

An aerial photograph of Geelong, Victoria, Australia, showing a large harbor filled with numerous sailboats and yachts moored at piers. The city skyline is visible in the background, featuring various buildings and a bridge. The sky is blue with some clouds.

THE CITY OF
GREATER GEELONG

LONG TERM FINANCIAL PLAN

2021–31

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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*. Considered to be 'Generation One', the plan builds on the foundations of the 2021-22 to 2024-25 adopted budget and is the City's first published Long-term Financial Plan. 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 Community Plan 2021-25*, the 30-Year Community Vision, *Greater Geelong: A Clever and Creative Future*, the *Social Infrastructure Plan* and the *Sustainability Framework 2020*. Further generations of the plan will be considered as other significant plans are developed and adopted by Council.

Key financial indicators used to assess the City's long-term financial sustainability include the operating surplus/deficit ratio, asset renewal funding ratio, liquidity and indebtedness ratios. These ratios are in line with our established benchmarks and risk appetite to ensure the financial sustainability of our long-term financial performance and position.

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

1. Maintain the existing services and service levels and make sure services align with the objectives of Our Community Plan and the 30-Year Community Vision.
2. Continually improving our efficiency in the provision of existing and future services by proactively seeking out savings without affecting service levels.
3. Excluding the short-term impact from the COVID-19 pandemic, maintain operating surpluses for the remaining period of the Plan.
4. Maintain a strong cash position so that we remain financially sustainable in the long-term and have capacity to respond to unexpected events.
5. Continuously improving our asset management plans to enable us to appropriately maintain over \$3 billion of assets by renewing vital infrastructure and facilities.
6. Maintain debt and interest costs within our established benchmarks and ensuring our capacity to service and repay this debt into the future.
7. Pursue state and federal funding opportunities where aligned to key strategic outcomes.

The Long-term Financial Plan covers the period 2021-22 to 2030-31, with the first four years being underpinned by the 2021-22 to 2024-25 Budget.

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
- 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 ten years
- enhance the transparency and accountability to both residents and rate payers

Further updates will be made to the plan to integrate information from asset management plans and workforce plans when they are completed and adopted by Council.

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:

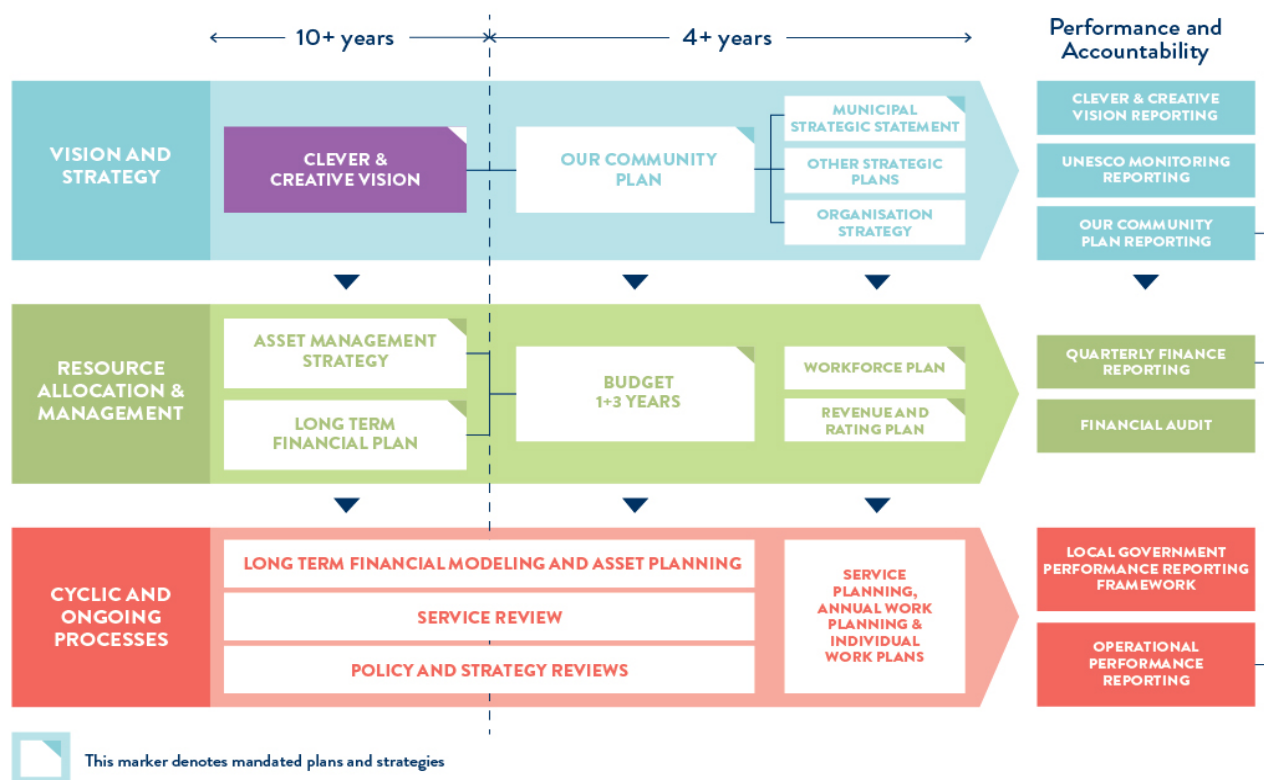
- statements describing the financial resources required to give effect to the Council Plan other strategic plans of the Council
- information about the decisions and assumptions that underpin the forecasts in the statements
- statements describing any other resource requirements that the Council considers 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.



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.

WHAT HAS INFLUENCED 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 Community Plan

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

- Healthy, caring and inclusive community
- Strong local economy
- Sustainable growth and environment
- High performing Council and organisation.

Engagement with stakeholders and community

Our local policies and strategies

- Social Infrastructure Plan.
- Asset Management Plans (due for adoption by June 2022)
- Workforce Management Plan (due for adoption by December 2021)
- Sustainability Framework 2020
- Social Equity Principles
- Settlement Strategy 2020

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 Community Plan 2021-25 and Long-term Financial Plan:**
 - Online surveys made available to the general community for a two-month period December 2020 to January 2021.
 - Open submissions to selected partner organisations, community groups and advisory committees.
 - Community deliberative workshops held with 98 community members during January 2021 to March 2021.
 - Stakeholder focus groups.
 - Draft document released, with the 4-year budget for community feedback in April 2021.

Our Community 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:** Surveys were distributed to those involved in the development of Our Community Plan deliberative engagement. The same survey was also listed online on the City's Have Your Say for the community. The engagement provided insight on community expectations regarding the current rating strategy and timeline for any proposed change. The learnings from this engagement will inform future revenue and rating plans.

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 faced in developing a long-term financial plan can be divided into three key groups.

External Risks

- **Economic Changes**
 - Continuing financial and economic impact of the COVID-19 pandemic.
 - Interest rate fluctuations.
 - Inflation and movements in the Consumer Price Index.
 - Economic growth – residential and new business development.
- **Political Changes**
 - Continuing financial and economic impact of the COVID-19 pandemic or other natural disasters.
 - Interest rate fluctuations.
 - Inflation and movements in the Consumer Price Index.
 - Changes to Levies and their conditions (i.e. Environment Protection Authority levy).
 - Changes in rate capping.
- **Climate Changes**
 - Impacts of climate change.
 - 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 and salaries and ways costs.

Community

- Community needs and expectations.
- Our Community Plan updates.
- Other key strategies.

The Plan

FINANCIAL HIGHLIGHTS

This is the City's first ever 10-year financial plan and is considered the first generation of the plan. Subsequent generations will be enhanced as our approach to long-term planning matures as well as data and information are improved and made available.

The 2021-22 to 2024-25 Budget provides the first four years as the foundation of the plan. With the remaining six financial years being based on key 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 highlights of the plan include:

- **Small underlying surpluses.** Over the next 10-year period, we forecast to achieve underlying surpluses in the range of -2.0 to +1.1 per cent, averaging at 0.3 per cent. A deficit in the 2021-22 financial year is due to the continuing impact of COVID-19 pandemic.
- **Increased level of debt.** Increased level of debt will support the City's Capital Program of Works. Debt rising by \$147 million over the duration of the plan however, remaining within defined parameters.
- **A focus on renewing the City's assets.** A proposed annual additional \$40 million to be spent on renewal by the end of plan.
- **Rate increase.** Rate increase assumed to stay in line with forecast rate caps.

