



THE CITY OF
GREATER GEELONG

DRAFT LONG-TERM FINANCIAL PLAN 2025-2035

Contents

Executive Summary	5
Background	6
Purpose	6
Legislative Requirements	6
Integrated Planning	6
Service Level Planning	7
Influences of the Long-Term Financial Plan	8
How We Engaged	9
Context – Local Government Sector	10
Sector Overview & Financial Challenges	10
Defining Financial Sustainability	11
Strategic Financial Outcomes	11
Measurement of Financial Sustainability	11
Key Risks	13
The Long-Term Financial Plan	14
Key Strategic Financial Outcomes	14
Financial Sustainability	14
Financial Discipline Principles	15
Strategic Financial Levers	16
Financial Sustainability Commitments	18
a. Underlying Operating Ratio	18
b. Working Capital Ratio	19
c. Indebtedness Ratio	20
d. Asset Renewal & Upgrade Ratio	21
Revenue	23
a. Rates & Charges	23
b. Contributions	24
c. User Fees	24
d. Government Grants	25
e. Statutory Fees & Charges	25
Expenditure	26
a. Employee Costs	26

b. Materials & Services	26
c. Depreciation & Amortisation.....	27
d. Efficiency Realisation.....	27
Capital Program of Works	28
Appendix 1 – Financial Statements	29
Comprehensive Income Statement	30
Income Statement Converted to Cash	31
Balance Sheet	32
Statement of Changes in Equity.....	34
Statement of Cash Flows	36
Statement of Capital Works	37
Statement of Human Resources	39
Appendix 2: Financial Performance Indicators.....	43
Notes to Indicators.....	44
Adjusted Underlying Result.....	45
Appendix 3: Strategies & Plans	46
Borrowing Strategy	46
Reserves Strategy	47
Development Contributions Reserve.....	47
Waste Reserve	47
Capital Commitment Reserve	47
Contact Us.....	49

The City of Greater Geelong acknowledges Wadawurrung people as the Traditional Owners of this land. It also acknowledges all other Aboriginal and Torres Strait Islander People who are part of the Greater Geelong community today.



Artwork: *On Country* by Ammie Howell.

Executive Summary

The City of Greater Geelong (the City) is going through a period of significant growth, and this Long-term Financial Plan outlines its current and projected financial capacity to continue delivering critical services, infrastructure and facilities, whilst identifying important new capital investment to support this growth.

The Long-Term Financial Plan (the plan), covering a period of 10 years, is an integral part of the City's suite of strategic management plans. Its role is to link our strategic and business plans and translates the outcomes and strategies of these plans into financial terms.

The development of the plan is in accordance with the requirements under the *Local Government Act 2020*. The Long-Term Financial Plan covers the period 2025-26 to 2034-35, with the first four years being underpinned by the 2025-26 to 2028-29 Budget.

The plan was guided by our existing policies and plans and most importantly the views of the community. The plan is underpinned by the objectives and outcomes of the *Our Council Plan 2025-29*, and the 30-Year Community Vision, *Greater Geelong: A Clever and Creative Future*. Further generations of the plan will be considered as other significant plans are developed and adopted by Council.

The City uses five key financial indicators to assess the City's financial health and long-term financial sustainability. These measures are consistent with the financial performance indicators reported under the Local Government Performance Reporting Framework (LGPRF) to measure financial performance and position. The five key financial indicators are:

1. Underlying Operating Ratio
2. Working Capital Ratio
3. Asset Renewal & Upgrade Ratio
4. Indebtedness Ratio
5. Cash Surpluses

Our aim in developing the plan is to achieve the following objectives:

- Ensure that we can meet the objectives of Our Community Plan and the 30-Year Community Vision while remaining financially sustainable
- Continually improving our efficiency in the provision of existing and future services by proactively seeking out savings without affecting service level
- Preserving cash by ensuring that the budgets and financial commitments of the City result in cash surpluses
- Maintain operating surpluses over the period of the plan
- Hold sufficient cash to ensure the City can meet its financial obligations and liabilities, while also reserving capacity to respond to unexpected events
- Continuously improving our asset management plans to enable us to appropriately maintain over \$6 billion of assets by renewing vital infrastructure and facilities
- Maintain debt and interest costs within our established benchmarks and ensuring our capacity to service and repay this debt into the future
- Pursue state and federal funding opportunities where aligned to key strategic outcomes

Background

PURPOSE

The purpose of the plan is to:

- Present a financial analysis of the strategic objectives and goals set out in key strategic documents
- Outline the key financial direction, strategies and outcomes of the Council
- Provide the City with information to assess resourcing requirements to achieve its strategic objectives and to assist the City to ensure long-term financial sustainability
- Address the operating and capital needs placed on the City over the next 10 years
- Enhance the transparency and accountability to both residents and rate payers

LEGISLATIVE REQUIREMENTS

The *Local Government Act 2020* requires Councils to develop, adopt and maintain a financial plan covering a span of at least 10 financial years.

The plan must include:

- Statements describing the financial resources required to give effect to the Council Plan other strategic plans of the Council
- Information about the decisions and assumptions that underpin the forecasts in the statements
- Statements describing any other resource requirements that the Council considers appropriate to include
- Any other matters prescribed by the regulations

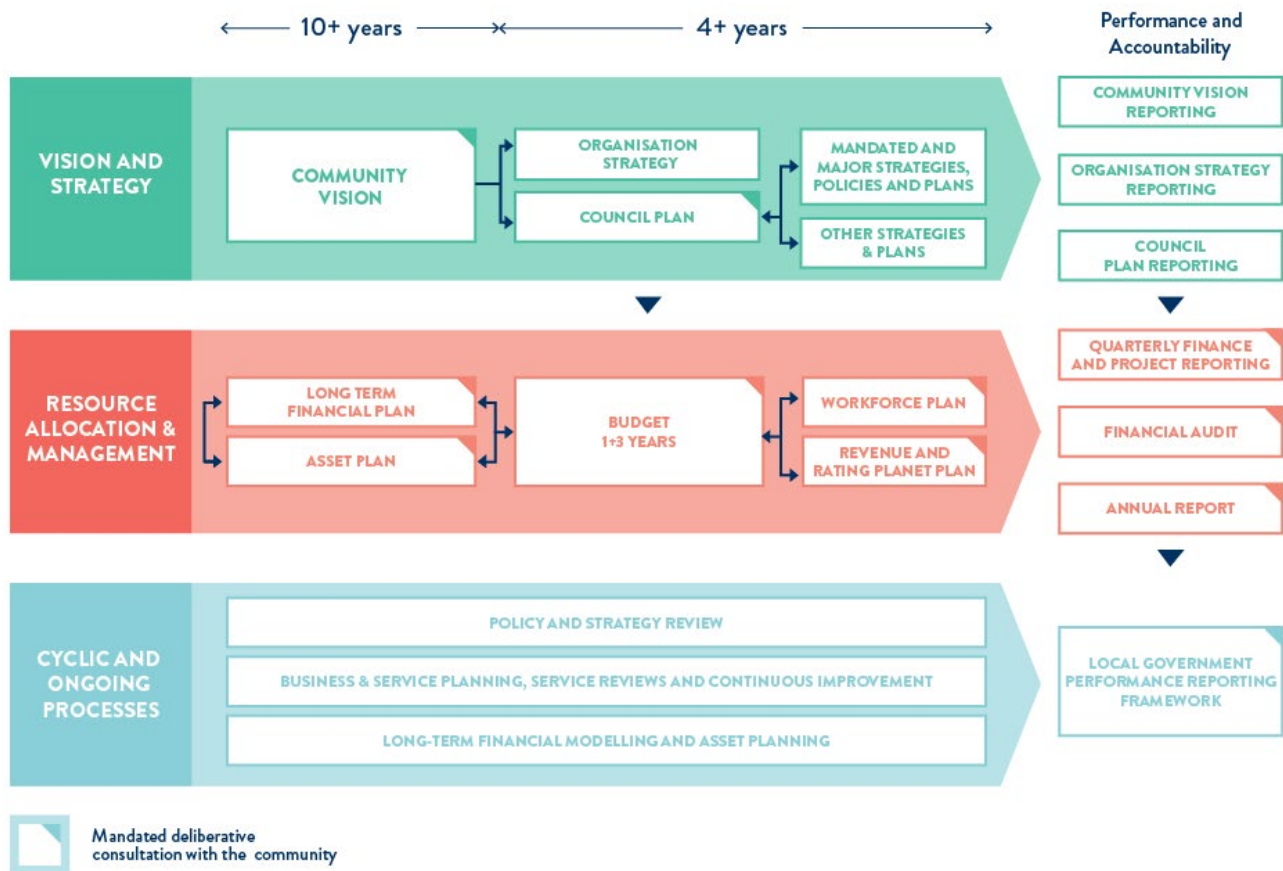
It must also be developed in accordance with its deliberative engagement practices and adopted by 31 October in the year following a general election.

INTEGRATED PLANNING

This section describes how the plan links to the achievement of the 30-Year Community Vision, Our Community Plan and other strategies within an overall integrated planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long-term (Community Vision and Financial Plan), medium term (Our Community Plan, Workforce Plan, and Revenue and Rating Plan) and short term (Budget) and then holding itself accountable (Annual Report). The timing of each component of the framework is critical to the successful achievement of the planned outcomes.

The diagram below depicts the integrated planning and reporting framework that applies to local government in Victoria. At each stage of the integrated planning and reporting framework there are opportunities for community and stakeholder input. This is important to ensure transparency and accountability to both residents and ratepayers.

Integrated Strategic Planning and Reporting Framework (ISPRF)



SERVICE LEVEL PLANNING

The City delivers a wide range of services, infrastructure and facilities to the community. Although councils have a legal obligation to provide some services such as animal management, local roads, food safety and statutory planning, most council services are not legally mandated, including some services closely associated with councils such as libraries, building permits and sporting facilities.

Over time, the needs and expectations of communities' change. Therefore, councils should have robust processes for service planning and review to ensure all services continue to provide value for money and are in line with community expectations.

The plan assumes current services and agreed services levels are maintained throughout the life of the plan. Future plans will be reviewed and amended for any proposed changes in services, service levels or service delivery models.

INFLUENCES OF THE LONG-TERM FINANCIAL PLAN

Long-term Financial Plan Influences

Greater Geelong: A Clever and Creative Future

A 30-year document which outlines the communities' vision *"By 2047, Greater Geelong will be internationally recognised as a clever and creative city-region that is forward looking, enterprising and adaptive, and cares for its people and environment."*

Features nine community aspirations:

- A prosperous economy that supports jobs and education opportunities
- A leader in developing and adopting technology
- Creativity drives culture
- A fast, reliable and connected transport network
- A destination that attracts local and international visitors
- People feel safe wherever they are
- An inclusive, diverse, healthy and socially connected community
- Sustainable development that supports population growth and protects the natural environment
- Development and implementation of sustainable solutions

Our Council Plan

A 4-year plan, which outlines how the City will work towards making Greater Geelong a clever and creative city.

It guides the resources to deliver infrastructure, services and programs to ensure the social, economic and environmental sustainability of the region,

There are six strategic directions for us to focus on over the next four years. They are:

- Plan, deliver, manage and optimise core and critical infrastructure across our growing region
- Identify, promote, advocate for, and deliver equitable health and wellbeing outcomes for our diverse communities
- Lead efforts to strengthen our diverse economic precincts and workforce to enhance prosperity across our community
- Champion our unique heritage and culture
- Protect and enhance our unique natural environment and surrounds
- Commit to the highest levels of leadership, integrity, financial stewardship, and meaningful community engagement

Engagement with stakeholders and community

Our local policies and strategies

- Asset Management Plan (due for adoption by July 2025)
- Workforce Management Plan

How We Engaged

Community engagement is a vital step in the planning process, it has helped shape several strategic plans and key projects for the City. This feedback has influenced the development of the Long-term Financial Plan.

We have engaged the community in several ways:

- **Greater Geelong: A Clever and Creative Future:** The community-led 30-year vision, developed in 2016 following a considerable deliberative engagement process which captured the voices of over 16,000 community members. The community told us what they valued about the region, how it rated against recognised elements of a successful community, and shared ideas about how to address challenges now and into the future.

The 30-year vision is the leading strategy that drives long-term investment and decision making as the City continues to the path towards a clever and creative future.

- **Our Council Plan 2025-29 and Long-term Financial Plan:** To develop the Council Plan community deliberative workshops held during 2024 along with Stakeholder focus groups and open submissions to selected partner organisations, community groups and advisory committees.

- The Draft Council Plan 2025–29 was endorsed for public consultation and released with the 4-year budget for community feedback in May 2025
- The final Council Plan and refreshed vision will go to Council for adoption in July 2025

Our Council Plan and the actions supporting this plan, have underpinned the development of the first four years of the Long-term Financial Plan.

- **Revenue and Rating Plan:**

The 2025-26 to 2028-29 Revenue and Rating Plan was adopted by Council in June 2025.

The City completed its consultation process for the four-year Revenue and Rating Plan. This process which included online engagement and face to face meetings with the community groups ran from 5 February to 23 February 2025.

