



**10 year -  
Financial  
Plan**

**2021 - 22**  
↓  
**2030 - 31**



## Mayor and CEO introduction



Annalivia Carli Hannan  
Mayor Cr



Cathy Henderson  
CEO

**Moreland City Council acknowledges the Wurundjeri Woi Wurrung people of the Kulin Nation as the Traditional custodians of the lands and waterways in the area now known as Moreland, and pays respect to their Elders past, present, and emerging, as well as to all First Nations' communities who significantly contribute to the life of the area.**

The role of local Council's has never been more important. The pandemic has had serious impacts for our community and as we move towards recovery, we also need to plan for the future. Moreland has been planning carefully to ensure we continue to provide essential services, programs and facilities. Our new Council Plan aims to make Moreland an even better place to live – maintaining and increasing our parks and open spaces, supporting community health and wellbeing, fostering a vibrant culture and economy, and addressing climate change. This has been informed by community engagement and important feedback from community members.

The new Local Government Act 2020 introduced a requirement for all Councils to have a formally endorsed ten-year financial plan and we are pleased to share this document. Our community is growing and the Council has worked hard to develop a plan which makes efficiencies and controls costs, and seeks to increase revenue streams, so that we can fund much needed services and facilities.

You will see from this plan that a key financial challenge facing Council is the need to maintain and renew our critical community assets, many of which are ageing and require renewal. Council is also investing in new community infrastructure to meet the service

needs of our increasing and diverse Moreland population. A new long-term Community Infrastructure Plan is currently being developed, and this is due to be presented to the community in August 2022 for consultation alongside our 10-Year Asset Plan.

This Moreland City Council 10-year Financial Plan is an important document as it sets out how we will keep the organisation financially sustainable – and how we will fund the delivery of the Council Plan, the forthcoming Community Infrastructure Plan, and key projects. This will be a rolling financial plan which will be reviewed every year, informed by community feedback.

# Executive summary



**More parks close to home.**



The Financial Plan is one of a number of integrated documents that have been developed to provide a robust and transparent system of financial management aligned to the longer term aspirations for Moreland as expressed in the newly developed Community Vision and Council Plan – “Many Faces, One Moreland”.

The preparation of a 10-Year Financial Plan generates improved information to guide Council's decisions about the need, timing, and priority of proposed expenditure. Key financial indicators are also used to monitor Council's long-term financial sustainability and are in line with established benchmarks.

Moreland Council ensures we have the financial capacity to continue to provide service levels which meet the needs of our community in a financially sustainable way by:

- Maintaining a modest operating surplus over the life of the Financial Plan whilst spending on renewal and upgrade of community assets.
- Striving to continually improve the way that we deliver our existing and future services and proactively seeking out savings without affecting service delivery levels to the community.
- Monitoring our asset condition data and prioritising the renewal of community infrastructure and facilities.
- Addressing the increasing costs, environmental impacts and potential service changes to Council waste services. This includes a transition to a four-bin service to reduce waste to landfill and improve the quality of recyclables.

- Monitoring and planning for the ongoing demand for new infrastructure driven by growth, changes in demographics, and increasing community expectations. via the development of a comprehensive and evidence driven Community Infrastructure Plan that is discussed and supported by the community.
- Saving for significant investment in placemaking projects (such as the Glenroy Community Hub, Saxon Street Community Redevelopment). Placemaking projects capitalise on a community's assets, inspiration, and potential, with the intention of creating public spaces that promote people's health, happiness, and wellbeing.
- Saving for the “Parks close to home” strategies that will utilise a large proportion of the broader open space reserve funding to fill open space gaps across Moreland. Not

only creating and improving access to open space in the area but ensuring new parks and locations are sought opportunistically each year.

- Saving for significant investment in aquatic projects including the Fawkner and Coburg Leisure Centres. Upgrading and maintaining Aquatic and Leisure Facilities as outlined in the Moreland Aquatic and Leisure Strategy. Unlike general building infrastructure, Council's six facilities aquatic infrastructure have a life cycle of approximately 50 years and significant ongoing investment is required. Investment in this strategy reinforces Council's commitment to improving the health and wellbeing of residents by providing infrastructure and services that support good health outcomes.
- Maximise external contributions in relation to Development Contributions and Open Space Contributions.

- Ensuring that our debt and interest profile remains at a level that is low enough to guarantee our capacity to service and repay this debt into the future.
- Operating within the key financial indicators and benchmarks to ensure we maintain a sound financial position.
- Advocate strongly within the sector to secure funding where possible and strive to increase sustainable opportunities to diversify Council's revenue base.

In summary, Moreland Council is committed to ensuring the responsible and the maximum allocation of funds to initiatives to progress the ongoing and future needs of the Moreland community.



## Purpose of the 10-Year Financial Plan



Reaching our zero carbon targets by 2030.

## The objectives of the 10-Year Financial Plan



The purpose of the 10-Year Financial Plan is to demonstrate the financial stewardship of Council resources to ensure that the Moreland community can continue to receive quality services and enjoys well maintained facilities and infrastructure both now and into the future.

The development of the 10-Year Financial Plan is informed by the Council Plan and the medium to long-term service strategies adopted by Council. The Plan provides transparency in relation to the financial limits that need to be considered in the development of Council Plan's and the Community Vision, to inform future decisions and to set realistic expectations for community outcomes that can be achieved.

The 10-Year Financial Plan is developed to provide the financial management framework or business rules upon which sound financial decisions are made. It is not intended to be a document that specifically indicates what services or proposals, funds should be allocated to; rather it identifies its current and projected financial capacity to continue to deliver high quality services, facilities and infrastructure whilst living within its means.

This document outlines the key performance indicators and key assumptions that form the basis of the plan. Each year the 10-Year Financial Plan is reviewed and updated to reflect the current circumstances of Council and it is published once every four years to the community for comment.

The 10-Year Financial Plan takes the assumptions and budget parameters that have been applied to the annual budget and extends these out into years 5 to 10 to give a longer-term view of the Council's financial viability and outcomes.

The objectives of the financial plan are as follows:

- to maintain a sustainable Council in an environment of capped Council rate income and low increases in government grant funding;
- to balance the growing service needs of our community (both now and in the future);
- to meet the asset renewal requirements as outlined in asset management strategies;
- to allow for upgrades, expansions, and new facilities to meet the growing requirements of our diverse community;
- to allow for appropriate levels of maintenance for new and existing infrastructure into the future.

As part of this plan, Council has set the following goals:

- Maintain an annual cash positive budget, including an annual budget surplus;
- Ensure the adequate planning and saving strategies for significant projects;
- Maintain a working capital ratio (current assets / current liabilities) of greater than 1.5. In plain terms, this means for every \$1.00 of current liabilities, Council wants to have \$1.50 of current assets to ensure capacity to pay short-term debt and fund the day-to-day operating expenses of Council;
- Ensure adequate funds towards renewal of capital in order to replace assets and infrastructure as they reach the end of their service life: Asset renewal and upgrade expenses / Depreciation above 100% as recommended by VAGO;

- Ensure the indebtedness ratio (non-current liabilities as a percentage of own sourced revenue) remains less than 40% as recommended by VAGO. This means that Council has considered the ability to repay debt from own-sourced revenue (total revenue generated for the year minus grants and contributions).

The 10-Year Financial Plan forecasts continuing operating surpluses as a means to steadily improve Councils' long-term financial sustainability and to meet strong demand for operational services and infrastructure.



## Changes in the 10-Year Financial Plan

(Not reflected in the budget).



The 10 -Year Financial Plan expands the assumptions that have been applied to the year one of the annual budget (Adopted Budget) however, it should be noted that the following minor updates have been included in determining the statements included in this plan:

- The Balance Sheet opening balances have been updated to reflect the actual balances at 1 July 2021. This information was not available at the time the Annual Budget was adopted;

- The Cashflow opening balances have been updated to reflect the actual balances at 1 July 2021. This information was not available at the time the Annual Budget was adopted;
- The Contamination Reserve of \$1.0 million treated as part of the Capital Plan (Adopted Budget) and has now been transitioned to a long-term reserve.
- The remaining Bridge Reserve of \$729,000 has been transferred to the Significant Projects Reserve Balance.

- The timing of the sale of assets has been reviewed and impacts the results for 2021/22.

These items will be referred to Council to update as part of the Quarter One Forecast Review of the Adopted Budget before actioning.

The 10-Year Plan is a strategic document that does not override the Annual Budget process and/or decisions in relation to timing of expenditure but will assist to provide information that is crucial to long-term decision making.

## Link to the Integrated Planning and Reporting Framework

This section describes how the 10-Year Financial Plan links to the achievement of the Community Vision and Council Plan 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, Financial Plan and Asset Plan), medium-term (Council Plan, Workforce Plan, and Revenue and Rating Plan), and short-term (Budget). The 10-Year Financial Plan outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan.

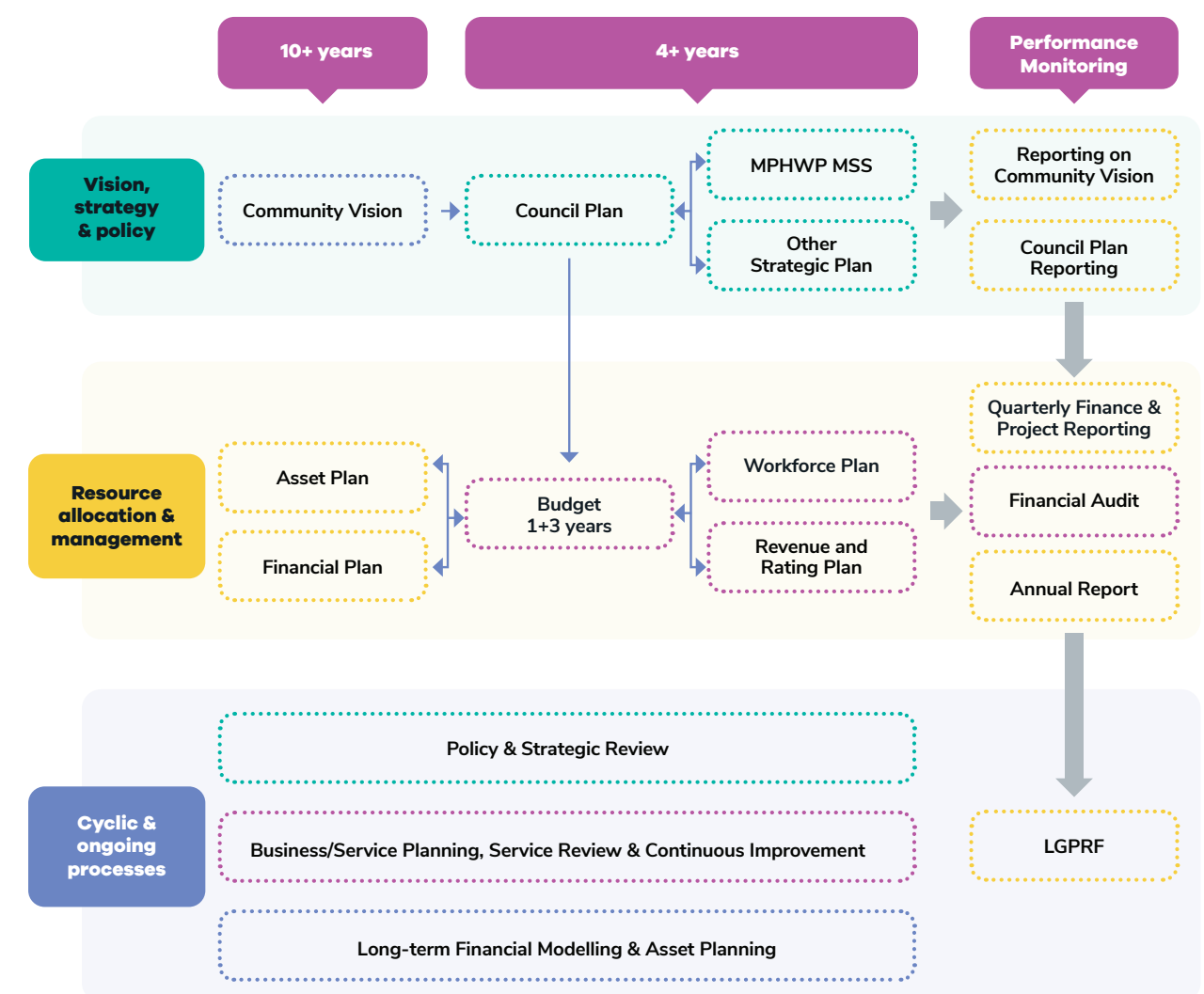
The framework will also provide for Council holding itself accountable (Annual Report and Quarterly Reporting).