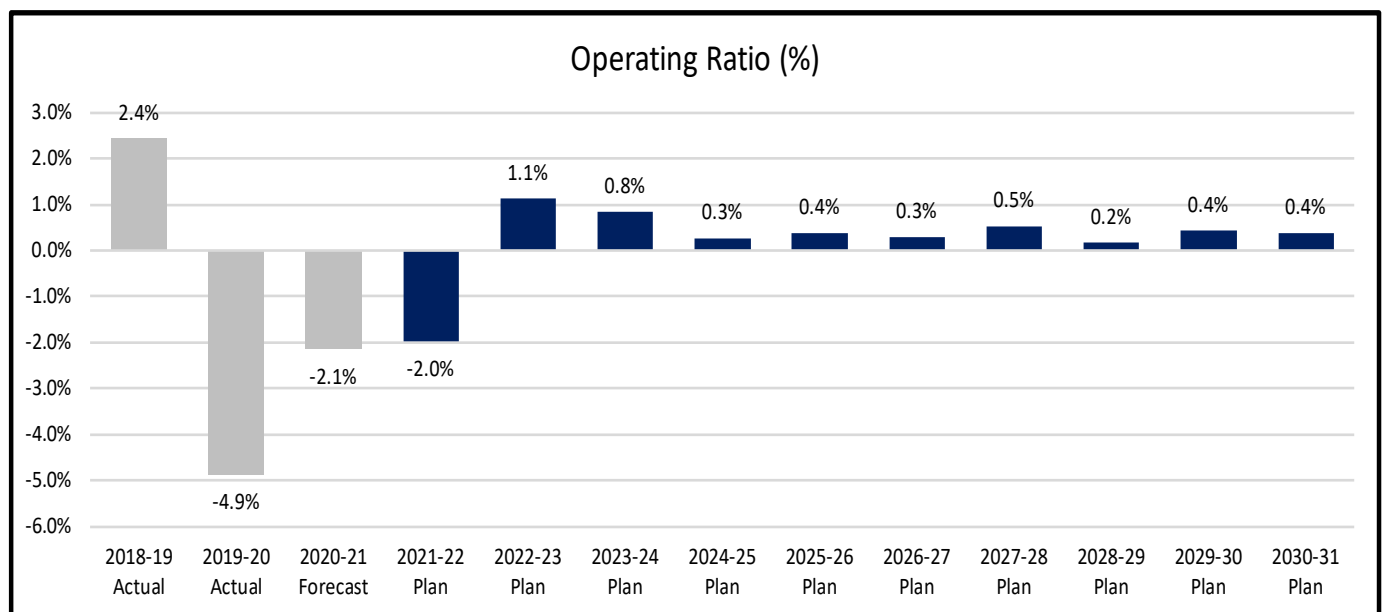
FINANCIAL SUSTAINABILITY

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. They have 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.

Key financial sustainability principles are used to provide Council with a sound framework and guidance for decision making in which sound and sustainable financial decisions are made. Financial sustainability is measured on the following principles.

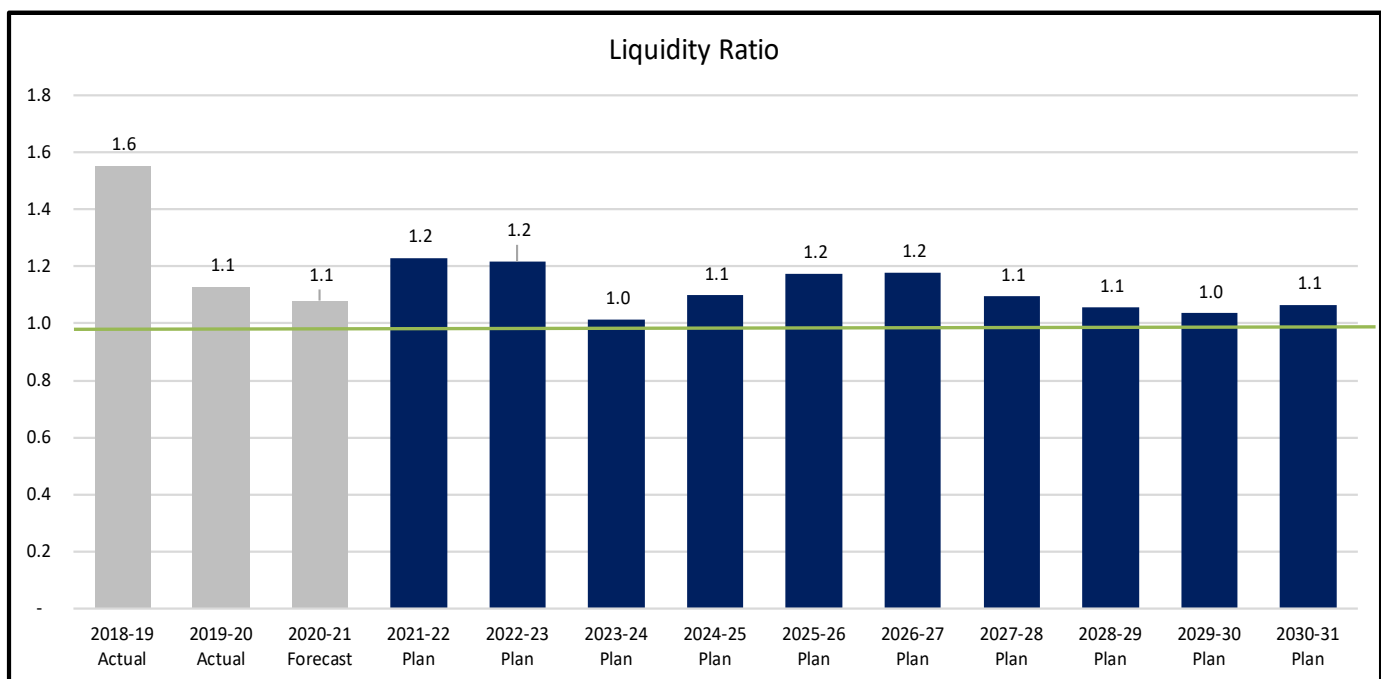
a. Operating Surplus Ratio

Purpose	Demonstrates the City's ability to fund services and operations over the long-term.	
Formula	Recurrent Operating Result / Total Recurrent Operating Revenue.	
Target / Risk Appetite	<p>Council will aim to operate in the medium risk range and maintain an average operating surplus for the period of the plan.</p> <p>However, as a result of the COVID-19 pandemic, Council have agreed to work with an operating deficit in the short term to support the community through its recovery, with planned surpluses in the medium and long-.</p>	
Low Risk	> 5% and <10%	Recurrent operating surplus maintained for all periods in the long-term plan.
Medium Risk	> 0% and <5%	Average operating result over the plan is between 0% and 5%, with some periods of operating deficit.
High Risk	< 0% or >10%	Sustained periods of recurrent operating deficits or surpluses greater than 10%.



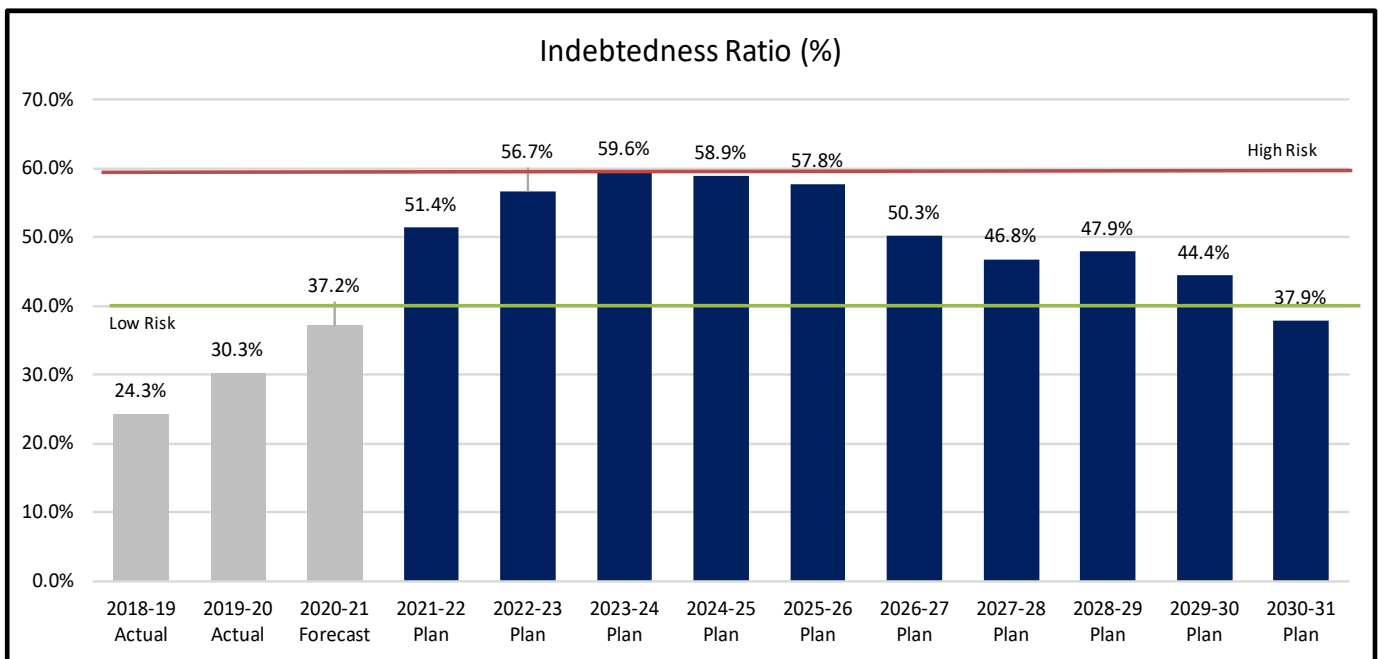
b. Liquidity Ratio

Purpose	Measures a City's ability to pay its short-term debt obligations.	
Formula	Current Assets / Current Liabilities.	
Target / Risk Appetite	Council will aim to operate within the low risk range.	
Low Risk	> 1.0	Average liquidity is maintained above 1 over the life of the plan.
Medium Risk	<1.0 >0.75	Average liquidity is maintained between 0.75 and 1.0 over the life of the plan.
High Risk	<0.75	Average liquidity is maintained less than 0.75 over the life of the plan.