The community was asked seven questions to assess their preference for continuing the current rating strategy or propose alternative strategies.

Seventy-two responses were received from the community during the engagement.

A comprehensive review of all responses has been undertaken, resulting in the identification of key themes included:

- Cost saving policies
- Back to basics
- Car parking
- Strategies to increase investment in the City
- Advocacy to increase State/federal funding
- Increased consultation with the community

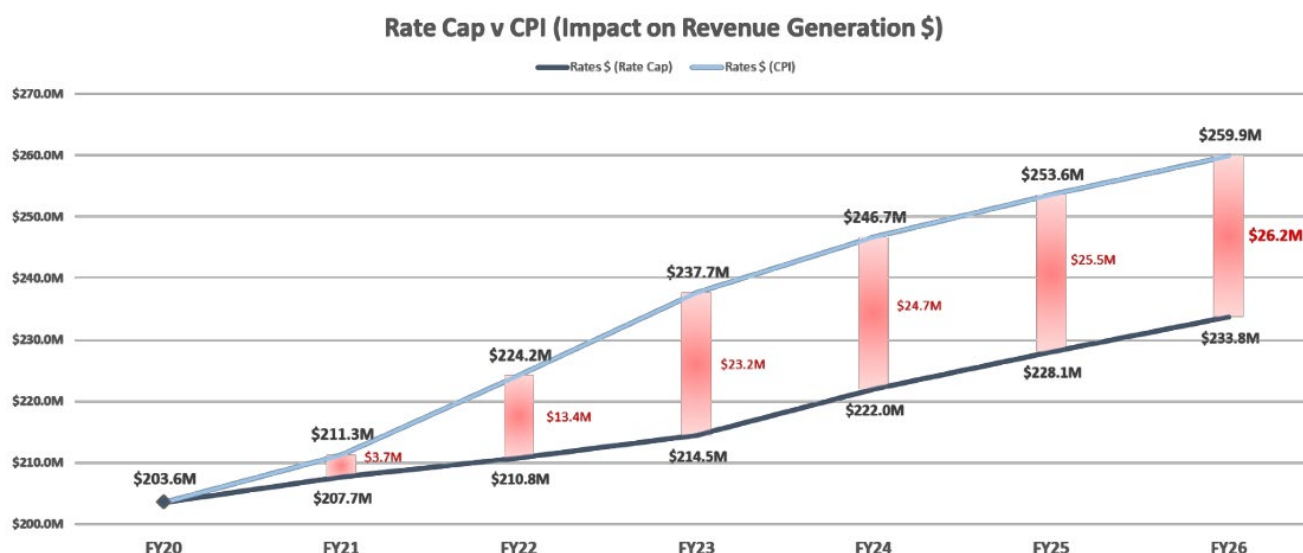
Context – Local Government Sector

SECTOR OVERVIEW & FINANCIAL CHALLENGES

The Local Government Sector is experiencing financial difficulty primarily caused by:

1. A relatively low rate cap - since COVID, we have experienced a high period of inflation. This has caused a significant increase in the cost of delivering our services, operating our business and delivering our projects. The rate cap has been relatively low compared to inflation (CPI). The result is that our costs have increased at a much higher rate than our revenue.

The graph below depicts the impact of the relatively low rate cap on the City. If the rate cap was set at the same level as CPI from 2019-20 to 2025-26, the City would have \$26.2mil of further rates revenue available in 2025-26. With the rate cap being set a lower level than inflation, the City has had to absorb the impact of rising costs without a corresponding revenue increase.



2. Cost shifting – this is the practice whereby other levels of government delegate responsibilities, add regulations, set fees, or reduces financial support for Victorian councils. The original 50/50 funding split for a number of services has been slowly eroding, with Local Government having to absorb the impact.

Council has absorbed the financial impact of cost shifting at the same time that our underlying costs have been increasing at a much higher rate than our revenue.

The consequences of these challenges for Council's are:

- Difficulty in sustaining operating surpluses
- Deteriorating liquidity and cash
- Increased levels of debt
- Decreased levels of investment into asset renewals

These challenges, as well as others, were outlined in a report tabled to parliament on 28 November 2024. The parliamentary inquiry into Local Government funding and services analysed cost shifting, the ability of local governments to meet core service delivered, revenue structures and alternative funding models. A full copy of the report is available at: [Inquiry into Local Government funding and services - Parliament of Victoria](#)

Defining Financial Sustainability

STRATEGIC FINANCIAL OUTCOMES

Financial sustainability is Council's ability to manage its financial resources in a responsible and efficient manner over the long term. This ensures Council will have the financial resources required to deliver on the Community Vision and Council Plan.

MEASUREMENT OF FINANCIAL SUSTAINABILITY

To assess the financial health of the City, several measures are used for planning, monitoring and reporting. These measures are based on the Local Government Performance Reporting Framework which provides a consistent and transparent reporting framework for the sector.

These measures are designed to assess the financial health of the organisation over 5 key pillars of financial health:

1. Operating Position: the financial ability of the City to operate the business and provide our services on an on-going basis.
2. Asset Management: ensuring the community enjoyment of assets can continue.
3. Liquidity: the financial ability of the City to meet financial liabilities.
4. Debt: the financial ability of the City to meet its debt obligations.
5. Cash Allocation: measuring the overall cash allocation with the Income Statement Converted to Cash

Under each pillar of financial health, a number of measures are used. Each measure is categorised as:

1. Primary – these measures are the strongest metrics of overall financial health that will be committed to as a primary measure of financial sustainability in budgets and long-term financial plans.
2. Secondary – these are supporting measures that are indicative of financial health that will be used to assist with the measurement of financial sustainability.

Measure	Category of Measure	Financial Health Indication	Calculation
Operating Position			
Underlying Operating Margin	Primary	The financial ability and contingency available to operate the business and provide services on an on-going basis (LGPRF OP1)	Underlying Operating Result <i>Divided by</i> Underlying Operating Revenue
Operating Costs per Assessable Property	Secondary	The relative amount of operational expenses as compared to assessable properties (LGPRF E2)	Underlying Operating Expenditure <i>Divided by</i> Total Assessable Properties
Rates Concentration	Secondary	The level of reliance on rates and the ability to generate other revenue to fund business operations and services. (LGPRF S1)	Total Rates Revenue <i>Divided by</i> Underlying Operating Revenue
Asset Management			
Asset Renewal & Upgrade Ratio	Primary	The financial capacity to fund asset renewal as required (LGPRF O5)	Asset Renewal and Upgrades <i>Divided by</i> Asset Depreciation
Asset Renewal Ratio	Secondary	The financial capacity to fund asset renewal as required (modified version of LGPRF O5)	Asset renewals <i>Divided by</i> Asset Depreciation
Liquidity			
Working Capital Ratio	Primary	The financial ability to be able to meet and pay obligations (LGPRF L1)	Current Assets <i>Divided by</i> Current Liabilities
Unrestricted Working Capital Ratio	Primary	The financial ability to be able to meet and pay short-term obligations (LGRPF L2)	Unrestricted Cash <i>Divided by</i> Current Liabilities
Debt			
Indebtedness v Rates Ratio	Primary	The relative amount of debt outstanding as compared to revenue generate by rates (LGPRF O2)	Total Interest-Bearing Liability <i>Divided by</i> Total Rates Revenue
Loan Repayment Effort	Secondary	The relative amount of cash being consumed to meet debt obligations. (LGPRF O3)	Total Interest + Principal Repayments <i>Divided by</i> Total Rates Revenue
Indebtedness Ratio	Secondary	The relative amount of debt outstanding as compared to the amount of assets held (LGPRF O4)	Non-current Liabilities <i>Divided by</i> Own Source Revenue
Cash Allocation			
Cash Surpluses	Primary	Ensures that the cash position is not deteriorating by comparing the total cash received against the total cash allocated.	Income Statement Converted to Cash

Key Risks

The plan relies upon several key assumptions, based on the latest available data and professional judgement. Over time, these assumptions will change based on the evolving internal and external environment. The plan will be actively monitored with regular revision to ensure the latest assumptions are incorporated within and to ensure it remains robust in the face of these challenges.

The inherent challenges and risks faced in developing the long-term financial plan are summarised below.

Growth

- New infrastructure required to support a growing community
- Funding shortfalls of Developer Contribution Plans
- Maintaining an expanding asset base of new infrastructure
- Maintaining the ageing existing asset base
- Providing services to a growing community

Economic Changes

- Interest rate fluctuation
- Inflation and movements in the Consumer Price Index (CPI)
- Economic growth – residential and new business development

Political Changes

- Cost shifting from the State and Federal Governments
- Setting of the rate cap and changes to rating capping regulations
- Changes to levies and their conditions (i.e. Environment Protection Authority levy)

Climate Changes

- Impacts of climate change including impacts which affect asset condition and functionality in the long term.
- Natural disasters

Internal Risks

- Service reviews and changes in agreed service levels
- Infrastructure asset management and asset renewal
- Changes in fees and charges and other revenue sources
- Delivery of key projects and efficiency programs
- Workforce management

Community

- Community needs and expectations
- Demographic changes
- Our Community Plan updates
- Other key strategies

The Long-Term Financial Plan

KEY STRATEGIC FINANCIAL OUTCOMES

The City's long-term financial plan outlines how services and infrastructure will be delivered to the community over a 10-year period.

The 2025-26 to 2028-29 Budget provides the first four years as the foundation of the plan. With the remaining six financial years being based on key principles, assumptions and inputs from other strategic plans and community priorities.

This plan includes the key assumptions for the major revenue and expense categories that have been based on available data sources and professional judgement.

Key strategic financial outcomes of the plan include:

- **Underlying operating surpluses:** Over the next 10-year period, the achievement of underlying operating surpluses is a key principle of the plan. This will require the realisation of ongoing financial benefits using the key strategic financial levers.
- **Effective liquidity management:** Ensuring adequate liquidity is held at all times over the plan to ensure the City is always in a position to meet its financial obligations including payments to employees and suppliers.
- **Effective management and reduction of debt:** A key principle of the plan is to effectively manage debt, targeting a reduction of the City's indebtedness.
- **A focus on renewing the City's assets:** Focused investment in existing assets to maintain asset condition and performance for the community.

FINANCIAL SUSTAINABILITY

Our Council acknowledges that it must plan for the current and future needs of the community in a socially, culturally, environmentally and financially sustainable manner. The City has a responsibility to guarantee that it has enough resources now and into the future to deliver the services and programs expected by the community. There is also a need to maintain community assets to a certain level so that the cost does not become a burden for future ratepayers and for the City to remain financially viable.

At the same time, it is critical that the City continues to provide vital infrastructure and services to the community.

This presents a difficult challenge balancing financial influences with community needs and expectations. Given the current financial environment, this is particularly challenging given the upward pressure on costs for service and asset provision, ongoing property development and population driving service demand, with revenue not keeping pace.

The financial discipline principles assist with decision making and striking the balance between financial sustainability and the community needs. The financial discipline principles are a set of key principles that will be used to guide financial decisions making in budgets, as well as responding to emerging risks and opportunities.

FINANCIAL DISCIPLINE PRINCIPLES

STRATEGIC ALIGNMENT	Financial decisions should create progress towards Council Strategies and be consistent with key Council priorities. Financial decisions need to be aligned with key policies and strategic plans of the City, including the outcomes as set out in this Long-term Financial Plan.
EQUITABLE INVESTMENT & REVENUE MECHANISMS	Overall revenue growth needs to be consistent with growth in costs. Funding sources and distribution should align with benefit and enjoyment, while also considering capacity to pay. Funding mechanisms are transparent, practical to implement and do not create burdensome administrative upkeep. Investment in the community services and infrastructure is equitably and fairly distributed.
SUSTAINABLE OPERATING POSITION	Expenditure on service delivery needs to be managed within the constraints of available revenue. The net cashflow generated from operational activities should be allocated to repaying debt and renewing the existing asset base.
PRESERVATION OF EXISTING ASSET BASE	Investment into renewing existing asset base consistent with Asset Management Policy needs to take priority in the capital program. Assets will be managed efficiently relevant to community need, focusing on optimum utilisation and life-long cost management. Strategic decisions to be made on disposal of surplus assets to free up capacity to upkeep of priority assets.
RESPONSIBLE WORKING CAPITAL MANAGEMENT	Working capital will be maintained at sufficient levels to ensure liquidity, considering restricted cash obligations. Restricted cash will be appropriately identified and reserved. Borrowings will be managed to ensure indebtedness and repayments are manageable. Borrowings should only occur for projects where there is inter-generational benefit and strong alignment to strategic outcomes.
EFFICIENT & EFFECTIVE SERVICE DELIVERY	Focus on delivering maximum value to the community with available funding. Appropriate investments to be made to create long-term financial capacity. Focus on productivity and efficient service delivery through on-going efficiency dividend and scheduled Service Reviews.

STRATEGIC FINANCIAL LEVERS

The City has the ability increase its financial capacity by using strategic financial levers. Effective use of strategic financial levers will allow for the City to respond to community needs through further investment into services or infrastructure while not impacting financial sustainability.

