

**HOBSONS**  
**BAY CITY**  
COUNCIL



# Draft Financial Plan 2025-36 Year 1 Update

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June 2026

## **Acknowledgment of Country**

Council acknowledges the Bunurong People of the Kulin Nation as the Traditional Owners of these municipal lands and waterways, and pay our respects to Elders past, present and emerging.



### **How to read this plan**

The Financial Plan 2025-35 should be read alongside the Hobsons Bay Council Plan 2025-29 and Health, Safety and Wellbeing Plan, and in context of the Assets Plan 2025-35. Together, these plans detail how Council will work towards the community aspirations outlined in Community Vision 2040.

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# 1. Background

## 1.1. Legislative requirements

Section 91 of the *Local Government Act 2020* outlines Council's requirements in relation to developing a Financial Plan.

The scope of the Financial Plan must be for a period of at least the next 10 financial years. The Financial Plan must be in the manner and form prescribed by the Local Government (Planning and Reporting) Regulations 2020.

A Council must develop or review the Financial Plan in accordance with its deliberative engagement practices and adopt the Financial Plan by 31 October in the year following a general election.

The Financial Plan has effect from 1 July in the year following a general election.

## 1.2. Financial Plan 2025-35 adoption

In response to the extenuating circumstances being faced by Council in 2025, the Mayor informed the Minister of Local Government that the standard 31 October deadline for key strategic documents would not be met.

The Financial Plan 2025-35 was subsequently adopted by Council at the meeting held on 16 December 2025, along with Council's other key strategic documents, the Council Plan 2025-29, Health, Wellbeing and Safety Plan 2025-29 and the Asset Plan 2025-35.

## 1.3. Financial Plan annual updates

The Victorian Audit-General's Office (VAGO) completed an independent assurance report to Parliament on Financial Management of Local Council's in August 2025. A key issue raised by VAGO within their report was the different interpretations by Councils to maintain their Financial Plan and Asset Plan.

While the *Local Government Act 2020* does not specify that the plans must be renewed and published annually, VAGO's view is that to maintain a strategic outlook for 10 years, councils should update published Financial Plans and Asset Plans each year to reflect any changes in the factors underpinning their assumptions.

The Draft Financial Plan 2025-36 Year 1 Update does not replace the original Financial Plan 2025-35 adopted by Council in December 2025. Rather it should be read in conjunction with the original plan, as its focus is on revising the financial projections within the original plan to align with the Annual Budget 2026-27 and extend those projections until 2035-36.

## 2. Financial Plan context

This section describes the context, and the external and internal environments and considerations in determining the 10-year financial projections and assumptions.

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

The seven financial indicators used by the Victorian Auditor-General's Office (VAGO) to assess councils' financial sustainability risks have all been included as measures. Other measures, determined by Council have also been included and all are linked to the various policy statements. The measures will be used to assess Council's financial performance, capital works or financial position. The indicators should be considered collectively and are more useful when assessed over time as part of a trend analysis.

Policy Statement	Financial Performance	Measure	Target	Actual											
				2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
1. Achieve strong operational surpluses to ensure that there is adequate funding available for current and future capital works as well as other ongoing and future commitments.	Net Result Margin greater than 0% to achieve a low VAGO financial sustainability risk rating.		> 0%	12.1%	5.5%	3.0%	8.5%	1.8%	0.4%	0.0%	(0.5%)	(1.4%)	(1.6%)	(2.1%)	(3.0%)
			> 5%	10.3%	2.8%	(0.4%)	0.5%	0.5%	0.4%	0.0%	(0.5%)	(1.4%)	(1.6%)	(2.1%)	(3.0%)
2. Consider all funding source to reduce the high dependence on rates and become more financially self-reliant by prioritised pursuit of own source revenue opportunities.	Rates Revenue Ratio less than 80%		<80%	74.1%	80.2%	80.6%	77.2%	82.8%	84.1%	84.0%	84.0%	84.0%	84.0%	84.0%	84.2%
3. Manage employee labour costs at an appropriate percentage of operating revenue.	Labour Utilisation Ratio (Revenue) less than 43%		<40%	33.5%	37.3%	39.4%	37.8%	41.0%	42.0%	42.4%	42.9%	43.3%	43.8%	44.3%	44.9%

The net result margin (VAGO) measures the net result of Council as a percent of revenue.

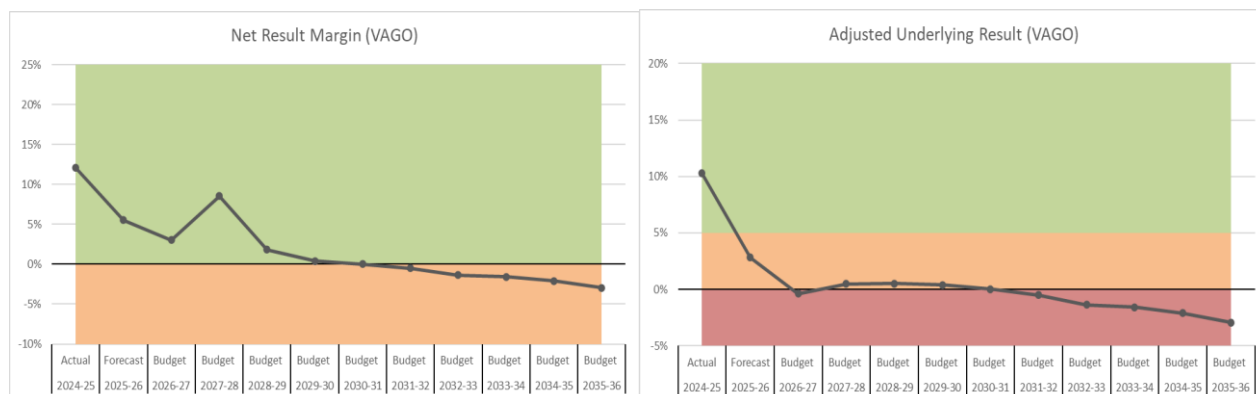
It is calculated by: Net result divided by total income.

The adjusted underlying result (VAGO) measures an entity's ability to generate surpluses in the ordinary course of business – excluding non-recurrent capital grants, non-monetary asset contributions, and other contributions to fund capital expenditure from net result. A surplus or increasing surplus suggests an improvement in the operating position.

It is calculated by: Adjusted underlying surplus (or deficit) divided by adjusted underlying revenue.

The table on the previous page and graphs below indicate that Council’s low VAGO financial sustainability risk ratings in relation to its net result margin and adjusted underlying result are projected to decline over the duration of this plan. This is consistent with projections that Council’s operational surpluses are declining. The declining trend increases the risk of ensuring there is adequate funding available for ongoing and future commitments, including the capital works program.

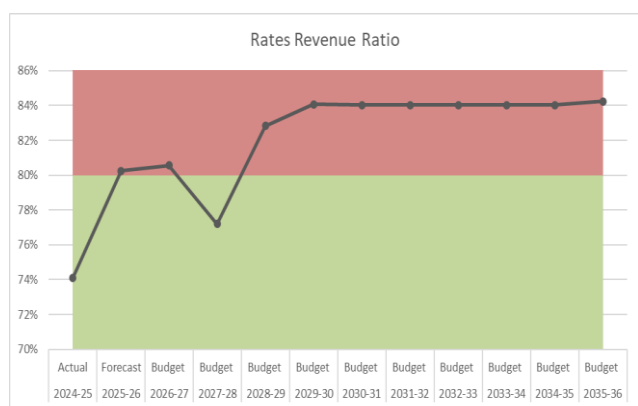
Council will need to closely monitor the trends of these indicators, as the results start to decline, moving into medium and high risk categories.



The rates revenue ratio indicates Council’s ability to generate rates and its dependence on rates, when compared to total revenue.

It is calculated by: Rates and charges divided by total operating income.

The table on the previous page and graphs below indicate that Council will not achieve its targets in relation to its revenue ratio. Current projections indicate that Council will not reduce its current high dependence on rates and will not become more financially self-reliant by prioritised pursuit of other revenue sources and opportunities outside of rates.

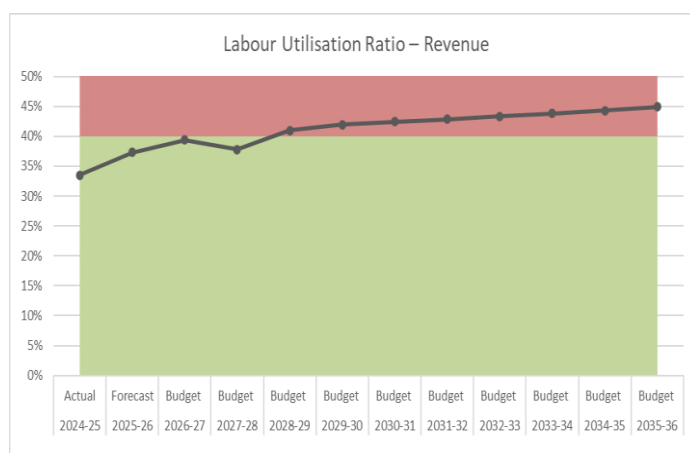


The labour utilisation ratio – revenue provides an overview of the organisation’s expenditure on internal labour as a proportion of total revenue. It is used to monitor and manage affordable internal employee costs and indicates the Council’s sensitivity to changes in income.

It is calculated by: Employee costs divided by total income.

The table on the previous page and the graph below indicate a trend where Council will not continue to achieve its targets in relation to its labour utilisation ratio - revenue. Current projections indicate that Council will not achieve its aim of managing employee labour costs at an appropriate percentage of operating revenue. The projected results have been impacted by Council's decision to invest in building capability and skills across Council's teams in areas that have been highlighted as lacking in the past. This investment should lead to improved service standards.

The labour utilisation ratio (revenue) will need to be closely monitored as the trend indicates that the results will start to decline. The projected decline is a result of employee cost being predicted to increase at a greater rate than revenue. Employee cost predictions are based on assumed (yet to be determined) future enterprise agreement increases. Increases in WorkCover premiums and the superannuation guarantee have also impacted this ratio over previous years.