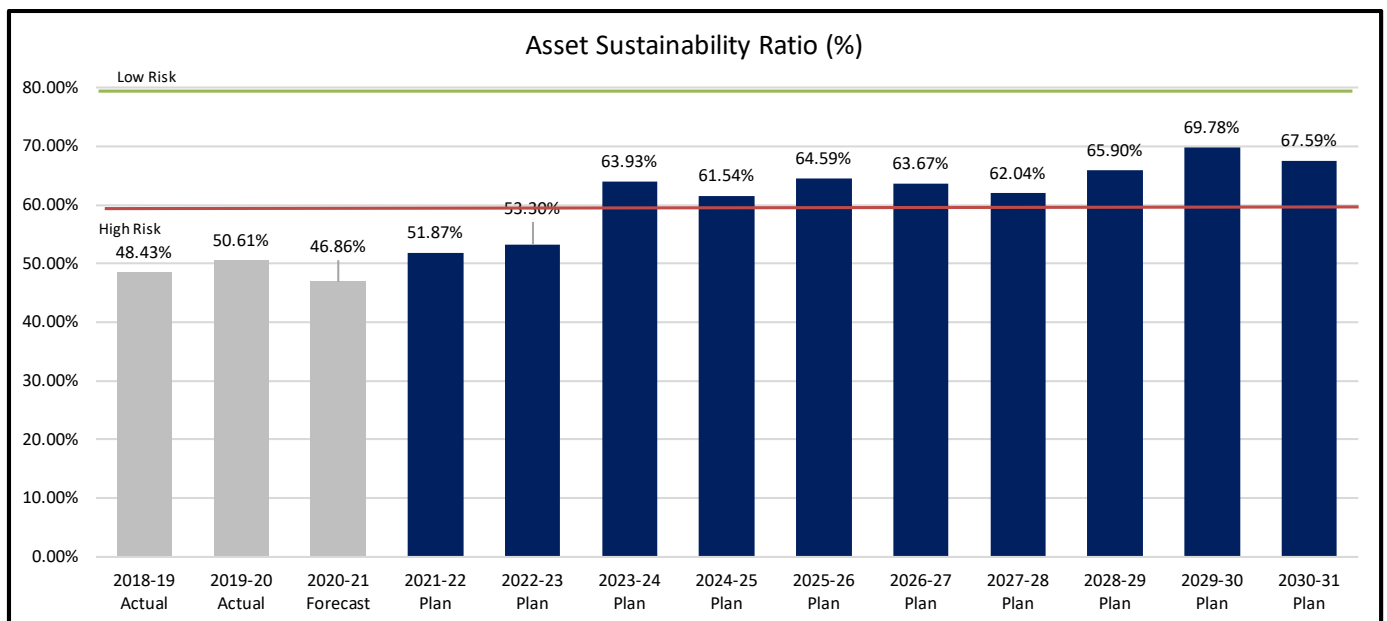
c. Indebtedness Ratio

Purpose	Determines the City's ability to service longer term liabilities from owned sourced revenue streams	
Formula	Non-current liabilities / Own sourced revenue	
Target / Risk Appetite	To operate in the medium to low risk range.	
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.



d. Asset Sustainability 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 of Assets / Depreciation Expense.	
Target / Risk Appetite	Over the life of the plan build towards the low risk range, with an average in the medium range.	
Low Risk	> 80%	Average renewal rates are greater than 80% of depreciation over the life of the plan.
Medium Risk	> 50% and <80%	Average renewal rates are between 50% and 80% of depreciation over the life of the plan.
High Risk	< 50%	Average renewal rates lower than 50% of depreciation over the life of the plan.



KEY ASSUMPTIONS

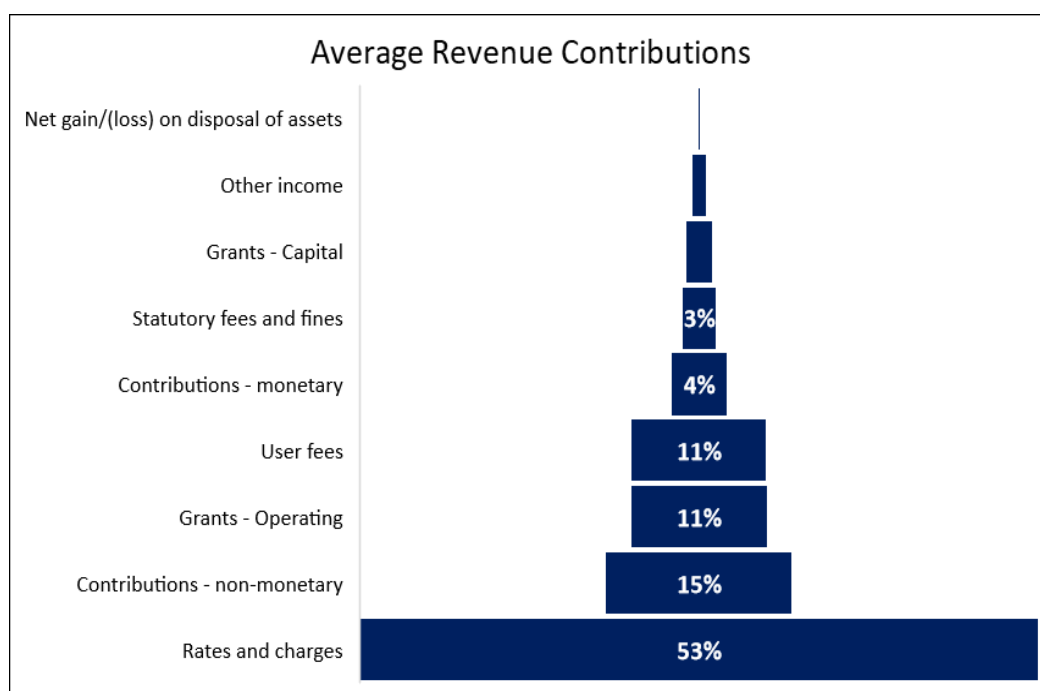
Financial and social indicators are inherent to predicting future values; these include Consumer Price Index, interest rates, employment levels, and population growth. The plan assesses financial trends over the ten-year period on a range of assumptions and provides the City with information to assess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

Escalation Factors % movement	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
CPI	1.5%	2.0%	2.0%	2.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Growth	2.5%	2.5%	2.5%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rates and charges	1.5%	2.0%	2.0%	2.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Statutory fees and fines	1.5%	2.0%	2.0%	2.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
User fees	52.3%	11.8%	2.5%	3.1%	3.1%	3.5%	3.5%	3.5%	3.5%	3.5%
Grants - Operating	1.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Grants - Capital	-19.3%	39.2%	-71.6%	-9.2%	65.8%	47.7%	2.0%	5.1%	4.8%	-3.6%
Contributions - monetary	-14.7%	26.9%	-26.5%	37.9%	-35.5%	55.9%	-24.6%	6.1%	-55.3%	38.9%
Contributions - non-monetary	0.0%	12.5%	0.0%	0.0%	0.0%	11.1%	0.0%	0.0%	0.0%	0.0%
Other income	15.5%	7.4%	2.7%	-0.9%	2.2%	8.5%	9.8%	6.4%	8.2%	12.6%
Employee costs	5.6%	2.3%	3.7%	4.6%	5.1%	4.7%	5.0%	5.0%	5.0%	4.5%
Materials and services	12.0%	4.0%	4.9%	9.2%	2.6%	8.6%	2.6%	8.0%	2.2%	8.6%
Depreciation & Amortisation	4.8%	12.1%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other expenses	8.1%	-14.7%	8.8%	-15.8%	9.6%	-17.2%	10.6%	-18.7%	11.8%	-20.6%

REVENUES

For the City to deliver its services and infrastructure to meet community expectations it requires a considerable amount of money. The following table highlights the key revenues sources of the City.



a. Rates and Charges

Rates and charges on average comprise 53% of total income over the life long-term plan, being the most critical income source. Rates and charges income are budgeted at \$268.3 million in 2021-22 and is expected to rise by \$153.8 million to reach \$342.0 million by 2030-31.