LEVER 1 – OPTIMISE CURRENT & EXPLORE NEW REVENUE OPPORTUNITIES

One of the key indicators of assessing Council's financial sustainability is the ability to generate sufficient cash flows and the level of unrestricted cash held.

Council must maintain an adequate level of cash in order to meet the requirements of Council operations and to ensure timely payment of all liabilities.

Given the existing limitations of the Rate Cap, Council is restricted in its ability to enhance the revenue generated from Rates. As such, consideration must be given to how other revenue streams can be enhanced in conjunction with exploring opportunities for Council to generate new revenue streams.

Opportunities exist to increase revenue through fees, charges and other contributions.

Some of the options may include:

- Benchmarking of existing user fees
- Generating revenue from the City's existing asset base (for example, generating lease revenue on properties)
- Implementation of new revenue streams

LEVER 2 – INITIATE STRATEGIC EFFICIENCIES

Initiating strategic efficiencies allows Council to improve service delivery and reduce unnecessary cost in order to achieve long-term sustainability.

Some of the options may include increasing operational efficiencies through technology, process, procurement, project planning and delivery improvements.

LEVER 3 – REVIEW & RATIONALISE PROPERTY & ASSETS

The City currently manages assets and infrastructure to the value of \$6.095 billion.

The existing asset base requires regular review by Council to ensure that public value is being maximised.

We intend to adopt several innovative approaches to measure the utilisation of our assets. This includes providing people counters for building and public spaces, graphic counters at some of our critical infrastructure assets, to enable us to measure the value these assets provide to the community. Where an asset is underutilised, then we will work with service managers to rationalise assets to gain better value for the community.

LEVER 4 – STRATEGIC SERVICE REVIEWS

Local governments deliver an array of services to the community with limited budgets. Councils often find themselves in the difficult position of being required to deliver essential and community valued services when other market providers, including other levels of Government, have chosen to either reduce their offerings or exit from these services.

Given the implications of cost shifting and the ever-evolving demands and expectations of our residents, Council alongside the Community must continue to review and make informed decisions about the role that Local Government continues to play in delivering these services to the Community.

In considering the role that Council continues to play in the delivery of its services, some of the following options may include:

- Advocating for additional funding from Federal and State Government to assist with offsetting the increasing cost to Council for services that are being delivered on behalf of other tiers of government.
- Identifying new efficiencies in the delivery of current services
- Undertaking a review of Council services for which there is an opportunity to cost effectively outsource part or all of this service to other market providers.
- Undertaking a review of services that Council should consider exiting

LEVER 5 – STRATEGIC & SUSTAINABLE DESIGN OF CAPITAL PROGRAM

There is a need to maintain community assets to a certain level so that the cost does not become a burden for future ratepayers and for the City to remain financially viable.

If asset renewal needs are not met this results in higher maintenance costs, lower asset service standards and the potential for asset failure.

Priority should be given to investing in the renewal and upgrade of City of Greater Geelong's existing assets over the delivery of new assets.

The use of borrowings for new and existing assets must ensure intergenerational equity by aligning asset consumption with the future generations benefiting from those assets. Debt should only be considered as a funding source for infrastructure where that infrastructure provides a highly material, broad and intergenerational benefit to the community.

Some of the options for designing a strategic and sustainable capital program may include:

- Reviewing and reprioritising the capital program
- Longer-term capital works planning
- Advocating for grant funding for priority infrastructure

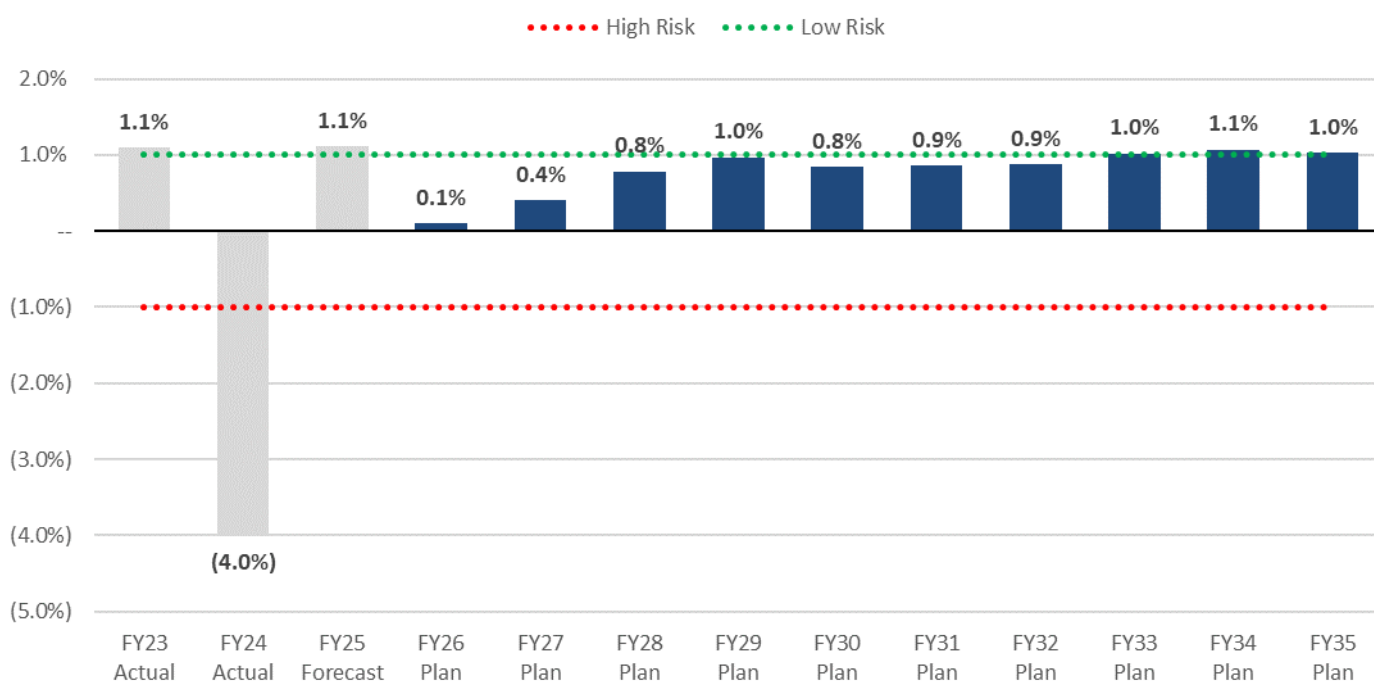
FINANCIAL SUSTAINABILITY COMMITMENTS

To ensure the City is financially sustainable and is in the financial position to deliver on the Community Vision and Council Plan, a commitment is made to achieve the following financial sustainability measures:

a. Underlying Operating Ratio

Purpose	Demonstrates the City's ability to fund services and operations over the long-term.		
Formula	Underlying Operating Result / Underlying Operating Revenue.		
Low Risk	≥ 1.0%	Underlying operating surplus maintained for all periods in the long-term plan.	
Medium Risk	(1.0%) to 1.0%	Average underlying operating result over the plan around a breakeven position, being from (1.0%) to 1.0%, with some periods of operating deficit.	
High Risk	> (1.0%)	Sustained periods of underlying operating deficits greater than (1.0%).	
Risk Appetite	4yr Target	10yr Target	Strategic Justification
Low Risk Range	1.0%	1.0%	An operating surplus demonstrates the ability to fund services, business operations and asset renewal. The 1.0% margin provides contingency for risks and capacity for opportunities.

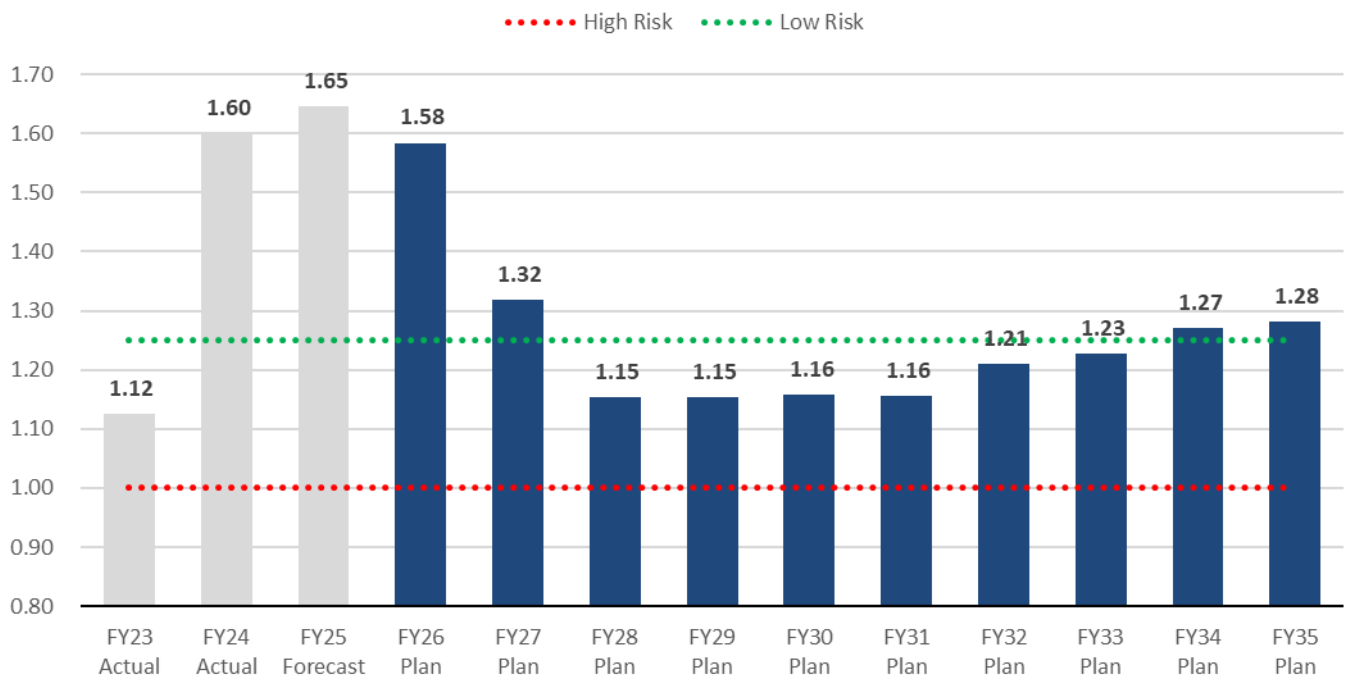
Underlying Operating Surplus



b. Working Capital Ratio

Purpose	Measures the City's ability to meet financial obligations and liabilities.		
Formula	Current Assets / Current Liabilities.		
Low Risk	> 1.25	Average liquidity is maintained above 1.25 over the life of the plan.	
Medium Risk	<1.0 to 1.25	Average liquidity is maintained between 1.00 and 1.25 over the life of the plan.	
High Risk	<1.00	Average liquidity is maintained less than 1.00 over the life of the plan.	
Risk Appetite	4yr Target	10yr Target	Strategic Justification
Medium Risk Range	1.10	> 1.10	A ratio of >1.0 ensures that Council will be able to meet its current financial obligations and liabilities. A target of >1.1 provides contingency for risks and capacity for opportunities.

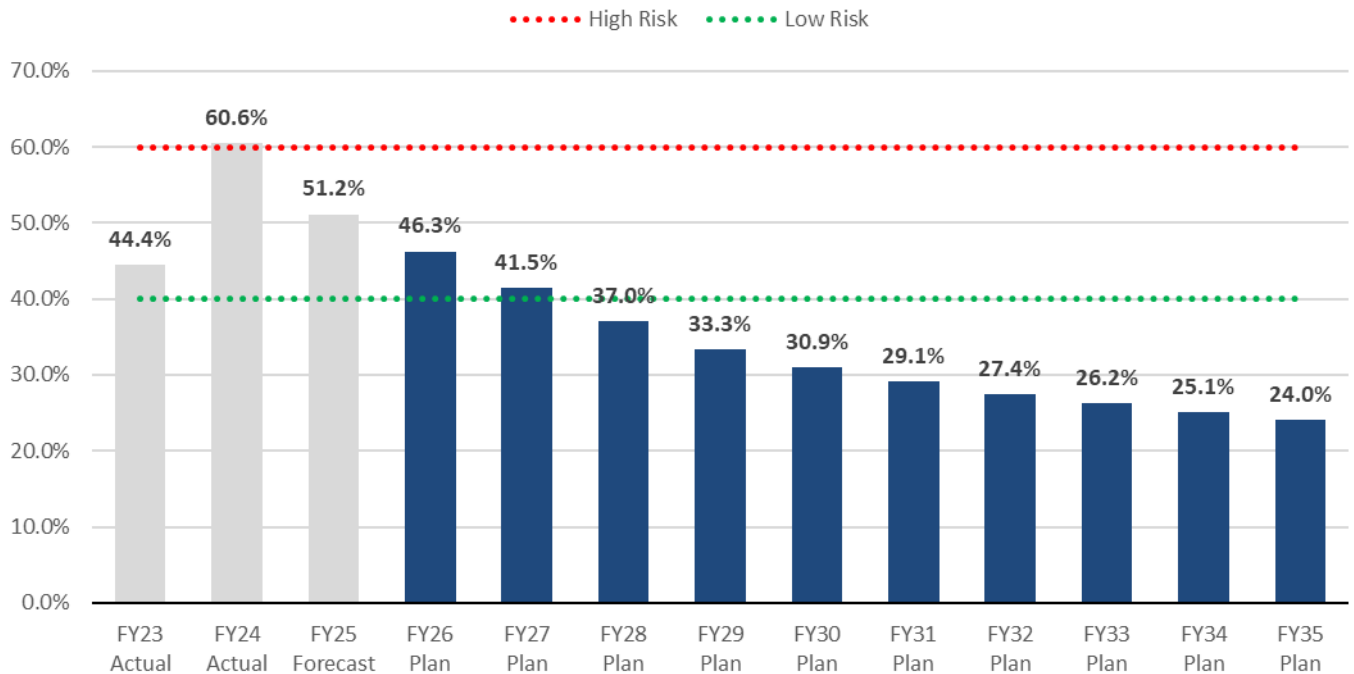
Working Capital Ratio



c. Indebtedness Ratio

Purpose	Determines the City's ability to service debt from its primary revenue source (rates)		
Formula	Loans and Borrowings / Rates Revenue		
Low Risk	< 40%	Average ratio is below 40% over the life of the plan.	
Medium Risk	> 40% and < 60%	Average ratio is between 40% and 60% over the life of the plan.	
High Risk	> 60%	Average ratio is greater than 60% over the life of the plan. Limited capacity for the City to increase borrowings, debt may become a burden.	
Risk Appetite	4yr Target	10yr Target	Strategic Justification
Low Risk	< 40%	< 40%	Indebtedness below 40% represents a low risk of being unable to meet debt commitments. This also provides Council with future borrowing capacity to allow for strategic use of debt for responding to future community needs.

