THE CITY OF
GREATER GEELONG

LONG-TERM FINANCIAL PLAN 2026-2036

CITY OF GREATER
GEELONG

Contents

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

Artwork: *On Country* by Ammie Howell.

Executive Summary

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

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

In October 2025, Council adopted the Long Term Financial Plan 2025-26 to 2034-35 in accordance with the *Local Government Act 2020* to adopt the financial plan by 31 October in the year following a general election that takes effect from 1 July in that same year.

Council refreshes the Long Term Financial Plan annually to ensure our assumptions reflect our most recent budget, our strategic plans and current economic conditions to ensure the ongoing long term financial sustainability of the City.

This Long-Term Financial Plan covers the period 2026-27 to 2035-36, with the first four years being underpinned by the 2026-27 to 2029-30 Budget.

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

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

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

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

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

Background

PURPOSE

The purpose of the plan is to:

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

LEGISLATIVE REQUIREMENTS

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

The plan must include:

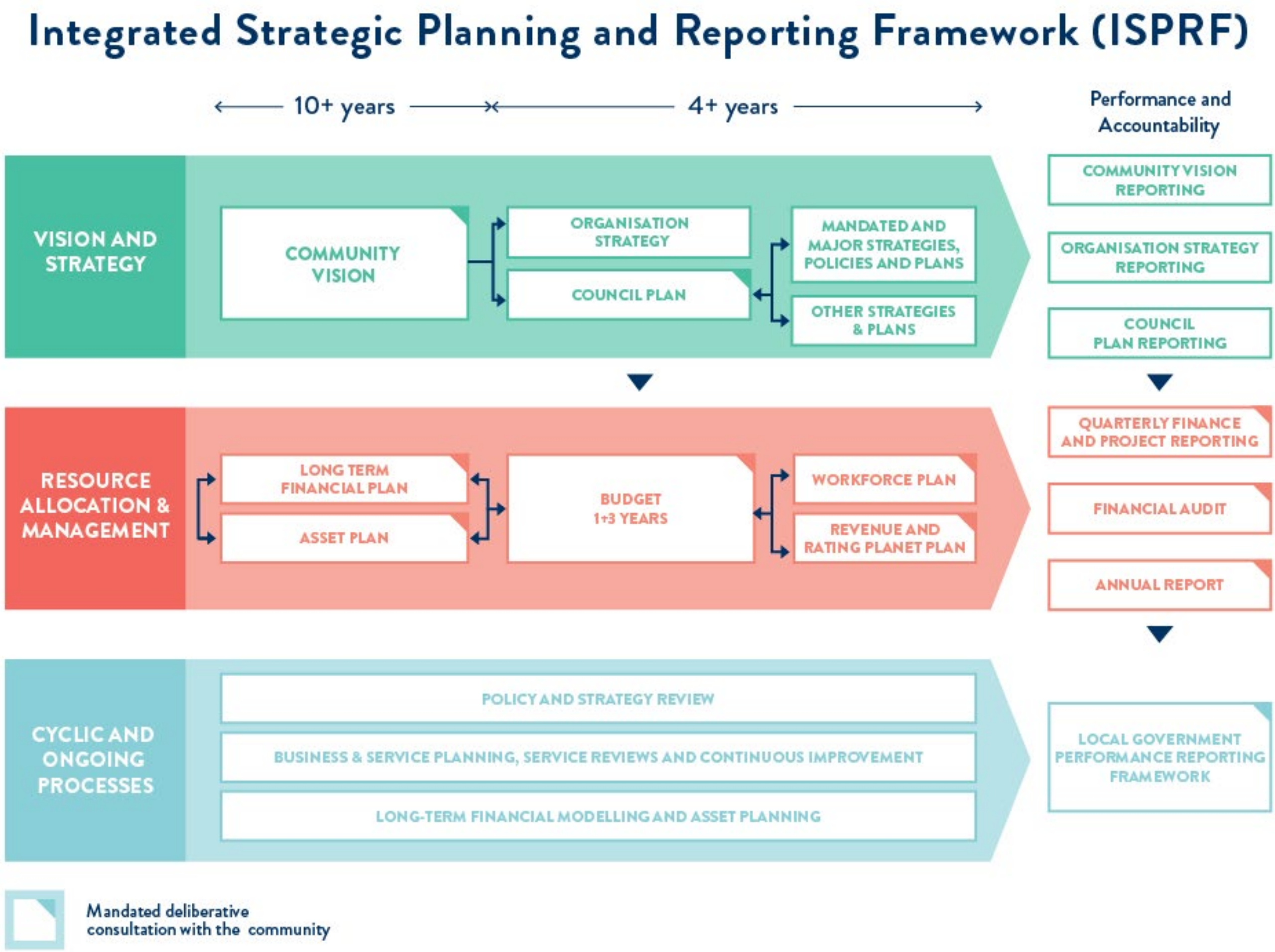
- Statements describing the financial resources required to give effect to the Council Plan other strategic plans of the Council
- Information about the decisions and assumptions that underpin the forecasts in the statements
- Statements describing any other resource requirements that the Council considers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