The *Revenue and Rating Plan 2021-22* outlines the short and medium-term rating strategy that forms the basis of the long-term plan. The intention of the strategy is to:

- maintain rate increases in alignment with the state government rate cap, unless significant circumstances warrant a request for a variation to the rate cap
- continue to align commercial, industrial and petroleum rate categories over the medium-term
- reduce the commercial, industrial and petroleum differentials relative to the residential differentials over the medium and long-term as opportunities arise
- transition out the current farm rebate over the medium-term to allow all categories of rates to be managed solely within the four times (where the highest rate cannot be four times greater than the lowest rate)
- set the farm rate category at 75% of the residential rate category over the medium to 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 1.5% in 2021-22 aligned with the state government proposed rate cap, and a 2% increase for future years 2022-24.

The City is in a period of significant growth and will see approximately 28,370 new rateable properties over the life of the plan. Growth in the short-term is set at 2.5% per annum and dropping to 2% in the latter half of the plan.

Waste Charge

The waste collection service charge is a cost recovery model whereby all costs for delivering the service are recovered through the charge, including direct, indirect and overhead costs.

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

- rollout of the food organics and garden organics service delivery, a trial will commence in the 2021-22 financial year
- 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
- other state government initiatives, i.e. container deposits schemes.

Assumptions

The waste charge is anticipated to increase from \$360.95 in 2020-21 to \$667.80 by 2030-31.

b. Contributions

Contributions represent funds received by council, usually from non-government sources, and are usually linked to projects. Contributions can be made to the City in the form of either cash payments or asset handovers.

The plan includes the following contributions:

- monies collected from developers under planning and development agreements
- monies collected 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 assumed to increase in line with the CPI annually.

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.

Historically, the City on average will also receive \$15-20 million in capital grants annually to complete significant community infrastructure projects. The City will continue to advocate for grants to complete large projects over the life of the Plan.

Assumptions

Operating grants are assumed with inflation rates. The value of capital grants will vary over the life of the Plan depending on the value and nature of the capital projects being undertaken.

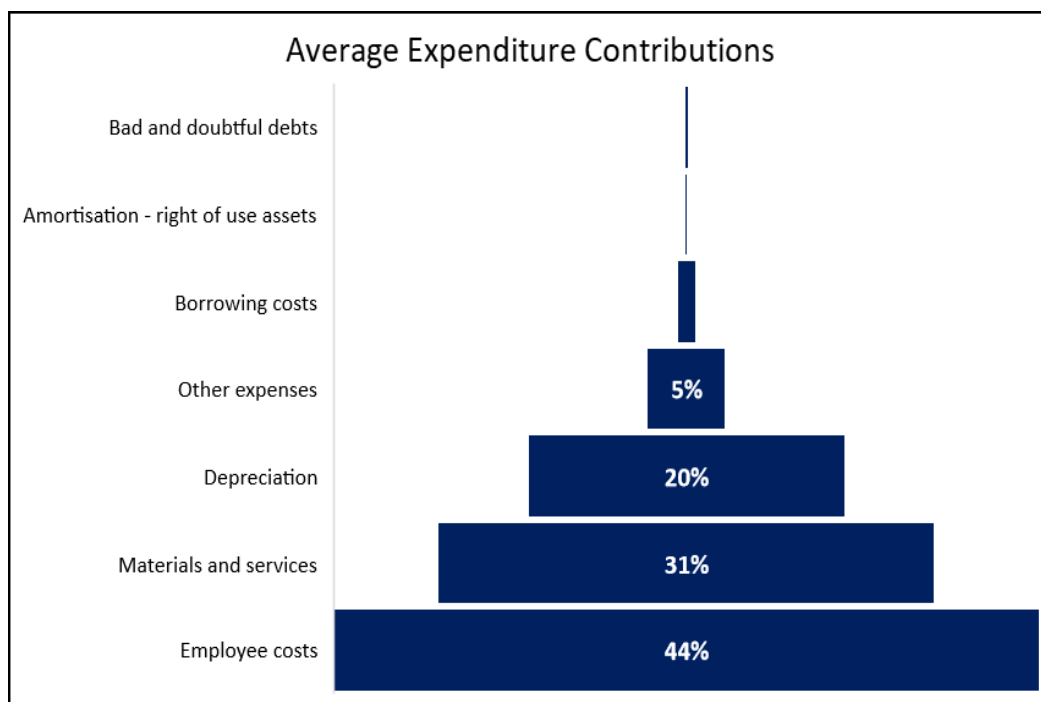
e. Statutory Fees and Charges

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, however, will be updated in line with any government announcements.

EXPENSES



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 44% of all expenditure. Employee costs are forecast at \$183.6 million for the 2021-22 financial year and will rise to \$218.1 million over the 10 years of the plan, to meet the growing needs of the municipality.

Assumptions

The growth in population and rateable properties will result in an increase in demand for services. A modest increase in staff numbers is anticipated (approximately 2% per annum) to accommodate this significant growth. In the short-term employee growth will be lower than average as a result of several key projects which are expected to drive productivity gains.

The City's existing Enterprise Agreement with staff is currently being negotiated, the outcomes from this will be reflected in subsequent versions of the 10-year plan and is a key determinant of employee cost increase.

b. Materials and Services

Materials and services average around \$153 million over the life of the plan, the budget at \$112.5 million in 2021-22 and growing to \$192.3 million by 2030-31. 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.

A further 20% of the balance is comprised of levies and contributions including support for the Geelong Regional Library Corporation.

Assumptions

Contract costs are assumed to increase in line with inflation over the life of the plan, additional allowance is made for growth as a result of significant projected population growth.

c. Depreciation & Amortisation

The City has infrastructure assets including roads, footpaths, buildings, drains and open space that average \$3.8 billion over the life of the Plan.

Assumptions

Depreciation is calculated based on the expected useful life of each asset (excluding land). Depreciation is expected to grow in line with the increasing asset base of approximately 5% annually.

d. Other Expenses

Other costs are assumed to increase in line with inflation over the life of the Plan.

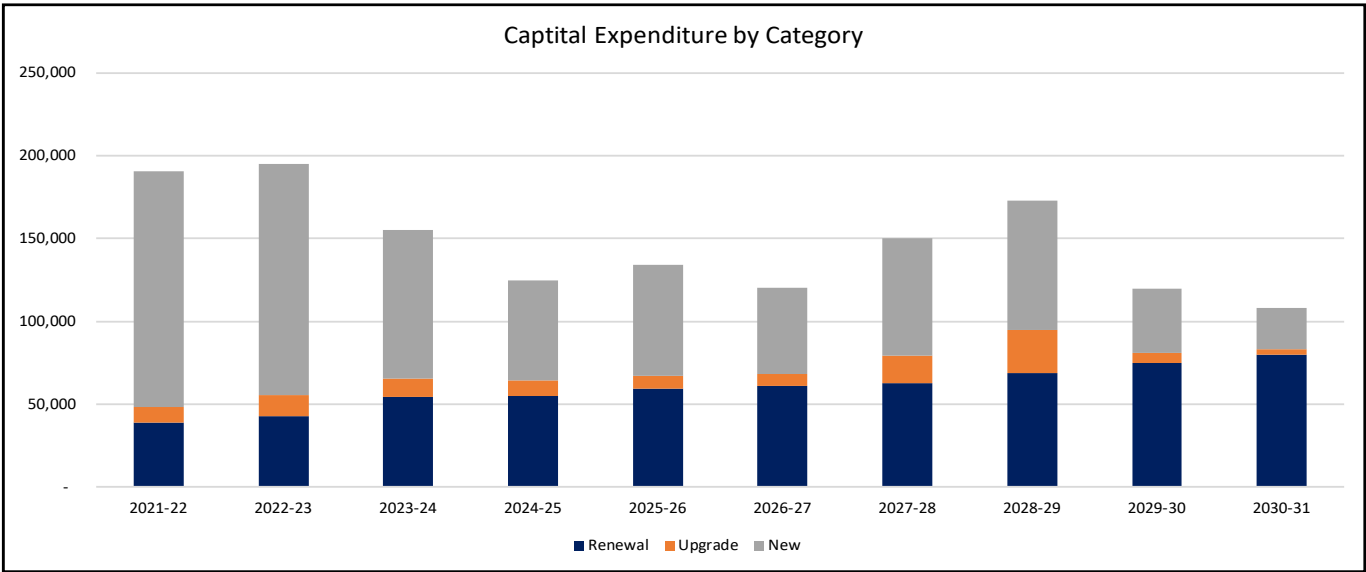
CAPITAL PROGRAM OF WORKS

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.