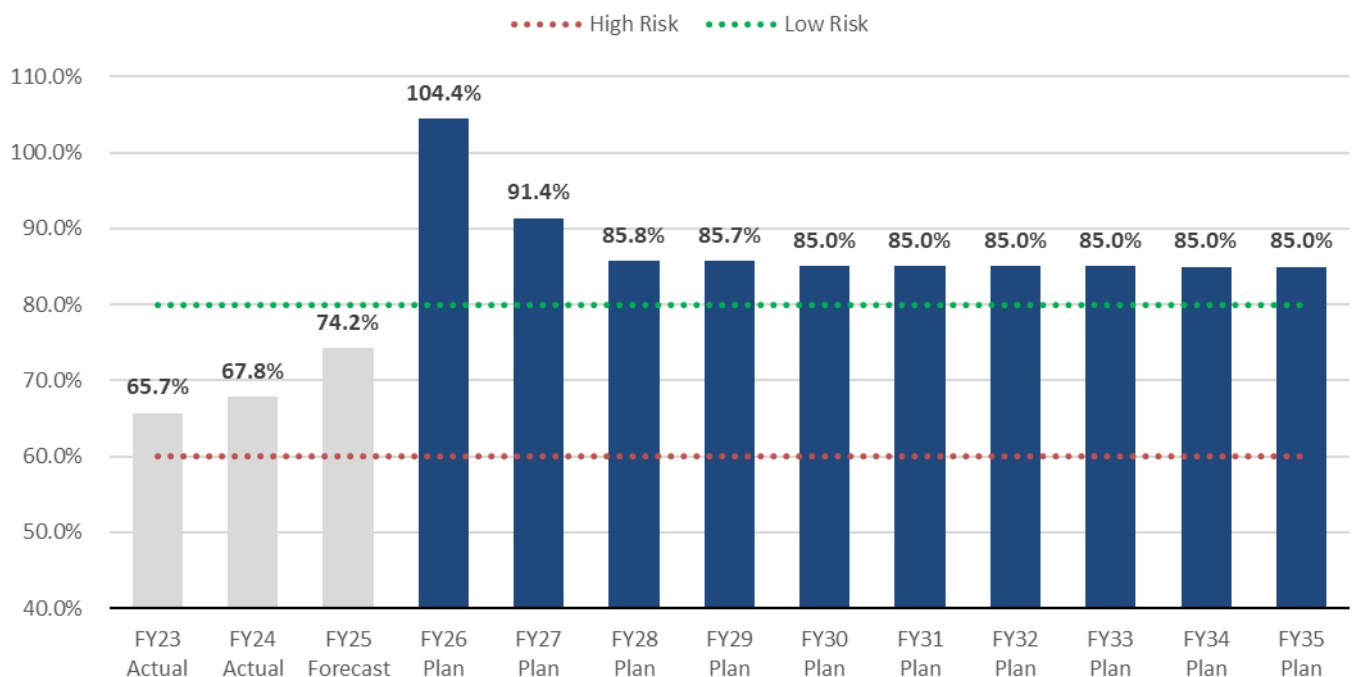
Indebtedness Ratio



d. Asset Renewal & Upgrade Ratio

Purpose	Calculates the annual expenditure on renewing the City's assets against depreciation to measure whether Council is reinvesting appropriately in existing infrastructure assets.		
Formula	Capital Expenditure on Renewal and Upgrade of Assets / Depreciation Expense.		
Low Risk	> 80%	Average renewal rates are greater than 80% of depreciation over the life of the plan.	
Medium Risk	> 60% and <80%	Average renewal rates are between 60% and 80% of depreciation over the life of the plan.	
High Risk	< 60%	Average renewal rates lower than 60% of depreciation over the life of the plan.	
Risk Appetite	4yr Target	10yr Target	Strategic Justification
Low Risk	85%	85%	A high renewal rate ensures that Council is able to fund to renewal, restoration and replacement of existing assets. This ensures asset are in good functioning condition for community use and enjoyment.

Asset Renewal & Upgrade Ratio



KEY ASSUMPTIONS

Financial and social indicators are inherent to predicting future values; these include Consumer Price Index, interest rates, employment levels, and population growth. The plan assesses financial trends over the ten-year period on a range of assumptions and provides the City with information to assess resourcing requirements to achieve its strategic objectives and to assist the City to ensure long-term financial sustainability.

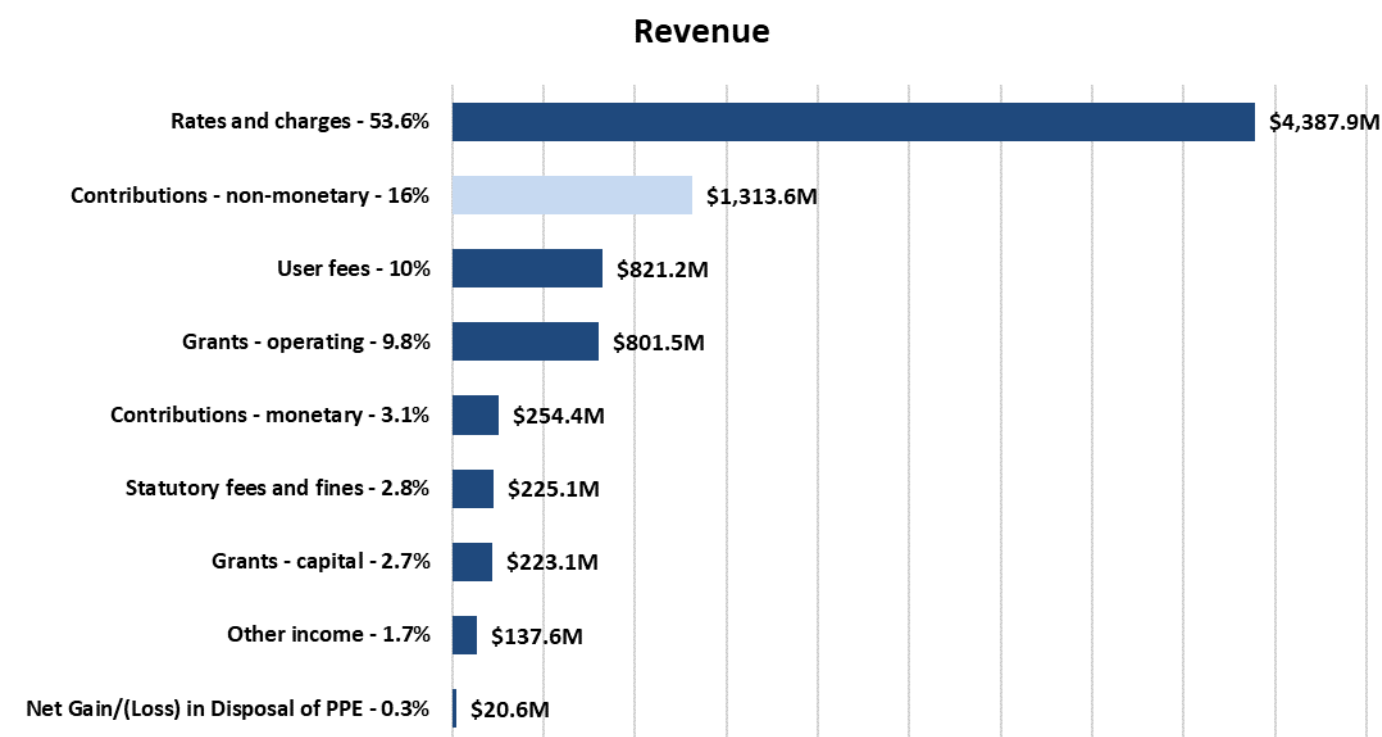
It is important that the plan considers the most recent economic data and forecasts available. A review will be conducted each year to ensure that the underlying assumptions and parameters are reasonable given changes in the economic, internal and external environments.

The key assumptions in the long-term financial plan are listed below.

Movement %	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Core Assumptions										
CPI / Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Property & Service Volume Growth	2.50%	2.50%	2.50%	2.50%	2.25%	2.00%	1.90%	1.90%	1.85%	1.85%
Key Revenue Assumptions										
General Rates / Rate Cap	2.50%	2.75%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Waste Charge	7.67%	7.00%	7.00%	7.00%	3.00%	3.00%	3.00%	3.00%	2.00%	2.00%
Statutory Fees & Fines	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Users Charges	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Grants - Operating	3.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Grants - Capital	Per FY26-FY29 Adopted Budget				11.92% of Capital Program Funding					
Contribution - Monetary	Per Projections on Developer Contributions									
Contribution - Non-Monetary	4.00%	4.00%	4.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Key Revenue Assumptions										
Salaries & Wages / EA Increase	3.00%	3.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Materials & Services	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Depreciation & Amortisation	5.76%	4.62%	4.45%	5.11%	4.24%	4.25%	4.23%	4.05%	3.96%	3.93%

REVENUE

The City relies on revenue to fund the delivery of its services and infrastructure. The following table highlights the key revenues sources for the City over the life of the plan.



a. Rates & Charges

Rates and charges on average comprise 53.6% of total revenue over the life of the plan, being the most critical income source. Rates and charges income are budgeted at \$341.7 million in 2025-26 and is expected to rise by \$195.3 million to reach \$537.0 million by 2034-35.

The Revenue and Rating Plan 2025-26 outlines the short and medium-term rating strategy that forms the basis of the plan. The intention of the strategy is to:

- Maintain where possible, the commercial/industrial rate in the dollar relative to the residential rate at 1.8 times, noting the annual rate cap and valuation changes of other differentials may impact relativity in the future, and
- Increase the farm rate in the dollar to 75% of the residential rate over the long-term.

All rating categories including vacant land, mixed use and other land use types will continue to be reviewed on an annual basis and will consider property valuations and community input.

Assumptions

The revenue and rating plan includes a rate increase of 2.5% in 2025-26, being 0.5% lower than the state government rate cap. The rate cap is assumed to be 2.75% for 2026-2027 to 2028-29, and 2.50% thereafter. Rates increases are assumed to be at the level of the rate cap.

The City is in a period of significant growth and will see approximately 35,706 new rateable properties over the life of the plan. Growth has been assumed using available population forecast data and is expected to be 2.5% for 2025-26 to 2028-29. Growth continues beyond this, but at a slower rate, expected to be 1.85% by 2034-35.

Waste Charge

The waste collection service charge is a cost recovery model whereby all costs for delivering the service, including funding the required infrastructure, are recovered through the charge. This includes direct, indirect and overhead costs. A reserve is used to manage the funding of the waste collection service.

Significant investments are expected to be made over the ten years of the plan in order to deliver state government's waste plans. Investments include:

- Rollout of the food organics and garden organics service delivery, requiring facility upgrade works to allow for organics processing
- Purchase of kerbside glass bins for kerbside collection of glass bins by 2027 as mandated by kerbside reform
- Planning and construction of a regional resource hub
- Investment in the development of a new resource recovery centre due to growth in the region
- State government Environment Protection Authority levy increases

Assumptions

The waste charge has been increased by 7.67% in 2025-26 and is expected to increase by 7.00% from the 2026-27 to 2028-29. This increase is required to absorb the increase in the EPA levy of 27.9% in 2025-26 and to deliver the kerbside reform mandated by the state government.

Beyond 2028-29, it is planned the waste charge be set at a level consistent with CPI.