## Legislative planning and accountability framework

The Local Government Act 2020 (the Act) addresses planning and financial management requirements including development of strategic planning, budgeting, and annual reporting documents. Part 4 of the Act and the Local Government (Planning and Reporting) Regulations 2020.

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.

The diagram below depicts the integrated planning and reporting framework that applies to local government in Victoria.



Source: Department of Jobs, Precincts and Regions



# Community vision



The Financial Plan is integral to delivery of the Moreland Community Vision, which was developed by an Imagine Moreland community panel through deliberative engagement.

The panel comprised 44 members of the local community that were randomly selected to match the demographic characteristics of Moreland and included representation from different geographical locations across Moreland, culturally and linguistically diverse (CALD) and non-English speaking communities, people with disability, and different groups relating to age, gender and sexual orientation.

The panel also included diversity relating to household status (rental and home ownership) as well as educational attainment and income levels. Over one quarter of members of the panel were also business owners and operators working in Moreland.



## Moreland is our home.

**We respect and look after our land, air, waterways, and animals.**

**We care for our people and celebrate our diverse stories, cultures, and identities.**

**Moreland is enhanced by all of us supporting our local businesses, arts communities, and social organisations.**

**We work together proactively and transparently to continue to create a vibrant, safe, healthy, resilient, innovative, and regenerative community.**

**Many faces, one Moreland.**

The Imagine Moreland community panel (deliberative panel) identified the above vision statement and the key themes that would be used to achieve this Vision and reflect the 'aspirations of our diverse and growing community in 2031'.



### Theme 01 An environmentally proactive Moreland

In 2031, Moreland is carbon neutral, embracing an entirely renewable energy system, innovative management of waste, and accessible active transport.

We have a circular economy, passive housing, food security, ample green spaces and canopy cover led by a well-informed proactive community.

We are a community connected to Country with healthy flora and fauna, through protection of ecosystems.



### Theme 02 Moving and living safely in Moreland

In 2031, Moreland is safe. Our streets are safe for pedestrians and cyclists, day and night. Everyone in Moreland is able to live in their homes without fear from others, both known and unknown.

In Moreland, we actively look out for each other and are well supported to do this by Council.



### Theme 03 A healthy and caring Moreland

In 2031, the Moreland community has healthy bodies and minds.

We have our basic needs met. We have ready access to mental health, crisis and domestic violence services as well as high quality health care. Moreland has reliable housing, nutritious food, with ample opportunities to move our bodies, keep our minds active and socially connect. Access to these are tailored to the unique needs of our diverse community.



### Theme 04 Vibrant spaces and places in Moreland

In 2031, living and working in Moreland is easy and enjoyable. Housing is affordable and caters for vulnerable and lower income groups. Our buildings are smart, green and fully integrated into the surrounding environment.

Moreland's public and commercial spaces bring people together in diverse ways. Acknowledging the unique strengths in different areas of Moreland, the Council and community support the development of vibrant hubs of arts, businesses, and recreation.



### Theme 05 An empowered and collaborative Moreland

In 2031, Moreland is a place that engages meaningfully and has a real commitment to collaboration.

The community is aware of all Council activities and trust in decisions and processes. The community will know where the unmet needs of our neighbours are and will be actively engaged in working towards a brighter future for all.

**A commitment to active collaboration will result in decisions and actions that address the needs of our community, are understood and embraced.**

**An involved and active community will feel heard, empowered, and a deep sense of belonging in being a part of the Moreland community**



## Engagement principles for the Financial Plan



## Overview and context setting assumptions



Moreland Council has implemented the following consultation process to ensure due consideration and feedback is received from relevant stakeholders:

Community engagement undertaken to inform the 10-year Financial Plan development process;

- A record number of contributions relating the 10-year Financial Plan were received via digital engagement tools and at 10 community based pop-up events held between February and March.
- A community panel was formed representing a cross-section of the Moreland community. Over 40 community members actively engaged in a community panel process over multiple sessions between March and June 2021 to write the Moreland Community Vision. The community panel also provided important feedback and input for Council in the development of this 10-Year Financial Plan.
- Draft Financial Plan prepared by management, incorporating all forms of community engagement and input received;
- Draft Financial Plan placed on public exhibition following the August 2021 Council meeting for a period of 22 days and called for public feedback submissions;
- Community engagement is conducted using the Imagine Moreland online portal, local news outlets, and social media;
- Hearing of public submissions to the Financial Plan at a special meeting in September.
- The Financial Plan, including any revisions, presented to October Council meeting for adoption.

### What are assumptions?

The 10-Year Financial Plan is based on several key assumptions about what might happen in the future. Whilst we take every care in assessing each of these assumptions, the information is sensitive to changes that are often outside of the control of Council.

In preparing our assumptions for the 10-Year Financial Plan, we need to balance our financial opportunities and our risks. In determining our assumptions, we use a range of information that includes historical trends, State or Federal Government sources, census data and projected cost estimates. Our confidence in the accuracy of our assumptions is greatest in the near-future and decreases as we approach 10 years.

An overview and context for each of the key assumption areas has been included on the following pages.



## Income assumptions

### Rates and annual Charges

In the 2016/17 financial year, rate capping was introduced for all Victorian councils. Under the legislation, councils cannot exceed the average annual rate increase above a predetermined percentage (the rate cap) without approval from the Minister for Local Government.

The rate cap set for 2021/22 is 1.5% and we have anticipated an increase to 2.0% in the later years of the Financial Plan. It should be noted that the Minister for Local Government announces the actual rate cap in December of the year preceding the annual budget.

The Council has adopted a Revenue and Rating Plan 2021 – 2025 that details the rating principles that are applied by Moreland consistently over the ten years of the Financial Plan.

The 10-Year Financial Plan is based on the following rating principles:

- Single (Uniform) rate for all property types – i.e. no differential rates
- No municipal charge
- No application to exceed the rate cap
- Waste charges are excluded from the rate cap assessment.

The overall growth in the numbers

of properties is expected to reduce over the next 10-years of the Financial Plan. We anticipate an oversupply of apartments, that will override the demand for townhouses, will stay steady.

### Waste services charge

The waste services charge relates to kerbside collection of garbage, recycling, and food and garden organics (FOGO) bins, as well as the hard waste collections. Council applies a cost recovery model to determine the service charge related to waste on an annual basis.

The 2021-22 annual waste charge has increased by 25%. Forward forecasts of the waste services charge, consider predicted changes to tonnages of waste collected, increases to state government tipping charges, general contractor increases plus predicted costs related to changes in the way that waste may be collected and disposed of in future.

Early last year, the Victorian Government announced that all local Council waste services will transition to a four-bin service to reduce waste to landfill, improve the quality of recyclables, and have a system that we can rely on. The four bins or streams will separate:

- garbage (red lid)
- recycling (yellow lid)

- food and garden organics (FOGO) (light green lid)
- glass (purple lid).

This will mean changes to the size of bins and how often they are collected. We are also looking at changes to improve our hard waste service. The changes to our waste service won't happen until late 2022 and a proposed waste service is outlined in a new draft Kerbside Waste Services and Charges Policy that has been released on the 14 July 2021 for community consultation.

### User fees and charges

User fees and charges assist Council to offset the cost of certain types of service delivery directly with the user rather than funding through rates income. Revenue raised from council fees and charges for the provision of services and the use of facilities can be divided into two categories:

- a) statutory and regulatory fees and charges - which are set by regulation or another authority and which Council has no discretion to increase; and
- b) other fees and charges - which are set by Council and which Council has the discretion to increase.

As a general guide, user fees and charges are escalated in the financial plan by 3% each year.

This increase represents the cost increase to Council for the provision of these services which is often directly linked to the costs of maintaining the facilities.

Council continues to strive to increase sustainable opportunities to diversify Council's revenue base, including non-rate and non-fee-based revenue streams.

### Interest income

Surplus funds are invested in line with the Council's Investment Policy. Interest income is based on predicted cashflows, cash balance, and investment returns. The interest rate returns are predicted to remain extremely low with a return of 1%. Council has committed through the Fossil Fuel Divestment Strategy to actively invest with fossil free financial institutions within the Investment Policy parameters. Currently, Council has committed to ensuring that a minimum of 70% of all term deposits held are a green investment.

### Contribution income

The Council receives income from development for two main purposes:

- to improve open space and recreation (public open space contributions); and
- to improve the infrastructure and amenity of the municipality (developer contributions).

The Open Space Contribution Scheme is anticipated to be revised in 2023/24 and it is predicted that revenue from this scheme will increase substantially enabling Council to bring forward the completion date of a range of capital projects to improve recreation and open space outcomes for our community.

The current Development Contribution Scheme imposes a development infrastructure levy to fund a range of social and physical infrastructure to meet the future needs of the community. We need to complete delivery of our current scheme and are seeking ministerial approval to extend the expiry date for infrastructure delivery of the Development Contributions Plan to 30 June 2026. All collection of DCP levies will cease at 30 June 2023 until a new scheme is in place. This is assumed to be 2027/28.