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

INTEGRATED PLANNING

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

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



SERVICE LEVEL PLANNING

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

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

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

INFLUENCES OF THE LONG-TERM FINANCIAL PLAN

Long-term Financial Plan Influences	
Greater Geelong: A Clever and Creative Future A 30-year document which outlines the communities' vision *"By 2047, Greater Geelong will be internationally recognised as a clever and creative city-region that is forward looking, enterprising and adaptive, and cares for its people and environment."*	Features nine community aspirations: • A prosperous economy that supports jobs and education opportunities • A leader in developing and adopting technology • Creativity drives culture • A fast, reliable and connected transport network • A destination that attracts local and international visitors • People feel safe wherever they are • An inclusive, diverse, healthy and socially connected community • Sustainable development that supports population growth and protects the natural environment • Development and implementation of sustainable solutions
Our Council Plan A 4-year plan, which outlines how the City will work towards making Greater Geelong a clever and creative city. It guides the resources to deliver infrastructure, services and programs to ensure the social, economic and environmental sustainability of the region.	There are six strategic directions for us to focus on over the next four years. They are: • Plan, deliver, manage and optimise core and critical infrastructure across our growing region • Identify, promote, advocate for, and deliver equitable health and wellbeing outcomes for our diverse communities • Lead efforts to strengthen our diverse economic precincts and workforce to enhance prosperity across our community • Champion our unique heritage and culture • Protect and enhance our unique natural environment and surrounds • Commit to the highest levels of leadership, integrity, financial stewardship, and meaningful community engagement
Engagement with stakeholders and community	
Our local policies and strategies	• Asset Management Plan • Workforce Management Plan

How We Engaged

Community engagement is a vital step in the planning process, it has helped shape several strategic plans and key projects for the City. This feedback has influenced the development of the Long-term Financial Plan adopted in October 2025 and has been considered in the annual update to the Plan alongside our 2026-27 budget engagement activities.

We have engaged the community in several ways:

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

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

- ***Our Council Plan 2025-29*** **and Long-term Financial Plan:** To develop the Council Plan community deliberative workshops held during 2024 along with Stakeholder focus groups and open submissions to selected partner organisations, community groups and advisory committees.
  - The Draft Council Plan 2025–29 was endorsed for public consultation and released with the 4-year budget for community feedback in May 2025
  - The final Council Plan and refreshed vision adopted by Council in July 2025

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

- **Revenue and Rating Plan**:

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

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

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

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

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

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

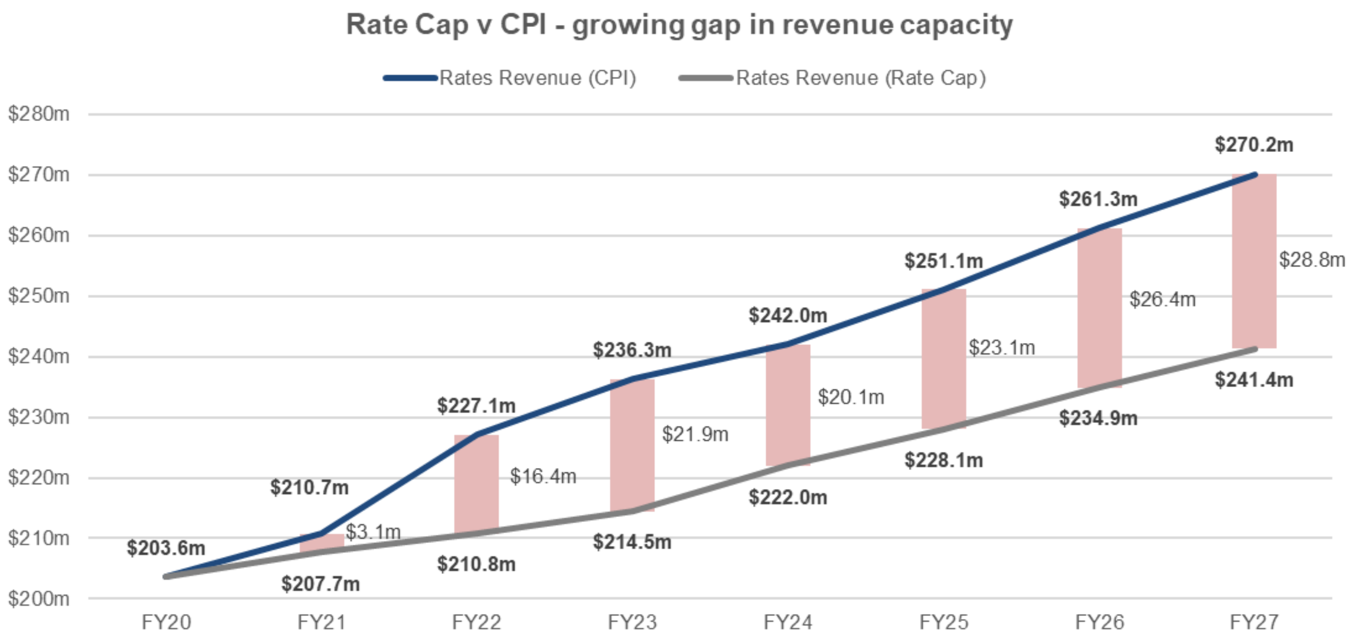
Context – Local Government Sector

SECTOR OVERVIEW & FINANCIAL CHALLENGES

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

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

   The graph below depicts the impact of the relatively low-rate cap on the City. If the rate cap were set at the same level as CPI from 2019-20 to 2026-27, the City would have $28.8 million of further rates revenue available in 2026-27. With the rate cap being set a lower level than inflation, the City has had to absorb the impact of rising costs without a corresponding revenue increase.



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

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

The consequences of these challenges for council's are:

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

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

Defining Financial Sustainability

STRATEGIC FINANCIAL OUTCOMES

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

MEASUREMENT OF FINANCIAL SUSTAINABILITY

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

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

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

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

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

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

Key Risks

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

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

Growth

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

Economic Changes

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

Political Changes

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

Climate Changes

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

Internal Risks

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

Community

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

The Long-Term Financial Plan

KEY STRATEGIC FINANCIAL OUTCOMES

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

The 2026-27 to 2029-30 Budget provides the first four years as the foundation of the plan. With the remaining six financial years being based on key principles, assumptions and inputs from other strategic plans and community priorities.

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

Key strategic financial outcomes of the plan include:

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

FINANCIAL SUSTAINABILITY

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

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

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

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

FINANCIAL DISCIPLINE PRINCIPLES

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

STRATEGIC FINANCIAL LEVERS

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

LEVER 1 – OPTIMISE CURRENT AND EXPLORE NEW REVENUE OPPORTUNITIES

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

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

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

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

Some of the options may include:

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

LEVER 2 – INITIATE STRATEGIC EFFICIENCIES

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

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

LEVER 3 – REVIEW & RATIONALISE PROPERTY & ASSETS

The City currently manages more than $6 billion of assets and infrastructure.

