										
Permanent - Full time	7,840	8,278	8,506	8,739	9,229	9,533	9,845	10,166	10,496	10,834
Women	4,109	4,444	4,566	4,692	4,971	5,133	5,299	5,470	5,645	5,825
Men	3,731	3,834	3,939	4,047	4,258	4,400	4,546	4,696	4,851	5,009
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	2,168	2,312	2,361	2,359	2,424	2,491	2,559	2,629	2,702	2,776
Women	1,595	1,709	1,747	1,755	1,803	1,853	1,904	1,956	2,010	2,065
Men	573	603	614	604	621	638	655	673	692	711
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
<b>Total Place and Community</b>	<b>10,008</b>	<b>10,590</b>	<b>10,867</b>	<b>11,098</b>	<b>11,653</b>	<b>12,024</b>	<b>12,404</b>	<b>12,795</b>	<b>13,197</b>	<b>13,610</b>



Directorate	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2034/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Business Excellence</b>										
Permanent - Full time	9,308	9,648	9,913	10,186	10,572	10,875	11,186	11,506	11,834	12,171
Women	6,960	7,235	7,434	7,638	7,954	8,185	8,422	8,665	8,916	9,173
Men	2,348	2,413	2,479	2,548	2,618	2,690	2,764	2,840	2,918	2,998
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	3,563	3,661	3,762	3,866	3,972	4,082	4,194	4,309	4,428	4,550
Female	3,024	3,107	3,193	3,281	3,372	3,464	3,560	3,658	3,758	3,861
Male	539	554	569	585	601	617	634	652	670	688
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
<b>Total Business Excellence</b>	<b>12,871</b>	<b>13,309</b>	<b>13,675</b>	<b>14,052</b>	<b>14,545</b>	<b>14,957</b>	<b>15,380</b>	<b>15,815</b>	<b>16,262</b>	<b>16,721</b>
<b>Office of the CEO</b>										
Permanent - Full time	1,842	1,891	1,944	1,998	1,751	1,751	1,751	1,751	1,751	1,751
Women	1,416	1,453	1,494	1,536	1,289	1,289	1,289	1,289	1,289	1,289
Men	426	438	450	462	462	462	462	462	462	462
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	205	210	216	222	222	222	222	222	222	222
Women	205	210	216	222	222	222	222	222	222	222
Men	0	0	0	0	0	0	0	0	0	0
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0
<b>Total Office of the CEO</b>	<b>2,047</b>	<b>2,101</b>	<b>2,160</b>	<b>2,220</b>	<b>1,973</b>	<b>1,973</b>	<b>1,973</b>	<b>1,973</b>	<b>1,973</b>	<b>1,973</b>
<b>Total permanent employee costs</b>	<b>40,378</b>	<b>42,125</b>	<b>43,268</b>	<b>44,391</b>	<b>45,875</b>	<b>47,194</b>	<b>48,550</b>	<b>49,943</b>	<b>51,374</b>	<b>52,844</b>
<b>Casuals, temporary and other expenditure</b>	<b>2,990</b>	<b>2,209</b>	<b>2,270</b>	<b>2,332</b>	<b>2,396</b>	<b>2,462</b>	<b>2,530</b>	<b>2,599</b>	<b>2,671</b>	<b>2,744</b>
<b>Total Operating staff expenditure</b>	<b>43,368</b>	<b>44,334</b>	<b>45,538</b>	<b>46,723</b>	<b>48,271</b>	<b>49,656</b>	<b>51,080</b>	<b>52,542</b>	<b>54,045</b>	<b>55,589</b>
<b>Total capitalised labour costs</b>	<b>2,470</b>	<b>2,313</b>	<b>2,003</b>	<b>2,036</b>	<b>1,870</b>	<b>1,905</b>	<b>1,941</b>	<b>1,978</b>	<b>2,016</b>	<b>2,055</b>
<b>Total Operating and Capital labour costs</b>	<b>45,838</b>	<b>46,647</b>	<b>47,541</b>	<b>48,759</b>	<b>50,141</b>	<b>51,561</b>	<b>53,021</b>	<b>54,520</b>	<b>56,061</b>	<b>57,644</b>