### Sale of assets

Council replaces a range of vehicles and items of plant as part of planned an ongoing replacement program that is governed through Council's Asset Management Strategies.

Only specifically identified and predicted property assets due for sale during the life of the plan have been included in the Financial Plan.

### Grants

Council recognises the importance of actively pursuing and maintaining grant funding from all available sources.

Commonwealth Operating Grants for aged services, home support and children's services are estimated at \$7.3 million for 2021/22. State based funding for library services, maternal child and health and financial assistance grants are estimated at \$11.7 million for 2021/22. Forward estimates project an annual increase of 2% for the life of the Financial Plan.

The level of capital grants is determined based on the nature and level of projects included in the Capital Works Program and vary widely. For the life of the plan, it has been assumed that non-recurrent 'specific purpose' grant funding will be maintained at 2% of overall income and reflects a minor escalation in the levels of funding anticipated from the State and Federal Government.

Both sources of grant funding are reliant on external parties and there is an inherent level of risk in placing a reliance on these funds.



Expenditure assumptions

Employee costs

Council provides services to the community by a combination of employees and contracted service providers. Employee costs are one of the largest expenditure assumptions which represent approximately 50% of overall expenses and this is largely attributed to an internal service delivery model for maintenance, a large proportion of waste services, maternal child, and health services and aged care.

Total employee costs are a combination of direct wages and salaries, overheads that include workers compensation, superannuation, and training.

Whilst maintaining the current staffing levels, total employment costs are forecast to increase over the life of the plan considering such factors as salary banding increment increases and employer superannuation liabilities.

No allowance has been made for the impact of population growth or the change in dwellings growth on the employee cost budget or overall employee numbers.

Materials services

Materials and Services include materials, contractors, external maintenance costs and utilities used by the Council in delivering our services to the community.

An adequate recurrent budget for maintenance, remediation and management of open space will ensure that our parks, constructed assets, and landscapes are in a safe, useable and attractive state and the vegetation is healthy. It will also ensure that open space is managed sustainably in a way that protects and enhances it's ecology. These maintenance costs are increased by CPI on an annual basis and by a growth factor of 1% to allow for an increase open space acquisition via the Open Space Reserve. Maintenance costs for all other assets are also increased by CPI on an annual basis and by a growth factor of 1% to allow for an increase is asset growth (new infrastructure).

Council is actively investing in projects to improve the energy efficiency of it's buildings, streetlights, and other assets. Council utilises competitive tenders as a further way of stabilising cost increases. These strategies have a positive impact on the environment through reduced demand for energy and also help mitigate price increases for energy.

It has been assumed that the Council will continue to rationalise the external costs by reviewing opportunities to reduce costs, increase efficiency, and utilise competitive tenders as a further way of stabilising cost increases.

The 10-Year Financial Plan assumptions provide for an average overall increase for Materials and Services of 1% (less than CPI).

Depreciation

Depreciation is a non-cash accounting entry that represents the monetary value of an asset decreasing overtime due to wear, tear, and obsolescence.

Depreciation of Council's infrastructure assets is determined from information contained within the various asset management plans and strategies.

Other expenses

Other expenses relate to a range of costs incurred to support the wide range of community services delivered by a Council. Other expenses include insurance, legal, telecommunications, software licences, bank charges, postage, and specialist advice.

The 10-Year Financial Plan assumes that insurance costs will increase by 5% per annum and it has been assumed that the Council will continue to rationalise the external costs by reviewing opportunities to reduce costs, increase efficiency, and utilise competitive tenders as a further way of stabilising cost increases across this expense category.

The 10-Year Financial Plan assumptions provide for an average overall increase for Other Expenses of 1% (less than CPI).

Understanding the accounting surplus

The accounting surplus or comprehensive results is the total income less the total expenses (net income). The accounting surplus is used for funding several other items in Council's operations, such as loan principal repayments and rates funded capital. The table on the next page shows the comprehensive result is allocated.



Understanding the accounting surplus

Assumption	Projections									
	2021 / 2022	2022 / 2023	2023 / 2024	2026 / 2027	2028 / 2029	2030 / 2031	2031 / 2022	2021 / 2022	2021 / 2022	2030 / 2031
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Total accounting surplus	43,604	35,192	38,285	32,565	39,262	43,895	42,875	43,762	41,244	44,938
Restrictions										
Capital grants	8,696	3,329	8,204	3,984	7,342	3,504	3,561	3,649	3,738	3,830
Contributions - cash	10,932	10,572	8,650	8,290	8,663	10,515	10,725	10,940	11,158	11,382
Loan repayments										
Loan principal repayments	1,981	11,006	3,075	3,151	15,396	3,388	1,475	1,489	1,586	842
Capital Works Program										
Rates funded capital works	38,094	39,083	40,764	39,507	41,218	45,149	46,647	47,332	45,035	49,198
Add back: Non cash - Depreciation	(26,844)	(26,931)	(28,881)	(30,073)	(31,314)	(27,185)	(28,137)	(28,317)	(29,031)	(29,206)
Net reserve movements										
Defined Benefit Reserve	500	1,000	1,000	1,000	1,000	1,000	1,000	499	-	-
Significant Projects Reserve	7,690	4,000	5,000	4,000	3,500	5,757	5,760	6,259	6,757	6,757
Affordable Housing Reserve	(181)	(58)	50	50	50	50	50	50	50	50
Local Government Funding Vehicle Reserve	2,405	1,405	405	1,705	(7,325)	-	-	-	-	-
Leisure centre reserve	-	500	500	500	500	500	500	500	500	500
Contamination allowance reserve	1,000	-	-	-	-	-	-	-	-	-
Net movement in retained earnings	(671)	(8,713)	(483)	452	232	1,217	1,294	1,361	1,451	1,584

Balance Sheet assumptions

Cash and investments

Whilst Council has a very significant total cash and investment balance, a major proportion of the cash held is committed to reserves and/or restricted use reserves.

The increasing amount of uncommitted cash is consistent with Council’s objective of improving long-term financial sustainability and having a level of uncommitted cash that may be used to respond to changes in circumstances and priorities as determined by Council.

An example of this is the Significant Projects Reserve that is a long-term saving strategy to fund projects like the Glenroy Community Hub, the Saxon St redevelopment, Fawkner Leisure Centre Redevelopment and the Coburg Leisure Centre Redevelopment.

The uncommitted cash balance at 30 of June each year is required to be maintained at a level equivalent to 25% or 3 months of operating costs to ensure enough cash flow is maintained for operations. This is broadly equivalent to \$50 million of uncommitted cash.

**Assets**

Council owns and controls a wide variety of assets ranging from land and buildings to roads, drains, footpaths and open space improvements. The total value of Council’s fixed assets is \$2.4 billion and is made up of land owned or managed by Council, land under roads and renewable infrastructure such as roads, footpaths, drains, buildings and other plant and equipment.

As part of the preparation of the 10-year Financial Plan, the costs of renewing existing assets have been prioritised over capital expenditure on new assets. Council has established a renewal ratio of 1.3 times depreciation, indicating that for every \$1 dollar of

depreciation (an expense approximating the value of an asset used up during the year), \$1.30 is planned to be spent on renewing existing assets.

It is critical that Council continues to renew existing assets in the Capital Works Program as a failure to do so may reduce the service potential of assets and increase whole of life costs.

**Borrowings**

Moreland Council has a significant borrowings portfolio that includes both principal and interest, and interest only loans. The 10-year Financial Plan assumes the repayment of \$8.0 million in an interest only loan in 22/23 and commits to reserve contributions to repay the remaining \$12.1 million at it’s maturity in 26/27.

Based on the results for 20/21, Council has resolved to bring forward the repayment of the \$8.0 million interest only loan to November 2021.

While Council has the option of sourcing loan borrowings to help fund the Capital Works Program in the future, the 10-Year Financial Plan does not forecast any loan borrowings for this purpose. It is anticipated that a substantial loan will be required to fund a shortfall in the projected costs associated with the Coburg Leisure Redevelopment that is recommended in the Aquatics and Leisure Strategy immediately beyond the 10-year horizon of this Financial Plan.

**Provisions**

Council provides for annual leave and long service leave benefits that will be required to be paid out to officers following seven years’ service. The annual calculation to determine this provision is in accordance with AASB 119 Employee Benefits and the 10-Year Financial Plan assumptions provide for 2% increase in this each year.



## Reserves

Reserves are funds that have been set aside and act as a future funding source for specific purposes. These reserve funds do not have bank accounts of their own but are a theoretical split up of the cash that Council has on hand for a future identified need or obligation. Moreland has two types of reserves being a restricted and unrestricted reserve.

### Restricted Reserves

The usage of these funds is governed by legislation (or other legal requirements) and are not available for other purposes.

### Unrestricted Reserves

Unrestricted reserves are a mechanism by which Council re-directs surplus Council funds to strategic projects and initiatives that require savings over time. The usage of unrestricted reserves requires resolution of Council and the availability of unrestricted cash to meet the intent of the reserve funding objectives is necessary to take advantage of identified opportunities at short notice.

### Defined Benefit Scheme (DBS) Reserve

There are two types or Superannuation Funds that exist for Moreland Staff being the Superannuation Guarantee (SG) and Defined Benefits. The Defined Benefit Program closed to new members on 31/12/1993, but transitional employees at Moreland

will still be on this plan (approx. 60 people). They will remain on this plan until:

- The employee is terminated
- The employee retires
- The maximum eligibility term has been reached, i.e.) 40 years
- The employee turns 65 years of age and is no longer eligible.

Moreland City Council's Defined Benefit Fund (Vision Super) determines the amount of contributions that should be paid by the participating employers, based on advice from the Fund Actuary. The contributions from all councils are pooled together to pay the defined benefits as they become payable, regardless of whether the DB member is a current employee/former employee of MCC.

If the fund is in an unsatisfactory financial position, any shortfall in fund assets will be required to be met by the respective Councils via a notice of call.

In 2011, Council was required to make a payment totalling \$12.1 million plus a further \$2.1 million in contributions tax to the Fund for Shortfall (unfunded liability) due to low investment returns achieved by the fund.

An unrestricted reserve exists and will be increased until we have a balance of \$20 million. This reserve target value in the 10-Year Financial Plan will ensure that if the investment market utilised by the fund, experiences a significant

loss (based on an occurrence of a 5-7% negative return for the fund plus contributions tax) we have the required funding to make payment to Vision Super as legislated.

### Significant Projects Reserve (Unrestricted)

The Significant Projects Reserve is an unrestricted allocation of funding to ensure delivery of strategic projects like the Glenroy Community Hub, Saxon St Redevelopment, Fawkner Leisure Centre Redevelopment and the Coburg Leisure Centre Redevelopment (10 years+).

### Housing Strategy (Unrestricted)

The Housing Strategy Reserve is an unrestricted allocation of funding to ensure delivery of community housing projects of a strategic nature. Council recognises that many residents are experiencing problems with housing affordability, and that affordability is an issue across all tenure groups.