Policy Statement	Measure	Target	Actual													
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36		
Capital Works																
4. Ensure enough cash is being generated from operations to fund new assets.	Internal Financing greater than 100% to achieve a low VAGO financial sustainability risk rating	> 100%	116.4%	110.9%	94.5%	113.5%	125.0%	124.7%	116.0%	113.3%	111.0%	110.4%	109.6%	108.8%		
5. Ensure sufficient spending on asset renewal and Council's asset base.	Capital replacement greater than 150% to achieve a low VAGO financial sustainability risk rating	> 150%	137.1%	122.8%	141.1%	140.7%	99.5%	94.6%	97.3%	97.5%	96.1%	95.8%	94.4%	91.7%		
	Renewal Gap greater than 100% to achieve a low VAGO financial sustainability risk rating	> 100%	130.7%	96.7%	113.9%	88.8%	88.9%	82.5%	88.5%	94.0%	92.8%	92.5%	91.2%	88.6%		

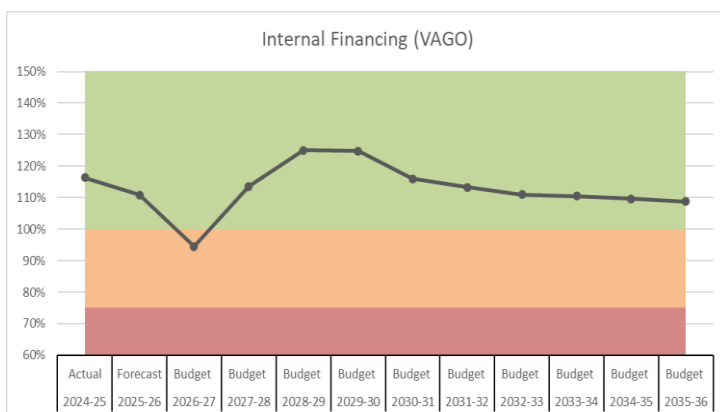
Internal financing (VAGO) measures the ability of an entity to finance capital works from generated cashflow. The higher the percentage, the greater the ability for the entity to finance capital works from their own funds.

This ratio is about affordability. Can Council afford its capital works program, based on its ability to generate cashflow?

It is calculated by: Net operating cashflow divided by net capital expenditure.

The table above and the graph below indicate that Council will achieve its target to have low VAGO financial sustainability risk ratings in relation to internal financing from 2027-28. Future capital works programs have been set, based upon financial affordability, rather than capital works requirements, or community expectations.

The medium risk rating in the 2026-27 budget is caused by the carried over capital expenditure required to complete the 2025-26 capital works program.



Capital replacement (VAGO) compares the rate of spending on new infrastructure, property, plant and equipment with its depreciation. Ratios higher than 100 per cent indicate that spending is faster than the depreciating rate. This is a long-term indicator,

as capital expenditure can be deferred in the short term if there are insufficient funds available from operations and borrowing is not an option.

It is calculated by: Cash outflows for the addition of new infrastructure, property, plant and equipment divided by Depreciation.

The renewal gap (VAGO) compares the rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. Ratios higher than 100 per cent indicate that spending on existing assets is faster than the depreciation rate.

It is calculated by: Renewal and upgrade expenditure divided by depreciation.

These graphs indicate whether Council is spending enough on its capital works program, particularly to maintain its existing assets

The table on the previous page and the capital replacement (VAGO) graph below indicate that Council will not achieve its targets to have low VAGO financial sustainability risk ratings in relation to capital replacement. Council would need to increase its capital spend to achieve its capital replacement targets to ensure sufficient spending on Council's asset base.

The table on the previous page and the renewal gap (VAGO) graph below indicate that Council will not achieve its targets to have low VAGO financial sustainability risk ratings in relation to the renewal gap from 2027-28. The predicted results of the renewal gap ratio highlight the limited funding available for the capital works program. Council prioritises renewing existing assets, over providing new assets. This prioritisation is consistent with the key objective number six underpinning the Financial Plan, Council's Asset Plan and capital works framework.

It should also be noted that both graphs have been negatively impacted by the increased valuations of Council's assets over the past few years, which has led to increased annual depreciation charges. Projections have been particularly impacted by the accounting standards amendments to AASB 13 Fair Value, which increased asset values and depreciation significantly in 2024-25.



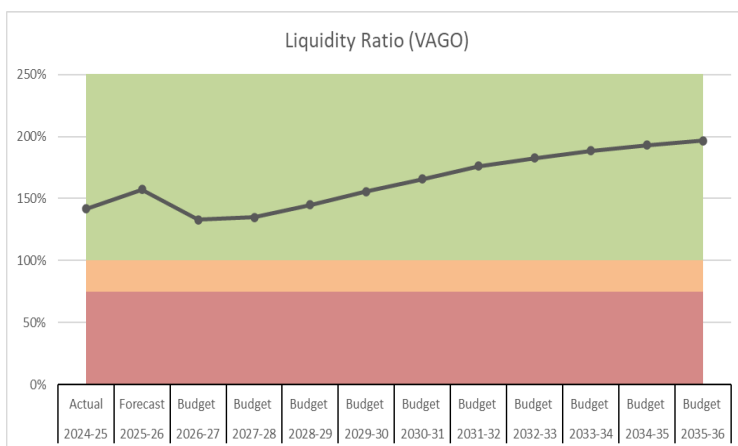
The three capital works measures highlight the difficult situation faced by Council in relation to balancing what it can afford to spend on its assets, with spending enough to maintain and upgrade its existing assets.

Policy Statement Financial Position	Measure	Target	Actual												
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
6. Ensure there are no immediate issues with repaying short-term liabilities as they fall due.	Liquidity Ratio greater than 100% to achieve a low VAGO financial sustainability risk rating.	> 100%	141.6%	157.2%	133.0%	134.8%	145.1%	155.8%	165.8%	176.3%	182.8%	188.4%	193.1%	196.4%	
7. Ensure that rate income is being collected and that rates debt is reduced to acceptable levels.	Rates Debt Collection ratio less than 5%	<5%	15.0%	11.0%	9.0%	7.0%	6.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
8. Ensure loan commitments can be repaid from own source revenue, including	Indebtedness less than 40% to achieve a low VAGO financial sustainability risk	< 40%	10.4%	8.7%	6.7%	5.1%	3.3%	1.8%	1.3%	1.2%	1.0%	1.2%	1.2%	1.1%	
	Debt Commitment Ratio less than 15%.	< 10%	2.4%	5.7%	2.1%	2.0%	2.0%	1.9%	1.5%	0.8%	0.1%	0.0%	0.0%	0.0%	

The liquidity ratio (VAGO) measures the ability to pay existing liabilities in the next 12 months and is a key indicator of financial position. A ratio of 100 per cent or more means there are more cash and liquid assets than short-term liabilities.

It is calculated by: Current assets divided by current liabilities.

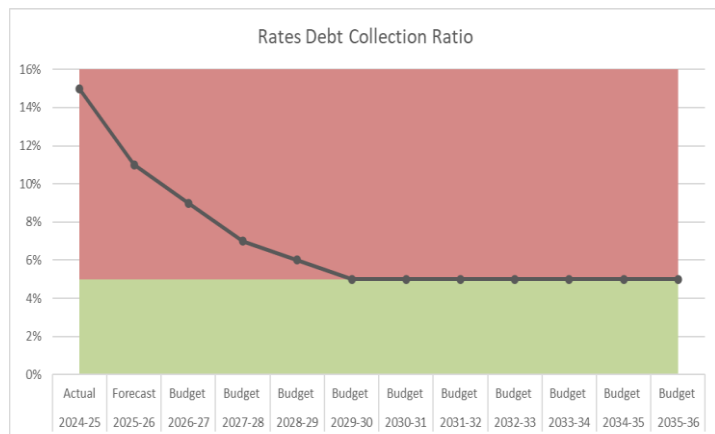
The table above and the graph below indicates that Council will achieve its targets and have low VAGO financial sustainability risk ratings in relation to the liquidity ratio. This indicates that under the current financial plan results and assumptions, Council will achieve its aim to ensure there are no immediate issues with repaying short-term liabilities as they fall due.



The rates debt collection ratio measures the ability to collect rate payments and recover overdue payments. The lower the ratio, the more rates revenue is being collected.

It is calculated by: Rates debtors divided by rates and charges revenue.

The table on the previous page and the graph below indicates that Council is not achieving its target in relation to rates debt collection until 2029-30. The trend and projected results indicate that rates collections will increase, which will result in a decrease to rates debt. While the predicted results indicate that rate income is being collected and that rates debt is reduced to acceptable levels by 2029-30, this is heavily based on assumptions.



Indebtedness (VAGO) assesses an entity’s ability to pay the principal and interest on outstanding loans, as and when they fall due, from the funds it generates. The lower the ratio, the less revenue the entity is required to use to repay its loans. Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.

It is calculated by:  $\text{Non-current liabilities} \div \text{Own-sourced revenue}$ .

The debt commitment ratio assesses an entity’s ability to pay the principal and interest on outstanding loans, as and when they fall due, from rate revenue.

It is calculated by:  $\text{Borrowing costs plus loan repayments} \div \text{rate revenue}$ .

The table on the previous page and graphs below indicate that Council will achieve its targets in relation to indebtedness ratio and the debt commitment ratio. This indicates that under the current financial plan results and assumptions, Council will achieve its aim to ensure loan commitments can be repaid from own-source revenue, including interest and principle, as they fall due.



### 3. Assumptions to the financial plan statements

This section presents information regarding the assumptions to the comprehensive income statement for the 11 years from 2025-26 to 2035-36. The assumptions comprise the annual escalations or movement for each line item of the comprehensive income statement.

Escalation Factors % Movement	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
CPI	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Growth	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
<b>Major income and expense line items:</b>											
Rates and charges	3.00%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Rates and charges - waste	10.0%	7.5%	7.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Statutory fees and fines	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
User fees	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Grants - Operating	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Grants - Capital	Capital grants are identified when funding is confirmed and secured.										
Contributions - monetary	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Contributions - non-monetary	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other income	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other income (Interest rate)	4.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Employee costs											
Materials and services - general	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Materials and services - external contracts	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Materials and services - utilities	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Depreciation & Amortisation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other expenses	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

#### Rates and charges

Base rate revenue is forecast to increase by 2.75 per cent for the 2026-27 financial year, based on the current state government rate cap. From 2027-28 and for the ensuing years of the financial plan, the estimated future annual increase is 2.5 per cent per annum, consistent with the estimated consumer price index (CPI). In addition, it is expected that in each year of the plan a further increase of \$500,000 per annum will be received for growth (additional properties) because of supplementary rates.