Growth in tenements (kerbside bins) is expected to generally increase consistent with the growth in assessable properties.

b. Contributions

Contributions represent funds received by Council, usually in the form of developer contributions, that are linked to the delivery of infrastructure. Contributions can be made to the City in the form of either cash payments (monetary) or asset handovers (non-monetary).

The plan includes the following contributions based on current projections:

- Monetary contributions from developers under planning and development agreements
- Monetary contributions under developer contribution plans and infrastructure contribution plans
- Facility upgrade contributions from user groups
- Assets handed over to the City from developers at the completion of a subdivision, such as roads, drainage, and streetlights.
- Monetary contributions are based on the contract payments as outlined in developer contribution plans.

c. User Fees

The City provides a wide range of services to our community. In undertaking this role, the City, through its planning and engagement processes, will assesses community needs and outline which services the City will fund. Contributions can be made by the users of the services to help fund service delivery; all fees and charges are reviewed annually and are guided by the City's fees and charges policy.

Assumptions

User Fees are generally assumed to increase in line with the CPI annually. Growth in the volume of User Fees is also expected at a rate generally consistent with assessable property growth.

d. Government Grants

Grant revenue represents income usually received from other levels of government. The City actively advocates external grant funds for programs and prioritised works.

A large proportion of operating grants income is made up of the Financial Assistance Grant provided by the Commonwealth Government under the Local Government (Financial Assistance) Act 1995 (Commonwealth) and distributed annually to 79 local governing bodies within Victoria.

Capital grants have a material impact on the City's financial capacity to deliver infrastructure. The City will continue to advocate for grants to complete large projects over the life of the Plan.

Assumptions

Operating grants are assumed to increase a rate slightly beyond inflation. It is common practice that the formulas used for grant funding allocation consider increase in volumes and growth. Due to our expected growth, it is assumed that operating grants to be received will increase at rate slightly beyond inflation.

The value of capital grants will vary over the life of the plan depending on the value and nature of the capital projects being undertake and commitments made by the State and Federal Government. Based on recent trends, capital grants are expected to represent around 12% of the funding for the City's capital program.

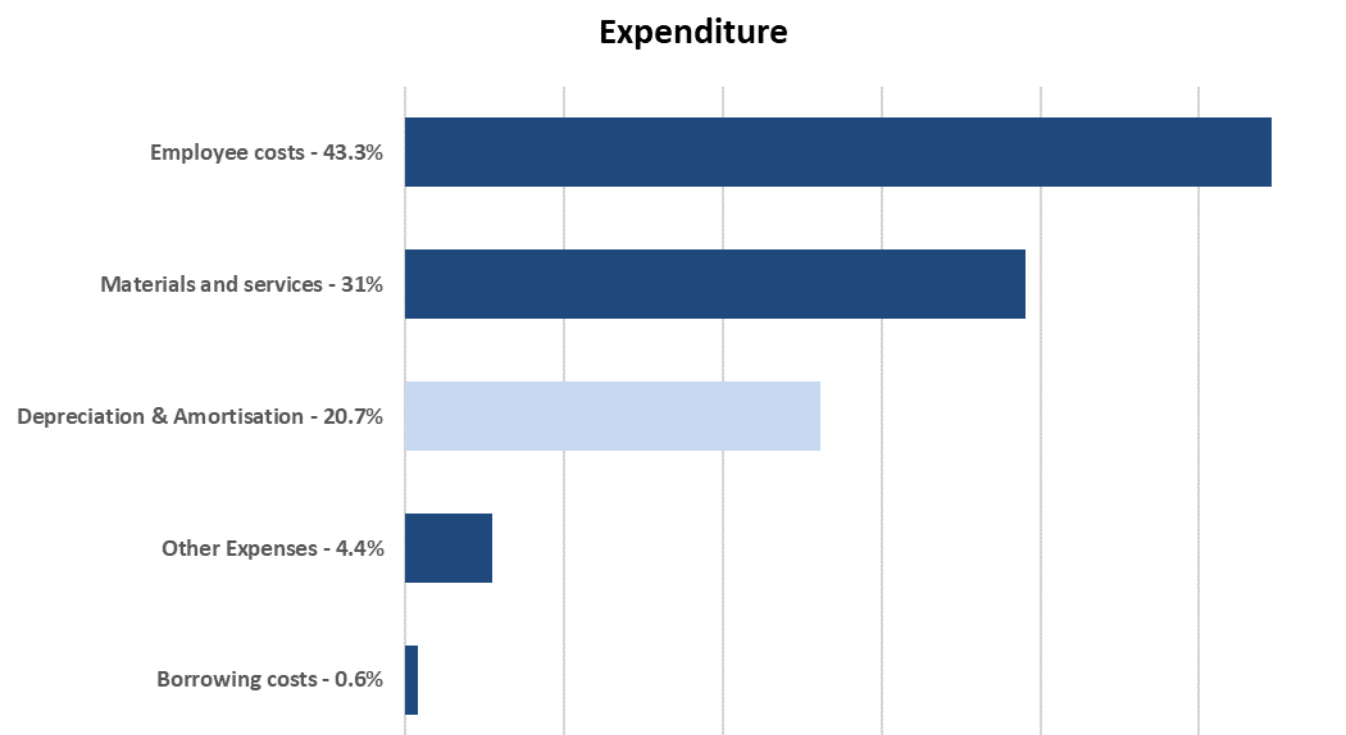
e. Statutory Fees & Charges

Statutory fees and fines are those which the City collects under the direction of legislation or other government directives. The rates used for statutory fees and fines are generally advised by the state government department responsible for the corresponding services or legislation, and generally councils will have limited discretion in applying these fees.

Assumptions

Statutory Fees are assumed to increase in line with the CPI annually generally, however, will be updated in line with any government announcements. Prior year data and trends suggests the these are announced at a rate slightly lower than CPI.

EXPENDITURE



a. Employee Costs

Employees are an integral part of the success of the City through the delivery of programs and services to our community. Total employee costs on average account for 43.3% of all expenditure. Employee costs are forecast at \$210.6 million for the 2025-26 financial year and will rise to \$341.8 million over the 10 years of the plan, to meet the growing needs of the municipality.

Assumptions

Consistent with the current EBA, increases to salaries are expected to be 3.00% until 2028-29. Beyond this, EA increases are assumed to be 2.5% consistent with the assumed CPI.

The growth in population and rateable properties will result in an increase in demand for services. Growth in staff numbers is therefore expected to increase at a level generally consistent with assessable property growth.

b. Materials & Services

The 2025-26 budget for materials and services is \$171.4mil, growing to \$222.9 million by 2034-35. The most significant expense category within materials and services are contracts, which account for almost half of total materials and services.

Where the private sector is better positioned to deliver services on its behalf, contractors are engaged. The City's most significant contracted services are for waste management, home care support, parking and asset maintenance.

Assumptions

Materials and services are assumed to increase consistent with inflation over the life of the plan.

The growth in population and rateable properties will result in an increase in demand for services. Growth in materials and services are therefore expected to increase at a level generally consistent with assessable property growth.

c. Depreciation & Amortisation

The City has infrastructure assets including roads, footpaths, buildings, drains and open space that average \$xx billion over the life of the Plan.

Assumptions

Depreciation is calculated based on the expected useful life of each asset (excluding land). Depreciation fluctuates based on the changes in the City's asset base. With a growing asset base, depreciation is expected to increase on average by around 4.5% over the life of the plan.

d. Efficiency Realisation

The 2025-26 budget includes an efficiency benefit of \$16.6mil to be realised. The plan also shows a need for on-going efficiency beyond the 2025-26 budget. The realisation of this efficiency is critical for the achievement of the financial results projected in this plan.

Realisation of permanent efficiencies that result in on-going financial benefit to the organisation will diminish and eliminate the need for further financial rectification.

CAPITAL PROGRAM OF WORKS

The capital works program aims to meet the infrastructure service requirements of the City and its forecasted population growth. High demand for new infrastructure needs to be balanced with the community's expectation on maintenance and renewal of existing assets.

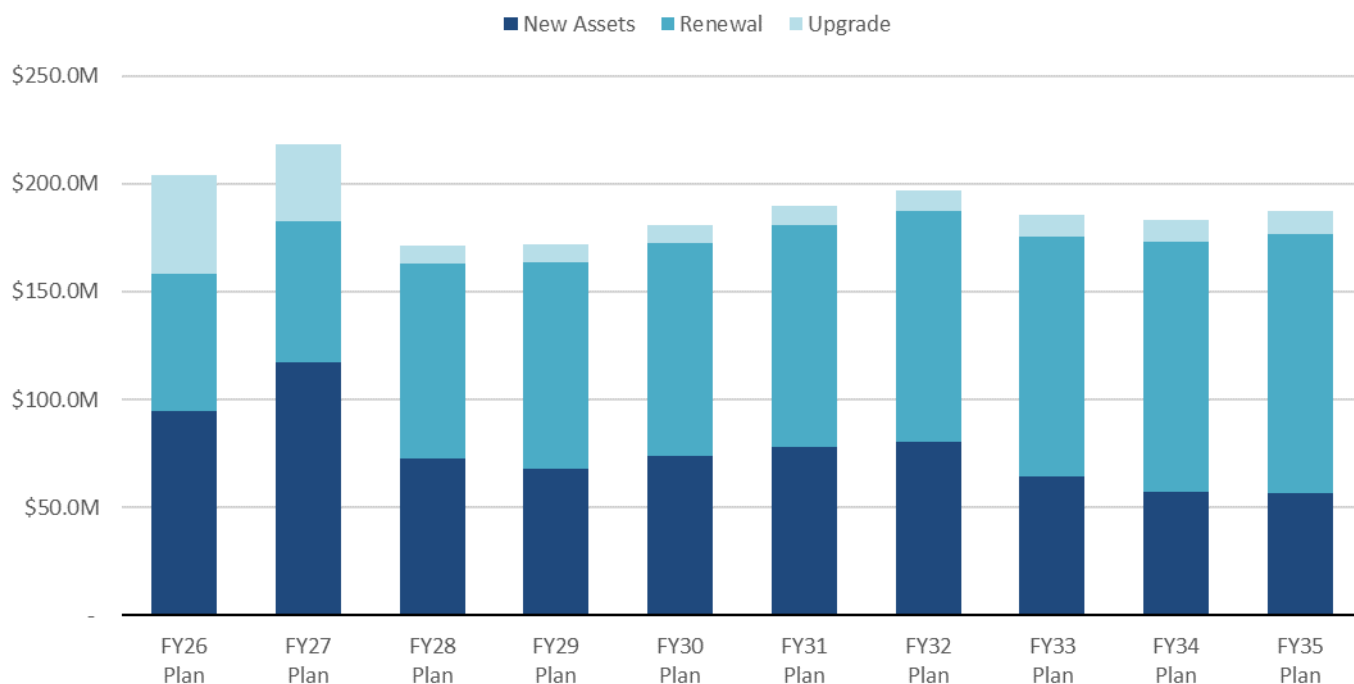
The Asset Management Plan will guide the investment in renewal, replacement and upgrade and our assets. The Asset Management Plan also guides how we identify, plan and decommission building assets that are no longer safe or functional, where a viable alternative is available.

The capital works program for 2025-26 to 2028-29 is as per the 2056-26 adopted budget. Beyond this, the capital program has been projected based on the key principles that underpin the strategic financial outcomes included in the plan, including:

- Achieving an asset renewal and upgrade ratio of 85%
- Achieving cash surpluses over the life of the plan
- No further utilisation of debt
- Holding sufficient working capital

The planned strengthening of the working capital position and the reduction of debt provides the City with the financial capacity to respond to growth and future community needs in the capital program. This allows the City to utilise cash reserves, debt, or a combination of both to strategically fund intergenerational infrastructure of a high community value.

Capital Program



Appendix 1 – Financial Statements

Financial Plan Statements

This section presents information in regard to the financial plan statements for the ten years from 2025-25 to 2034-35.