Initially Moreland City Council set aside funds to contribute towards joint venture projects and related costs. About half of the fund has been spent on land purchases and contributions towards construction costs in Social Housing Innovations Project dwellings.

Some of the remaining funds of the housing reserve will be used to support projects with Housing Associations and Housing Providers, whilst the other funds will be used to 'top up' planning,

design and construction costs on a project-by-project basis. The intention is to promote advanced social and environmental features to reduce long-term housing costs for tenants and to model (and monitor) social and environmental innovation.

This reserve is to be increased by \$50,000 per annum during the term of the plan, however there is currently no identified usage of these funds in the outer years of the 10-Year Financial Plan. Moreland expects to support future projects through our current vehicle – Moreland Affordable Housing Ltd.

### Local Government Funding Vehicle (Unrestricted)

The Local Government Funding Vehicle Reserve is an unrestricted allocation of funding to ensure repayment of the remaining interest only loans. The 10-Year Financial Plan assumes the repayment of \$12.1 million in 2026.

### Open Space Reserve (Restricted)

All Public Open Space Contributions are collected into the Public Recreation Resort and Land Fund (PRRLF).

Contributions may only be used to purchase land for use as public open space; improve land set aside, zoned or reserved for use as public open space; or improve land not set aside, zoned or reserved for use as public open space, but only with the approval of the Minister.

Public open space means land set aside in a plan or land in a plan

zoned or reserved under a planning scheme for public recreation or public resort, as parklands, or for similar purposes.

The use of the fund for the purchase of land for open space would extend to the human resources associated with the buying of the land and converting it to open space, along with funding all aspects of its conversion to open space, such as engaging contractors to design open space or deliver play equipment. There is no requirement to spend the Open Space Fund in the suburb from which it was collected.

The 10-Year Financial Plan has not forecast reserve spending beyond the annual levels allocated to enhancing our playgrounds and parks. Spending in relation land purchases occurs as opportunities to purchase in identified strategic areas are identified generally in accordance with Council's adopted framework to fill open space gaps known as A Park Close to Home. While details of land purchases are not included in the Financial Plan, Council's adopted approach under the framework has been to allocate approximately 10% of the previous full financial year's income from the reserve to open space upgrades and improvement projects across Moreland as part of the annual budget process. As the framework is scheduled to be incorporated into the review of the Moreland Open Space Strategy being conducted this financial year, this approach may be subject to change.

### Leisure Centre Development (Unrestricted)

Unlike general building infrastructure, aquatic infrastructure has a life cycle of approximately 50 years, with all of Council's six facilities at varying stages of this. The Aquatics and Leisure Strategy requires that contingency funding is available for either of the two seasonal outdoor pools to address any major/catastrophic plant/equipment or infrastructure failure.

This reserve is to be increased by \$500,000 per annum during the term of the plan, however there is currently no specified usage of these funds in the outer years of the 10-Year Financial Plan as the reserve is used for reactive maintenance works.

### Contamination Allowance (Unrestricted)

This reserve is set aside allow for funding to be available to manage any unplanned contamination events that might occur during construction, redevelopment or upgrade of Council assets in the ordinary course of operations. This is an unrestricted reserve with no identified usage of these funds in the 10-Year Financial Plan.



Assumptions to the Financial Plan statements

This section presents information in regard to the assumptions to the Comprehensive Income Statement for the 10 years from 2021-22 to 2030-31.

Description and table of annual escalations, for the 10-year period, for each income and expenditure line item contained in the Comprehensive Income Statement.

Assumption	Notes	Forecast Actual	Projections		
		2020/21 (%)	2021/22 (%)	2022/23 (%)	2023/24 (%)
Rate Cap Increase	1	2.00%	1.50%	2.00%	2.00%
Supplementary Rates	2	1.00%	0.30%	0.30%	0.30%
Population Growth	3	1.01%	1.01%	1.01%	1.01%
Investment Interest Rate	4	0.40%	1.00%	1.00%	1.00%
Borrowing Interest Rate	4	1.77%	2.26%	2.56%	2.04%
CPI	5	2.00%	1.50%	1.75%	2.00%
User Fees	6	3.00%	3.00%	3.00%	3.00%
Statutory Fees & Fines	7	0.00%	2.00%	2.00%	2.00%
Grants - Operating (recurrent)	8	2.00%	2.00%	2.00%	2.00%
Grants - Capital (non-recurrent)	9	3.30%	3.60%	1.40%	3.40%
Contributions - DCP	10	2.00%	2.00%	2.00%	0.00%
Contributions - Open Space	10	2.00%	2.00%	2.00%	2.00%
Other Income		3.00%	3.00%	3.00%	3.00%
Materials and Services	11	1.00%	0.00%	1.00%	1.00%
Bad and doubtful debts		1.00%	1.00%	1.00%	1.00%
Depreciation	12	1.19%	1.16%	1.17%	1.20%
Other Expenses		1.00%	1.00%	1.00%	1.00%

Projections						
2024/25 (%)	2025/26 (%)	2026/27 (%)	2027/28 (%)	2028/29 (%)	2029/30 (%)	2030/31 (%)
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
2.04%	2.04%	1.40%	1.10%	1.10%	1.10%	0.70%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
1.60%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%
0.00%	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.24%	1.26%	1.10%	1.10%	1.10%	1.10%	1.10%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Notes to Assumptions

- 1. Rate Cap**

Under the “Fair Go Rates” System, the Minister of Local Government sets the maximum amount that rates can be increased each year. The rate cap for the 2021/22 year has been set at 1.5%. For the remaining years Council has set the rate cap at 2%. Rating increases are prepared in line with the Rating and Revenue Plan.
- 2. Supplementary Rates**

Development growth has been strong in Moreland over a long period of time. While this growth is expected to continue, over the past year development has been slowing down. This will be closely monitored to understand the impact to Council. Council is conservative in it’s approach to forecasting supplementary rates as the revenue generated from supplementary rates is required to fund the extra pressure the development puts on Council’s assets and services.
- 3. Population Growth**

“Moreland’s population was an estimated 185,767 in 2019 and our forecast suggests population will grow to 228,425 by 2036. This is annual average increase of 1%.

- 4. Investment & Borrowing Interest Rate**

The official RBA cash rate is now 0.1% (as at April 2021) and remains unchanged from November 2020. In the most recent Statement on Monetary Policy in February 2021, the Reserve Bank Governor noted that in the baseline scenario “inflation is expected to pick up a little alongside the gradual decline in the unemployment rate, to be 1.75% by mid 2023”. With an uncertain economy, a conservative approach has been taken in setting the investment return and borrowing interest rate.
- 5. CPI**

Consumer price index for the first three years is consistent with the Victoria State Government’s CPI outlook which is set in its 2020/2021 budget. A conservative approach has been adopted with a CPI increase of 2% in the outer years.
- 6. User Fees**

Council raises approximately \$6.4 million in user fees which are charged for private services provided by Council. Future increases in user fees set by Council are assumed to increase by 3% per annum.

- 7. Statutory Fees and Fines**

Council raises approximately \$15 million in fees and fines which are imposed in line with legislation governing local government activities such as planning permits, animal registrations and parking fines. The fees for these services are set out in State legislation and regulations, and increases are controlled by the unit rate in the Monetary Units Act 2004. Council has estimated that statutory fees and fines will increase by 2%, this is subject to change when the unit rates are set in April each year.
- 8. Grants - Operating (recurrent)**

Council receives approximately \$19.1 million annually in operating grants from State and Commonwealth sources for the purposes of funding the delivery of services to ratepayers. A percentage increase of 2% has been applied to the forward periods.
- 9. Grants - Capital (non-recurrent)**

Council has assumed that grant revenue in the first 4 years will come from already identified funding sources for specific projects that are within the 4-year budget. In the outer years, Council has assumed that 1.4% of the total revenue will come from capital grants, this revenue is used to fund capital works projects.

- 10. Contributions**

Contributions are levied on developers for the purpose of offsetting future costs associated with the creation of open space and new community infrastructure. The level of contributions has decreased for the 2021/22 financial year based on actual contributions received over the past year as a result of a decline in the number of planning permits and higher value apartment developments. It has been assumed that this downward trend will continue. Council has assumed that a new Developer Contribution Plan (DCP) will commence in 2026-27.
- 11. Materials and Services**

Materials and services basic indexation has been set at 0% for 2021/22 and 1% per annum for the remaining years (with the exception of major contracts and utilities). This below CPI increase is a reflection of Council’s commitment to continuous improvement and finding efficiencies to continue delivering council services without seeking an exemption from the rate cap.
- 12. Depreciation**

Depreciation is on average 1.1% of the total asset valuation base.



Financial Reports

This section presents information in regard to the Financial Plan Statements for the 10 years from 2021-22 to 2030-31.

**Comprehensive income statement**  
An accrual-based statement that includes non-cash items such as depreciation charges but does not include capital items such as capital works expenditure.

**Balance sheet**  
A representation of the Assets and Liabilities of the Council.

**Statement of changes in equity**  
Represents accumulated surplus, revaluation reserve and other reserve movements at 30 June each financial year.

**Statement of cash flows**  
Provides a summary of cash inflow and outflows by type of activity – being either operating, investing or financing.

**Statement of capital works**  
Sets out all the expected capital expenditure in relation to non-current assets for the year. It provides information related to the capital works expenditure including the funding source, the value of renewal of assets, upgrades and expansion of assets, and new assets.