Development of asset management plans are underway, and our community will, over the next 12 months, participate in the development of these plans. The outcome of that work will reshape our Plan to ensure we reflect the financial needs for the maintenance, renewal and upgrade of our assets. The asset plans will include how we identify, plan and decommission building assets that are no longer safe or functional, where a viable alternative is available.

In the absence of complete asset management plans, this plan is heavily based on key assumptions around capital affordability, debt levels delivering new assets and maintaining a desired level of asset renewal.

The plan considers funding for several key community facilities including the development of the Northern Aquatic Centre and Community Hub, North Bellarine Pool as well as the implementation of key sporting and other masterplans, the redevelopment of key cultural and art facilities and key initiatives funded through the waste charge.



Appendix 1 – Financial Statements

Financial Plan Statements

This section presents information in regard to the financial plan statements for the ten years from 2021-22 to 2030-31.

Comprehensive Income Statement

Balance Sheet

Statement of Cash Flows

Statement of Capital Works

Statement of Human Resources

Statement of Changes in Equity

COMPREHENSIVE INCOME STATEMENT

	Forecast										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Rates and charges	258,540	268,323	285,072	300,717	315,875	332,761	350,042	368,041	386,443	405,807	426,186
Statutory fees and fines	13,286	15,759	16,248	16,751	17,270	17,884	18,518	19,176	19,857	20,562	21,291
User fees	38,057	57,979	64,826	66,456	68,516	70,948	73,467	76,075	78,776	81,572	84,468
Grants - Operating	68,781	62,275	64,421	65,710	67,024	68,699	70,417	72,177	73,982	75,831	77,727
Grants - Capital	22,039	17,793	24,763	7,038	6,390	10,596	15,653	15,961	16,770	17,581	16,942
Contributions - monetary	34,471	29,412	37,311	27,440	37,826	24,395	38,039	28,671	30,428	13,595	18,886
Contributions - non-monetary	80,000	80,000	90,000	90,000	90,000	90,000	100,000	100,000	100,000	100,000	100,000
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(4,939)	12,382	8,726	(4,841)	(3,264)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Fair value adjustments for investment property	-	-	-	-	-	-	-	-	-	-	-
Share of net profits/(losses) of associates and joint ventures	-	-	-	-	-	-	-	-	-	-	-
Other income	4,950	5,719	6,140	6,306	6,251	6,387	6,933	7,613	8,097	8,758	9,859
Total income	515,184	549,642	597,507	575,577	605,889	620,170	671,570	686,214	712,852	722,205	753,860
Expenses											
Employee costs	173,851	183,563	187,774	194,735	203,735	214,034	224,069	235,300	247,055	259,355	271,089
Materials and services	109,371	122,517	127,177	133,664	146,000	149,529	162,428	166,657	179,943	183,917	199,734
Depreciation	69,885	73,253	82,105	86,206	90,517	95,043	99,802	104,800	110,047	115,557	121,343
Amortisation - intangible assets	387	387	-	-	-	-	-	-	-	-	-
Amortisation - right of use assets	3,193	2,647	200	146	133	150	150	150	150	150	150
Bad and doubtful debts	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,061	1,062
Borrowing costs	2,915	3,876	5,183	5,891	6,319	6,656	6,468	6,069	6,229	5,894	4,210
Finance Costs - leases	147	55	11	6	2	-	-	-	-	-	-
Other expenses	28,476	30,786	26,261	28,571	24,046	26,356	21,831	24,141	19,616	21,926	17,401
Total expenses	389,285	418,144	429,771	450,279	471,812	492,827	515,807	538,177	564,100	587,860	614,988
Surplus/(deficit) for the year	125,899	131,498	167,736	125,297	134,077	127,343	155,762	148,036	148,752	134,345	138,872
Total comprehensive result	125,899	131,498	167,736	125,297	134,077	127,343	155,762	148,036	148,752	134,345	138,872

BALANCE SHEET

	Forecast										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current Assets											
Cash and cash equivalents	102,049	104,846	108,473	92,104	105,495	120,404	126,565	123,067	122,180	123,909	131,567
Trade and other receivables	13,600	13,900	14,200	14,500	14,800	15,100	15,400	15,700	16,000	16,300	16,600
Other financial assets	200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Inventories	773	859	876	894	912	934	958	982	1,006	1,031	1,057
Total current assets	116,622	120,805	124,749	108,697	122,406	137,638	144,123	140,949	140,386	142,440	150,424
Non-current assets											
Trade and other receivables	9,721	9,819	9,918	10,018	10,119	10,326	10,537	10,752	10,971	11,195	11,423
Investments in associates, joint arrangement and subsidiaries	10,357	10,357	10,357	10,357	10,357	10,357	10,357	10,357	10,357	10,357	10,357
Property, infrastructure, plant & equipment	2,980,363	3,163,613	3,360,041	3,519,036	3,651,952	3,775,365	3,906,703	4,057,271	4,225,034	4,353,360	4,463,573
Right-of-use assets	3,119	501	279	133	250	500	500	500	500	500	500
Total non-current assets	3,003,560	3,184,290	3,380,595	3,539,544	3,672,678	3,796,547	3,928,096	4,078,879	4,246,862	4,375,412	4,485,853
Total assets	3,120,182	3,305,095	3,505,344	3,648,242	3,795,085	3,934,186	4,072,219	4,219,828	4,387,248	4,517,852	4,636,277
Current liabilities											
Trade and other payables	44,720	32,371	32,656	34,042	35,311	36,314	37,669	38,791	40,207	41,307	43,064
Trust funds and deposits	10,070	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Provisions	37,457	37,322	38,173	39,580	41,401	43,484	45,513	47,785	50,162	52,650	55,023
Interest-bearing liabilities	13,148	18,240	21,454	23,353	24,703	27,232	29,011	31,854	32,487	33,233	32,970
Lease liabilities	2,772	226	151	142	-	-	-	-	-	-	-
Total current liabilities	108,167	98,159	102,433	107,117	111,415	117,029	122,193	128,430	132,857	137,190	141,057
Non-current liabilities											
Provisions	20,109	19,699	19,504	13,363	9,511	7,185	7,103	7,045	6,997	6,960	6,914
Interest-bearing liabilities	104,281	168,339	196,924	216,124	228,195	236,415	213,603	206,997	221,286	213,245	188,975
Lease liabilities	518	293	142	-	250	250	250	250	250	250	250
Total non-current liabilities	124,908	188,331	216,570	229,487	237,956	243,849	220,956	214,292	228,533	220,455	196,138
Total liabilities	233,075	286,490	319,003	336,604	349,370	360,878	343,149	342,722	361,389	357,646	337,196
Net assets	2,887,107	3,018,605	3,186,340	3,311,638	3,445,714	3,573,307	3,729,070	3,877,106	4,025,859	4,160,206	4,299,082
Equity											
Accumulated surplus	1,663,237	1,786,993	1,938,023	2,078,193	2,224,404	2,337,509	2,495,288	2,637,361	2,785,953	2,930,649	3,080,655
Reserves	1,223,870	1,231,612	1,248,318	1,233,445	1,221,311	1,235,548	1,233,532	1,239,496	1,239,656	1,229,307	1,218,177
Total equity	2,887,107	3,018,605	3,186,340	3,311,638	3,445,714	3,573,057	3,728,820	3,876,856	4,025,609	4,159,956	4,298,832

STATEMENT OF CHANGES IN EQUITY

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2021 Forecast Actual				
Balance at beginning of the financial year	2,761,208	1,541,040	1,187,580	32,588
Surplus/(deficit) for the year	125,899	125,899	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(31,762)	-	31,762
Transfers from other reserves	-	28,060	-	(28,060)
Balance at end of the financial year	2,887,107	1,663,237	1,187,580	36,290
2022				
Balance at beginning of the financial year	2,887,107	1,663,237	1,187,580	36,290
Surplus/(deficit) for the year	131,498	131,498	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(49,426)	-	49,426
Transfers from other reserves	-	41,684	-	(41,684)
Balance at end of the financial year	3,018,605	1,786,993	1,187,580	44,032
2023				
Balance at beginning of the financial year	3,018,605	1,786,993	1,187,580	44,032
Surplus/(deficit) for the year	167,736	167,736	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(70,518)	-	70,518
Transfers from other reserves	-	53,813	-	(53,813)
Balance at end of the financial year	3,186,342	1,938,023	1,187,580	60,738
2024				
Balance at beginning of the financial year	3,186,342	1,938,023	1,187,580	60,738
Surplus/(deficit) for the year	125,297	125,297	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(48,481)	-	48,481
Transfers from other reserves	-	63,354	-	(63,354)
Balance at end of the financial year	3,311,638	2,078,193	1,187,580	45,865
2025				
Balance at beginning of the financial year	3,311,638	2,078,193	1,187,580	45,865
Surplus/(deficit) for the year	134,077	134,077	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(48,284)	-	48,284
Transfers from other reserves	-	60,418	-	(60,418)
Balance at end of the financial year	3,445,714	2,224,404	1,187,580	33,731
2026				
Balance at beginning of the financial year	3,445,715	2,224,404	1,187,580	33,731
Surplus/(deficit) for the year	127,343	127,343	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(56,836)	-	56,836
Transfers from other reserves	-	42,599	-	(42,599)
Balance at end of the financial year	3,573,058	2,337,510	1,187,580	47,968