Comprehensive Income Statement

Income Statement Converted to Cash

Balance Sheet

Statement of Cash Flows

Statement of Capital Works

Statement of Human Resources

Statement of Changes in Equity

COMPREHENSIVE INCOME STATEMENT

	Forecast Actual	Budget	Projections								
	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
Income / Revenue											
Rates and charges	323,128	341,652	362,184	384,263	408,313	428,637	449,124	470,242	492,363	514,182	536,968
Statutory fees and fines	16,301	18,328	19,256	20,231	21,151	22,060	22,951	23,855	24,794	25,758	26,759
User fees	65,848	67,662	70,161	73,713	77,067	80,377	83,624	86,917	90,340	93,852	97,500
Grants - operating	74,868	77,794	71,963	73,942	75,976	78,065	80,212	82,418	84,684	87,013	89,406
Grants - capital	20,930	40,306	39,152	4,867	4,867	21,572	22,600	23,474	22,111	21,819	22,345
Contributions - monetary	39,053	41,515	30,881	24,469	40,778	26,278	27,988	35,764	13,534	10,742	2,500
Contributions - non-monetary	137,907	116,012	120,652	125,478	127,988	130,547	133,158	135,822	138,538	141,309	144,135
Net gain (or loss) on disposal of PPE	(2,147)	11,018	3,405	707	726	744	762	780	799	818	838
Other income	16,275	13,760	11,574	11,666	12,856	13,265	13,707	14,342	14,879	15,550	16,024
Total income / revenue	692,162	728,047	729,229	719,336	769,721	801,545	834,125	873,613	882,042	911,042	936,475
Expenses											
Employee costs	203,906	210,553	220,950	235,098	250,152	264,256	278,481	293,186	308,669	324,811	341,797
Materials and services	152,423	171,382	173,115	179,337	186,177	192,181	197,522	203,347	211,085	215,924	222,896
Depreciation	99,617	105,358	110,226	115,129	121,010	126,138	131,494	137,061	142,611	148,256	154,079
Amortisation - intangible assets	1,726	1,727	1,727	1,470	1,340	1,340	1,340	1,340	-	-	-
Depreciation - right of use assets	1,522	2,042	685	388	341	325	325	183	-	-	-
Allowance for impairment losses	-	-	-	-	-	-	-	-	-	-	-
Borrowing costs	5,755	5,124	2,823	3,216	2,989	3,973	4,535	4,775	4,111	4,562	3,360
Finance costs - leases	179	164	106	70	56	43	33	21	-	-	-
Other expenses	22,200	21,215	22,938	23,450	25,306	26,587	27,933	29,347	30,833	32,394	34,034
Total expenses	487,328	517,565	532,570	558,158	587,370	614,844	641,662	669,260	697,308	725,946	756,166
Surplus/(deficit) for the year	204,834	210,482	196,659	161,177	182,350	186,701	192,464	204,353	184,734	185,097	180,309
Other comprehensive income											
Net asset revaluation gain /(loss)	203,611	211,755	220,226	229,035	233,615	238,288	243,053	247,915	252,873	257,930	263,089
Total other comprehensive income	203,611	211,755	220,226	229,035	233,615	238,288	243,053	247,915	252,873	257,930	263,089
Total comprehensive result	408,445	422,237	416,885	390,212	415,966	424,989	435,517	452,267	437,607	443,027	443,398

INCOME STATEMENT CONVERTED TO CASH

	Forecast Actual 2024/25 \$'000	Budget 2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	Projections				
							2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
Surplus/(deficit) for the year	204,834	210,482	196,659	161,177	182,350	186,701	192,464	204,353	184,734	185,097	180,309
Adjustment for Non-Cash Items											
Contributions - non-monetary	(137,907)	(116,012)	(120,652)	(125,478)	(127,988)	(130,547)	(133,158)	(135,822)	(138,538)	(141,309)	(144,135)
Depreciaton & ammortisation	102,865	109,126	112,637	116,987	122,690	127,803	133,159	138,584	142,611	148,256	154,079
Written-Down Value of Asset Diposals	3,892	6,456	485	507	530	553	575	598	621	645	670
Adjustment for Non-Cash Items											
Capital Expenditure	(158,234)	(204,342)	(218,204)	(171,135)	(171,695)	(180,927)	(189,547)	(196,876)	(185,447)	(183,000)	(187,407)
Adjustment for Financing Items											
New Borrowings	-	-	-	-	-	-	41,000	17,000	-	70,000	-
Loan Repayments	(20,085)	(7,423)	(7,555)	(7,690)	(6,347)	(3,427)	(42,808)	(18,700)	-	(70,000)	-
Lease Repayments	(718)	(1,274)	(1,360)	(720)	(399)	(367)	(370)	(302)	-	-	-
Adjustment for Reserve Movements											
Reserve Drawdown/(Replishment)	5,700	6,759	21,160	22,123	13,801	3,287	-	-	-	-	(2,994)
Cash Surplus/(Deficit) for the Year	346	3,773	(16,829)	(4,230)	12,943	3,075	1,314	8,834	3,981	9,688	523

BALANCE SHEET

	Forecast Actual	Budget	Projections								
	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
Assets											
Current assets											
Cash and cash equivalents	75,040	75,590	77,301	70,573	77,474	79,870	83,016	90,155	95,060	102,637	105,906
Trade and other receivables	24,702	26,181	26,925	28,043	30,741	31,181	32,691	34,639	34,693	36,000	37,016
Other financial assets	112,561	113,384	77,301	57,742	51,649	53,246	55,344	60,103	63,373	68,425	70,604
Inventories	1,266	1,279	1,292	1,305	1,318	1,331	1,344	1,358	1,371	1,385	1,399
Prepayments	4,373	5,391	5,072	3,598	3,690	4,548	4,693	4,834	4,875	4,968	5,101
Non-current assets classified as held for sale	9,479	9,479	9,479	9,479	9,479	9,479	9,479	9,479	9,479	9,479	9,479
Other assets	2,222	2,394	2,347	2,120	2,138	2,304	2,328	2,351	2,358	2,373	2,394
Total current assets	229,643	233,698	199,718	172,858	176,489	181,959	188,895	202,919	211,209	225,267	231,900
Non-current assets											
Trade and other receivables	13,672	14,491	14,903	15,521	17,015	17,258	18,094	19,172	19,202	19,925	20,488
Investments in associates	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586
Property, infrastructure, plant & equipment	5,268,388	5,688,684	6,137,055	6,547,068	6,958,825	7,381,897	7,815,588	8,258,542	8,692,168	9,125,505	9,565,388
Right-of-use assets	4,288	2,246	1,562	1,174	833	508	183	-	-	-	-
Intangible assets	10,284	8,557	6,830	5,360	4,020	2,680	1,340	-	-	-	-
Total non-current assets	5,307,218	5,724,564	6,170,936	6,579,709	6,991,279	7,412,930	7,845,790	8,288,300	8,721,956	9,156,017	9,596,462
Total assets	5,536,861	5,958,262	6,370,653	6,752,567	7,167,769	7,594,889	8,034,685	8,491,218	8,933,165	9,381,283	9,828,362

	Forecast Actual	Budget	Projections								
	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
Liabilities											
Current liabilities											
Trade and other payables	39,425	42,579	44,602	40,128	41,317	42,557	44,295	45,712	44,989	44,837	43,044
Trust funds and deposits	17,434	17,957	18,496	19,051	19,622	20,211	20,817	21,442	22,085	22,748	23,430
Contract and other liabilities	23,079	24,333	23,092	23,840	24,588	25,347	26,116	26,903	27,714	28,548	29,407
Provisions	50,844	53,773	56,874	60,156	63,631	66,970	70,313	73,752	77,361	81,109	85,039
Interest-bearing liabilities	7,423	7,555	7,690	6,347	3,427	1,808	1,700	-	-	-	-
Lease liabilities	1,274	1,360	720	399	367	370	302	-	-	-	-
Total current liabilities	139,480	147,557	151,474	149,921	152,952	157,262	163,543	167,809	172,149	177,242	180,920
Non-current liabilities											
Provisions	30,336	30,336	30,336	30,336	30,336	30,336	30,336	30,336	30,336	30,336	30,336
Interest-bearing liabilities	157,558	150,003	142,313	135,966	132,539	130,731	129,031	129,031	129,031	129,031	129,031
Lease liabilities	4,165	2,805	2,085	1,685	1,319	948	646	646	646	646	646
Total non-current liabilities	192,058	183,143	174,733	167,987	164,193	162,015	160,012	160,012	160,012	160,012	160,012
Total liabilities	331,538	330,701	326,207	317,908	317,145	319,277	323,556	327,821	332,162	337,254	340,933
Net assets	5,205,323	5,627,561	6,044,446	6,434,658	6,850,623	7,275,612	7,711,130	8,163,397	8,601,004	9,044,030	9,487,429
Equity											
Accumulated surplus	2,368,222	2,585,463	2,803,283	2,986,583	3,182,735	3,372,724	3,565,187	3,769,540	3,954,274	4,139,371	4,316,686
Asset Revaluation Reserves	2,769,970	2,981,725	3,201,951	3,430,986	3,664,601	3,902,889	4,145,942	4,393,857	4,646,729	4,904,660	5,167,749
Other Cash Reserves	67,131	60,372	39,212	17,088	3,287	-	-	-	-	-	2,994
Total equity	5,205,323	5,627,561	6,044,446	6,434,658	6,850,623	7,275,612	7,711,130	8,163,397	8,601,004	9,044,030	9,487,429

STATEMENT OF CHANGES IN EQUITY

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2025 Forecast Actual				
Balance at beginning of the financial year	4,796,878	2,157,689	2,566,359	72,831
Surplus/(deficit) for the year	204,834	204,834	-	-
Net asset revaluation gain/(loss)	203,611	-	203,611	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	5,700	-	(5,700)
Balance at end of the financial year	5,205,323	2,368,222	2,769,970	67,131
2026 Budget				
Balance at beginning of the financial year	5,205,323	2,368,222	2,769,970	67,131
Surplus/(deficit) for the year	210,482	210,482	-	-
Net asset revaluation gain/(loss)	211,755	-	211,755	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	6,759	-	(6,759)
Balance at end of the financial year	5,627,561	2,585,463	2,981,725	60,372
2027				
Balance at beginning of the financial year	5,627,561	2,585,463	2,981,725	60,372
Surplus/(deficit) for the year	196,659	196,659	-	-
Net asset revaluation gain/(loss)	220,226	-	220,226	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	21,160	-	(21,160)
Balance at end of the financial year	6,044,446	2,803,283	3,201,951	39,212
2028				
Balance at beginning of the financial year	6,044,446	2,803,283	3,201,951	39,212
Surplus/(deficit) for the year	161,177	161,177	-	-
Net asset revaluation gain/(loss)	229,035	-	229,035	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	22,123	-	(22,123)
Balance at end of the financial year	6,434,658	2,986,583	3,430,986	17,088
2029				
Balance at beginning of the financial year	6,434,658	2,986,583	3,430,986	17,088
Surplus/(deficit) for the year	182,350	182,350	-	-
Net asset revaluation gain/(loss)	233,615	-	233,615	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	13,801	-	(13,801)
Balance at end of the financial year	6,850,623	3,182,735	3,664,601	3,287
2030				
Balance at beginning of the financial year	6,850,623	3,182,735	3,664,601	3,287
Surplus/(deficit) for the year	186,701	186,701	-	-
Net asset revaluation gain/(loss)	238,288	-	238,288	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	3,287	-	(3,287)
Balance at end of the financial year	7,275,612	3,372,724	3,902,889	-

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2031				
Balance at beginning of the financial year	7,275,612	3,372,724	3,902,889	-
Surplus/(deficit) for the year	192,464	192,464	-	-
Net asset revaluation gain/(loss)	243,053	-	243,053	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	7,711,130	3,565,187	4,145,942	-
2032				
Balance at beginning of the financial year	7,711,130	3,565,187	4,145,942	-
Surplus/(deficit) for the year	204,353	204,353	-	-
Net asset revaluation gain/(loss)	247,915	-	247,915	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	8,163,397	3,769,540	4,393,857	-
2033				
Balance at beginning of the financial year	8,163,397	3,769,540	4,393,857	-
Surplus/(deficit) for the year	184,734	184,734	-	-
Net asset revaluation gain/(loss)	252,873	-	252,873	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	8,601,004	3,954,274	4,646,729	-
2034				
Balance at beginning of the financial year	8,601,004	3,954,274	4,646,729	-
Surplus/(deficit) for the year	185,097	185,097	-	-
Net asset revaluation gain/(loss)	257,930	-	257,930	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	9,044,030	4,139,371	4,904,660	-
2035				
Balance at beginning of the financial year	9,044,030	4,139,371	4,904,660	-
Surplus/(deficit) for the year	180,309	180,309	-	-
Net asset revaluation gain/(loss)	263,089	-	263,089	-
Transfers to other reserves	-	(2,994)	-	2,994
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	9,487,429	4,316,686	5,167,749	2,994