Other rate assumptions include interest on rates (\$1 million), pensioner rebates (\$562,000 refund), rate waivers (\$100,000) and revenue in lieu of rates (\$420,000). The amounts have been applied consistently across each year within the plan.

Waste service charges are based on increases of 7.5 per cent in 2026-27 and 2027-28, and then 2 per cent from 2028-29. Waste charges are not subject to the rate cap, rather the level of a service rate or charge should correlate to the level of service provided and therefore the funds raised should equate to the cost of the service provided. For the first time in many years, income is expected to be more than the cost of providing the service in 2026-27. The additional income will be used to reduce the waste management reserve deficit, which is forecast to be \$2.536 million on 30 June 2026. The deficit is because of Council's considerable investment to introduce a four-bin system in 2019-20, and Council's decision to progressively recover this investment over a number of years.

#### Statutory fees and fines

Statutory fees and fines are those Council collects under the direction of legislation or other government directives. The fees charged for statutory fees and fines are generally

advised by the state government department responsible for the corresponding services or legislation, and generally Council has limited discretion in applying these fees. Examples include planning and subdivision fees, building and inspection fees, infringements and fines, land information certificate fees and animal registrations.

Details of statutory fees and fines for the 2026-27 budget year can be found in Council's schedule of fees and charges that is adopted in conjunction with the budget.

Income received from statutory fees and fines was impacted significantly by the COVID-19 pandemic. The recovery of these statutory fees and fines has been slow. Income budgeted in 2026-27 for statutory fees and fines is expected to be only slightly above actual income received in 2018-19.

This plan includes estimated future annual increases of 3 per cent each year. While statutory fees are set by legislation and generally indexed according to the estimated annual rate of CPI, the 3 per cent increases are a prediction of the total statutory fees and fines revenue generated, inclusive of the fee increases that will be applied.

### **User Fees**

User fees relate mainly to the recovery of service delivery costs through charging fees to users of Council's services. These include community care service contributions from clients (i.e. food services, planned activity groups, respite, family day care and occasional care), use of parks, recreation facilities and sporting reserves.

Details of user fees for the 2026-27 budget year can be found in Council's schedule of fees and charges that is adopted in conjunction with the budget.

Income received from user fees was impacted significantly by the COVID-19 pandemic. The recovery of these user fees has been slow. Income budgeted in 2025-26 for user fees is still below actual income received in 2018-19.

This plan includes estimated future annual increases of 3 per cent each year. The 3 per cent increases are a prediction of the total user fees revenue generated, inclusive of the fee increases that will be applied.

### **Grants**

Operating grants include all monies received from state and federal sources for the purposes of funding the delivery of Council's services to ratepayers.

Council currently received operational grants for tied (specific purpose grants) and untied financial assistance grant (FAG) funding received via the Victorian Local Government Grants Commission.

Operating grants in 2025-26 were higher than anticipated due to community care funding retained from previous financial years. All other operational grant funding in 2026-27 are relatively consistent with the prior year. This plan estimates future annual increases of 2.5 per cent each year.

Capital grants include all monies received from state, federal and community sources for the purposes of funding the capital works program. Capital grants are identified in this plan only after funding is confirmed and secured.

## **Monetary Contributions**

Contributions relate to monies paid by developers regarding specific developer contribution plans, recreation, drainage and car parking, in accordance with planning permits issued for property development. Other contributions are made by corporations and organisations for specific capital programs.

These contributions represent funds to enable Council to provide the necessary infrastructure and improvements to accommodate development growth. The contributions are for specific purposes and often require Council to outlay funds for infrastructure works before receipt of this income source. These contributions are statutory contributions and are transferred to a restricted reserve until used for a specific purpose through the capital works program or delivered as works in-kind by developers

## **Other income**

Revenue from other income relates mainly to property and other facilities rentals, as well as interest on investments.

Rental income is predicted to increase by 3 per cent per annum. The 3 per cent increases are a prediction of the rental income revenue generated, inclusive of the rent increases that will be applied.

Interest on investments estimates are based on predicted cash balances and interest rates expected to be received on Council's cash investments. Investment income is based on interest rates of 3.5 per cent over the duration of this plan.

## **Employee costs**

Employee costs include all labour-related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc.

Future employee cost predictions are generally based on existing staff and service levels for the duration of this plan. Minor adjustments have been made in relation to a small number of temporary positions for some short-term projects. Council's enterprise agreement expired on 30 June 2025.

## **Materials and services**

Materials and services include the purchases of consumables and payments to contractors for the provision of services and utility costs.

General material and service costs are predicted to increase by 2.5 per cent from 2027-28, while contracts are predicted to increase by 3 per cent and utilities by 3.5 per cent.

Adjustments have been made for any known costs related to specific years. This includes expenses associated with:

- conducting Council elections and the subsequent legislative requirement to review the Council Plan and other documents (every four years)
- Business Excellence Awards (every two years)
- information communication technology (ICT) strategy until 2027-28
- Council Improvement Action Plan until 2028-29
- operational projects being transferred from the capital works program.

## **Depreciation and amortisation**

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment, including infrastructure assets such as roads and drains.

The predicted increase in 2026-27 is mainly due to asset purchases through the capital works program during 2025-26.

Future depreciation estimates from 2027-28 are based on the projected capital spending contained within this plan. Future depreciation predictions do not consider revaluations that will occur throughout the duration of this plan.

Amortisation is an accounting measure that allocates the value of leased assets over the period of the lease. The budget in 2026-27 is based on current lease contracts and a consistent service level is assumed in future years.

## **Borrowing costs**

Borrowing costs comprise the interest expense to service Council's loan portfolio that is described in Section 6.1 Borrowing Strategy.

Borrowing costs are based on an expected decrease in each year of this plan as Council continues to pay down its loan borrowings. No additional loan borrowings have been drawn down since 2023-24 and no further borrowings are included in the plan.

## **Other expenses**

Other expenses relate to a range of unclassified items including leases, rentals, audit fees and councillors' allowances. This plan includes estimated future annual increases of 2.5 per cent each year.

## 4. Financial Plan statements

This section presents information regarding the Financial Plan statements for the 11 years from 2024-25 to 2035-36.

- Comprehensive income statement
- Balance sheet
- Statement of changes in equity
- Statement of cash flows
- Statement of capital works
- Statement of human resources
- Planned human resource expenditure

## 4.1. Comprehensive income statement

	Actual											
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
<b>Income / Revenue</b>												
Rates and charges	139,887	146,861	152,351	157,735	162,314	167,012	171,832	176,779	181,855	187,064	192,409	197,893
Statutory fees and fines	4,944	4,904	5,657	5,827	6,002	6,182	6,368	6,559	6,755	6,958	7,167	7,382
User fees	6,161	6,359	6,117	6,301	6,490	6,685	6,885	7,092	7,304	7,524	7,749	7,982
Grants - operating	12,539	11,209	9,889	9,916	10,164	10,418	10,678	10,945	11,219	11,499	11,787	12,081
Grants - capital	4,402	5,567	7,300	17,420	3,589	615	615	615	615	615	615	-
Contributions - monetary	5,216	2,972	3,053	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360
Contributions - non-monetary	10,374	-	-	-	-	-	-	-	-	-	-	-
Net gain on disposal of property, infrastructure, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Fair value adjustments for investment property	-	-	-	-	-	-	-	-	-	-	-	-
Share of net profits (or loss) of associates and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-
Other income	5,211	5,141	4,741	4,751	5,028	5,408	5,776	6,053	6,337	6,631	6,926	7,215
<b>Total income / revenue</b>	<b>188,734</b>	<b>183,012</b>	<b>189,109</b>	<b>204,310</b>	<b>195,947</b>	<b>198,680</b>	<b>204,515</b>	<b>210,402</b>	<b>216,445</b>	<b>222,650</b>	<b>229,013</b>	<b>234,913</b>
<b>Expenses</b>												
Employee costs	63,263	68,209	74,520	77,237	80,307	83,396	86,732	90,202	93,810	97,562	101,464	105,523
Materials and services	59,477	59,382	61,966	61,782	63,188	64,629	66,815	69,240	72,346	74,139	76,609	79,249
Depreciation	36,666	40,840	42,320	43,378	44,463	45,574	46,714	47,882	49,079	50,306	51,563	52,852
Amortisation - intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation - right of use assets	310	207	314	334	334	334	334	334	334	334	334	334
Allowance for impairment losses	416	593	549	549	549	549	549	549	549	549	549	549
Borrowing costs	1,001	894	588	474	354	228	110	34	1	-	-	-
Finance costs - leases	18	17	49	32	23	49	32	23	49	32	23	49
Other expenses	719	979	837	858	880	902	924	947	971	995	1,020	1,046
Net loss on disposal of property, infrastructure, plant and equipment	4,066	-	2,251	2,251	2,251	2,251	2,251	2,251	2,251	2,251	2,251	2,251
<b>Total expenses</b>	<b>165,937</b>	<b>171,120</b>	<b>183,395</b>	<b>186,895</b>	<b>192,348</b>	<b>197,913</b>	<b>204,461</b>	<b>211,461</b>	<b>219,389</b>	<b>226,168</b>	<b>233,814</b>	<b>241,853</b>
<b>Surplus/(deficit) for the year</b>	<b>22,797</b>	<b>11,892</b>	<b>5,713</b>	<b>17,414</b>	<b>3,599</b>	<b>767</b>	<b>54</b>	<b>(1,059)</b>	<b>(2,944)</b>	<b>(3,518)</b>	<b>(4,801)</b>	<b>(6,940)</b>
<b>Other comprehensive income</b>												
<b>Items that will not be reclassified to surplus or deficit in future periods</b>												
Net asset revaluation gain /(loss)	-	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-
<b>Items that may be reclassified to surplus or deficit in future periods (detail as appropriate)</b>												
	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive result</b>	<b>22,797</b>	<b>11,892</b>	<b>5,713</b>	<b>17,414</b>	<b>3,599</b>	<b>767</b>	<b>54</b>	<b>(1,059)</b>	<b>(2,944)</b>	<b>(3,518)</b>	<b>(4,801)</b>	<b>(6,940)</b>