Directorate	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2034/34	2034/35
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Assets and Environment</b>										
Permanent - Full time	123.0	123.0	123.0	123.0	123.0	123.0	123.0	123.0	123.0	123.0
Women	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0
Men	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	28.6	28.6	28.6	28.6	28.6	28.6	28.6	28.6	28.6	28.6
Women	11.2	11.2	11.2	11.2	11.2	11.2	11.2	11.2	11.2	11.2
Men	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Assets and Environment</b>	<b>151.6</b>	<b>151.6</b>	<b>151.6</b>	<b>151.6</b>	<b>151.6</b>	<b>151.6</b>	<b>151.6</b>	<b>151.6</b>	<b>151.6</b>	<b>151.6</b>
<b>Place and Community</b>										
Permanent - Full time	72.8	72.8	72.8	72.8	72.8	72.8	72.8	72.8	72.8	72.8
Women	42.8	42.8	42.8	42.8	42.8	42.8	42.8	42.8	42.8	42.8
Men	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	25.7	25.7	25.7	25.7	25.7	25.7	25.7	25.7	25.7	25.7
Women	18.2	18.2	18.2	18.2	18.2	18.2	18.2	18.2	18.2	18.2
Men	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Place and Community</b>	<b>98.5</b>	<b>98.5</b>	<b>98.5</b>	<b>98.5</b>	<b>98.5</b>	<b>98.5</b>	<b>98.5</b>	<b>98.5</b>	<b>98.5</b>	<b>98.5</b>
<b>Business Excellence</b>										
Permanent - Full time	80.4	80.4	80.4	80.4	80.4	80.4	80.4	80.4	80.4	80.4
Women	59.4	59.4	59.4	59.4	59.4	59.4	59.4	59.4	59.4	59.4
Men	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	39.2	39.2	39.2	39.2	39.2	39.2	39.2	39.2	39.2	39.2
Women	32.8	32.8	32.8	32.8	32.8	32.8	32.8	32.8	32.8	32.8
Men	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Business Excellence</b>	<b>119.6</b>	<b>119.6</b>	<b>119.6</b>	<b>119.6</b>	<b>119.6</b>	<b>119.6</b>	<b>119.6</b>	<b>119.6</b>	<b>119.6</b>	<b>119.6</b>

Directorate	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2034/34	2034/35
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Office of the CEO</b>										
Permanent - Full time	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Women	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Men	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Women	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Men	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Persons of self-described gender	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Office of the CEO</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>
<b>Total permanent staff</b>	<b>384.5</b>	<b>384.5</b>	<b>384.5</b>	<b>384.5</b>	<b>384.5</b>	<b>384.5</b>	<b>384.5</b>	<b>384.5</b>	<b>384.5</b>	<b>384.5</b>
<b>Casuals, temporary and other expenditure</b>	<b>26.6</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>
<b>Total Permanent and Casual staff numbers</b>	<b>411.1</b>	<b>403.5</b>	<b>403.5</b>	<b>403.5</b>	<b>403.5</b>	<b>403.5</b>	<b>403.5</b>	<b>403.5</b>	<b>403.5</b>	<b>403.5</b>
<b>Total Capitalised staff numbers</b>	<b>26.0</b>	<b>25.0</b>	<b>23.0</b>	<b>23.0</b>	<b>22.0</b>	<b>22.0</b>	<b>22.0</b>	<b>22.0</b>	<b>22.0</b>	<b>22.0</b>
<b>Total all staff numbers</b>	<b>437.1</b>	<b>428.5</b>	<b>426.5</b>	<b>426.5</b>	<b>425.5</b>	<b>425.5</b>	<b>425.5</b>	<b>425.5</b>	<b>425.5</b>	<b>425.5</b>