**Statement of human resources**  
Sets out Council staff expenditure and staff numbers.

Projected comprehensive income statement for the 10 years ending 30 June 2031

	Actual 2020/21 (\$'000)	2021/22 (\$'000)	2022/23 (\$'000)
Income			
Rates & charges	163,998	171,645	176,816
Statutory fees and fines	10,669	15,022	13,251
User fees	6,026	6,378	6,359
Contributions - cash	13,729	11,213	10,861
Grants - operating (recurrent)	32,540	19,059	19,180
Grants - capital (non-recurrent)	5,678	8,696	3,329
Other income	4,109	6,207	6,198
Net gain/loss on disposal of PPE	0	3,800	0
Contributions - non-monetary assets	401	0	0
Fair value adjustments for investment property	1,225	0	0
Total income	238,374	242,020	235,994
Expenses			
Employee costs	104,255	99,593	100,973
Materials and services	63,925	66,756	67,621
Bad and doubtful debts	2,865	2,911	2,092
Depreciation	27,280	27,191	27,864
Amortisation - Right of use assets	236	236	236
Finance costs	937	981	1,277
Other expenses	4,429	749	739
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	5,054	0	0
Total expenses	208,982	198,416	200,802
Surplus (deficit) for the year	29,392	43,604	35,192
Net asset revaluation increment (decrement) reversals	667	0	0
Comprehensive result	30,059	43,604	35,192

2023/24 (\$'000)	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)
180,486	184,366	188,755	193,097	195,902	200,849	205,938	211,156
13,594	13,946	14,340	14,746	15,171	15,610	16,060	16,525
6,419	6,759	6,792	6,986	7,185	7,391	7,603	7,821
8,847	8,493	8,663	10,515	10,725	10,940	11,158	11,382
18,965	19,257	19,557	19,863	20,175	20,494	20,819	21,150
8,204	3,984	7,342	3,504	3,561	3,649	3,738	3,830
6,338	6,799	7,007	7,151	7,299	7,451	7,607	7,768
1,000	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
243,853	243,605	252,456	255,862	260,018	266,384	272,923	279,632
102,735	105,441	106,505	109,720	113,260	116,894	120,656	124,540
69,087	70,705	70,600	70,817	71,552	73,200	77,764	76,698
2,113	2,134	2,155	2,177	2,199	2,221	2,243	2,265
29,815	31,007	32,248	28,355	29,307	29,487	30,201	30,376
236	236	236	0	0	0	0	0
835	761	685	125	43	29	15	3
747	756	764	773	782	791	801	811
0	0	0	0	0	0	0	0
205,568	211,040	213,194	211,967	217,143	222,622	231,680	234,694
38,285	32,565	39,262	43,895	42,875	43,762	41,244	44,938
0	0	0	0	0	0	0	0
38,285	32,565	39,262	43,895	42,875	43,762	41,244	44,938

Balance sheet for the 10 years ending 30 June 2031

	Actual 2020/21 (\$'000)	Projections				
		2021/22 (\$'000)	2022/23 (\$'000)	2023/24 (\$'000)	2024/25 (\$'000)	2025/26 (\$'000)
Assets						
Current assets						
Cash and cash equivalents	57,425	58,236	56,929	56,578	55,435	50,571
Trade and other receivables	32,425	32,911	34,331	30,728	31,746	35,943
Other assets	2,419	2,337	2,314	2,290	2,268	2,245
Other financial assets	51,500	60,000	70,000	70,000	80,000	90,000
Inventories	397	300	300	300	300	300
Total current assets	144,166	153,785	163,873	159,896	169,748	179,059
Non-current assets						
Property, infrastructure, plant & equipment	2,273,912	2,354,986	2,377,978	2,478,993	2,498,891	2,565,429
Investment property	27,225	27,225	27,497	27,772	28,050	28,330
Unlisted shares	2	2	2	2	2	2
Other assets	1,181	945	709	473	236	0
Total non-current assets	2,302,320	2,383,158	2,406,186	2,507,240	2,527,179	2,593,763
Total assets	2,446,486	2,536,943	2,570,060	2,667,136	2,696,928	2,772,822
Liabilities						
Current liabilities						
Trade and other payables	14,857	21,875	13,044	16,057	15,721	5,695
Interest bearing loans and borrowings	9,907	1,817	10,846	2,922	3,000	15,250
Provisions	28,481	27,856	27,540	28,086	28,670	29,216
Trust funds & deposits	6,466	671	681	692	702	712
Total current liabilities	59,711	52,219	52,111	47,757	48,093	50,873
Non-current liabilities						
Provisions	1,826	1,865	1,904	1,945	1,986	2,029
Interest bearing loans and borrowings	24,483	32,408	30,402	27,326	24,176	8,780
Total non-current liabilities	26,308	34,273	32,306	29,271	26,162	10,809
Total liabilities	86,019	86,492	84,416	77,029	74,255	61,682
Net assets	2,360,466	2,450,451	2,485,644	2,590,108	2,622,672	2,711,139
Equity						
Other reserves	79,067	86,082	94,820	94,507	102,403	107,534
Asset revaluation reserve	1,612,840	1,659,221	1,659,221	1,725,400	1,725,400	1,774,606
Accumulated surplus	668,559	705,149	731,603	770,200	794,869	829,000
Total equity	2,360,466	2,450,451	2,485,644	2,590,108	2,622,672	2,711,140

Projections				
2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)
54,155	58,097	61,614	61,244	61,284
32,987	30,194	31,765	32,400	33,048
2,222	2,200	2,178	2,156	2,135
105,000	120,000	135,000	155,000	175,000
300	300	300	300	300
194,664	210,792	230,857	251,101	271,767
2,586,779	2,678,404	2,701,013	2,772,937	2,796,773
28,614	28,900	29,189	29,481	29,776
2	2	2	2	2
0	0	0	0	0
2,615,395	2,707,307	2,730,205	2,802,420	2,826,551
2,810,060	2,918,098	2,961,062	3,053,521	3,098,318
13,754	11,962	11,924	14,195	14,893
3,247	1,338	1,356	1,457	717
29,837	30,479	31,134	29,304	29,988
723	734	745	756	768
47,561	44,513	45,159	45,712	46,366
2,072	2,116	2,161	2,207	2,253
5,392	3,917	2,428	842	0
7,464	6,033	4,589	3,049	2,253
55,025	50,546	49,748	48,761	48,619
2,755,035	2,867,553	2,911,314	3,004,760	3,049,699
124,305	141,257	158,389	175,706	193,211
1,774,606	1,844,247	1,844,247	1,896,449	1,896,449
856,125	882,048	908,678	932,605	960,038
2,755,035	2,867,552	2,911,314	3,004,760	3,049,698



Statement of changes in equity  
for the 10 years ending 30 June 2031

	Total (\$'000)	Accumulated Surplus (\$'000)	Revaluation Reserve (\$'000)	Other Reserves (\$'000)
2021 Actual				
Balance at beginning of the financial year	2,330,408	655,914	1,612,173	62,321
Comprehensive result	29,392	29,392	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	667	0	667	0
Transfer to reserves	0	(40,170)	0	40,170
Transfer from reserves	0	23,423	0	(23,423)
Balance at end of the financial year	2,360,466	668,559	1,612,840	79,067
2022				
Balance at beginning of the financial year	2,360,467	668,559	1,612,840	79,067
Comprehensive result	43,604	43,604	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	46,381	0	46,381	0
Transfer to reserves	0	(22,968)	0	22,968
Transfer from reserves	0	15,954	0	(15,954)
Balance at end of the financial year	2,450,451	705,148	1,659,221	86,082
2023				
Balance at beginning of the financial year	2,450,451	705,148	1,659,221	86,082
Comprehensive result	35,192	35,192	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to reserves	0	(17,816)	0	17,816
Transfer from reserves	0	9,078	0	(9,078)
Balance at end of the financial year	2,485,643	731,602	1,659,221	94,820

2024				
Balance at beginning of the financial year	2,485,643	731,602	1,659,221	94,820
Comprehensive result	38,285	38,285	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	66,180	0	66,180	0
Transfer to reserves	0	(15,802)	0	15,802
Transfer from reserves	0	16,115	0	(16,115)
Balance at end of the financial year	2,590,108	770,200	1,725,400	94,507
2025				
Balance at beginning of the financial year	2,590,108	770,200	1,725,400	94,507
Comprehensive result	32,565	32,565	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to reserves	0	(15,748)	0	15,748
Transfer from reserves	0	7,853	0	(7,853)
Balance at end of the financial year	2,622,672	794,869	1,725,400	102,403
2026				
Balance at beginning of the financial year	2,622,672	794,869	1,725,400	102,403
Comprehensive result	39,262	39,262	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	49,206	0	49,206	0
Transfer to reserves	0	(18,488)	0	18,488
Transfer from reserves	0	13,357	0	(13,357)
Balance at end of the financial year	2,711,140	829,000	1,774,606	107,534

Statement of changes in equity for the  
10 years ending 30 June 2031 continued

	Total (\$'000)	Accumulated Surplus (\$'000)	Revaluation Reserve (\$'000)	Other Reserves (\$'000)
2027				
Balance at beginning of the financial year	2,711,140	829,000	1,774,606	107,534
Comprehensive result	43,895	43,895	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to reserves	0	(17,822)	0	17,822
Transfer from reserves	0	1,051	0	(1,051)
Balance at end of the financial year	2,755,035	856,125	1,774,606	124,305
2028				
Balance at beginning of the financial year	2,755,035	856,125	1,774,606	124,305
Comprehensive result	42,875	42,875	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	69,641	0	69,641	0
Transfer to reserves	0	(18,035)	0	18,035
Transfer from reserves	0	1,083	0	(1,083)
Balance at end of the financial year	2,867,552	882,048	1,844,247	141,257
2029				
Balance at beginning of the financial year	2,867,552	882,048	1,844,247	141,257
Comprehensive result	43,762	43,762	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to reserves	0	(18,248)	0	18,248
Transfer from reserves	0	1,115	0	(1,115)
Balance at end of the financial year	2,911,314	908,678	1,844,247	158,389

	Total (\$'000)	Accumulated Surplus (\$'000)	Revaluation Reserve (\$'000)	Other Reserves (\$'000)
2030				
Balance at beginning of the financial year	2,911,314	908,678	1,844,247	158,389
Comprehensive result	41,244	41,244	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	52,202	0	52,202	0
Transfer to reserves	0	(18,465)	0	18,465
Transfer from reserves	0	1,149	0	(1,149)
Balance at end of the financial year	3,004,760	932,605	1,896,449	175,706
2031				
Balance at beginning of the financial year	3,004,760	932,605	1,896,449	175,706
Comprehensive result	44,938	44,938	0	0
Adjustment on change in accounting policy	0	0	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to reserves	0	(18,689)	0	18,689
Transfer from reserves	0	1,183	0	(1,183)
Balance at end of the financial year	3,049,698	960,038	1,896,449	193,211



Statement of cash flows for the  
10 years ending 30 June 2031

	Actual 2020/21  Inflows / (Outflows)  (\$'000)	Projections			
		2021/22	2022/23	2023/24	2024/25
		Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)
		(\$'000)	(\$'000)	(\$'000)	(\$'000)
Cash flows from operating activities					
Rates and charges	157,771	169,929	175,048	178,681	182,522
Statutory fees and fines	12,893	14,722	12,986	13,322	13,667
User fees	4,804	6,378	6,359	6,419	6,759
Contributions - monetary	13,729	11,213	10,861	8,847	8,493
Grants - operating	32,370	19,059	19,180	18,965	19,257
Grants - capital	9,265	8,696	3,329	8,204	3,984
Trust funds & deposits taken	34,435	15,000	15,225	15,453	15,685
Other revenue (interest, trust funds / deposits taken, other)	4,303	23,595	18,069	19,735	18,984
Net GST refund / payment	2,267	0	0	0	0
Employee costs (including redundancies)	(103,219)	(96,605)	(97,944)	(99,653)	(102,278)
Materials and services	(73,430)	(73,431)	(74,383)	(75,996)	(77,775)
Trust funds and deposits repaid	(33,782)	(15,000)	(15,225)	(15,453)	(15,685)
Other payments	(4,872)	(5,249)	(5,329)	(4,590)	(4,590)
Net cash provided by operating activities	56,535	78,306	68,176	73,935	69,024
Cash flows from investing activities					
Payments for PPE	(54,194)	(68,332)	(56,201)	(71,375)	(56,255)
Proceeds from sale of PPE	292	3,800	0	1,000	0
(Payments for) / proceeds from other financial assets	(10,000)	(10,000)	(10,000)	0	(10,000)
Net cash used in investing activities	(63,902)	(74,532)	(66,201)	(70,375)	(66,255)
Cash flows from financing activities					
Finance costs	(937)	(981)	(1,277)	(835)	(761)
Proceeds from interest bearing loans and borrowings	9,500	0	9,000	0	0
Repayment of interest bearing loans and borrowings	(1,312)	(1,982)	(11,005)	(3,076)	(3,150)
Net cash provided by (used in) financing activities	7,251	(2,963)	(3,282)	(3,911)	(3,911)
Net (decrease) increase in cash & cash equivalents	(116)	811	(1,307)	(351)	(1,143)
Cash and cash equivalents at the beginning of the year	57,541	57,425	58,236	56,929	56,578
Cash and cash equivalents at end of the financial year	57,425	58,236	56,929	56,578	55,435