## 4.2. Balance sheet

	Actual											
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
<b>Assets</b>												
<b>Current assets</b>												
Cash and cash equivalents	20,188	15,680	15,156	15,197	15,069	15,509	15,235	15,094	15,125	15,116	15,804	15,026
Trade and other receivables	24,988	20,516	18,378	15,988	14,932	13,804	14,318	14,851	15,406	15,982	16,580	17,203
Other financial assets	28,000	30,000	24,000	29,000	37,000	44,000	49,000	54,000	59,000	64,000	68,000	73,000
Inventories	34	34	34	34	34	34	34	34	34	34	34	34
Prepayments	1,922	1,922	1,922	1,922	1,922	1,922	1,922	1,922	1,922	1,922	1,922	1,922
Non-current assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	355	355	355	355	355	355	355	355	355	355	355	355
<b>Total current assets</b>	<b>75,487</b>	<b>68,507</b>	<b>59,845</b>	<b>62,495</b>	<b>69,313</b>	<b>75,624</b>	<b>80,863</b>	<b>86,257</b>	<b>91,841</b>	<b>97,409</b>	<b>102,695</b>	<b>107,540</b>
<b>Non-current assets</b>												
Trade and other receivables	16	16	16	16	16	16	16	16	16	16	16	16
Other financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Property, infrastructure, plant & equipment	1,766,538	1,771,174	1,784,266	1,798,387	1,793,119	1,785,867	1,780,394	1,773,469	1,766,188	1,759,355	1,750,237	1,739,969
Right-of-use assets	110	776	586	251	790	586	251	790	586	251	790	586
Investment property	14,880	14,880	14,880	14,880	14,880	14,880	14,880	14,880	14,880	14,880	14,880	14,880
<b>Total non-current assets</b>	<b>1,781,544</b>	<b>1,786,846</b>	<b>1,799,748</b>	<b>1,813,534</b>	<b>1,808,805</b>	<b>1,801,349</b>	<b>1,795,541</b>	<b>1,789,155</b>	<b>1,781,670</b>	<b>1,774,502</b>	<b>1,765,923</b>	<b>1,755,451</b>
<b>Total assets</b>	<b>1,857,031</b>	<b>1,855,352</b>	<b>1,859,593</b>	<b>1,876,029</b>	<b>1,878,117</b>	<b>1,876,973</b>	<b>1,876,404</b>	<b>1,875,412</b>	<b>1,873,511</b>	<b>1,871,911</b>	<b>1,868,618</b>	<b>1,862,991</b>
<b>Liabilities</b>												
<b>Current liabilities</b>												
Trade and other payables	22,929	17,183	17,613	18,053	18,504	18,967	19,441	19,927	20,425	20,936	21,459	21,996
Trust funds and deposits	9,748	9,992	10,241	10,498	10,760	11,029	11,305	11,587	11,877	12,174	12,478	12,790
Unearned income/revenue	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435
Provisions	11,589	12,111	12,656	13,225	13,820	14,373	14,948	15,546	16,168	16,814	17,487	18,186
Interest-bearing liabilities	7,475	2,585	2,699	2,819	2,943	2,402	1,299	122	-	-	-	-
Lease liabilities	115	275	338	346	318	338	346	318	338	346	318	338
<b>Total current liabilities</b>	<b>53,291</b>	<b>43,580</b>	<b>44,982</b>	<b>46,375</b>	<b>47,781</b>	<b>48,544</b>	<b>48,774</b>	<b>48,935</b>	<b>50,243</b>	<b>51,705</b>	<b>53,177</b>	<b>54,745</b>
<b>Non-current liabilities</b>												
Provisions	1,357	1,418	1,482	1,549	1,618	1,683	1,750	1,820	1,893	1,969	2,048	2,130
Interest-bearing liabilities	14,869	12,284	9,585	6,767	3,823	1,421	122	(0)	-	-	-	-
Lease liabilities	-	452	213	593	550	213	593	550	213	593	550	213
<b>Total non-current liabilities</b>	<b>16,226</b>	<b>14,154</b>	<b>11,280</b>	<b>8,908</b>	<b>5,991</b>	<b>3,317</b>	<b>2,465</b>	<b>2,370</b>	<b>2,106</b>	<b>2,562</b>	<b>2,598</b>	<b>2,343</b>
<b>Total liabilities</b>	<b>69,517</b>	<b>57,734</b>	<b>56,262</b>	<b>55,283</b>	<b>53,772</b>	<b>51,861</b>	<b>51,239</b>	<b>51,305</b>	<b>52,349</b>	<b>54,267</b>	<b>55,775</b>	<b>57,088</b>
<b>Net assets</b>	<b>1,787,514</b>	<b>1,797,618</b>	<b>1,803,332</b>	<b>1,820,746</b>	<b>1,824,345</b>	<b>1,825,112</b>	<b>1,825,166</b>	<b>1,824,106</b>	<b>1,821,162</b>	<b>1,817,644</b>	<b>1,812,843</b>	<b>1,805,903</b>
<b>Equity</b>												
Accumulated surplus	665,773	679,973	697,107	714,571	714,297	711,915	710,182	707,412	702,755	697,749	691,986	684,713
Reserves	1,121,741	1,117,645	1,106,224	1,106,175	1,110,048	1,113,196	1,114,984	1,116,694	1,118,407	1,119,895	1,120,857	1,121,190
<b>Total equity</b>	<b>1,787,514</b>	<b>1,797,618</b>	<b>1,803,332</b>	<b>1,820,746</b>	<b>1,824,345</b>	<b>1,825,112</b>	<b>1,825,166</b>	<b>1,824,106</b>	<b>1,821,162</b>	<b>1,817,644</b>	<b>1,812,843</b>	<b>1,805,903</b>

### 4.3. Statement of changes in equity

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2024-25 Actual</b>				
Balance at beginning of the financial year	1,658,641	645,435	983,193	30,013
Opening balance adjustment	(2,021)	(2,021)	-	-
Surplus/(deficit) for the year	22,797	22,797	-	-
Net asset revaluation gain/(loss)	108,097	-	108,097	-
Transfers to other reserves	59,465	29,514	-	29,952
Transfers from other reserves	(59,465)	(29,952)	-	(29,514)
<b>Balance at end of the financial year</b>	<b>1,787,513</b>	<b>665,773</b>	<b>1,091,289</b>	<b>30,451</b>
<b>2025-26</b>				
Balance at beginning of the financial year	1,787,513	665,773	1,091,289	30,451
Surplus/(deficit) for the year	10,105	10,105	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	38,254	21,175	-	17,079
Transfers from other reserves	(38,254)	(17,079)	-	(21,175)
<b>Balance at end of the financial year</b>	<b>1,797,618</b>	<b>679,973</b>	<b>1,091,289</b>	<b>26,355</b>
<b>2026-27</b>				
Balance at beginning of the financial year	1,797,618	679,973	1,091,289	26,355
Surplus/(deficit) for the year	5,713	5,713	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	25,269	18,345	-	6,924
Transfers from other reserves	(25,269)	(6,924)	-	(18,345)
<b>Balance at end of the financial year</b>	<b>1,803,331</b>	<b>697,107</b>	<b>1,091,289</b>	<b>14,934</b>
<b>2027-28</b>				
Balance at beginning of the financial year	1,803,331	697,107	1,091,289	14,934
Surplus/(deficit) for the year	17,414	17,414	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	13,936	6,993	-	6,943
Transfers from other reserves	(13,936)	(6,943)	-	(6,993)
<b>Balance at end of the financial year</b>	<b>1,820,745</b>	<b>714,571</b>	<b>1,091,289</b>	<b>14,885</b>
<b>2028-29</b>				
Balance at beginning of the financial year	1,820,745	714,571	1,091,289	14,885
Surplus/(deficit) for the year	3,599	3,599	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	12,554	4,340	-	8,214
Transfers from other reserves	(12,554)	(8,214)	-	(4,340)
<b>Balance at end of the financial year</b>	<b>1,824,344</b>	<b>714,297</b>	<b>1,091,289</b>	<b>18,758</b>
<b>2029-30</b>				
Balance at beginning of the financial year	1,824,344	714,297	1,091,289	18,758
Surplus/(deficit) for the year	767	767	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	11,928	4,390	-	7,538
Transfers from other reserves	(11,928)	(7,538)	-	(4,390)
<b>Balance at end of the financial year</b>	<b>1,825,111</b>	<b>711,915</b>	<b>1,091,289</b>	<b>21,907</b>

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2030-31</b>				
Balance at beginning of the financial year	1,825,111	711,915	1,091,289	21,907
Surplus/(deficit) for the year	54	54	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	10,668	4,440	-	6,228
Transfers from other reserves	(10,668)	(6,228)	-	(4,440)
<b>Balance at end of the financial year</b>	<b>1,825,165</b>	<b>710,182</b>	<b>1,091,289</b>	<b>23,694</b>
<b>2031-32</b>				
Balance at beginning of the financial year	1,825,165	710,182	1,091,289	23,694
Surplus/(deficit) for the year	(1,059)	(1,059)	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	10,695	4,492	-	6,203
Transfers from other reserves	(10,695)	(6,203)	-	(4,492)
<b>Balance at end of the financial year</b>	<b>1,824,106</b>	<b>707,412</b>	<b>1,091,289</b>	<b>25,404</b>
<b>2032-33</b>				
Balance at beginning of the financial year	1,824,106	707,412	1,091,289	25,404
Surplus/(deficit) for the year	(2,944)	(2,944)	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	10,805	4,546	-	6,259
Transfers from other reserves	(10,805)	(6,259)	-	(4,546)
<b>Balance at end of the financial year</b>	<b>1,821,162</b>	<b>702,755</b>	<b>1,091,289</b>	<b>27,117</b>
<b>2033-34</b>				
Balance at beginning of the financial year	1,821,162	702,755	1,091,289	27,117
Surplus/(deficit) for the year	(3,518)	(3,518)	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	10,689	4,600	-	6,088
Transfers from other reserves	(10,689)	(6,088)	-	(4,600)
<b>Balance at end of the financial year</b>	<b>1,817,644</b>	<b>697,749</b>	<b>1,091,289</b>	<b>28,605</b>
<b>2034-35</b>				
Balance at beginning of the financial year	1,817,644	697,749	1,091,289	28,605
Surplus/(deficit) for the year	(4,801)	(4,801)	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	10,409	4,723	-	5,686
Transfers from other reserves	(10,409)	(5,686)	-	(4,723)
<b>Balance at end of the financial year</b>	<b>1,812,842</b>	<b>691,986</b>	<b>1,091,289</b>	<b>29,568</b>
<b>2035-36</b>				
Balance at beginning of the financial year	1,812,842	691,986	1,091,289	29,568
Surplus/(deficit) for the year	(6,940)	(6,940)	-	-
Net asset revaluation gain/(loss)	-	-	-	-
Transfers to other reserves	10,771	5,219	-	5,552
Transfers from other reserves	(10,771)	(5,552)	-	(5,219)
<b>Balance at end of the financial year</b>	<b>1,805,903</b>	<b>684,713</b>	<b>1,091,289</b>	<b>29,900</b>