## 6. 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	Target	Forecast Actual 2024/25	Budget 2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	Trend +/-
<b>Operating position</b>														
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	>5%	(12.55%)	(6.73%)	0.18%	1.63%	0.70%	0.81%	4.08%	0.71%	1.57%	0.86%	2.83%	+
<b>Liquidity</b>														
Working Capital	Current assets / current liabilities	>150%	321%	247%	203%	200%	237%	233%	219%	214%	216%	216%	237%	o
Unrestricted cash	Unrestricted cash / current liabilities	>80%	191.2%	170.6%	110.4%	103.7%	139.8%	135.8%	125.9%	122.0%	120.0%	120.8%	137.2%	o
<b>Obligations</b>														
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	<60%	12.7%	11.4%	10.1%	8.8%	10.4%	9.9%	8.2%	6.5%	4.8%	3.3%	2.8%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue	<5%	1.5%	1.4%	1.4%	1.2%	1.6%	2.4%	1.7%	1.7%	1.6%	1.5%	0.5%	+
Indebtedness	Non-current liabilities / own source revenue	<60%	16.6%	16.7%	14.5%	15.5%	15.0%	14.6%	14.7%	11.9%	10.3%	11.2%	10.5%	+
Asset renewal	Asset renewal and upgrade expense / Asset depreciation	>100%	117.1%	189.1%	179.6%	120.2%	92.1%	120.5%	127.7%	103.2%	104.4%	101.1%	101.0%	-
<b>Stability</b>														
Rates concentration	Rate revenue / adjusted underlying revenue	>60%	55.45%	58.91%	59.94%	60.07%	60.63%	61.18%	59.58%	62.15%	61.71%	62.89%	62.11%	+
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.37%	0.37%	0.35%	0.33%	0.31%	0.29%	0.27%	0.25%	0.24%	0.22%	0.21%	-

Indicator	Measure	Forecast Actual	Budget		Projections									Trend	
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	+/-		
Efficiency															
Expenditure level	Total expenses/ no. of property assessments	\$4,404	\$3,988	\$3,751	\$3,767	\$3,847	\$3,889	\$3,943	\$3,996	\$4,073	\$4,111	\$4,166	+		
Revenue level	General Rates and Municipal charges / no. of property assessments	\$1,795	\$1,831	\$1,870	\$1,909	\$1,950	\$1,991	\$2,033	\$2,075	\$2,119	\$2,163	\$2,208	+		
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year	11%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	o		

Indicator	Measure	Forecast 2024/25	Budget 2025/26	2026/27	2027/28	2028/29	2029/30	Projections			2030/31	2031/32	2032/33	2033/34	2034/35	Trend +/-
Sustainable Capacity																
Population	Total expenses/ Municipal population	\$2,947	\$2,670	\$2,512	\$2,523	\$2,576	\$2,604	\$2,640	\$2,676	\$2,728	\$2,753	\$2,790	o			
Population	Value of infrastructure / Municipal population	\$27,680	\$28,141	\$29,217	\$31,551	\$31,294	\$31,206	\$31,720	\$34,044	\$33,828	\$33,565	\$33,302	+			
Population	Municipal population / Kilometres of local roads	17	17	17	17	17	18	18	18	18	18	19	o			
Own-source revenue	Own source revenue / Municipal population	\$2,049	\$1,916	\$1,946	\$1,979	\$2,012	\$2,050	\$2,090	\$2,130	\$2,171	\$2,213	\$2,256	o			
Recurrent grants	Recurrent grants / Municipal population	\$493	\$544	\$564	\$578	\$576	\$568	\$656	\$558	\$593	\$557	\$608	+			

**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

## Calculation of Adjusted Underlying surplus / (deficit)

The following table shows how the adjusted underlying result has been calculated.

Adjusted Underlying Result	Forecast / Actual										
	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	159,878	144,082	153,133	143,440	144,697	147,111	155,023	149,666	154,243	156,188	162,756
Total expenses	147,364	134,851	128,122	129,960	134,052	136,848	140,145	143,449	147,682	150,532	154,074
<b>Surplus/(deficit) for the year</b>	<b>12,514</b>	<b>9,231</b>	<b>25,011</b>	<b>13,480</b>	<b>10,645</b>	<b>10,263</b>	<b>14,878</b>	<b>6,217</b>	<b>6,561</b>	<b>5,656</b>	<b>8,682</b>
<b>Less non-operating income and expenses</b>											
Grants - Capital (non-recurrent)	(18,877)	(13,714)	(20,163)	(7,300)	(5,700)	(5,150)	(4,915)	(1,198)	(200)	(350)	(200)
Contributions - monetary (capital)	(1,635)	(23)	(615)	(32)	0	0	0	0	0	0	0
Contributions - non-monetary	(8,438)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
<b>Adjusted underlying surplus/(deficit)</b>	<b>(16,436)</b>	<b>(8,506)</b>	<b>233</b>	<b>2,148</b>	<b>945</b>	<b>1,113</b>	<b>5,963</b>	<b>1,019</b>	<b>2,361</b>	<b>1,306</b>	<b>4,482</b>
* Recurrent Capital Grants - R2R	3,162	5,206	5,860	6,285	5,844	5,071	9,371	3,771	5,271	2,871	5,271