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

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

LEVER 4 – STRATEGIC SERVICE REVIEWS

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

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

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

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

LEVER 5 – STRATEGIC & SUSTAINABLE DESIGN OF CAPITAL PROGRAM

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

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

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

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

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

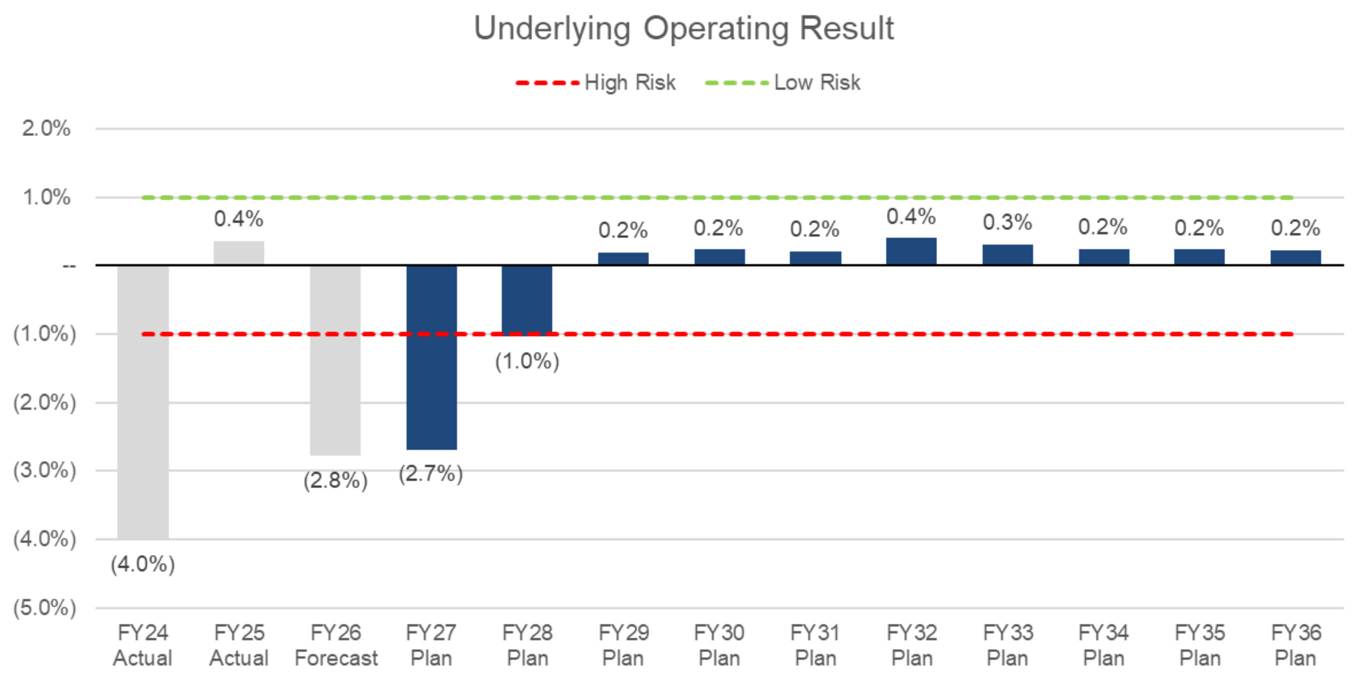
- Reviewing and reprioritising the capital program
- Longer-term capital works planning
- Advocating for grant funding for priority infrastructure