## 4.4. Statement of cash flows

	Actual											
	2024/25 Inflows (Outflows)	2025/26 Inflows (Outflows)	2026/27 Inflows (Outflows)	2027/28 Inflows (Outflows)	2028/29 Inflows (Outflows)	2029/30 Inflows (Outflows)	2030/31 Inflows (Outflows)	2031/32 Inflows (Outflows)	2032/33 Inflows (Outflows)	2033/34 Inflows (Outflows)	2034/35 Inflows (Outflows)	2035/36 Inflows (Outflows)
<b>Cash flows from operating activities</b>												
Rates and charges	137,894	151,656	154,794	160,406	163,616	168,400	171,591	176,532	181,601	186,803	192,141	197,619
Statutory fees and fines	4,503	4,904	5,657	5,827	6,002	6,182	6,368	6,559	6,755	6,958	7,167	7,382
User fees	6,608	6,036	5,812	6,021	6,243	6,425	6,612	6,805	7,004	7,208	7,418	7,634
Grants - operating	11,085	11,209	9,889	9,916	10,164	10,418	10,678	10,945	11,219	11,499	11,787	12,081
Grants - capital	4,402	5,567	7,300	17,420	3,589	615	615	615	615	615	615	-
Contributions - monetary	5,216	2,972	3,053	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360
Interest received	1,999	1,800	1,459	1,370	1,547	1,822	2,083	2,248	2,418	2,594	2,769	2,933
Trust funds and deposits taken	866	-	-	-	-	-	-	-	-	-	-	-
Trust funds and deposits repaid	(1,915)	-	-	-	-	-	-	-	-	-	-	-
Other receipts	4,282	5,141	4,741	4,751	5,028	5,408	5,776	6,053	6,337	6,631	6,926	7,215
Net GST refund / payment	9,552	-	-	-	-	-	-	-	-	-	-	-
Employee costs	(62,596)	(67,627)	(73,912)	(76,601)	(79,642)	(82,779)	(86,090)	(89,534)	(93,115)	(96,840)	(100,713)	(104,742)
Materials and services	(63,387)	(66,026)	(62,374)	(62,200)	(63,616)	(65,068)	(67,265)	(69,701)	(72,819)	(74,624)	(77,106)	(79,758)
Short-term, low value and variable	-	-	-	-	-	-	-	-	-	-	-	-
Trust funds and deposits repaid	-	-	-	-	-	-	-	-	-	-	-	-
Other payments	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by/(used in) operating activities</b>	<b>58,509</b>	<b>55,631</b>	<b>56,420</b>	<b>69,270</b>	<b>55,291</b>	<b>53,784</b>	<b>52,729</b>	<b>52,882</b>	<b>52,375</b>	<b>53,205</b>	<b>53,364</b>	<b>52,724</b>
<b>Cash flows from investing activities</b>												
Payments for property,	(50,270)	(50,163)	(59,724)	(61,018)	(44,245)	(43,125)	(45,453)	(46,688)	(47,175)	(48,175)	(48,675)	(48,455)
Proceeds from sale of property,	421	394	340	340	340	340	340	340	340	340	340	340
Payments for investments	(6,000)	(2,000)	6,000	(5,000)	(8,000)	(7,000)	(5,000)	(5,000)	(5,000)	(5,000)	(4,000)	(5,000)
Proceeds from sale of investments	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances made	-	-	-	-	-	-	-	-	-	-	-	-
Payments of loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by/ (used in) investing activities</b>	<b>(55,849)</b>	<b>(51,769)</b>	<b>(53,384)</b>	<b>(65,678)</b>	<b>(51,905)</b>	<b>(49,785)</b>	<b>(50,113)</b>	<b>(51,348)</b>	<b>(51,835)</b>	<b>(52,835)</b>	<b>(52,335)</b>	<b>(53,115)</b>
<b>Cash flows from financing activities</b>												
Finance costs	(988)	(894)	(588)	(474)	(354)	(228)	(110)	(34)	(1)	-	-	-
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(2,370)	(7,475)	(2,585)	(2,699)	(2,819)	(2,943)	(2,402)	(1,299)	(122)	-	-	-
Interest paid - lease liability	(18)	-	(49)	(32)	(23)	(49)	(32)	(23)	(49)	(32)	(23)	(49)
Repayment of lease liabilities	(319)	-	(338)	(346)	(318)	(338)	(346)	(318)	(338)	(346)	(318)	(338)
<b>Net cash provided by/(used in) financing activities</b>	<b>(3,695)</b>	<b>(8,369)</b>	<b>(3,560)</b>	<b>(3,551)</b>	<b>(3,513)</b>	<b>(3,559)</b>	<b>(2,890)</b>	<b>(1,674)</b>	<b>(510)</b>	<b>(378)</b>	<b>(341)</b>	<b>(387)</b>
Net increase/(decrease) in cash & cash equivalents	(1,035)	(4,507)	(524)	40	(127)	440	(274)	(140)	30	(8)	688	(778)
Cash and cash equivalents at the beginning of the financial year	21,222	20,187	15,680	15,156	15,197	15,069	15,509	15,235	15,094	15,125	15,116	15,804
<b>Cash and cash equivalents at the end of the financial year</b>	<b>20,187</b>	<b>15,680</b>	<b>15,156</b>	<b>15,197</b>	<b>15,069</b>	<b>15,509</b>	<b>15,235</b>	<b>15,094</b>	<b>15,125</b>	<b>15,116</b>	<b>15,804</b>	<b>15,026</b>

## 4.5. Statement of capital works

	Actual											
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total land</b>												
Buildings	10,902	6,728	11,677	17,668	9,095	6,497	8,000	9,000	9,500	10,500	11,000	10,800
Heritage buildings	115	129	760	100	100	100	100	100	100	100	100	100
<b>Total buildings</b>	<b>11,018</b>	<b>6,856</b>	<b>12,437</b>	<b>17,768</b>	<b>9,195</b>	<b>6,597</b>	<b>8,100</b>	<b>9,100</b>	<b>9,600</b>	<b>10,600</b>	<b>11,100</b>	<b>10,900</b>
<b>Total property</b>	<b>11,018</b>	<b>6,856</b>	<b>12,437</b>	<b>17,768</b>	<b>9,195</b>	<b>6,597</b>	<b>8,100</b>	<b>9,100</b>	<b>9,600</b>	<b>10,600</b>	<b>11,100</b>	<b>10,900</b>
<b>Plant and equipment</b>												
Heritage plant and equipment	8	-	-	-	-	-	-	-	-	-	-	-
Plant, machinery and equipment	1,771	3,634	6,600	2,500	2,700	2,900	2,700	2,700	2,700	2,700	2,700	2,700
Fixtures, fittings and furniture	2,994	20	-	-	-	-	-	-	-	-	-	-
Computers and telecommunications	477	1,170	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Library books	738	971	900	900	900	900	900	900	900	900	900	900
<b>Total plant and equipment</b>	<b>5,988</b>	<b>5,795</b>	<b>8,700</b>	<b>4,600</b>	<b>4,800</b>	<b>5,000</b>	<b>4,800</b>	<b>4,800</b>	<b>4,800</b>	<b>4,800</b>	<b>4,800</b>	<b>4,800</b>
<b>Infrastructure</b>												
Roads	10,853	19,898	19,195	15,280	17,910	18,250	17,843	17,638	17,625	17,625	17,625	17,605
Bridges	2,798	316	385	200	200	200	200	100	100	100	100	100
Footpaths and cycleways	2,699	2,643	4,332	12,940	940	940	1,400	1,400	1,400	1,400	1,400	1,400
Drainage	2,881	4,231	2,050	2,140	3,200	3,350	3,350	3,350	3,350	3,350	3,350	3,350
Recreational, leisure and community facilities	1,261	256	3,352	1,280	2,050	3,628	3,500	3,500	3,500	3,500	3,500	3,500
Waste management	832	201	50	50	50	50	50	50	50	50	50	50
Parks, open space and streetscapes	12,104	8,942	7,143	6,560	5,700	4,910	5,910	6,450	6,450	6,450	6,450	6,450
Off street car parks	595	894	2,080	200	200	200	300	300	300	300	300	300
Other infrastructure	-	132	-	-	-	-	-	-	-	-	-	-
<b>Total infrastructure</b>	<b>34,023</b>	<b>37,512</b>	<b>38,587</b>	<b>38,650</b>	<b>30,250</b>	<b>31,528</b>	<b>32,553</b>	<b>32,788</b>	<b>32,775</b>	<b>32,775</b>	<b>32,775</b>	<b>32,755</b>
<b>Total capital works expenditure</b>	<b>51,029</b>	<b>50,163</b>	<b>59,724</b>	<b>61,018</b>	<b>44,245</b>	<b>43,125</b>	<b>45,453</b>	<b>46,688</b>	<b>47,175</b>	<b>48,175</b>	<b>48,675</b>	<b>48,455</b>
<b>Represented by:</b>												
New asset expenditure	3,117	10,655	11,506	22,515	4,726	5,546	4,129	1,675	1,625	1,625	1,625	1,625
Asset renewal expenditure	19,533	31,406	31,358	25,868	31,462	29,832	30,483	30,838	31,175	31,675	31,925	31,805
Asset upgrade expenditure	28,379	8,103	16,860	12,636	8,057	7,748	10,841	14,175	14,375	14,875	15,125	15,025
<b>Total capital works expenditure</b>	<b>51,029</b>	<b>50,163</b>	<b>59,724</b>	<b>61,018</b>	<b>44,245</b>	<b>43,125</b>	<b>45,453</b>	<b>46,688</b>	<b>47,175</b>	<b>48,175</b>	<b>48,675</b>	<b>48,455</b>
<b>Funding sources represented by:</b>												
Grants	4,402	5,567	7,300	17,420	3,589	615	615	615	615	615	615	-
Contributions	204	562	-	-	-	-	-	-	-	-	-	-
Council cash	46,423	44,034	52,424	43,598	40,656	42,510	44,838	46,073	46,560	47,560	48,060	48,455
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total capital works expenditure</b>	<b>51,029</b>	<b>50,163</b>	<b>59,724</b>	<b>61,018</b>	<b>44,245</b>	<b>43,125</b>	<b>45,453</b>	<b>46,688</b>	<b>47,175</b>	<b>48,175</b>	<b>48,675</b>	<b>48,455</b>