Note: Recurrent Capital funding for R2R is planned to be relatively consistent each year with the exception of the 2030/31, 2031/32 and 2033/34 years where the amounts fluctuate as a result of the timing for projects funded by R2R funding. Whilst there is an underlying deficit forecast for the 2025/26 year all other years are forecast to be underlying surpluses. Whilst the target for the underlying surplus is a result greater than 5% to ensure it is at low risk, the underlying results indicate that over the 10 years it will remain at a medium financial risk.

Also to note is that the Raymond Island Ferry Slipping of \$850k per year will impact on the underlying result every 2nd year from 2025/26.

There are also costs in the 2024/25 that relate to completing bushfire funded support programs where the funding was received in prior years.

## 7. Strategies and Plans

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

### 7.1 Borrowing Strategy

#### 7.1.1 Policy Position

All new borrowings are a Council decision based on individual business case and should only be for new assets that are aligned to the intergenerational needs of the community. A borrowing policy will be drafted for Council consideration to confirm the policy position.

#### 7.1.2 Current Debt Position

The total amount borrowed as at 30 June 2025 is forecast to be \$9.196M.

Council has three current loans of \$1.650M that is being repaid from the Tambo Bluff Special Charge scheme participants. The new borrowings of \$7.043M in the 2023/24 year are the draw down of loan funds approved under the Victorian governments Community Infrastructure Low Interest Loan Scheme for the Eagle Point Community Hub project and the WORLD Sporting Precinct project. New borrowings in 2028/29 and 2029/30 are for drainage works for the Lakes Entrance Northern Growth Area (LENGA).

The interest rate for current and future loans is as follows:

- Tambo Bluff - 9.5%
- Eagle Point Community Hub - 3% variable (this includes the discount) and will vary from time to time depending on the market interest rates.
- World Sporting Precinct Loan - 3% variable (this includes the discount) and will vary from time to time depending on the market interest rates.
- New loans - assume an interest rate of 5% that will vary over time depending on the market interest rate.

#### 7.1.3 Future Borrowing Requirements

Council is proposing new borrowings for the 2028/29 year of \$2.5M and in 2029/30 of \$1.5M for the drainage works required in relation to LENGA.

No other new borrowings are forecast over the 10 years of the Plan.

All of the Performance Indicators for Council's borrowings are forecast to be well below the target indicators over the 10 years of the Plan. See the forecast borrowings and Performance Indicators in the tables below.

	Forecast / Actual 2024/25	Budget 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
<b>Opening balance</b>	9,859	9,196	8,501	7,773	7,009	8,509	8,341	7,117	5,833	4,485	3,140
Plus New loans	0	0	0	0	2,500	1,500	0	0	0	0	0
Less Principal repayment	(663)	(695)	(728)	(764)	(1,000)	(1,668)	(1,224)	(1,284)	(1,348)	(1,345)	(418)
<b>Closing balance</b>	<b>9,196</b>	<b>8,501</b>	<b>7,773</b>	<b>7,009</b>	<b>8,509</b>	<b>8,341</b>	<b>7,117</b>	<b>5,833</b>	<b>4,485</b>	<b>3,140</b>	<b>2,722</b>
Interest payment	391	369	314	196	299	328	260	219	174	129	98

#### 7.1.4 Performance Indicators

Performance Indicator	Target	Forecast / Actual 2024/25	Budget 2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
		%	%	%	%	%	%	%	%	%	%	%
Total borrowings / Rate revenue	Below 60%	12.7%	11.4%	10.1%	8.8%	10.4%	9.9%	8.2%	6.5%	4.8%	3.3%	2.8%
Debt servicing / Rate revenue	Below 5%	0.5%	0.5%	0.4%	0.2%	0.4%	0.4%	0.3%	0.2%	0.2%	0.1%	0.1%
Debt commitment / Rate revenue	Below 10%	1.5%	1.4%	1.4%	1.2%	1.6%	2.4%	1.7%	1.7%	1.6%	1.5%	0.5%
Indebtedness / Own source revenue	Below 60%	16.6%	16.7%	14.5%	15.5%	15.0%	14.6%	14.7%	11.9%	10.3%	11.2%	10.5%



## **7.2. Reserves Strategy**

### **7.2.1 Current Non-Discretionary Reserves**

The Recreation Land Reserve receives developer contributions for future development of public open space.