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2027				
Balance at beginning of the financial year	3,573,058	2,337,510	1,187,580	47,968
Surplus/(deficit) for the year	155,762	155,762	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(61,864)	-	61,864
Transfers from other reserves	-	63,880	-	(63,880)
Balance at end of the financial year	3,728,820	2,495,288	1,187,580	45,952
2028				
Balance at beginning of the financial year	3,728,820	2,495,288	1,187,580	45,952
Surplus/(deficit) for the year	148,036	148,036	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(64,720)	-	64,720
Transfers from other reserves	-	58,756	-	(58,756)
Balance at end of the financial year	3,876,857	2,637,361	1,187,580	51,916
2029				
Balance at beginning of the financial year	3,876,857	2,637,361	1,187,580	51,916
Surplus/(deficit) for the year	148,752	148,752	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(69,811)	-	69,811
Transfers from other reserves	-	69,650	-	(69,650)
Balance at end of the financial year	4,025,609	2,785,952	1,187,580	52,076
2030				
Balance at beginning of the financial year	4,025,608	2,785,952	1,187,580	52,076
Surplus/(deficit) for the year	134,345	134,345	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(42,661)	-	42,661
Transfers from other reserves	-	53,010	-	(53,010)
Balance at end of the financial year	4,159,954	2,930,647	1,187,580	41,727
2031				
Balance at beginning of the financial year	4,159,954	2,930,647	1,187,580	41,727
Surplus/(deficit) for the year	138,872	138,872	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(21,334)	-	21,334
Transfers from other reserves	-	32,464	-	(32,464)
Balance at end of the financial year	4,298,826	3,080,649	1,187,580	30,597

STATEMENT OF CASH FLOWS

	Forecast										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities											
Rates and charges	254,134	272,428	284,975	300,615	315,768	327,579	344,801	362,661	380,916	400,124	420,340
Statutory fees and fines	13,286	15,759	16,248	16,751	17,270	17,884	18,518	19,176	19,857	20,562	21,291
User fees	42,348	52,488	64,607	66,241	68,305	75,807	78,385	81,131	83,978	86,930	89,989
Grants - operating	68,981	62,275	64,621	65,910	67,224	68,899	70,617	72,377	74,182	76,031	77,927
Grants - capital	22,039	17,793	24,763	7,038	6,390	10,596	15,653	15,961	16,770	17,581	16,942
Contributions - monetary	34,471	29,412	37,311	27,440	37,826	24,395	38,039	28,671	30,428	13,595	18,886
Interest received	609	1,225	1,556	1,631	1,482	1,499	1,923	2,477	2,833	3,362	4,328
Other receipts	4,341	4,494	4,584	4,676	4,769	4,888	5,011	5,136	5,264	5,396	5,531
Net GST refund / payment	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Employee costs	(175,475)	(185,827)	(188,877)	(195,268)	(203,857)	(213,921)	(224,069)	(235,091)	(246,786)	(259,024)	(270,943)
Materials and services	(132,758)	(158,054)	(149,116)	(156,351)	(163,805)	(171,662)	(176,819)	(182,962)	(190,783)	(196,721)	(206,678)
Other payments	(18,600)	(21,333)	(22,360)	(22,783)	(23,215)	(23,765)	(24,329)	(24,908)	(25,500)	(26,108)	(26,730)
Net cash provided by/(used in) operating activities	132,376	109,661	157,311	134,898	147,157	141,198	166,728	163,629	170,158	160,727	169,882
Cash flows from investing activities											
Payments for property, infrastructure, plant and equipment	(170,943)	(205,040)	(206,780)	(179,686)	(142,300)	(135,382)	(138,067)	(162,295)	(184,738)	(150,809)	(138,481)
Proceeds from sale of property, infrastructure, plant and equipment	8,505	35,398	26,700	13,366	1,577	5,000	5,000	5,000	5,000	5,000	5,000
Net cash provided by/ (used in) investing activities	(162,438)	(169,642)	(180,080)	(166,320)	(140,723)	(130,382)	(133,067)	(157,295)	(179,738)	(145,809)	(133,481)
Cash flows from financing activities											
Finance costs	(2,915)	(3,876)	(5,183)	(5,891)	(6,319)	(6,656)	(6,468)	(6,069)	(6,229)	(5,894)	(4,210)
Proceeds from borrowings	45,000	82,298	50,039	42,553	36,774	35,452	6,200	25,248	46,776	25,192	8,700
Repayment of borrowings	(10,179)	(13,148)	(18,240)	(21,454)	(23,353)	(24,703)	(27,232)	(29,011)	(31,854)	(32,487)	(33,233)
Interest paid - lease liability	(146)	(55)	(11)	(6)	(2)	-	-	-	-	-	-
Repayment of lease liabilities	(2,822)	(2,441)	(210)	(150)	(142)	-	-	-	-	-	-
Net cash provided by/(used in) financing activities	28,938	62,778	26,396	15,052	6,957	4,093	(27,500)	(9,832)	8,693	(13,189)	(28,743)
Net increase/(decrease) in cash & cash equivalents	(1,124)	2,797	3,627	(16,369)	13,391	14,909	6,161	(3,498)	(887)	1,729	7,658
Cash and cash equivalents at the beginning of the financial year	103,369	102,245	105,042	108,669	92,300	105,691	120,600	126,761	123,263	122,376	124,105
Cash and cash equivalents at the end of the financial year	102,245	105,042	108,669	92,300	105,691	120,600	126,761	123,263	122,376	124,105	131,763

STATEMENT OF CAPITAL WORKS

	Forecast / Actual										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property											
Buildings	53,605	69,387	57,888	13,461	10,635	11,018	14,919	28,321	37,554	21,656	25,009
Community facilities	5,432	10,590	43,170	34,266	30,269	19,160	2,663	4,797	13,080	15,772	5,253
Land	13,207	28,945	879	18,148	399	8,412	331	2,345	345	351	359
Total property	72,244	108,921	101,937	65,875	41,303	38,589	17,913	35,463	50,979	37,779	30,620
Plant and equipment											
Fleet	5,191	6,727	5,110	5,212	5,316	5,423	5,531	5,642	5,755	5,870	5,987
Minor plant and equipment	536	245	250	255	260	265	271	276	282	287	293
Computers and telecommunications	14,916	5,895	2,730	2,767	1,904	1,942	1,981	2,021	2,061	2,103	2,145
Total plant and equipment	20,643	12,867	8,091	8,234	7,481	7,631	7,783	7,939	8,098	8,260	8,425
Infrastructure											
Parks and leisure	28,139	31,379	42,171	18,770	23,136	39,677	44,696	52,537	65,007	30,860	20,169
Roads	33,154	23,264	30,328	29,463	25,836	27,548	33,297	31,267	27,396	27,842	27,004
Drainage	14,100	6,021	12,732	13,586	8,452	11,040	10,885	13,132	17,591	12,184	12,099
Footpaths and bikepaths	9,242	9,308	10,789	12,416	14,433	9,160	9,385	9,413	9,442	9,471	9,378
Kerb and channel	2,306	2,425	3,237	2,635	2,783	1,350	1,350	1,350	1,350	1,350	1,350
Waste management	1,381	1,152	638	6,651	4,414	4,927	5,690	10,704	718	733	747
Streetscapes	6,048	7,931	6,342	1,007	106	108	110	113	115	117	120
Other infrastructure	5,967	5,346	5,363	5,430	5,499	6,769	6,840	7,713	11,288	11,363	17,441
Total infrastructure	100,338	86,827	111,599	89,957	84,660	100,579	112,255	126,230	132,907	93,920	88,307
Total capital works expenditure (pre-carryover)	193,225	208,615	221,627	164,067	133,444	146,798	137,951	169,632	191,984	139,959	127,352
Carryover from prior year	-	22,282	25,856	40,703	25,084	16,229	27,645	27,529	34,866	42,112	31,263
Carryover to next year	(22,282)	(25,856)	(40,703)	(25,084)	(16,229)	(27,645)	(27,529)	(34,866)	(42,112)	(31,263)	(20,134)
Total capital works expenditure	170,943	205,041	206,780	179,686	142,300	135,382	138,067	162,295	184,738	150,808	138,481
Represented by:											
New asset expenditure	128,854	152,795	145,792	112,241	75,226	60,844	58,733	72,656	77,469	62,744	48,509
Asset renewal expenditure	34,427	40,009	43,756	55,114	55,708	61,487	63,641	65,110	72,622	80,737	82,112
Asset upgrade expenditure	7,662	12,236	17,231	12,331	11,367	13,051	15,693	24,529	34,647	7,328	7,859
Total capital works expenditure	170,943	205,040	206,780	179,686	142,300	135,382	138,067	162,295	184,738	150,809	138,481
Funding sources represented by:											
Grants	22,039	17,793	24,763	7,038	6,390	12,774	17,875	19,227	19,082	19,938	19,348
Contributions	34,471	29,412	37,311	27,440	37,826	24,338	37,981	28,612	30,368	13,534	18,824
Council cash	69,433	75,538	94,667	102,655	61,310	62,818	76,011	89,208	88,512	92,145	92,109
Borrowings	45,000	82,298	50,039	42,553	36,774	35,452	6,200	25,248	46,776	25,192	8,200
Total capital works expenditure	170,943	205,040	206,780	179,686	142,300	135,382	138,067	162,295	184,738	150,809	138,481