## 4.6. Statement of human resources

Staff expenditure	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff Expenditure</b>										
Employee Costs - operating	74,520	77,237	80,307	83,396	86,732	90,202	93,810	97,562	101,464	105,523
Employee Costs - capital	5,976	6,526	6,820	7,127	7,412	7,708	8,017	8,337	8,671	9,017
<b>Total staff expenditure</b>	<b>80,497</b>	<b>83,763</b>	<b>87,127</b>	<b>90,523</b>	<b>94,144</b>	<b>97,910</b>	<b>101,826</b>	<b>105,899</b>	<b>110,135</b>	<b>114,541</b>

Staff numbers	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Staff Numbers</b>										
Employees	623.9	620.2	617.7	616.9	616.9	616.9	616.9	616.9	616.9	616.9
<b>Total staff numbers</b>	<b>623.9</b>	<b>620.2</b>	<b>617.7</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>

Department	Budget 2026/27 \$'000	Comprises			
		Permanent		Casual	Temporary
		Full time \$'000	Part Time \$'000	\$'000	\$'000
Chief Executive's Office	3,431	2,912	219	83	218
People and Culture	4,956	3,756	323	96	780
Corporate Services	20,411	13,758	3,490	2,128	1,034
Sustainable Communities	25,079	19,343	4,755	775	206
Infrastructure & City Services	20,364	19,353	298	-	713
Total permanent staff expenditure	74,240	59,123	9,084	3,082	2,951
Other employee related expenditure	280				
Capitalised Labour costs	5,976				
<b>Total expenditure</b>	<b>80,497</b>				

Department	Budget 2026/27 FTE	Comprises			
		Permanent		Casual	Temporary
		Full time	Part Time		
Chief Executive's Office	22.7	19.0	1.8	0.9	1.0
People and Culture	31.8	25.0	2.2	0.6	4.0
Corporate Services	163.5	105.5	30.4	20.7	6.8
Sustainable Communities	188.1	139.7	41.6	5.1	1.6
Infrastructure & City Services	173.7	165.9	2.4	-	5.4
	579.7	455.1	78.5	27.3	18.9
Capitalised Labour	44.2				
<b>Total staff</b>	<b>623.9</b>				

## 4.7. Planned human resource expenditure

	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	2035/36 \$'000
<b>Chief Executive's Office</b>										
Permanent - Full time										
Woman	1,388	1,438	1,495	1,553	1,615	1,680	1,747	1,817	1,889	1,965
Man	1,329	1,378	1,432	1,488	1,547	1,609	1,673	1,740	1,810	1,882
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	237	246	255	265	276	287	298	310	323	336
Permanent - Part time										
Woman	169	175	182	189	196	204	212	221	230	239
Man	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	53	55	57	59	62	64	67	69	72	75
<b>Total Chief Executive's Office</b>	<b>3,175</b>	<b>3,291</b>	<b>3,422</b>	<b>3,554</b>	<b>3,696</b>	<b>3,844</b>	<b>3,997</b>	<b>4,157</b>	<b>4,324</b>	<b>4,497</b>
<b>People and Culture</b>										
Permanent - Full time										
Woman	1,254	1,300	1,352	1,404	1,460	1,518	1,579	1,642	1,708	1,776
Man	1,127	1,168	1,214	1,261	1,311	1,364	1,418	1,475	1,534	1,595
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	1,440	1,492	1,551	1,611	1,676	1,743	1,812	1,885	1,960	2,039
Permanent - Part time										
Woman	270	280	291	303	315	327	340	354	368	383
Man	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	58	61	63	65	68	71	74	76	80	83
<b>Total People and Culture</b>	<b>4,149</b>	<b>4,300</b>	<b>4,471</b>	<b>4,643</b>	<b>4,829</b>	<b>5,022</b>	<b>5,223</b>	<b>5,432</b>	<b>5,649</b>	<b>5,875</b>
<b>Corporate Services</b>										
Permanent - Full time										
Woman	6,374	6,606	6,869	7,133	7,418	7,715	8,023	8,344	8,678	9,025
Man	4,861	5,038	5,238	5,440	5,657	5,884	6,119	6,364	6,618	6,883
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	2,743	2,843	2,956	3,069	3,192	3,320	3,453	3,591	3,734	3,884
Permanent - Part time										
Woman	2,255	2,337	2,430	2,524	2,625	2,730	2,839	2,953	3,071	3,194
Man	1,160	1,203	1,250	1,298	1,350	1,404	1,461	1,519	1,580	1,643
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	130	135	140	146	152	158	164	171	177	184
<b>Total Corporate Services</b>	<b>17,523</b>	<b>18,162</b>	<b>18,883</b>	<b>19,610</b>	<b>20,394</b>	<b>21,210</b>	<b>22,059</b>	<b>22,941</b>	<b>23,859</b>	<b>24,813</b>
<b>Sustainable Communities</b>										
Permanent - Full time										
Woman	10,992	11,392	11,845	12,301	12,793	13,305	13,837	14,390	14,966	15,564
Man	6,425	6,659	6,924	7,190	7,478	7,777	8,088	8,411	8,748	9,098
Persons of self-described gender	165	171	178	184	192	199	207	216	224	233
Vacant	2,031	2,105	2,189	2,273	2,364	2,458	2,557	2,659	2,765	2,876
Permanent - Part time										
Woman	3,776	3,913	4,069	4,225	4,394	4,570	4,753	4,943	5,141	5,346
Man	301	312	324	337	350	364	379	394	410	426
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	744	771	802	833	866	901	937	974	1,013	1,054
<b>Total Sustainable Communities</b>	<b>24,433</b>	<b>25,324</b>	<b>26,330</b>	<b>27,343</b>	<b>28,437</b>	<b>29,574</b>	<b>30,757</b>	<b>31,988</b>	<b>33,267</b>	<b>34,598</b>
<b>Infrastructure &amp; City Services</b>										
Permanent - Full time										
Woman	3,083	3,196	3,323	3,450	3,588	3,732	3,881	4,037	4,198	4,366
Man	14,152	14,668	15,251	15,837	16,471	17,130	17,815	18,528	19,269	20,039
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	2,389	2,476	2,575	2,674	2,781	2,892	3,008	3,128	3,253	3,383
Permanent - Part time										
Woman	168	174	181	188	196	203	212	220	229	238
Man	134	139	144	150	156	162	169	175	182	190
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	-	-	-	-	-	-	-	-	-	-
<b>Total Infrastructure &amp; City Services</b>	<b>19,926</b>	<b>20,653</b>	<b>21,473</b>	<b>22,300</b>	<b>23,192</b>	<b>24,119</b>	<b>25,084</b>	<b>26,087</b>	<b>27,131</b>	<b>28,216</b>
<b>Casuals, temporary and other expenditure</b>	<b>5,314</b>	<b>5,507</b>	<b>5,726</b>	<b>5,947</b>	<b>6,184</b>	<b>6,432</b>	<b>6,689</b>	<b>6,957</b>	<b>7,235</b>	<b>7,524</b>
<b>Capitalised labour costs</b>	<b>5,976</b>	<b>6,526</b>	<b>6,820</b>	<b>7,127</b>	<b>7,412</b>	<b>7,708</b>	<b>8,017</b>	<b>8,337</b>	<b>8,671</b>	<b>9,017</b>
<b>Total staff expenditure</b>	<b>80,497</b>	<b>83,763</b>	<b>87,127</b>	<b>90,523</b>	<b>94,144</b>	<b>97,910</b>	<b>101,826</b>	<b>105,899</b>	<b>110,135</b>	<b>114,541</b>

	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Chief Executive's Office</b>										
Permanent - Full time										
Woman	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Man	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Permanent - Part time										
Woman	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Man	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
<b>Total Chief Executive's Office</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>
<b>People and Culture</b>										
Permanent - Full time										
Woman	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Man	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Permanent - Part time										
Woman	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Man	-	-	-	-	-	-	-	-	-	-
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
<b>Total People and Culture</b>	<b>27.2</b>	<b>27.2</b>	<b>27.2</b>	<b>27.2</b>	<b>27.2</b>	<b>27.2</b>	<b>27.2</b>	<b>27.2</b>	<b>27.2</b>	<b>27.2</b>
<b>Corporate Services</b>										
Permanent - Full time										
Woman	49.7	49.7	49.7	49.7	49.7	49.7	49.7	49.7	49.7	49.7
Man	35.1	35.1	35.1	35.1	35.1	35.1	35.1	35.1	35.1	35.1
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8
Permanent - Part time										
Woman	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
Man	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
<b>Total Corporate Services</b>	<b>136.0</b>	<b>136.0</b>	<b>136.0</b>	<b>136.0</b>	<b>136.0</b>	<b>136.0</b>	<b>136.0</b>	<b>136.0</b>	<b>136.0</b>	<b>136.0</b>
<b>Sustainable Communities</b>										
Permanent - Full time										
Woman	80.9	80.9	80.9	80.9	80.9	80.9	80.9	80.9	80.9	80.9
Man	39.7	39.7	39.7	39.7	39.7	39.7	39.7	39.7	39.7	39.7
Persons of self-described gender	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Vacant	18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1
Permanent - Part time										
Woman	33.2	33.2	33.2	33.2	33.2	33.2	33.2	33.2	33.2	33.2
Man	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
<b>Total Sustainable Communities</b>	<b>181.3</b>	<b>181.3</b>	<b>181.3</b>	<b>181.3</b>	<b>181.3</b>	<b>181.3</b>	<b>181.3</b>	<b>181.3</b>	<b>181.3</b>	<b>181.3</b>
<b>Infrastructure &amp; City Services</b>										
Permanent - Full time										
Woman	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6
Man	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0
Permanent - Part time										
Woman	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Man	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Infrastructure &amp; City Services</b>	<b>168.3</b>	<b>168.3</b>	<b>168.3</b>	<b>168.3</b>	<b>168.3</b>	<b>168.3</b>	<b>168.3</b>	<b>168.3</b>	<b>168.3</b>	<b>168.3</b>
<b>Casuals and temporary staff</b>	<b>46.2</b>	<b>42.5</b>	<b>39.9</b>	<b>39.2</b>	<b>39.2</b>	<b>39.2</b>	<b>39.2</b>	<b>39.2</b>	<b>39.2</b>	<b>39.2</b>
<b>Capitalised labour</b>	<b>44.2</b>	<b>44.2</b>	<b>44.2</b>	<b>44.2</b>	<b>44.2</b>	<b>44.2</b>	<b>44.2</b>	<b>44.2</b>	<b>44.2</b>	<b>44.2</b>
<b>Total staff numbers</b>	<b>623.9</b>	<b>620.2</b>	<b>617.7</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>	<b>616.9</b>