The Car Parking Reserve receives developer funds for future development of public car parks.

Development Contribution Plans receive contribution from developers upon the sale of land in a prescribed planning area.

Lakes Entrance Northern Growth Area receive contributions in accordance with the development plan.

The Road Upgrading Reserve receives contributions from developers for the future upgrade of specific roads as required by development plans.

### **7.2.2 Current Discretionary Reserves**

The Raymond Island Ferry Replacement Reserve is planned to increase by \$300K each year as an allocation of accumulated surplus to be utilised when the Ferry is replaced in the future.

The Orbost Landfill Bushfire Waste Reserve is the amount of surplus funds that were generated during the period that the 2019/20 bushfire contaminated waste was being disposed at the Orbost landfill site. These funds will be held to fund additional aftercare and monitoring costs that may result from the use of the Orbost Landfill and part of the Bairnsdale landfill for depositing of contaminated bushfire waste. They will also be used over time to fund new strategic waste projects.

A discretionary reserve for the Tambo Bluff Property Sales is utilised to allocate Tambo Bluff property sales income to Tambo Bluff property purchases to be able to consolidate into saleable blocks.

### **7.2.3 Reserve Usage Projections**

It is proposed that \$5K of Car Parking reserve funds will be utilised in 2024/25, \$65K in 2025/26 and \$50K in 2026/27 to contribute to car parking upgrades. In 2025/26 \$53K of Public Open Space reserve funds will be contributing to a playground upgrade. There will also be public open space contributions made into the reserve of \$100K in 2024/25, \$300k in 2025/26 and \$200K in each subsequent year.

The discretionary Orbost Landfill Bushfire Waste reserve is projected to utilise \$8.749M over a number of years from 2024/25 to 2027/28 for the upgrade of the Bairnsdale Regional Landfill and Transfer Station, Bairnsdale Resource Centre, Bairnsdale Recycling Facility, the Cann River Waste Transfer Station, Bairnsdale Composting Facility, Buchan Transfer station upgrade and Metung Transfer Station upgrade. The Tambo Bluff Property sales Reserve will also be utilised to fund land purchases in the Tambo Bluff development. Each year \$300k is allocated to the Raymond Island Ferry Replacement Reserve.

A summary of both Restricted and Discretionary Reserves is shown below.