STATEMENT OF HUMAN RESOURCES

Staff expenditure	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total staff expenditure										
Male	64,654	66,887	68,947	72,318	78,395	84,650	89,334	92,555	98,068	103,510
Female	86,825	88,372	90,428	94,790	98,473	101,393	106,422	113,507	118,491	123,577
Self-described gender	-	-	207	453	780	932	1,256	1,444	2,040	2,206
Casual & other staff	41,645	39,106	41,940	43,178	43,619	44,825	46,288	47,825	49,320	50,616
Total staff expenditure	193,124	194,365	201,523	210,739	221,266	231,800	243,300	255,331	267,918	279,909
Permanent full time										
Male	58,580	59,830	61,576	64,504	66,264	69,765	71,930	74,412	76,492	80,347
Female	47,572	49,013	50,445	52,947	57,976	61,040	65,777	70,850	76,281	80,125
Self-described gender	-	-	112	353	622	654	964	1,017	1,528	1,605
Total	106,152	108,843	112,133	117,804	124,862	131,460	138,671	146,279	154,301	162,077
Permanent part time										
Male	6,074	7,058	7,371	7,814	12,131	14,885	17,405	18,143	21,575	23,163
Female	39,253	39,358	39,983	41,843	40,496	40,353	40,644	42,657	42,210	43,452
Self-described gender	-	-	95	100	159	277	291	427	512	601
Total	45,327	46,416	47,449	49,757	52,786	55,515	58,340	61,226	64,297	67,216
Casuals, temporary & agency staff	32,085	32,027	34,655	35,667	35,866	36,561	37,743	38,989	40,183	41,207
Capitalised labour	9,560	7,078	7,285	7,511	7,753	8,265	8,546	8,836	9,137	9,409
Total staff expenditure	193,124	194,365	201,523	210,739	221,266	231,800	243,300	255,331	267,918	279,909

Staff numbers	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Total staff numbers										
Male	623.3	627.2	628.2	639.1	670.6	701.7	716.4	717.8	735.8	754.2
Female	839.5	830.8	825.8	839.5	842.4	839.8	851.8	878.4	886.0	897.1
Self-described gender	-	-	1.9	4.0	6.6	7.7	10.0	11.2	15.2	16.0
Casual & other staff	395.0	362.5	377.5	377.5	368.2	366.6	365.6	365.4	364.7	363.4
Total staff numbers	1,857.8	1,820.5	1,833.4	1,860.1	1,887.8	1,915.8	1,943.8	1,972.8	2,001.7	2,030.7
Permanent full time										
Male	564.0	560.2	560.2	569.2	565.6	576.9	575.2	575.5	572.1	583.6
Female	450.1	451.0	451.0	459.1	486.3	496.0	516.9	538.5	560.7	571.9
Self-described gender	-	-	1.0	3.1	5.3	5.4	7.6	7.8	11.3	11.6
Total	1,014.1	1,011.3	1,012.2	1,031.4	1,057.1	1,078.3	1,099.8	1,121.8	1,144.2	1,167.1
Permanent part time										
Male	59.3	67.0	68.0	69.9	105.0	124.8	141.1	142.3	163.6	170.6
Female	389.4	379.7	374.8	380.4	356.1	343.8	334.9	339.9	325.3	325.2
Self-described gender	-	-	0.9	0.9	1.4	2.3	2.4	3.4	3.9	4.5
Total	448.7	446.8	443.7	451.2	462.5	471.0	478.4	485.6	492.9	500.3
Casuals, temporary & agency staff	310.2	301.4	316.4	316.4	307.2	303.6	302.6	302.4	301.7	300.4
Capitalised labour	84.9	61.1	61.1	61.1	61.0	63.0	63.0	63.0	63.0	63.0
Total staff numbers	1,857.8	1,820.5	1,833.4	1,860.1	1,887.8	1,915.8	1,943.8	1,972.8	2,001.7	2,030.7

STATEMENT OF HUMAN RESOURCES CON'T

Department	Permanent Full Time 2021-22				Permanent Part Time 2021-22			
	Male	Female	Self-described	Total	Male	Female	Self-described	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive	1,018	3,166	-	4,184	125	860		985
Strategy, People and Performance	2,228	4,631		6,859	147	817		964
Customer & Corporate Services	5,054	6,841		11,895	456	2,701		3,157
City Services	32,249	4,395		36,644	300	1,128		1,428
Community Life	5,454	20,035		25,489	3,567	27,937		31,504
City Planning and Economy	10,790	10,291		21,081	1,479	5,810		7,289
Total permanent staff expenditure	56,793	49,359	-	106,152	6,074	39,253	-	45,327
Casuals, temporary & agency staff				32,085				
Capitalised labour costs				9,560				
Total staff	56,793	49,359	-	147,797	6,074	39,253	-	45,327

Department	Permanent Full Time 2021-22				Permanent Part Time 2021-22			
	Male	Female	Self-described	Total	Male	Female	Self-described	Total
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Chief Executive	7.3	22.8		30.1	0.9	6.2		7.1
Strategy, People and Performance	15.5	32.2		47.7	1.0	5.7		6.7
Customer & Corporate Services	58.0	43.0		101.0	3.9	22.9		26.8
City Services	325.5	44.4		369.9	2.9	11.0		13.9
Community Life	57.9	212.6		270.5	37.1	290.5		327.6
City Planning and Economy	99.8	95.1		194.9	13.5	53.1		66.6
Total permanent staff expenditure	564.0	450.1	-	1,014.1	59.3	389.4	-	448.7
Casuals, temporary & agency staff				310.2				
Capitalised labour costs				84.9				
Total staff	564.0	450.1	-	1,409.2	59.3	389.4	-	448.7

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.

Indicator	Measure	Notes	Forecast Actual											Trend	
			2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	+/-o/-	
Operating position															
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-1.02%	2.33%	3.67%	0.49%	0.27%	0.73%	0.63%	0.83%	0.47%	0.72%	0.66%	-	
Liquidity															
Working Capital	Current assets / current liabilities	2	107.82%	123.07%	121.56%	101.27%	109.67%	117.22%	117.35%	108.94%	104.66%	102.66%	105.32%	o	
Unrestricted cash	Unrestricted cash / current liabilities	3	61.35%	71.49%	71.23%	51.85%	60.66%	68.99%	69.66%	62.01%	57.72%	55.62%	58.09%	o	
Obligations															
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	46.08%	69.54%	77.15%	80.18%	80.59%	79.74%	69.74%	65.29%	66.05%	61.08%	52.36%	+	
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		5.14%	6.34%	8.27%	9.16%	9.46%	9.48%	9.69%	9.59%	9.91%	9.51%	8.83%	-	
Indebtedness	Non-current liabilities / own source revenue		37.18%	51.42%	56.62%	59.32%	58.54%	56.93%	49.18%	45.47%	46.31%	42.64%	39.56%	+	
Asset sustainability	Asset renewal / Asset depreciation		46.86%	51.87%	53.30%	63.93%	61.54%	64.69%	63.77%	62.14%	66.01%	69.89%	67.69%	+	
Asset renewal	Asset renewal and upgrade expense / Asset depreciation	5	57.29%	66.72%	74.28%	78.24%	74.10%	78.43%	79.50%	85.55%	97.50%	76.23%	74.17%	+	
Stability															
Rates concentration	Rate revenue / adjusted underlying revenue	6	65.42%	60.24%	61.25%	64.14%	66.49%	66.38%	66.86%	67.34%	67.87%	68.42%	68.88%	-	
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.34%	0.34%	0.34%	0.34%	o	
Efficiency															
Expenditure level	Total expenses/ no. of property assessments		\$3,089	\$3,181	\$3,172	\$3,239	\$3,310	\$3,389	\$3,477	\$3,555	\$3,652	\$3,730	\$3,825	+	
Revenue level	Total rate revenue / no. of property assessments		\$1,671	\$1,730	\$1,824	\$1,861	\$1,900	\$1,939	\$1,980	\$2,021	\$2,063	\$2,106	\$2,149	+	

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. Adjusted underlying result

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

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 Cash

Represents all cash and cash equivalents other than cash held for specific purposes. Unrestricted cash as a proportion of current liabilities is declining over the 10 years of the plan as debt increases to fund capital projects.