STATEMENT OF CASH FLOWS

	Forecast Actual 2024/25 \$'000	Budget 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)
Cash flows from operating activities											
Rates and charges	322,912	339,954	361,329	382,979	405,215	428,132	447,391	468,005	492,300	512,681	535,802
Statutory fees and fines	18,730	19,610	20,457	21,480	22,361	23,443	24,338	25,275	26,376	27,332	28,412
User fees	63,666	66,656	69,536	73,012	76,008	79,684	82,727	85,911	89,656	92,905	96,574
Grants - operating	80,679	78,689	70,648	74,704	76,304	78,625	80,735	82,894	85,482	87,638	90,095
Grants - capital	20,930	40,306	39,152	4,867	4,867	21,572	22,600	23,474	22,111	21,819	22,345
Contributions - monetary	39,053	41,515	30,881	24,469	40,778	26,278	27,988	35,764	13,534	10,742	2,500
Interest received	8,563	7,169	4,814	3,241	3,093	3,118	3,179	3,427	3,562	3,819	3,866
Other receipts	8,957	6,426	6,542	8,193	9,490	9,900	10,255	10,625	11,048	11,429	11,851
Employee costs	(200,981)	(209,089)	(219,400)	(233,457)	(248,415)	(262,587)	(276,809)	(291,467)	(306,864)	(322,937)	(339,831)
Materials and services	(169,113)	(189,010)	(192,174)	(204,158)	(208,662)	(216,731)	(222,203)	(229,711)	(240,892)	(246,702)	(256,905)
Net cash from operating activities	193,396	202,226	191,787	155,330	181,039	191,434	200,199	214,196	196,313	198,727	194,707
Cash flows from investing activities											
Payments for PPE	(158,272)	(204,342)	(218,204)	(171,135)	(171,695)	(180,927)	(189,547)	(196,876)	(185,447)	(183,000)	(187,407)
Proceeds from sale of PPE	1,744	17,474	3,890	1,214	1,255	1,296	1,337	1,377	1,420	1,463	1,509
Net cash for investing activities	(156,528)	(186,868)	(214,314)	(169,921)	(170,439)	(179,631)	(188,210)	(195,499)	(184,027)	(181,537)	(185,899)
Cash flows from financing activities											
Finance costs	(5,934)	(5,288)	(2,930)	(3,286)	(3,045)	(4,016)	(4,567)	(4,796)	(4,111)	(4,562)	(3,360)
Proceeds from borrowings	-	-	-	-	-	-	41,000	17,000	-	70,000	-
Repayment of borrowings	(20,085)	(7,423)	(7,555)	(7,690)	(6,347)	(3,427)	(42,808)	(18,700)	-	(70,000)	-
Interest paid - lease liability	-	-	-	-	-	-	-	-	-	-	-
Repayment of lease liabilities	(718)	(1,274)	(1,360)	(720)	(399)	(367)	(370)	(302)	-	-	-
Net cash from financing activities	(26,737)	(13,985)	(11,844)	(11,696)	(9,791)	(7,811)	(6,746)	(6,799)	(4,111)	(4,562)	(3,360)
Net increase/(decrease) in cash	10,131	1,373	(34,371)	(26,288)	809	3,993	5,244	11,898	8,175	12,629	5,449
Cash at the beginning of the financial year	177,470	187,601	188,974	154,603	128,314	129,123	133,116	138,360	150,258	158,433	171,062
Cash at the end of the financial year	187,601	188,974	154,603	128,314	129,123	133,116	138,360	150,258	158,433	171,062	176,510

STATEMENT OF CAPITAL WORKS

	Forecast Actual 2024/25 \$'000	Budget 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
Property											
Land	49,018	23,494	8,711	5,719	8,836	18,762	19,656	20,416	19,231	18,977	19,434
Land improvements	-	-	-	-	-	-	-	-	-	-	-
Total land	49,018	23,494	8,711	5,719	8,836	18,762	19,656	20,416	19,231	18,977	19,434
Buildings	22,735	64,782	60,243	34,527	48,595	45,228	47,383	49,215	46,358	45,746	46,848
Heritage buildings	345	2,000	2,000	3,000	1,000	1,635	1,712	1,779	1,675	1,653	1,693
Total buildings	23,079	66,782	62,243	37,527	49,595	46,862	49,095	50,993	48,033	47,399	48,541
Total property	72,097	90,276	70,954	43,246	58,431	65,625	68,751	71,410	67,264	66,377	67,975
Plant and equipment											
Plant, machinery and equipment	3,987	6,428	6,859	8,813	9,502	6,971	7,304	7,586	7,146	7,051	7,221
Fixtures, fittings and furniture	378	352	366	446	470	394	413	429	404	398	408
Computers and telecommunications	2,311	1,942	1,981	2,642	2,838	2,295	2,404	2,497	2,352	2,321	2,377
Library books	-	-	-	-	-	-	-	-	-	-	-
Total plant and equipment	6,676	8,722	9,206	11,901	12,810	9,660	10,121	10,512	9,902	9,771	10,006
Infrastructure											
Roads	27,114	29,567	37,416	47,066	43,521	36,178	37,902	39,367	37,082	36,593	37,474
Bridges	310	610	310	419	452	412	431	448	422	416	426
Footpaths and cycleways	9,225	12,874	5,023	6,446	6,185	7,787	8,158	8,474	7,982	7,877	8,066
Drainage	4,622	6,449	7,670	7,933	7,897	6,772	7,095	7,369	6,941	6,850	7,015
Recreational, leisure and community facilities	4,777	5,688	5,820	10,276	19,769	9,076	9,508	9,876	9,303	9,180	9,401
Waste management	2,935	15,183	38,727	10,114	1,517	13,414	14,053	14,596	13,749	13,568	13,894
Parks, open space and streetscapes	18,052	24,566	32,904	25,169	12,184	22,112	23,165	24,061	22,664	22,365	22,904
Other infrastructure	12,425	10,405	10,174	8,564	8,928	9,892	10,363	10,764	10,139	10,005	10,246
Total infrastructure	79,460	105,344	138,044	115,988	100,454	105,642	110,675	114,955	108,281	106,853	109,426
Total capital works expenditure	158,234	204,342	218,204	171,135	171,695	180,927	189,547	196,876	185,447	183,000	187,407

	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

Represented by:

New asset expenditure	84,306	94,363	117,500	72,400	68,022	73,708	77,774	80,374	64,235	57,003	56,479
Asset renewal expenditure	51,943	63,664	64,923	90,750	95,492	98,655	102,846	107,197	111,531	115,934	120,471
Asset expansion expenditure	-	-	-	-	-	-	-	-	-	-	-
Asset upgrade expenditure	21,985	46,315	35,781	7,986	8,180	8,564	8,927	9,305	9,681	10,063	10,457
Total capital works expenditure	158,234	204,342	218,204	171,135	171,695	180,927	189,547	196,876	185,447	183,000	187,407

Funding sources represented by:

Grants	20,930	40,306	39,152	4,867	4,867	21,572	22,600	23,474	22,111	21,819	22,345
Contributions	39,053	22,514	30,157	34,981	43,206	26,278	27,988	35,764	13,534	10,742	2,500
Council cash	98,251	141,522	148,894	131,287	123,622	133,077	138,960	137,639	149,802	150,439	162,563
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Total capital works expenditure	158,234	204,342	218,204	171,135	171,695	180,927	189,547	196,876	185,447	183,000	187,407

STATEMENT OF HUMAN RESOURCES

Planned Expenditure	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/230 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
Chief Executive										
Permanent - Full time	654	686	730	777	820	864	910	958	1,008	1,061
Women	654	686	730	777	820	864	910	958	1,008	1,061
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	-	-	-	-	-	-	-	-	-	-
Women	-	-	-	-	-	-	-	-	-	-
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Chief Executive	654	686	730	777	820	864	910	958	1,008	1,061
City Infrastructure										
Permanent - Full time	35,498	37,251	39,636	42,174	44,552	46,951	49,430	52,040	54,762	57,625
Women	6,451	6,770	7,203	7,664	8,096	8,532	8,983	9,457	9,952	10,472
Men	29,047	30,482	32,433	34,510	36,456	38,418	40,447	42,583	44,810	47,153
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	14,446	15,159	16,130	17,163	18,131	19,107	20,115	21,178	22,285	23,451
Women	2,625	2,755	2,931	3,119	3,295	3,472	3,656	3,849	4,050	4,262
Men	11,821	12,404	13,199	14,044	14,836	15,634	16,460	17,329	18,235	19,189
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total City Infrastructure	49,944	52,410	55,766	59,337	62,683	66,057	69,545	73,218	77,047	81,076
City Life										
Permanent - Full time	30,097	31,583	33,605	35,757	37,773	39,806	41,908	44,121	46,429	48,857
Women	23,642	24,810	26,398	28,089	29,672	31,269	32,921	34,659	36,472	38,379
Men	6,393	6,708	7,138	7,595	8,023	8,455	8,901	9,371	9,862	10,377
Persons of self-described gender	62	65	69	74	78	82	86	91	95	100
Permanent - Part time	33,434	35,085	37,331	39,722	41,961	44,220	46,555	49,013	51,577	54,274
Women	26,264	27,560	29,325	31,203	32,962	34,737	36,571	38,502	40,516	42,634
Men	7,101	7,452	7,929	8,437	8,913	9,392	9,888	10,411	10,955	11,528
Persons of self-described gender	69	72	77	82	86	91	96	101	106	112
Total City Life	63,530	66,667	70,936	75,478	79,734	84,026	88,463	93,135	98,005	103,130

Planned Expenditure	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/230 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
Corporate Services										
Permanent - Full time	32,389	33,989	36,165	38,481	40,650	42,839	45,101	47,482	49,966	52,579
Women	21,683	22,754	24,211	25,761	27,213	28,678	30,193	31,787	33,449	35,198
Men	10,706	11,235	11,955	12,720	13,437	14,161	14,908	15,696	16,516	17,380
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	5,801	6,087	6,477	6,892	7,280	7,672	8,077	8,504	8,949	9,417
Women	3,883	4,075	4,336	4,614	4,874	5,136	5,407	5,693	5,991	6,304
Men	1,918	2,012	2,141	2,278	2,407	2,536	2,670	2,811	2,958	3,113
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Corporate Services	38,190	40,076	42,642	45,373	47,931	50,511	53,178	55,986	58,914	61,995
Placemaking										
Permanent - Full time	22,193	23,289	24,780	26,367	27,853	29,353	30,903	32,534	34,236	36,026
Women	14,597	15,318	16,298	17,342	18,320	19,306	20,325	21,399	22,518	23,695
Men	7,487	7,857	8,360	8,895	9,397	9,902	10,425	10,976	11,550	12,154
Persons of self-described gender	109	115	122	130	137	144	152	160	168	177
Permanent - Part time	3,589	3,766	4,007	4,264	4,504	4,747	4,998	5,262	5,537	5,826
Women	2,361	2,477	2,636	2,805	2,963	3,122	3,287	3,461	3,642	3,832
Men	1,211	1,271	1,352	1,439	1,520	1,601	1,686	1,775	1,868	1,966
Persons of self-described gender	18	19	20	21	22	23	25	26	27	29
Total Placemaking	25,782	27,055	28,787	30,631	32,358	34,100	35,900	37,796	39,773	41,852
Casuals, temporary and other expenditure	32,453	34,055	36,236	38,556	40,730	42,923	45,189	47,575	50,063	52,682
Total Salaries & Wages (Operating)	210,553	220,950	235,098	250,152	264,256	278,481	293,186	308,668	324,811	341,797
Capitalised labour costs	9,421	10,026	10,670	11,355	11,995	12,641	13,308	14,011	14,743	15,515
Total staff expenditure	219,975	230,976	245,767	261,507	276,251	291,121	306,494	322,679	339,554	357,311

Planned FTE	2025/26 FTE	2026/27 FTE	2027/28 FTE	2028/29 FTE	2028/30 FTE	2028/31 FTE	2028/32 FTE	2028/33 FTE	2028/34 FTE	2028/35 FTE
Chief Executive										
Permanent - Full time	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Women	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	-	-	-	-	-	-	-	-	-	-
Women	-	-	-	-	-	-	-	-	-	-
Men	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Chief Executive	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
City Infrastructure										
Permanent - Full time	321.3	329.3	337.6	346.0	353.8	360.9	367.7	374.7	381.6	388.7
Women	58.4	59.8	61.3	62.9	64.3	65.6	66.8	68.1	69.4	70.6
Men	262.9	269.5	276.2	283.1	289.5	295.3	300.9	306.6	312.3	318.1
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	130.7	134.0	137.4	140.8	144.0	146.8	149.6	152.5	155.3	158.2
Women	23.8	24.4	25.0	25.6	26.2	26.7	27.2	27.7	28.2	28.7
Men	107.0	109.7	112.4	115.2	117.8	120.2	122.4	124.8	127.1	129.4
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total City Infrastructure	452.0	463.3	474.9	486.8	497.7	507.7	517.4	527.2	536.9	546.9
City Life										
Permanent - Full time	288.2	295.4	302.8	310.3	317.3	323.7	329.8	336.1	342.3	348.6
Women	226.4	232.0	237.8	243.8	249.3	254.3	259.1	264.0	268.9	273.9
Men	61.2	62.7	64.3	65.9	67.4	68.7	70.1	71.4	72.7	74.1
Persons of self-described gender	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7
Permanent - Part time	320.1	328.1	336.3	344.8	352.5	359.6	366.4	373.4	380.3	387.3
Women	251.5	257.8	264.2	270.8	276.9	282.5	287.8	293.3	298.7	304.2
Men	68.0	69.7	71.4	73.2	74.9	76.4	77.8	79.3	80.8	82.3
Persons of self-described gender	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8
Total City Life	608.3	623.5	639.1	655.1	669.8	683.2	696.2	709.4	722.6	735.9