## 5. Financial performance indicators

The following table highlights Council's projected performance across a range of key financial performance indicators. These indicators provide an analysis of Council's 11-year financial projections and should be interpreted in the context of the organisation's objectives and financial management principles.

Indicator	Measure	Actual											
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
<b>Operating position</b>													
<b>Adjusted underlying result</b> (an adjusted underlying surplus is generated in the ordinary course of business)	<b>Adjusted underlying surplus (or deficit)</b> Adjusted underlying surplus (deficit) / Adjusted underlying revenue	5.1%	2.9%	(0.4%)	0.5%	0.5%	0.4%	0.0%	(0.5%)	(1.4%)	(1.6%)	(2.1%)	(3.0%)
<b>Liquidity</b>													
<b>Working Capital</b> (sufficient working capital is available to pay bills as and when they fall due)	<b>Current assets compared to current liabilities</b> Current assets / current liabilities	141.6%	157.2%	133.0%	134.8%	145.1%	155.8%	165.8%	176.3%	182.8%	188.4%	193.1%	196.4%
<b>Unrestricted cash</b> (sufficient cash that is free of restrictions is available to pay bills as and when they fall due)	<b>Unrestricted cash compared to current liabilities</b> Unrestricted cash / current liabilities	3.0%	(6.0%)	(8.5%)	(8.7%)	(9.2%)	(8.7%)	(9.8%)	(10.7%)	(10.9%)	(11.2%)	(10.1%)	(11.8%)
<b>Obligations</b>													
<b>Loans and borrowings</b> (level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities)	<b>Loans and borrowings compared to rates</b> Interest bearing loans and borrowings / rate revenue	16.0%	10.1%	8.1%	6.1%	4.2%	2.3%	0.8%	0.1%	-	-	-	-
<b>Loans and borrowings</b> (level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities)	<b>Loans and borrowings repayments compared to rates</b> Interest and principal repayments on interest bearing loans and borrowings / rate revenue	2.4%	5.7%	2.1%	2.0%	2.0%	1.9%	1.5%	0.8%	0.1%	-	-	-
<b>Indebtedness</b> (level of long term liabilities is appropriate to the size and nature of a Council's activities)	<b>Non-current liabilities compared to own-source revenue</b> Non-current liabilities / own source revenue	10.4%	8.7%	6.7%	5.1%	3.3%	1.8%	1.3%	1.2%	1.0%	1.2%	1.2%	1.1%
<b>Asset renewal</b> (assets are renewed as planned)	<b>Asset renewal compared to depreciation</b> Asset renewal and upgrade expense / Asset depreciation	130.7%	96.7%	113.9%	88.8%	88.9%	82.5%	88.5%	94.0%	92.8%	92.5%	91.2%	88.6%
<b>Stability</b>													
<b>Rates concentration</b> (revenue is generated from a range of sources)	<b>Rates compared to adjusted underlying revenue</b> Rate revenue / adjusted underlying revenue	82.6%	83.9%	84.8%	85.1%	85.0%	85.1%	85.0%	85.0%	85.0%	84.9%	84.9%	85.1%
<b>Rates effort</b> (rating level is set based on the community's capacity to pay)	<b>Rates compared to property values</b> Rate revenue / CIV of rateable properties in the municipality	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%
<b>Efficiency</b>													
<b>Expenditure level</b> (resources are used efficiently in the delivery of services)	<b>Expenses per property assessment</b> Total expenses/ no. of property assessments	\$3,586	\$3,701	\$3,926	\$3,978	\$4,071	\$4,165	\$4,279	\$4,400	\$4,540	\$4,654	\$4,785	\$4,923
<b>Revenue level</b> (resources are used efficiently in the delivery of services)	<b>Average rate per property assessment</b> General rates and municipal charges / no. of property assessments	\$2,154	\$2,257	\$2,336	\$2,410	\$2,458	\$2,507	\$2,558	\$2,610	\$2,662	\$2,716	\$2,772	\$2,828

## 6. Strategies and plans

This section describes the strategies and plans that support the 11-year financial projections included to the Financial Plan.

### 6.1. Borrowing strategy

#### Current debt position

The total amount borrowed as at 30 June 2026 is \$14.869 million, and this is expected to be reduced to \$12.284 million by 30 June 2027. Despite being within acceptable debt levels, this plan does not include any further borrowings.

#### Future borrowing requirements

The following table highlights Council's projected loan balances, including new loans and loan repayments for the 11 years of this plan.

	Actual											
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	24,715	22,344	14,869	12,284	9,585	6,767	3,823	1,421	122	-	-	-
Plus New loans	-	-	-	-	-	-	-	-	-	-	-	-
Less Principal repayment	2,370	7,475	2,585	2,699	2,819	2,943	2,402	1,299	122	-	-	-
<b>Closing balance</b>	<b>22,344</b>	<b>14,869</b>	<b>12,284</b>	<b>9,585</b>	<b>6,767</b>	<b>3,823</b>	<b>1,421</b>	<b>122</b>	-	-	-	-
Interest payment	1,001	894	588	474	354	228	110	34	1	-	-	-

#### Performance Indicators

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

Performance Indicator	Target	Actual										
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
		%	%	%	%	%	%	%	%	%	%	%
Total borrowings / Rate revenue	Below 60%	16.0%	10.1%	8.1%	6.1%	4.2%	2.3%	0.8%	0.1%	-	-	-
Debt commitment / Rate revenue	Below 10%	2.4%	5.7%	2.1%	2.0%	2.0%	1.9%	1.5%	0.8%	0.1%	-	-
Indebtedness / Own source revenue	Below 40%	10.4%	8.7%	6.7%	5.1%	3.3%	1.8%	1.3%	1.2%	1.0%	1.2%	1.1%

Council maintains its loan borrowing within prudent and management limits as demonstrated by the following performance indicators.

#### Total borrowings / rate revenue

The predicted ratio in this plan is well below target, indicating that Council is well within acceptable debt levels.

#### Debt commitment / rate revenue

The predicted ratio in this plan is well below target, indicating that Council is well within acceptable debt levels.

#### Indebtedness / own-source revenue

The predicted ratio in this plan is well below target, indicating that Council is well within acceptable debt levels.

## 6.2. Reserves strategy

### **Current reserves**

Restricted reserves are financial reserves that must be used to meet contractual or statutory obligations.

Discretionary reserves are financial reserves that are determined and spent at the discretion of Council.

### **Waste management reserve**

**Purpose:** This reserve is used to reconcile waste income against waste expenditure incurred by Council. These should have some correlation as the income is generally generated by a service charge included on the rate notice. This is very difficult in an extremely volatile market, so the reserve ensures that waste income and expenditure will be balanced over a number of years.

**Movements:** Inflows to the reserve (inflows) relate to a surplus of waste income over waste expenditure. Transfers from the reserve (outflows) relate to a deficit where waste expenditure exceeds waste income.

### **Car park reserve**

**Purpose:** This reserve relates to a car parking strategy for the commercial centre in Williamstown to address a number of car parking issues confronting Douglas Parade, Ferguson Street and Nelson Place.

**Movements:** Transfers to the reserve (inflows) comprise contributions from businesses in lieu of providing sufficient customer parking. Transfers from the reserve (outflows) fund additional parking spaces in designated areas.

### **Recreation land fund**

**Purpose:** This reserve holds funds contributed by developers for works associated with developing and improving public open space and recreational facilities within Council. Funds are contributed in accordance with Section 18 of the *Subdivision Act 1988* and transfers are restricted for the purpose of creating open space such as parks, playgrounds, pavilions and other such items where it is deemed that these works should occur at a later point than the initial development.

**Movements:** Transfers to the reserve (inflows) comprise contribution income from subdividers in lieu of the public open space requirement. Transfers from the reserve (outflows) fund open space capital projects annually.

### **Street tree planting reserve**

**Purpose:** This reserve holds funds contributed by developers to be used towards street tree planting and maintenance.

**Movements:** Transfers to the reserve (inflows) comprise contribution income from subdividers and developers. Transfers from the reserve (outflows) contribute to the annual street tree planting program.

### **Port Phillip Woollen Mills developer contribution plan (DCP)**

Purpose: This reserve holds funds received under Design and Development Overlay Schedule 1 of the Hobsons Bay Planning Scheme, relating to the former Port Phillip Woollen Mill development contributions plan. This plan covers land within Williamstown, roughly bounded by Nelson Place, Kanowna Street, Ann Street and Cecil Street and is associated with the former Port Philip Woollen Mills strategic redevelopment area.

Movements: Transfers to the reserve (inflows) comprise contribution income from developers. Transfers from the reserve (outflows) are for nominated capital works for development infrastructure projects and community infrastructure projects in accordance with the former Port Philip Woollen Mills development contributions plan.