Projections					
2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)
(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
186,867	191,166	193,943	198,841	203,879	209,044
14,053	14,451	14,868	15,298	15,739	16,195
6,792	6,986	7,185	7,391	7,603	7,821
8,663	10,515	10,725	10,940	11,158	11,382
19,557	19,863	20,175	20,494	20,819	21,150
7,342	3,504	3,561	3,649	3,738	3,830
15,920	16,159	16,402	16,648	16,897	17,151
19,049	19,203	19,583	19,981	20,376	20,859
0	0	0	0	0	0
(103,310)	(106,428)	(109,862)	(113,387)	(117,036)	(120,804)
(77,660)	(77,899)	(78,707)	(80,520)	(85,540)	(84,368)
(15,920)	(16,159)	(16,402)	(16,648)	(16,897)	(17,151)
(5,337)	(4,590)	(4,590)	(5,346)	(4,590)	(4,590)
76,016	76,771	76,881	77,340	76,145	80,518
(54,799)	(54,675)	(56,420)	(57,306)	(54,914)	(59,633)
0	0	0	0	0	0
(10,000)	(15,000)	(15,000)	(15,000)	(20,000)	(20,000)
(64,799)	(69,675)	(71,420)	(72,306)	(74,914)	(79,633)
(685)	(125)	(43)	(29)	(15)	(3)
0	0	0	0	0	0
(15,396)	(3,388)	(1,475)	(1,489)	(1,586)	(842)
(16,081)	(3,513)	(1,518)	(1,518)	(1,601)	(845)
(4,864)	3,583	3,943	3,517	(370)	40
55,435	50,571	54,155	58,097	61,614	61,244
50,571	54,155	58,097	61,614	61,244	61,284

Statement of capital works for  
the 10 years ending 30 June 2031

	Actual 2020/21 (\$'000)	Projections				
		2021/22 (\$'000)	2022/23 (\$'000)	2023/24 (\$'000)	2024/25 (\$'000)	2025/26 (\$'000)
Property						
Land	659	0	0	0	0	0
Total land	659	0	0	0	0	0
Buildings	14,247	27,964	15,352	29,853	21,931	18,833
Building improvements	0	300	300	300	300	300
Total buildings	14,247	28,264	15,652	30,153	22,231	19,133
Total property	14,906	28,264	15,652	30,153	22,231	19,133
Plant and equipment						
Plant, machinery and equipment	1,853	1,738	1,522	1,975	1,475	1,897
Fixtures, fittings and furniture	151	175	177	681	659	890
Computers and telecommunications	438	1,055	2,526	2,601	905	780
Library books	1,000	1,020	1,040	1,061	1,082	1,104
Total plant and equipment	3,441	3,988	5,265	6,318	4,121	4,671
Infrastructure						
Roads	6,771	8,931	12,362	12,594	12,757	12,429
Bridges	2,473	80	80	2,480	80	80
Footpaths and cycle ways	5,388	7,085	3,352	2,301	2,319	2,458
Drainage	3,477	1,776	1,970	1,700	1,725	1,775
Recreational, leisure and community facilities	0	1,201	0	0	0	320
Waste management	0	219	219	84	30	30
Parks, open space and streetscapes	0	7,127	9,914	6,828	5,372	3,962
Transport management	0	2,844	1,958	2,090	2,096	2,133
Other infrastructure	2,356	605	320	337	409	2,827
Total infrastructure	20,465	29,868	30,175	28,414	24,788	26,014
Total capital works expenditure	38,811	62,120	51,092	64,886	51,141	49,819
Asset Expenditure Types Represented by:						
New	12,738	23,799	11,431	10,417	5,659	12,981
Expansion	0	79	120	30	30	0
Upgrade	2,540	6,456	10,212	15,839	12,315	9,154
Renewal	23,778	31,786	29,329	38,600	33,137	27,682
Total capital works expenditure	39,056	62,120	51,092	64,886	51,141	49,817
Funding Sources Represented by:						
Council	10,179	38,094	39,083	40,764	39,507	41,218
Reserves	13,454	15,330	8,680	15,918	7,650	1,257
Borrowings	9,500	0	0	0	0	0
Grants	5,678	8,696	3,329	8,204	3,984	7,342
Total capital works expenditure	38,811	62,120	51,092	64,886	51,141	49,817

Projections				
2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)
0	0	0	0	0
0	0	0	0	0
19,756	20,334	20,949	18,019	22,124
0	0	0	0	0
19,756	20,334	20,949	18,019	22,124
19,756	20,334	20,949	18,019	22,124
4,283	4,425	4,452	4,559	4,585
101	105	105	108	108
1,254	1,295	1,303	1,335	1,342
1,274	1,317	1,325	1,357	1,364
6,912	7,142	7,185	7,358	7,400
9,823	10,149	10,211	10,457	10,517
87	103	104	115	116
3,980	4,112	4,137	4,237	4,261
2,063	2,132	2,145	2,197	2,209
0	0	0	0	0
30	30	30	30	30
3,154	3,248	3,346	3,446	3,550
1,677	1,738	1,715	1,748	1,722
2,223	2,303	2,273	2,317	2,283
23,037	23,815	23,962	24,546	24,688
49,706	51,292	52,097	49,923	54,213
12,843	13,192	13,763	10,660	14,723
0	0	0	0	0
9,215	9,525	9,583	9,815	9,872
27,646	28,574	28,750	29,446	29,617
49,705	51,291	52,096	49,922	54,212
45,149	46,647	47,332	45,035	49,198
1,051	1,083	1,115	1,149	1,183
0	0	0	0	0
3,504	3,561	3,649	3,738	3,830
49,705	51,291	52,096	49,922	54,212



Statement of human resources  
for the 10 years ending 30 June 2031

\$'000 summary

	Forecast Actual  2020/21 (\$'000)	Projections				
		2021/22 (\$'000)	2022/23 (\$'000)	2023/24 (\$'000)	2024/25 (\$'000)	2025/26 (\$'000)
Total staff expenditure						
Male	38,220	39,749	40,300	41,003	42,083	42,508
Female	47,052	48,842	49,519	50,382	51,710	52,232
Self-described	5,443	5,655	5,733	5,833	5,987	6,047
Casual, Temporary or Other	16,377	5,348	5,422	5,516	5,662	5,719
Total staff expenditure	107,092	99,593	100,973	102,735	105,441	106,505
Permanent full-time						
Male	35,328	36,825	37,335	37,987	38,988	39,381
Female	28,626	30,283	30,703	31,238	32,062	32,385
Self-described	4,082	4,283	4,343	4,419	4,535	4,581
Total permanent full-time expenditure	68,036	71,392	72,381	73,644	75,584	76,347
Permanent part-time						
Male	2,893	2,924	2,964	3,016	3,095	3,127
Female	18,425	18,558	18,816	19,144	19,648	19,847
Self-described	1,361	1,371	1,390	1,414	1,452	1,466
Total permanent part-time expenditure	22,679	22,853	23,170	23,574	24,196	24,440
Casual, temporary or other						
Casuals, Temporary or other	16,377	5,348	5,422	5,516	5,662	5,719
Total casual temporary or other expenditure	16,377	5,348	5,422	5,516	5,662	5,719

Projections				
2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)
43,790	45,203	46,654	48,155	49,706
53,808	55,544	57,326	59,171	61,076
6,230	6,431	6,637	6,851	7,071
5,891	6,082	6,277	6,479	6,687
109,720	113,260	116,894	120,656	124,540
40,569	41,878	43,222	44,613	46,049
33,362	34,439	35,544	36,688	37,869
4,719	4,871	5,028	5,189	5,356
78,651	81,189	83,794	86,490	89,275
3,221	3,325	3,432	3,542	3,656
20,446	21,105	21,782	22,483	23,207
1,511	1,559	1,609	1,661	1,715
25,177	25,990	26,823	27,687	28,578
5,891	6,082	6,277	6,479	6,687
5,891	6,082	6,277	6,479	6,687

Statement of human resources  
for the 10 years ending 30 June 2031  
\$'000 By Department

	Forecast Actual  2020/21 (\$'000)	Projections				
		2021/22 (\$'000)	2022/23 (\$'000)	2023/24 (\$'000)	2024/25 (\$'000)	2025/26 (\$'000)
City Infrastructure						
Permanent full-time						
Male	19,955	20,760	21,048	21,415	21,980	22,201
Female	3,056	3,179	3,223	3,279	3,366	3,400
Self-described	1,469	1,528	1,549	1,576	1,618	1,634
Total permanent full-time expenditure	24,480	25,467	25,820	26,271	26,963	27,235
Permanent part-time						
Male	553	580	588	598	614	620
Female	1,454	1,525	1,546	1,573	1,614	1,630
Self-described	128	134	136	139	142	144
Total permanent part-time expenditure	2,135	2,239	2,270	2,309	2,370	2,394
Community Development						
Permanent full-time						
Male	3,868	4,068	4,125	4,197	4,307	4,351
Female	9,393	9,880	10,017	10,192	10,461	10,566
Self-described	846	890	903	918	943	952
Total permanent full-time expenditure	14,107	14,839	15,045	15,307	15,711	15,869
Permanent part-time						
Male	1,840	1,875	1,901	1,934	1,985	2,005
Female	13,384	13,641	13,830	14,071	14,442	14,588
Self-described	972	990	1,004	1,022	1,049	1,059
Total permanent part-time expenditure	16,195	16,506	16,735	17,027	17,476	17,652
City Futures						
Permanent full-time						
Male	5,818	6,238	6,324	6,434	6,604	6,671
Female	6,782	7,271	7,372	7,501	7,698	7,776
Self-described	804	862	874	889	913	922
Total permanent full-time expenditure	13,405	14,371	14,570	14,825	15,215	15,369
Permanent part-time						
Male	92	87	88	89	92	93
Female	584	553	560	570	585	591
Self-described	43	41	41	42	43	44
Total permanent part-time expenditure	719	680	690	702	720	727