<b>Reserves</b>	<b>Restricted / Discretionary</b>	<b>Forecast 2024/25 \$000's</b>	<b>2025/26 \$000's</b>	<b>2026/27 \$000's</b>	<b>2027/28 \$000's</b>	<b>2028/29 \$000's</b>	<b>2029/30 \$000's</b>	<b>2030/31 \$000's</b>	<b>2031/32 \$000's</b>	<b>2032/33 \$000's</b>	<b>2033/34 \$000's</b>	<b>2034/35 \$000's</b>
<b>Public Open Space Reserve</b>	<b>Restricted</b>											
<b>Opening balance</b>		2,074	2,174	2,421	2,621	2,821	3,021	3,221	3,421	3,621	3,821	4,021
Transfer to reserve		100	300	200	200	200	200	200	200	200	200	200
Transfer from reserve		0	(53)	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>		<b>2,174</b>	<b>2,421</b>	<b>2,621</b>	<b>2,821</b>	<b>3,021</b>	<b>3,221</b>	<b>3,421</b>	<b>3,621</b>	<b>3,821</b>	<b>4,021</b>	<b>4,221</b>
<b>Car Parking Reserve</b>	<b>Restricted</b>											
<b>Opening balance</b>		193	188	123	73	73	73	73	73	73	73	73
Transfer to reserve		0	0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(5)	(65)	(50)	0	0	0	0	0	0	0	0
<b>Closing balance</b>		<b>188</b>	<b>123</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>
<b>Development Contribution Plans</b>	<b>Restricted</b>											
<b>Opening balance</b>		196	196	196	196	196	196	196	196	196	196	196
Transfer to reserve		0	0	0	0	0	0	0	0	0	0	0
Transfer from reserve		0	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>		<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>
<b>Lakes Entrance Northern Growth Area</b>	<b>Restricted</b>											
<b>Opening balance</b>		1	1	1	1	1	1	1	1	1	1	1
Transfer to reserve		0	0	0	0	0	0	0	0	0	0	0
Transfer from reserve		0	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Road Upgrading</b>	<b>Restricted</b>											
<b>Opening balance</b>		126	126	126	126	126	126	126	126	126	126	126
Transfer to reserve		0	0	0	0	0	0	0	0	0	0	0
Transfer from reserve		0	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>		<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>
<b>Reserves Summary</b>	<b>Total Restricted</b>	<b>Forecast 2024/25 \$000's</b>	<b>2025/26 \$000's</b>	<b>2026/27 \$000's</b>	<b>2027/28 \$000's</b>	<b>2028/29 \$000's</b>	<b>2029/30 \$000's</b>	<b>2030/31 \$000's</b>	<b>2031/32 \$000's</b>	<b>2032/33 \$000's</b>	<b>2033/34 \$000's</b>	<b>2034/35 \$000's</b>
<b>Opening balance</b>		2,590	2,685	2,867	3,017	3,217	3,417	3,617	3,817	4,017	4,217	4,417
Transfer to reserve		100	300	200	200	200	200	200	200	200	200	200
Transfer from reserve		(5)	(118)	(50)	0	0	0	0	0	0	0	0
<b>Closing balance</b>		<b>2,685</b>	<b>2,867</b>	<b>3,017</b>	<b>3,217</b>	<b>3,417</b>	<b>3,617</b>	<b>3,817</b>	<b>4,017</b>	<b>4,217</b>	<b>4,417</b>	<b>4,617</b>

Reserves		Forecast 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Raymond Island Ferry Replacement	Discretionary	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Opening balance		3,300	3,600	3,900	4,200	4,500	4,800	5,100	5,400	5,700	6,000	6,300
Transfer to reserve		300	300	300	300	300	300	300	300	300	300	300
Transfer from reserve		0	0	0	0	0	0	0	0	0	0	0
Closing balance		3,600	3,900	4,200	4,500	4,800	5,100	5,400	5,700	6,000	6,300	6,600
Tambo Bluff Property Sales	Discretionary											
Opening balance		396	328	148	148	148	148	148	148	148	148	148
Transfer to reserve		0	0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(68)	(180)	0	0	0	0	0	0	0	0	0
Closing balance		328	148	148	148	148	148	148	148	148	148	148
Orbost Landfill Bushfire Waste	Discretionary											
Opening balance		8,749	7,404	5,638	2,039	0	0	0	0	0	0	0
Transfer to reserve		0	0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(1,345)	(1,766)	(3,599)	(2,039)	0	0	0	0	0	0	0
Closing balance		7,404	5,638	2,039	0	0	0	0	0	0	0	0
Reserves Summary	Total Discretionary											
Opening balance		12,445	11,332	9,686	6,387	4,648	4,948	5,248	5,548	5,848	6,148	6,448
Transfer to reserve		300	300	300	300	300	300	300	300	300	300	300
Transfer from reserve		(1,413)	(1,946)	(3,599)	(2,039)	0	0	0	0	0	0	0
Closing balance		11,332	9,686	6,387	4,648	4,948	5,248	5,548	5,848	6,148	6,448	6,748
Reserves Summary	Total Restricted and Discretionary	Forecast 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Opening balance		15,035	14,017	12,553	9,404	7,865	8,365	8,865	9,365	9,865	10,365	10,865
Transfer to reserve		400	600	500	500	500	500	500	500	500	500	500
Transfer from reserve		(1,418)	(2,064)	(3,649)	(2,039)	0	0	0	0	0	0	0
Closing balance		14,017	12,553	9,404	7,865	8,365	8,865	9,365	9,865	10,365	10,865	11,365