4. Debt compared to rates

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

5. Asset renewal

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 / Actual										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total Income	515,184	549,642	597,507	575,577	605,889	620,170	671,570	686,214	712,852	722,205	753,860
Total expenses	389,285	418,144	429,993	450,279	471,811	492,902	515,925	538,320	564,232	587,937	615,059
Surplus/(deficit) for the year	125,899	131,498	167,514	125,298	134,077	127,267	155,645	147,894	148,620	134,268	138,801
Less non-operating income and expenses											
Grants - Capital (non-recurrent)	(22,039)	(17,793)	(24,763)	(7,038)	(6,390)	(10,596)	(15,653)	(15,961)	(16,770)	(17,581)	(16,942)
Contributions - monetary (capital)	(34,471)	(29,412)	(37,311)	(27,440)	(37,826)	(24,395)	(38,039)	(28,671)	(30,428)	(13,595)	(18,886)
Contributions - non-monetary	(80,000)	(80,000)	(90,000)	(90,000)	(90,000)	(90,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Adjusted underlying surplus/(deficit)	(10,611)	4,293	15,440	820	(139)	2,277	1,953	3,262	1,422	3,093	2,973

Appendix 3: Strategies and Plans

BORROWING STRATEGY

The total value of the debt as at 30 June 2021 is \$117.4 million.

Debt is expected to increase to \$222.9 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 / Actual										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	82,608	117,429	186,579	218,378	239,477	252,898	248,862	242,400	233,803	224,144	224,783
Plus: New loans	45,000	82,298	50,039	42,553	36,774	20,000	20,000	20,000	20,397	29,029	25,709
Less Principal repayment	(10,179)	(13,148)	(18,240)	(21,454)	(23,353)	(24,035)	(26,462)	(28,597)	(30,057)	(28,389)	(27,530)
Closing balance	117,429	186,579	218,378	239,477	252,898	248,862	242,400	233,803	224,144	224,783	222,963
Interest payment	2,915	3,876	5,183	5,891	6,319	6,426	6,244	5,987	5,693	5,038	3,446

Indicator	Target	Forecast /Actual										
		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Indebtedness / Own source revenue	Below 60%	37.18%	51.42%	56.70%	59.57%	59.07%	54.44%	50.30%	46.08%	42.56%	41.15%	39.56%
Total borrowings / Rate revenue	Below 80%	46.08%	69.54%	77.15%	80.18%	80.59%	75.84%	70.63%	65.13%	59.68%	57.20%	54.22%
Debt servicing / Rate revenue	Below 5%	1.13%	1.44%	1.82%	1.96%	2.00%	1.95%	1.81%	1.66%	1.51%	1.27%	0.83%
Debt commitment / Rate revenue	Below 10%	5.06%	6.34%	8.22%	9.09%	9.39%	9.22%	9.47%	9.57%	9.46%	8.46%	7.49%

RESERVES STRATEGY

Statutory Reserves

The City maintains three statutory reserves (Public Open Space, Car Parking and Main Drainage) to record funds collected from developers under the *Planning and Environmental Act* and the *Local Government Act*. Council identities, as part of the budget process, capital works relevant to these reserves and records the capital expenditure as settlement of the obligations created in collecting the levies.

Public Open Space Reserve: The City has authority under section 18 of the *Subdivision Act 1988* to receive up to 5% of the value of the subdivision in either land or cash contributions, where the requirement for open space has not been specified in the planning scheme.

Car Parking Reserve: The car parking reserve records the value of the City's future obligations under the *Planning and Environment Act* to do works to create or improve car parking within the municipality.

Main Drainage: The Main Drainage Reserve records the amount of the City's future obligations under the *Planning and Environment Act*, to do works to create or improve main drainage and other infrastructure within the municipality.

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.

Water Quality Reserve

Prior to 1 July 2020, the City received contributions to fund Water Sensitive Urban Design (WSUD) drainage projects.

Deferred Works Reserve

The Deferred Works Reserve is a record our future commitments for completion of capital works approved in prior years. The funds have been withheld from Councils' declared accumulated surplus but are not necessarily held within the organisation in a separate bank account or cash backed.

Reserves	Restricted / Discretionary	Forecast										
		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Public Open Space Reserve	Restricted											
Opening balance		2,123	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823
Transfer to reserve		1,700	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Transfer from reserve		-	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Closing balance		3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823
Development Contributions Reserve	Restricted											
Opening balance		(1,223)	6,803	10,971	12,830	13,576	10,297	13,618	12,718	11,844	5,259	5,259
Transfer to reserve		7,580	22,370	28,615	22,197	30,855	26,491	32,135	27,654	25,498	9,698	-
Transfer from reserve		446	(18,202)	(26,757)	(21,451)	(34,134)	(23,170)	(33,035)	(28,527)	(32,084)	(9,698)	(1)
Closing balance		6,803	10,971	12,830	13,576	10,297	13,618	12,718	11,844	5,259	5,259	5,258
Carparking Reserve	Restricted											
Opening balance		200	200	200	200	200	200	200	200	200	200	200
Transfer to reserve		-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		-	-	-	-	-	-	-	-	-	-	-
Closing balance		200	200	200	200	200	200	200	200	200	200	200
Water Quality Levy Reserve	Restricted											
Opening balance		2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697
Transfer to reserve		-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		-	-	-	-	-	-	-	-	-	-	-
Closing balance		2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697

Reserves	Restricted / Discretionary	Forecast										
		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Reserves Summary	Total Restricted											
Opening balance		3,797	13,523	17,691	19,550	20,296	17,017	20,338	19,438	18,564	11,979	11,979
Transfer to reserve		9,280	23,370	29,615	23,197	31,855	27,491	33,135	28,654	26,498	10,698	1,000
Transfer from reserve		446	(19,202)	(27,757)	(22,451)	(35,134)	(24,170)	(34,035)	(29,527)	(33,084)	(10,698)	(1,001)
Closing balance		13,523	17,691	19,550	20,296	17,017	20,338	19,438	18,564	11,979	11,979	11,978
Deferred Works Reserve	Discretionary											
Opening balance		28,306	22,282	19,832	34,679	19,060	10,205	21,621	21,505	28,842	36,088	25,239
Transfer to reserve		22,282	25,856	40,703	25,084	16,229	27,645	27,529	34,866	42,112	31,263	20,134
Transfer from reserve		(28,306)	(28,306)	(25,856)	(40,703)	(25,084)	(16,229)	(27,645)	(27,529)	(34,866)	(42,112)	(31,263)
Closing balance		22,282	19,832	34,679	19,060	10,205	21,621	21,505	28,842	36,088	25,239	14,110
Restructure Reserve	Discretionary											
Opening balance		486	486	486	486	486	486	486	486	486	486	486
Transfer to reserve		-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		-	-	-	-	-	-	-	-	-	-	-
Closing balance		486	486	486	486	486	486	486	486	486	486	486
Reserves Summary	Total Discretionary											
Opening balance		28,792	22,768	20,318	35,165	19,546	10,691	22,107	21,991	29,328	36,574	25,725
Transfer to reserve		22,282	25,856	40,703	25,084	16,229	27,645	27,529	34,866	42,112	31,263	20,134
Transfer from reserve		(28,306)	(28,306)	(25,856)	(40,703)	(25,084)	(16,229)	(27,645)	(27,529)	(34,866)	(42,112)	(31,263)
Closing balance		22,768	20,318	35,165	19,546	10,691	22,107	21,991	29,328	36,574	25,725	14,596

Reserves	Restricted / Discretionary	Forecast										
		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Reserves Summary	Restricted & Discretionary											
Opening balance		32,589	36,291	38,009	54,715	39,842	27,708	42,445	41,429	47,893	48,553	37,704
Transfer to reserve		31,562	49,226	70,318	48,281	48,084	55,136	60,664	63,520	68,611	41,961	21,134
Transfer from reserve		(27,860)	(47,508)	(53,613)	(63,154)	(60,218)	(40,399)	(61,680)	(57,056)	(67,950)	(52,810)	(32,264)
Closing balance		36,291	38,009	54,715	39,842	27,708	42,445	41,429	47,893	48,553	37,704	26,574

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.

CITY OF GREATER GEELONG

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