Projections				
2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)
22,871	23,609	24,367	25,151	25,961
3,502	3,615	3,731	3,851	3,975
1,683	1,738	1,793	1,851	1,911
28,057	28,962	29,892	30,853	31,847
639	659	681	703	725
1,680	1,734	1,789	1,847	1,907
148	153	158	163	168
2,466	2,546	2,628	2,712	2,800
4,482	4,627	4,775	4,929	5,088
10,885	11,236	11,597	11,970	12,355
981	1,013	1,045	1,079	1,113
16,348	16,876	17,417	17,978	18,556
2,066	2,132	2,201	2,271	2,345
15,028	15,513	16,011	16,526	17,058
1,091	1,126	1,162	1,200	1,238
18,185	18,772	19,374	19,997	20,641
6,872	7,094	7,321	7,557	7,800
8,011	8,269	8,534	8,809	9,093
950	981	1,012	1,045	1,078
15,832	16,343	16,868	17,410	17,971
96	99	102	105	108
609	629	649	670	691
45	46	48	49	51
749	774	798	824	851



Statement of human resources  
for the 10 years ending 30 June 2031

\$'000 By Department continued

	Forecast Actual  2020/21 (\$'000)	Projections				
		2021/22 (\$'000)	2022/23 (\$'000)	2023/24 (\$'000)	2024/25 (\$'000)	2025/26 (\$'000)
<u>Business Transformation</u>						
Permanent full-time						
Male	5,262	5,262	5,335	5,428	5,571	5,627
Female	5,709	5,709	5,788	5,889	6,044	6,105
Self-described	700	700	710	722	741	749
Total permanent full-time expenditure	11,671	11,671	11,833	12,039	12,356	12,481
Permanent part-time						
Male	139	137	139	142	145	147
Female	1,239	1,226	1,243	1,264	1,298	1,311
Self-described	88	87	88	90	92	93
Total permanent part-time expenditure	1,465	1,450	1,470	1,496	1,535	1,550
<u>Engagement &amp; Partnerships</u>						
Permanent full-time						
Male	424	496	503	512	526	531
Female	3,195	3,740	3,792	3,858	3,959	3,999
Self-described	231	270	274	279	286	289
Total permanent full-time expenditure	3,850	4,507	4,569	4,649	4,771	4,819
Permanent part-time						
Male	269	245	248	253	259	262
Female	1,690	1,536	1,557	1,584	1,626	1,643
Self-described	125	114	115	117	120	122
Total permanent part-time expenditure	2,084	1,894	1,921	1,954	2,006	2,026
<u>CEO Office</u>						
Permanent full-time						
Male	0	0	0	0	0	0
Female	491	504	511	520	534	539
Self-described	31	32	33	33	34	34
Total permanent full-time expenditure	523	536	544	553	568	574
Permanent part-time						
Male	0	0	0	0	0	0
Female	75	79	80	81	83	84
Self-described	5	5	5	5	5	5
Total permanent part-time expenditure	79	84	85	86	89	89
Total casual temporary or other expenditure	16,377	5,348	5,422	5,516	5,662	5,719
Total staff expenditure	107,092	99,593	100,973	102,735	105,441	106,505

Projections				
2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)
5,797	5,984	6,176	6,375	6,580
6,289	6,492	6,700	6,916	7,138
771	796	822	848	876
12,857	13,272	13,698	14,139	14,594
151	156	161	166	172
1,350	1,394	1,438	1,485	1,533
96	99	102	105	109
1,597	1,649	1,702	1,756	1,813
547	565	583	601	621
4,120	4,253	4,389	4,531	4,677
298	308	317	328	338
4,965	5,125	5,290	5,460	5,636
270	278	287	297	306
1,692	1,747	1,803	1,861	1,921
125	129	133	138	142
2,087	2,154	2,224	2,295	2,369
0	0	0	0	0
555	573	592	611	630
35	37	38	39	40
591	610	630	650	671
0	0	0	0	0
87	89	92	95	98
6	6	6	6	6
92	95	98	101	105
5,891	6,082	6,277	6,479	6,687
109,720	113,260	116,894	120,656	124,540

FTE summary

	Forecast Actual	Projections									
	2020/21	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	FTE
Total Full-Time Equivalent FTE numbers											
Male	358.9	368.5	368.5	368.5	368.5	368.5	368.5	368.5	368.5	368.5	368.5
Female	442.9	450.1	450.1	450.1	450.1	450.1	450.1	450.1	450.1	450.1	450.1
Self-described	49.8	51.2	51.2	51.2	51.2	51.2	51.2	51.2	51.2	51.2	51.2
Casual, Temporary or Other	360.5	60.5	46.2	31.4	28.4	10.4	10.4	10.4	10.4	10.4	10.4
Total FTE	1212.1	930.3	916.0	901.1	898.1	880.1	880.1	880.1	880.1	880.1	880.1
Permanent full-time											
Male	327.0	337.0	337.0	337.0	337.0	337.0	337.0	337.0	337.0	337.0	337.0
Female	242.0	253.0	253.0	253.0	253.0	253.0	253.0	253.0	253.0	253.0	253.0
Self-described	35.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0
Total permanent full-time FTE	604.0	627.0	627.0	627.0	627.0	627.0	627.0	627.0	627.0	627.0	627.0
Permanent part-time											
Male	31.9	31.3	31.3	31.3	31.3	31.3	31.3	31.3	31.3	31.3	31.3
Female	200.9	196.9	196.9	196.9	196.9	196.9	196.9	196.9	196.9	196.9	196.9
Self-described	14.8	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1
Total permanent part-time FTE	247.6	242.2	242.2	242.2	242.2	242.2	242.2	242.2	242.2	242.2	242.2
Casual, temporary or other											
Casuals, Temporary or other	360.5	60.5	46.2	31.4	28.4	10.4	10.4	10.4	10.4	10.4	10.4
Total casual temporary or other FTE	360.5	60.5	46.2	31.4	28.4	10.4	10.4	10.4	10.4	10.4	10.4

FTE summary

By Department

	Forecast Actual	Projections									
	2020/21	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	FTE
City Infrastructure											
Permanent full-time											
Male	201.0	205.0	205.0	205.0	205.0	205.0	205.0	205.0	205.0	205.0	205.0
Female	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0
Self-described	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Total permanent FTE	247.0	251.0	251.0	251.0	251.0	251.0	251.0	251.0	251.0	251.0	251.0
Permanent part-time											
Male	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6
Female	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4
Self-described	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Total permanent part-time FTE	25.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5
Community Development											
Permanent full-time											
Male	33.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
Female	81.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
Self-described	7.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Total permanent FTE	121.0	128.0	128.0	128.0	128.0	128.0	128.0	128.0	128.0	128.0	128.0
Permanent part-time											
Male	20.5	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9
Female	149.0	144.8	144.8	144.8	144.8	144.8	144.8	144.8	144.8	144.8	144.8
Self-described	10.8	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Total permanent part-time FTE	180.3	175.2	175.2	175.2	175.2	175.2	175.2	175.2	175.2	175.2	175.2



FTE summary  
By Department continued

	Forecast Actual	Projections									
	2020/21	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	FTE
City Futures											
Permanent full-time											
Male	46.0	49.0	49.0	49.0	49.0	49.0	49.0	49.0	49.0	49.0	49.0
Female	54.0	57.0	57.0	57.0	57.0	57.0	57.0	57.0	57.0	57.0	57.0
Self-described	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Total permanent FTE	105.0	112.0	112.0	112.0	112.0	112.0	112.0	112.0	112.0	112.0	112.0
Permanent part-time											
Male	0.8	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Female	5.1	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4
Self-described	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total permanent part-time FTE	6.3	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8
Business Transformation											
Permanent full-time											
Male	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
Female	48.0	47.0	47.0	47.0	47.0	47.0	47.0	47.0	47.0	47.0	47.0
Self-described	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Total permanent FTE	98.0	97.0	97.0	97.0	97.0	97.0	97.0	97.0	97.0	97.0	97.0
Permanent part-time											
Male	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Female	12.1	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7
Self-described	0.9	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total permanent part-time FTE	14.3	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6

FTE summary  
By Department continued

	Forecast Actual	Projections									
	2020/21	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	FTE
Engagement & Partnerships											
Permanent full-time											
Male	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Female	26.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0
Self-described	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total permanent FTE	31.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0
Permanent part-time											
Male	2.6	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Female	16.6	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9
Self-described	1.2	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Total permanent part-time FTE	20.4	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3
CEO Office											
Permanent full-time											
Male	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Female	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Self-described	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total permanent FTE	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Permanent part-time											
Male	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Female	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Self-described	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total permanent part-time FTE	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Total casual temporary or other FTE	360.5	60.5	46.2	31.4	28.4	10.4	10.4	10.4	10.4	10.4	10.4
Total staff FTE	1,212.1	929.8	915.5	900.6	897.6	879.6	879.6	879.6	879.6	879.6	879.6

Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

					Projections		
Indicator	Measure	Notes	Actual 2019/20	Actual 2020/21	2021/22	2022/23	2023/24
<b>Operating position</b>							
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	13.6%	10.3%	10.6%	9.5%	9.4%
<b>Liquidity</b>							
Working Capital	Current assets / current liabilities	2	262.7%	241.4%	273.6%	271.3%	275.6%
Unrestricted cash	Unrestricted cash / current liabilities	3	119.6%	96.2%	78.9%	69.9%	71.4%
<b>Obligations</b>							
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	16.5%	21.0%	18.9%	17.2%	15.1%
Loans and borrowings	Interest and principal repayments / rate revenue		6.4%	1.4%	1.6%	6.9%	2.1%
Indebtedness	Non-current liabilities / own source revenue		14.6%	14.1%	16.9%	15.9%	14.1%
Asset renewal	Asset renewal & upgrade expenditure / depreciation	5	70.0%	95.6%	140.6%	141.9%	182.6%
<b>Stability</b>							
Rates concentration	Rate revenue / adjusted underlying revenue	6	72.2%	70.2%	77.3%	79.7%	79.6%
Rates effort	Rate revenue / property values (CIV)		0.28%	0.27%	0.28%	0.28%	0.28%
<b>Efficiency</b>							
Expenditure level	Total expenditure / no. of assessments		\$2,305	\$2,505	\$2,379	\$2,383	\$2,415
Revenue level	Residential rate revenue / No. of residential assessments		\$1,714	\$1,743	\$1,738	\$1,755	\$1,772
Workforce turnover	No. of resignations & terminations / average no. of staff		9.0%	14.7%	9.9%	9.9%	9.9%

Notes to indicators

- 1. Adjusted underlying result**

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. This is expected to remain relatively constant over the next four years.
- 2. Working Capital**

The proportion of current liabilities represented by current assets. Working capital over the next 10 years is forecast to remain steady at an acceptable level.