Planned FTE	2025/26 FTE	2026/27 FTE	2027/28 FTE	2028/29 FTE	2028/30 FTE	2028/31 FTE	2028/32 FTE	2028/33 FTE	2028/34 FTE	2028/35 FTE
Corporate Services										
Permanent - Full time	223.6	229.2	234.9	240.8	246.2	251.1	255.9	260.8	265.6	270.5
Women	149.7	153.4	157.3	161.2	164.8	168.1	171.3	174.6	177.8	181.1
Men	73.9	75.8	77.7	79.6	81.4	83.0	84.6	86.2	87.8	89.4
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	40.0	41.0	42.1	43.1	44.1	45.0	45.8	46.7	47.6	48.4
Women	26.8	27.5	28.2	28.9	29.5	30.1	30.7	31.3	31.8	32.4
Men	13.2	13.6	13.9	14.3	14.6	14.9	15.1	15.4	15.7	16.0
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Total Corporate Services	263.6	270.2	277.0	283.9	290.3	296.1	301.7	307.5	313.2	318.9
Placemaking										
Permanent - Full time	153.4	157.3	161.2	165.2	168.9	172.3	175.6	178.9	182.2	185.6
Women	100.9	103.4	106.0	108.7	111.1	113.3	115.5	117.7	119.9	122.1
Men	51.8	53.1	54.4	55.7	57.0	58.1	59.2	60.4	61.5	62.6
Persons of self-described gender	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9
Permanent - Part time	24.8	25.4	26.1	26.7	27.3	27.9	28.4	28.9	29.5	30.0
Women	16.3	16.7	17.1	17.6	18.0	18.3	18.7	19.0	19.4	19.7
Men	8.4	8.6	8.8	9.0	9.2	9.4	9.6	9.8	9.9	10.1
Persons of self-described gender	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Placemaking	178.2	182.7	187.3	192.0	196.3	200.2	204.0	207.9	211.7	215.6
Casuals and temporary staff	293.5	300.8	308.4	316.1	323.2	329.6	335.9	342.3	348.6	355.1
Capitalised labour	71.2	72.9	74.8	76.6	78.3	79.9	81.4	83.0	84.5	86.1
Total staff numbers	1,868.9	1,915.6	1,963.4	2,012.5	2,057.7	2,098.8	2,138.6	2,179.2	2,219.5	2,260.5

Appendix 2: Financial Performance Indicators

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

Performance Indicators	Measure	Note	FY24 Actual	FY25 Forecast	FY26 Plan	FY27 Plan	FY28 Plan	FY29 Plan	FY30 Plan	FY31 Plan	FY32 Plan	FY33 Plan	FY34 Plan	FY35 Plan	Trend
Operating Position															
Underlying Operating Margin	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	(4.14%)	1.10%	0.10%	0.40%	0.78%	1.00%	0.90%	0.90%	0.90%	1.10%	1.10%	1.10%	+
Liquidity															
Working Capital Ratio	Current Asset / Current Liabilities	2	1.60	1.65	1.58	1.32	1.15	1.15	1.16	1.16	1.21	1.23	1.27	1.28	+
Unrestricted Working Capital	Unrestricted cash / current liabilities	3	0.76	0.86	0.87	0.76	0.74	0.82	0.85	0.85	0.90	0.92	0.97	0.96	+
Obligations															
Indebtedness Ratio	Interest bearing loans and borrowings / rate revenue	4	60.6%	51.1%	46.1%	41.4%	37.0%	33.3%	30.9%	29.1%	27.4%	26.2%	25.1%	24.0%	+
Debt Coverage Ratio	Interest and principal repayments / rate revenue		5.8%	8.1%	3.7%	2.9%	2.9%	2.3%	1.7%	10.5%	5.0%	0.8%	14.5%	0.6%	+
Non-Current Liability Coverage Ratio	Non-current liabilities / own source revenue		46.1%	45.8%	40.5%	37.4%	34.2%	31.6%	29.7%	28.1%	26.8%	25.7%	24.6%	23.6%	+
Asset Renewal & Upgrade Ratio	Asset Renewal and Upgrade / Depreciation	5	67.8%	74.2%	104.4%	91.4%	85.8%	85.7%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	o
Asset Renewal Ratio	Asset Renewal / Depreciation		54.2%	52.1%	60.4%	58.9%	78.8%	78.9%	78.2%	78.2%	78.2%	78.2%	78.2%	78.2%	+
Stability															
Rates Concentration	Rate revenue / adjusted underlying revenue	6	69.89%	65.58%	65.95%	67.73%	68.31%	68.85%	69.13%	69.39%	69.64%	69.89%	70.08%	70.29%	o
Rates Effort	Rate revenue / CIV of rateable properties in the municipal district		0.27%	0.28%	0.29%	0.30%	0.30%	0.31%	0.32%	0.33%	0.33%	0.34%	0.34%	0.35%	+
Efficinecy															
Expenditure Level	Total expenses / no. of property assessments		3,273	3,404	3,616	3,630	3,711	3,810	3,891	3,972	4,062	4,153	4,242	4,339	+
Revenue Level	General rates and municipal charges / no. of property assessments		2,245	2,323	2,396	2,478	2,565	2,665	2,743	2,821	2,898	2,980	3,055	3,191	+

Key to Forecast Trend:

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

Notes to Indicators

1. Underlying Operating Margin

Adjusted underlying results represents the operating result of the organisation, removing the impact of non-recurrent grants used to fund the capital expenditure, non-monetary asset contributions and contributions to fund capital expenditure from developers. The result is remaining stable over the life of the plan.

2. Working Capital Ratio

Over the life of the plan, current assets are maintained at levels to meet short term liabilities. Working capital remain stable over the ten years of the plan.

3. Unrestricted Working Capital

Represents all cash and cash equivalents other than cash held for specific purposes.

4. Indebtedness Ratio

Debt levels are increasing over the duration of the plan ratio to rates increasing. Debt levels are maintained within approved benchmarks.

5. Asset Renewal & Upgrade Ratio

Investment in renewing and upgrading existing assets occurs over the plan.

6. Rates Concentration

Rate concentration as a proportion of the adjusted underlying result is increasing over the life of the plan as rates increase, whilst contributions and grants remain relatively stable.

Adjusted Underlying Result

	Forecast	Budget	Projections								
	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
Operating Income											
Rates & Charges	322,502	340,636	361,729	384,263	408,313	428,637	449,124	470,242	492,363	514,182	536,968
Government Grants - Operating	74,868	77,794	71,963	73,942	75,976	78,065	80,212	82,418	84,684	87,013	89,406
User Fees	65,841	67,662	70,161	73,713	77,067	80,377	83,624	86,917	90,340	93,852	97,500
Statutory Fees & Fines	16,301	18,328	19,256	20,231	21,151	22,060	22,951	23,855	24,794	25,758	26,759
Interest Received	8,563	7,169	4,814	3,241	3,093	3,118	3,179	3,427	3,562	3,819	3,866
Reimbursements, Contributions & Other	4,442	6,113	6,422	6,747	7,054	7,357	7,655	7,956	8,269	8,591	8,925
Gain/Loss on Sale of Property	210	372	389	407	426	444	462	480	499	518	538
Total Operating Income	492,727	518,075	534,735	562,544	593,080	620,058	647,206	675,294	704,511	733,733	763,961
Operating Expenditure											
Employee Costs	203,906	210,553	220,950	235,098	250,152	264,256	278,481	293,186	308,669	324,811	341,797
Materials & Services	142,669	160,812	162,010	167,670	173,919	179,303	183,991	189,131	196,150	200,233	206,410
Depreciation	99,617	105,358	110,226	115,129	121,010	126,138	131,494	137,061	142,611	148,256	154,079
Ammortisation - intangible assets	1,726	1,727	1,727	1,470	1,340	1,340	1,340	1,340	-	-	-
Depreciation - right of use assets	1,522	2,042	685	388	341	325	325	183	-	-	-
Community Support	22,161	21,215	22,938	23,450	25,306	26,587	27,933	29,347	30,833	32,394	34,034
Utilities	9,754	10,570	11,105	11,667	12,258	12,879	13,531	14,216	14,935	15,691	16,486
Interest Expense	5,755	5,124	2,823	3,216	2,989	3,973	4,535	4,775	4,111	4,562	3,360
Finance Costs - Leases	179	164	106	70	56	43	33	21	-	-	-
Total Operating Expenditure	487,290	517,565	532,570	558,158	587,370	614,844	641,662	669,260	697,308	725,946	756,166
Underlying Operating Surplus/(deficit)	5,437	509	2,166	4,385	5,710	5,214	5,545	6,034	7,203	7,787	7,796
Non-Recurrent Income											
Government Grant - Capital	20,930	40,306	39,152	4,867	4,867	21,572	22,600	23,474	22,111	21,819	22,345
Developer Contributions	39,053	41,515	30,881	24,469	40,778	26,278	27,988	35,764	13,534	10,742	2,500
Gain/(Loss) on Sale of Property	(2,396)	10,646	3,016	300	300	300	300	300	300	300	300
Recognition of Infrastructure	137,907	116,012	120,652	125,478	127,988	130,547	133,158	135,822	138,538	141,309	144,135
Net Asset Revaluation Gain	203,611	211,755	220,226	229,035	233,615	238,288	243,053	247,915	252,873	257,930	263,089
Other Capital Income	3,903	1,494	792	1,678	2,708	2,790	2,873	2,960	3,048	3,140	3,234
Total Non-Recurrent Income	403,008	421,728	414,719	385,827	410,256	419,775	429,973	446,233	430,404	435,240	435,602
Total comprehensive result	408,445	422,237	416,885	390,212	415,966	424,989	435,517	452,267	437,607	443,027	443,398

Appendix 3: Strategies & Plans

BORROWING STRATEGY

The total value of the debt as at 30 June 2025 is forecast to be \$165.0 million.

Debt is expected to decrease to \$36.0 million by the end of the plan. Borrowings are used to support the cash requirements of major capital projects. Borrowings are utilised in accordance with the City's borrowing policy and are maintained within prescribed indebtedness targets of being below 60 per cent.

	Forecast	Budget	Projections								
	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
Opening Balance	185,066	164,981	157,558	150,003	142,313	135,966	132,539	130,731	129,031	129,031	129,031
Plus: New Loans	-	-	-	-	-	-	41,000	17,000	-	70,000	-
Less Principal Repayment	(20,085)	(7,423)	(7,555)	(7,690)	(6,347)	(3,427)	(42,808)	(18,700)	-	(70,000)	-
Closing Balance	164,981	157,558	150,003	142,313	135,966	132,539	130,731	129,031	129,031	129,031	129,031
Interest Payment	5,934	5,288	2,930	3,286	3,045	4,016	4,567	4,796	4,111	4,562	3,360

RESERVES STRATEGY

Development Contributions Reserve

The City is authorised under part 3B of the *Planning and Environment Act 1987* to levy contributions for the provision of works, services and facilities specified in a development contribution plan. Developer contribution plans are the mechanism to collect funds for future development related infrastructure projects.

Funds are collected for two types of levies:

- **Development Infrastructure Fund (DIL):** for example: roads, traffic lights, drainage, active open spaces, community centres
- **Community Infrastructure Fund (CIL):** for example: libraries, civic and cultural spaces, community infrastructure levies,

Transfers from the reserve are for identified capital works programs that deliver specific DIL and CIL projects.

Waste Reserve

The City funds the waste collection service through the waste collection charge. The calculation of the waste charge is based on the resources and infrastructure required to deliver the service. Where the City is funding infrastructure for the waste collection service through the waste charge, the relevant component of revenue relating to infrastructure delivery is transferred to the waste reserve. This acts as a funding mechanism for the required infrastructure and drawdowns from the reserve occur as the infrastructure is delivered.

Capital Commitment Reserve

The Capital Commitment Reserve is used to record our future commitments for completion of capital works approved in prior years. The Capital Commitment Reserve will be utilised for unspent capital project budgets to reflect the commitment of the cash required to complete the project in the future.

	Forecast	Budget	Projections								
	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
Developer Contributions Reserve											
Opening Balance	51,850	51,850	53,699	39,212	17,088	3,287	-	-	-	-	-
Transfer to reserve		44,967	29,597	23,146	38,278	23,778	25,488	33,264	11,034	8,242	-
Transfer from reserve		(43,118)	(44,085)	(45,269)	(52,079)	(27,065)	(25,488)	(33,264)	(11,034)	(8,242)	-
Closing Balance	51,850	53,699	39,212	17,088	3,287	-	-	-	-	-	-
Waste Reserve											
Opening Balance	15,281	15,281	6,673	-	-	-	-	-	-	-	-
Transfer to reserve		85,117	92,648	100,869	109,847	115,923	122,334	129,101	136,242	142,619	149,297
Transfer from reserve		(93,725)	(99,321)	(100,869)	(109,847)	(115,923)	(122,334)	(129,101)	(136,242)	(142,619)	(146,303)
Closing Balance	15,281	6,673	-	-	-	-	-	-	-	-	2,994
Total											
Opening Balance	67,131	67,131	60,372	39,212	17,088	3,287	-	-	-	-	-
Transfer to reserve	-	130,084	122,245	124,016	148,125	139,701	147,822	162,365	147,275	150,861	149,297
Transfer from reserve	-	(136,843)	(143,406)	(146,139)	(161,926)	(142,988)	(147,822)	(162,365)	(147,275)	(150,861)	(146,303)
Closing Balance	67,131	60,372	39,212	17,088	3,287	-	-	-	-	-	2,994

Contact Us

This document contains important information about the City of Greater Geelong. Please contact us if you have any questions or would like to request a paper copy of the report. Customer Service 03 5272 5272.

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