### **Hobsons Bay caravan park DCP**

Purpose: This reserve holds community infrastructure levy funds received from the development of the former Hobson Bay caravan park site in Williamstown North. Funds are received via a section 173 agreement that is on the title to the land.

Movements: Transfers to the reserve (inflows) comprise community infrastructure levy income from the developers. Transfers from the reserve (outflows) will be for nominated community infrastructure projects that are within the proximity of the development site, and that has nexus to the development area.

### **Former Caltex site DCP (Precinct 16 East)**

Purpose: This reserve holds the community infrastructure levy funds received from the development of the former Caltex site at 38-48 Blackshaws Road in South Kingsville. Funds are received via the section 173 agreements that are on the title of the land.

Movements: Transfers to the reserve (inflows) comprise community infrastructure levy income from the developers. Transfers from the reserve (outflows) will be for nominated capital works for community infrastructure projects that are within the proximity of the development site, and that has nexus to the development area.

### **Altona North DCP (Precinct 15)**

Purpose: This reserve holds funds received under the Development Contributions Plan Overlay Schedule 2 of the Hobsons Bay Planning Scheme, relating to the Altona North development contributions plan. This plan covers land generally bounded by Kyle Road, Blackshaws Road, New Street, the West Gate Freeway and Brooklyn Terminal Substation in Altona North and South Kingsville.

Movements: Transfers to the reserve (inflows) comprise contribution income from developers. Transfers from the reserve (outflows) will be for nominated capital works for development infrastructure projects and community infrastructure projects in accordance with the Altona North development contributions plan. Payments can also be made from this reserve for development or community infrastructure projects that have been undertaken by the developer under this program, also known as “works in kind.”

### **Victorian Grants Commission reserve**

Purpose: This reserve holds funds received in advance from the Victorian Grants Commission for the financial assistance grant and local road funding relating to the next financial year.

Movements: Transfers to the reserve (inflows) comprise funds received in advance from the Victorian Grants Commission. Transfers from the reserve (outflows) are applied in the next financial year, for which the grant relates to.

### **General purpose reserve**

Purpose: This reserve is used to balance the available funding result and set aside funds for future capital works.

Movements: Transfers to the reserve (inflows) are mainly sourced from operational or capital budget savings. Transfers from the reserve (outflows) are aligned to Council's capital works program annually.

### **Capital works carryover reserve**

Purpose: This reserve is used to fund timing differences caused by projects being delayed (or brought forward) in the annual capital works program.

Movements: Transfers to the reserve (inflows) are equivalent to the amount of capital works delayed in the year that they are originally budgeted to be completed. Transfers from the reserve (outflows) fund capital works that have been delayed in the year that they will now be completed.

### **Loan repayment reserve**

Purpose: This reserve is designed to ensure that sufficient funds are available for future principle repayments of interest-only loans.

Movements: Transfers to the reserve (inflow) are equal to the deemed principal repayment of an interest-only loan in a given year. Transfers from the reserve (outflows) equal the final payment of an interest-only loan when they fall due.

## Reserve usage projections

The table below discloses the balance and annual movement for each reserve over the 11-year life of this plan. Total amount of reserves for each year aligns with the statement of changes in equity.

Reserves	Restricted / Discretionary	2024/25 \$000's	2025/26 \$000's	2026/27 \$000's	2027/28 \$000's	2028/29 \$000's	2029/30 \$000's	2030/31 \$000's	2031/32 \$000's	2032/33 \$000's	2033/34 \$000's	2034/35 \$000's	2035/36 \$000's
<b>Waste Management Sinking Fund</b>													
	Restricted												
Opening balance		(3,471)	(3,803)	(2,536)	(561)	2,043	4,296	6,195	7,728	8,882	9,644	9,999	9,932
Transfer to reserve		370	1,266	1,976	2,603	2,253	1,899	1,533	1,154	761	355	-	-
Transfer from reserve		702	-	-	-	-	-	-	-	-	-	67	505
Closing balance		(3,803)	(2,536)	(561)	2,043	4,296	6,195	7,728	8,882	9,644	9,999	9,932	9,426
<b>Car Park Reserve</b>													
	Restricted												
Opening balance		222	222	222	222	222	222	222	222	222	222	222	222
Transfer to reserve		-	-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		-	-	-	-	-	-	-	-	-	-	-	-
Closing balance		222	222	222	222	222	222	222	222	222	222	222	222
<b>Recreation Land Fund</b>													
	Restricted												
Opening balance		2,102	2,690	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390
Transfer to reserve		3,588	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Transfer from reserve		3,000	2,600	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Closing balance		2,690	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390
<b>Street Tree Planting Reserve</b>													
	Restricted												
Opening balance		132	240	121	75	75	75	75	75	75	75	75	75
Transfer to reserve		191	25	60	60	60	60	60	60	60	60	60	60
Transfer from reserve		84	144	106	60	60	60	60	60	60	60	60	60
Closing balance		240	121	75	75	75	75	75	75	75	75	75	75
<b>Port Phillip Woolen Mills DCP</b>													
	Restricted												
Opening balance		1,013	329	176	-	-	-	-	-	-	-	-	-
Transfer to reserve		16	-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		700	154	176	-	-	-	-	-	-	-	-	-
Closing balance		329	176	-	-	-	-	-	-	-	-	-	-
<b>Hobsons Bay Caravan Park DCP</b>													
	Restricted												
Opening balance		-	-	-	-	-	-	-	-	-	-	-	-
Transfer to reserve		47	-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		47	-	-	-	-	-	-	-	-	-	-	-
Closing balance		-	-	-	-	-	-	-	-	-	-	-	-
<b>Former Caltex Site DCP (Precinct 16 East)</b>													
	Restricted												
Opening balance		33	52	52	52	52	52	52	52	52	52	52	52
Transfer to reserve		19	-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		-	-	-	-	-	-	-	-	-	-	-	-
Closing balance		52	52	52	52	52	52	52	52	52	52	52	52
<b>Altona North DCP (Precinct 15)</b>													
	Restricted												
Opening balance		4,182	5,302	5,327	5,983	5,983	5,983	5,983	5,983	5,983	5,983	5,983	5,983
Transfer to reserve		1,121	24	657	-	-	-	-	-	-	-	-	-
Transfer from reserve		-	-	-	-	-	-	-	-	-	-	-	-
Closing balance		5,302	5,327	5,983	5,983	5,983	5,983	5,983	5,983	5,983	5,983	5,983	5,983
<b>Reserves Summary</b>													
	Total Restricted												
Opening balance		4,213	5,033	5,750	8,161	10,764	13,018	14,917	16,450	17,604	18,366	18,721	18,654
Transfer to reserve		5,352	3,616	4,993	4,963	4,613	4,259	3,893	3,514	3,121	2,715	2,360	2,360
Transfer from reserve		4,533	2,898	2,582	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,427	2,865
Closing balance		5,033	5,750	8,161	10,764	13,018	14,917	16,450	17,604	18,366	18,721	18,654	18,148

Reserves	Restricted / Discretionary	2024/25 \$000's	2025/26 \$000's	2026/27 \$000's	2027/28 \$000's	2028/29 \$000's	2029/30 \$000's	2030/31 \$000's	2031/32 \$000's	2032/33 \$000's	2033/34 \$000's	2034/35 \$000's	2035/36 \$000's
<b>Victorian Grants Commission Reserve</b>													
	Discretionary												
Opening balance		-	1,768	1,800	1,932	1,980	2,030	2,080	2,132	2,186	2,240	2,296	2,354
Transfer to reserve		1,768	1,800	1,932	1,980	2,030	2,080	2,132	2,186	2,240	2,296	2,354	2,413
Transfer from reserve		-	1,768	1,800	1,932	1,980	2,030	2,080	2,132	2,186	2,240	2,296	2,354
Closing balance		1,768	1,800	1,932	1,980	2,030	2,080	2,132	2,186	2,240	2,296	2,354	2,413
<b>General Purpose Reserve</b>													
	Discretionary												
Opening balance		4,823	11,615	7,142	4,260	2,141	3,712	4,910	5,112	5,615	6,512	7,589	8,561
Transfer to reserve		8,296	-	-	-	1,571	1,198	202	503	897	1,077	972	779
Transfer from reserve		1,504	4,473	2,882	2,119	-	-	-	-	-	-	-	-
Closing balance		11,615	7,142	4,260	2,141	3,712	4,910	5,112	5,615	6,512	7,589	8,561	9,340
<b>Capital Works Carryover Reserve</b>													
	Discretionary												
Opening balance		16,477	7,036	11,663	582	-	-	-	-	-	-	-	-
Transfer to reserve		14,036	11,663	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		23,477	7,036	11,081	582	-	-	-	-	-	-	-	-
Closing balance		7,036	11,663	582	-	-	-	-	-	-	-	-	-
<b>Loan Repayment Reserve</b>													
	Discretionary												
Opening balance		4,500	5,000	-	-	-	-	-	-	-	-	-	-
Transfer to reserve		500	-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		-	5,000	-	-	-	-	-	-	-	-	-	-
Closing balance		5,000	-	-	-	-	-	-	-	-	-	-	-
<b>Reserves Summary</b>													
	Total Discretionary												
Opening balance		25,800	25,419	20,605	6,774	4,121	5,742	6,990	7,244	7,801	8,752	9,885	10,915
Transfer to reserve		24,600	13,463	1,932	1,980	3,601	3,278	2,334	2,689	3,137	3,373	3,326	3,192
Transfer from reserve		24,981	18,277	15,763	4,633	1,980	2,030	2,080	2,132	2,186	2,240	2,296	2,354
Closing balance		25,419	20,605	6,774	4,121	5,742	6,990	7,244	7,801	8,752	9,885	10,915	11,753
<b>Reserves Summary</b>													
	Restricted & Discretionary												
Opening balance		30,013	30,452	26,356	14,935	14,886	18,759	21,907	23,695	25,405	27,118	28,606	29,568
Transfer to reserve		29,952	17,079	6,924	6,943	8,214	7,538	6,228	6,203	6,259	6,088	5,686	5,552
Transfer from reserve		29,513	21,175	18,345	6,993	4,340	4,390	4,440	4,492	4,546	4,600	4,723	5,219
Closing balance		30,452	26,356	14,935	14,886	18,759	21,907	23,695	25,405	27,118	28,606	29,568	29,901