- 3. Unrestricted cash**

Represents instant reserves, as it can be used for any purpose. Unrestricted cash levels is anticipated to grow while Council saves towards the next significant project at Coburg Leisure Centre.
- 4. Debt compared to rates**

Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long-term debt. Council has assumed a reduction in borrowings over the 10-Year Financial Plan, with the longer term assumption that Council may need to borrow for Coburg Leisure Centre.

Projections							
2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Trend + / o / -
8.7%	9.8%	12.4%	10.7%	11.6%	10.2%	11.2%	+
290.7%	292.4%	335.9%	383.8%	415.1%	446.6%	477.3%	+
72.6%	69.2%	76.2%	84.0%	85.4%	88.6%	91.9%	+
13.1%	4.7%	2.8%	2.0%	1.2%	0.4%	0.0%	+
2.0%	8.4%	1.7%	0.7%	0.7%	0.7%	0.3%	+
12.3%	5.0%	3.4%	2.7%	2.0%	1.3%	0.9%	o
146.6%	114.2%	130.0%	130.0%	130.0%	130.0%	130.0%	o
79.8%	79.8%	79.8%	79.7%	79.8%	79.8%	79.9%	o
0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	-
\$2,455	\$2,455	\$2,417	\$2,452	\$2,489	\$2,564	\$2,572	o
\$1,790	\$1,808	\$1,826	\$1,844	\$1,862	\$1,880	\$1,899	o
9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	o

- Key to Forecast Trend:**
- + Forecast improvement in Council's financial performance/financial position indicator
  - o Forecasts that Council's financial performance/financial position indicator will be steady
  - Forecast deterioration in Council's financial performance/financial position indicator

- 5. Asset renewal**

This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). Normally, a percentage greater than 100 indicates Council is maintaining it's existing assets, while a percentage less than 100 means it's assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.
- 6. Rates concentration**

Reflects extent of reliance on rate revenues to fund all of Council's on-going services.

# Borrowings Strategy

Whilst not a source of income, borrowings are an important cash management tool and can assist to bring forward the timing of expenditure. They are often a major source of funding for significant infrastructure projects that will provide benefits for future generations. This is known as ‘inter-generational equity’ - where future debt repayments are matched with future benefits derived from the infrastructure developed.

Current Debt Position

The total amount of borrowings as at

30 June 2022

↓

\$32.4 million

Loans can only be approved by Council resolution and all new borrowings are required to be included and approved in the annual budget year to which the borrowings relate.

The 10-Year Financial Plan introduces the following principles related to borrowings;

- Borrowing based sustainability ratios must not be exceeded
- Loan duration is not to exceed the lesser of 10 years or the life of the asset
- Priority is given to projects with above loan repayment returns
- Where an interest only loan is secured, an amount equivalent to the annual principal repayment will be reserved annually to ensure full repayment at maturity
- Council will actively seek to reduce interest payable
- Council will not borrow to fund operating expenses.

## Future Borrowings Requirements

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

	Actual 2020/21 (\$'000)	Projections									
		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)
Opening balance	26,201	34,389	32,408	30,402	27,326	24,176	8,780	5,392	3,917	2,428	842
Plus new loans	9,500	0	9,000	0	0	0	0	0	0	0	0
Less principal repayments	(1,312)	(1,981)	(11,006)	(3,075)	(3,151)	(15,396)	(3,388)	(1,475)	(1,489)	(1,586)	(842)
Closing balance	34,389	32,408	30,402	27,326	24,176	8,780	5,392	3,917	2,428	842	0
Interest payment	937	981	1,277	835	761	685	125	43	29	15	3

## Borrowings Strategy

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

	Target	Actual 2020/21 (%)	Projections									
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
			(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Total borrowings / rates revenue	Below 60%	21.0%	18.9%	17.2%	15.1%	13.1%	4.7%	2.8%	2.0%	1.2%	0.4%	0.0%
Debt servicing / rates revenue	Below 5%	0.6%	0.6%	0.7%	0.5%	0.4%	0.4%	0.1%	0.0%	0.0%	0.0%	0.0%
Debt commitment / rates revenue	Below 10%	6.6%	1.6%	6.9%	2.1%	2.0%	8.4%	1.7%	0.7%	0.7%	0.7%	0.3%
Indebtness / own source revenue	Below 60%	14.1%	16.9%	15.9%	14.1%	12.3%	5.0%	3.4%	2.7%	2.0%	1.3%	0.9%



Reserves Strategy

Reserves are funds that have been set aside and act as a future funding source for specific purposes. These reserve funds do not have bank accounts of their own but are a theoretical split up of the cash that Council has on hand for a future identified need or obligation.

Restricted Reserves

The usage of these funds is governed by legislation (or other legal requirements) and are not available for other purposes.

Unrestricted Reserves

Unrestricted Reserves are a mechanism by which Council re-directs surplus funds to strategic projects and initiatives that require savings over time. The usage of unrestricted reserves requires resolution of Council and the availability of unrestricted cash to meet the intent of the reserve funding objectives is necessary to take advantage of identified opportunities at short notice.

Current Reserves

	Actual 2020/21 (\$'000)	Projections									
		2021/22 (\$'000)	2022/23 (\$'000)	2023/24 (\$'000)	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)
Defined Benefit Scheme (DBS) - Non Restricted											
Accumulates funds to replenish the cash used to pay the call for Defined Benefit.											
Opening balance	11,079	13,000	13,500	14,500	15,500	16,500	17,500	18,500	19,500	19,999	19,999
Transfer to reserves	1,921	500	1,000	1,000	1,000	1,000	1,000	1,000	499	0	0
Transfer from reserves	0	0	0	0	0	0	0	0	0	0	0
Closing balance	13,000	13,500	14,500	15,500	16,500	17,500	18,500	19,500	19,999	19,999	19,999
Significant Projects - Non Restricted											
Accumulates funds to be used for significant projects (currently Glenroy Community Hub and Saxon Street, transitioning to Fawkner Leisure Centre when Glenroy Hub is complete).											
Opening balance	16,965	15,249	13,114	13,714	4,014	1,514	5,014	10,771	16,531	22,790	29,547
Transfer to reserves	6,416	7,800	4,000	5,000	4,000	3,500	5,757	5,760	6,259	6,757	6,757
Transfer from reserves	(8,132)	(9,935)	(3,400)	(14,700)	(6,500)	0	0	0	0	0	0
Closing balance	15,249	13,114	13,714	4,014	1,514	5,014	10,771	16,531	22,790	29,547	36,304
Housing Strategy - Non Restricted											
Provides funds for the purchase of community housing projects along with other housing initiatives.											
Opening balance	753	669	486	428	478	528	578	628	678	728	778
Transfer to reserves	128	50	50	50	50	50	50	50	50	50	50
Transfer from reserves	(212)	(233)	(108)	0	0	0	0	0	0	0	0
Closing balance	669	486	428	478	528	578	628	678	728	778	828
Bridge - Non Restricted											
Accumulates funds to construct and repair bridges within Moreland.											
Opening balance	729	0	0	0	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0	0	0	0	0
Transfer from reserves	(729)	0	0	0	0	0	0	0	0	0	0
Closing balance	0	0	0	0	0	0	0	0	0	0	0
Local Government Funding Vehicle (LGFV) - Non Restricted											
Accumulates funds to be used to reduce the LGFV bonds held.											
Opening balance	0	1,405	3,810	5,215	5,620	7,325	0	0	0	0	0
Transfer to reserves	1,405	2,405	1,405	405	1,705	4,775	0	0	0	0	0
Transfer from reserves	0	0	0	0	0	(12,100)	0	0	0	0	0
Closing balance	1,405	3,810	5,215	5,620	7,325	0	0	0	0	0	0

	Actual  2020/21 (\$'000)	Projections									
		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)
<b>Public Resort &amp; Recreation Land fund - Restricted</b> Accumulates developer contributions paid to Council and is used to provide or improve recreation land and facilities.  Noting that the forecasted transfers from the reserve do not include property purchases. The reserve is used with a 90% split kept aside to fund property purchases as and when they arise.											
Opening balance	18,440	26,067	30,981	35,102	42,602	49,743	57,256	65,042	72,972	81,050	89,279
Transfer to reserves	11,135	9,600	9,216	8,847	8,493	8,663	8,837	9,013	9,194	9,377	9,565
Transfer from reserves	(3,508)	(4,686)	(5,095)	(1,347)	(1,353)	(1,150)	(1,051)	(1,083)	(1,115)	(1,149)	(1,183)
Closing balance	26,067	30,981	35,102	42,602	49,743	57,256	65,042	72,972	81,050	89,279	97,661
<b>Development Contribution Plan - Restricted</b> Accumulates developer funds paid to Council in respect of development within particular Plan areas and is used to contribute towards payments of a 10-year Capital Works Program with each of the 12 DCP areas.											
Opening balance	2,656	3,116	3,929	5,101	5,032	5,032	4,925	6,604	8,315	10,062	11,842
Transfer to reserves	1,343	1,613	1,645	0	0	0	1,678	1,712	1,746	1,781	1,817
Transfer from reserves	(883)	(800)	(474)	(68)	0	(107)	0	0	0	0	0
Closing balance	3,116	3,929	5,101	5,032	5,032	4,925	6,604	8,315	10,062	11,842	13,659
<b>Leisure Centre Development - Non Restricted</b> Accumulates funds from the savings derived from the outsourcing of the leisure facilities.											
Opening balance	3,132	1,739	1,439	1,939	2,439	2,939	3,439	3,939	4,439	4,939	5,439
Transfer to reserves	0	0	500	500	500	500	500	500	500	500	500
Transfer from reserves	(1,393)	(300)	0	0	0	0	0	0	0	0	0
Closing balance	1,739	1,439	1,939	2,439	2,939	3,439	3,939	4,439	4,939	5,439	5,939
<b>Contamination allowance</b> This reserve is set aside allow for funding to be available to manage any unplanned contamination events that might occur during construction, redevelopment or upgrade of Council Assets in the ordinary course of operations.											
Opening balance	0	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Transfer to reserves	0	1,000	0	0	0	0	0	0	0	0	0
Transfer from reserves	0	0	0	0	0	0	0	0	0	0	0
Closing balance	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000





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**Moreland**  
City Council

9240 1111  
[info@moreland.vic.gov.au](mailto:info@moreland.vic.gov.au)  
[moreland.vic.gov.au](https://moreland.vic.gov.au)



### Moreland Language Link

廣東話 9280 1910  
Italiano 9280 1911  
Ελληνικ 9280 1912

عربي 9280 1913  
Türkçe 9280 1914  
Tiếng Việt 9280 1915

हिंदी 9280 1918  
普通话 9280 0750  
ਪੰਜਾਬੀ 9280 0751

All other  
languages  
9280 1919