FINANCIAL SUSTAINABILITY COMMITMENTS

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

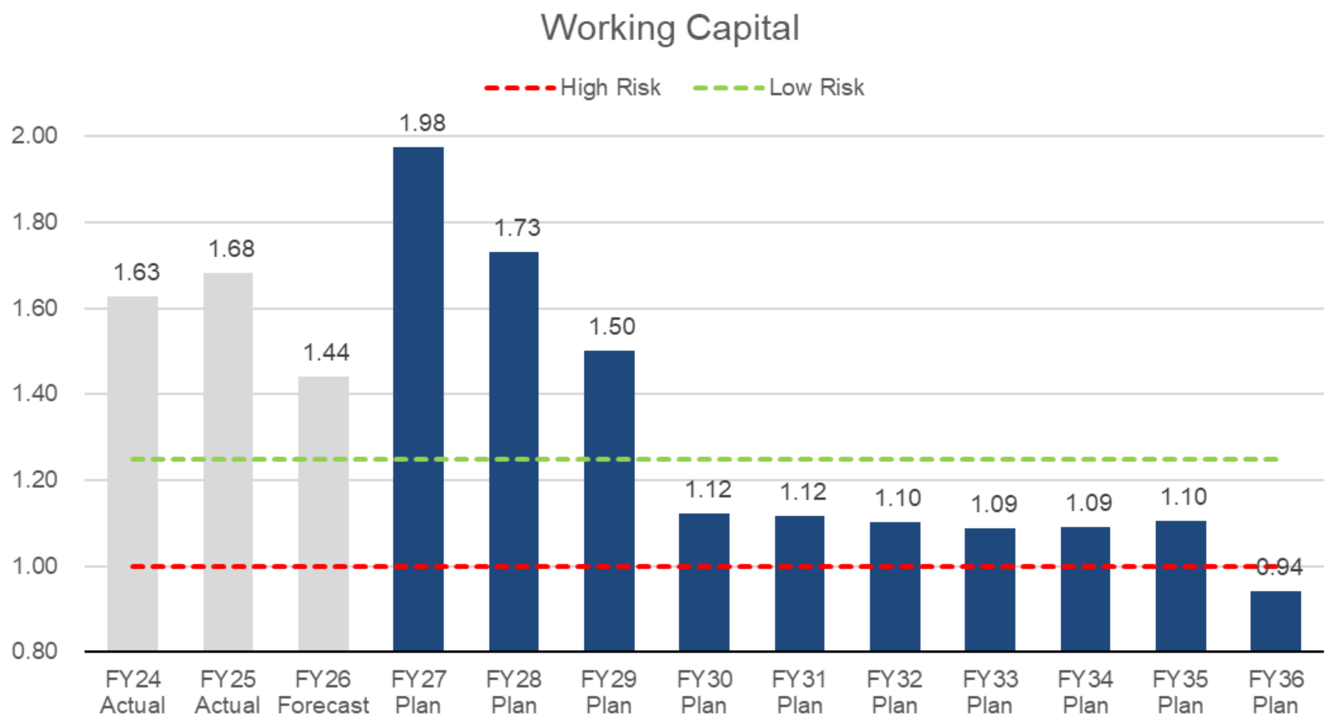
a. Underlying Operating Ratio

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



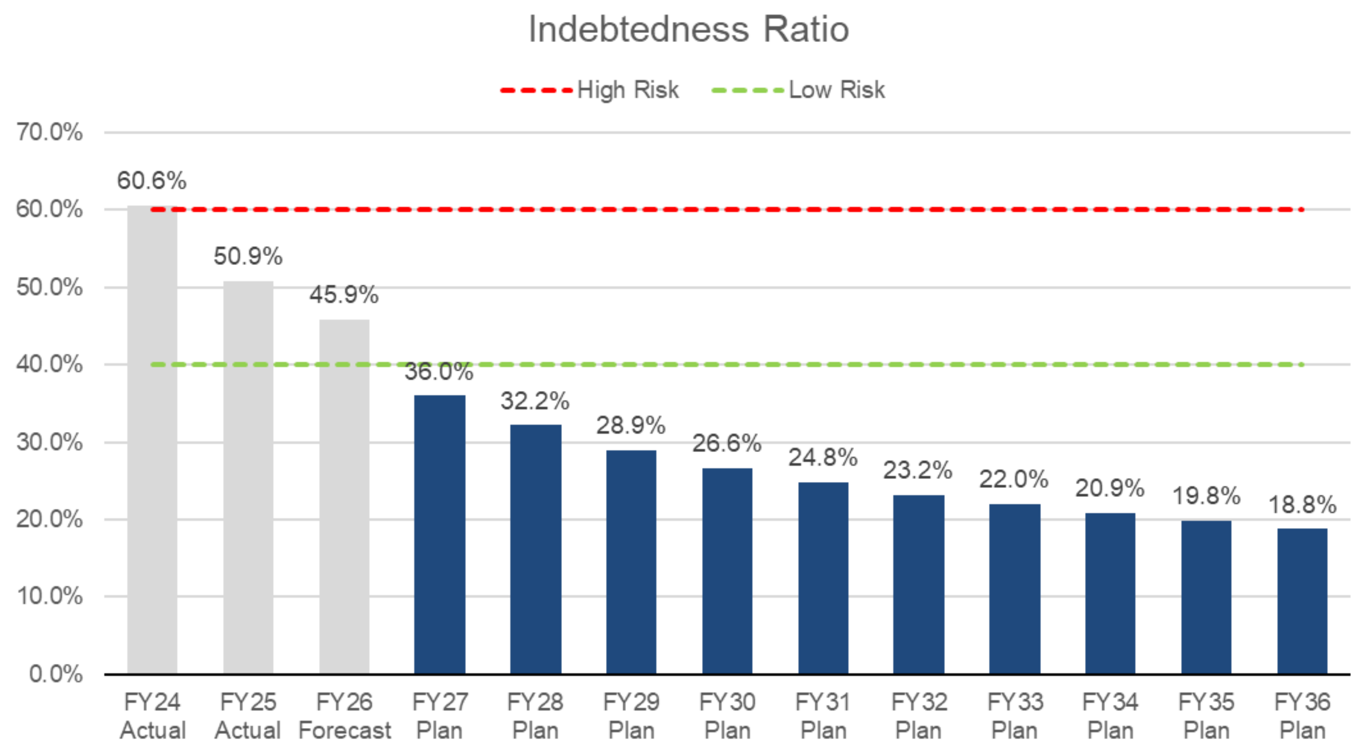
b. Working Capital Ratio

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



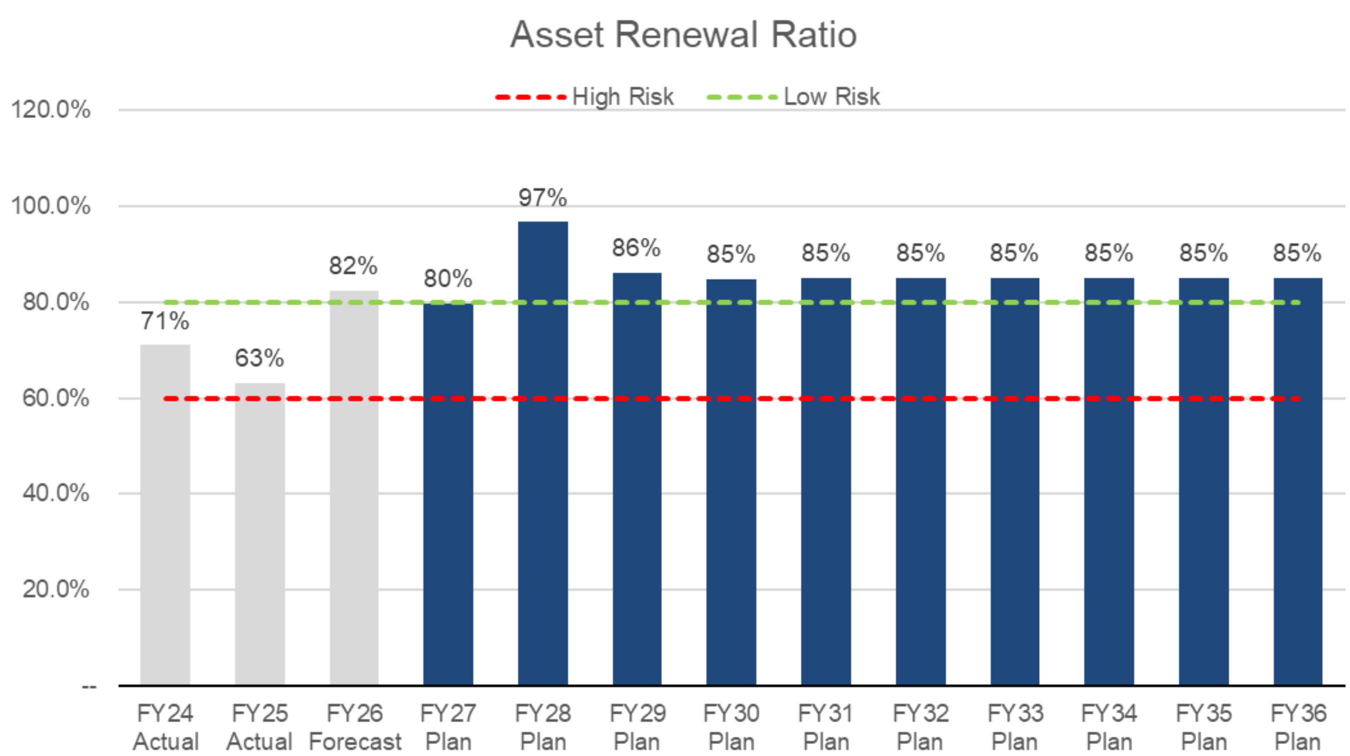
c. Indebtedness Ratio

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



d. Asset Renewal & Upgrade Ratio

Purpose	Calculates the annual expenditure on renewing the City's assets against depreciation to measure whether Council is reinvesting appropriately in existing infrastructure assets.		
Formula	Capital Expenditure on Renewal and Upgrade of Assets / Depreciation Expense.		
Low Risk	> 80%	Average renewal rates are greater than 80% of depreciation over the life of the plan.	
Medium Risk	> 60% and <80%	Average renewal rates are between 60% and 80% of depreciation over the life of the plan.	
High Risk	< 50%	Average renewal rates lower than 60% of depreciation over the life of the plan.	
Risk Appetite	**4yr Target**	**10yr Target**	**Strategic Justification**
Low Risk	85%	85%	A high renewal rate ensures that Council is able to fund to renewal, restoration and replacement of existing assets. This ensures asset are in good functioning condition for community use and enjoyment.



KEY ASSUMPTIONS

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

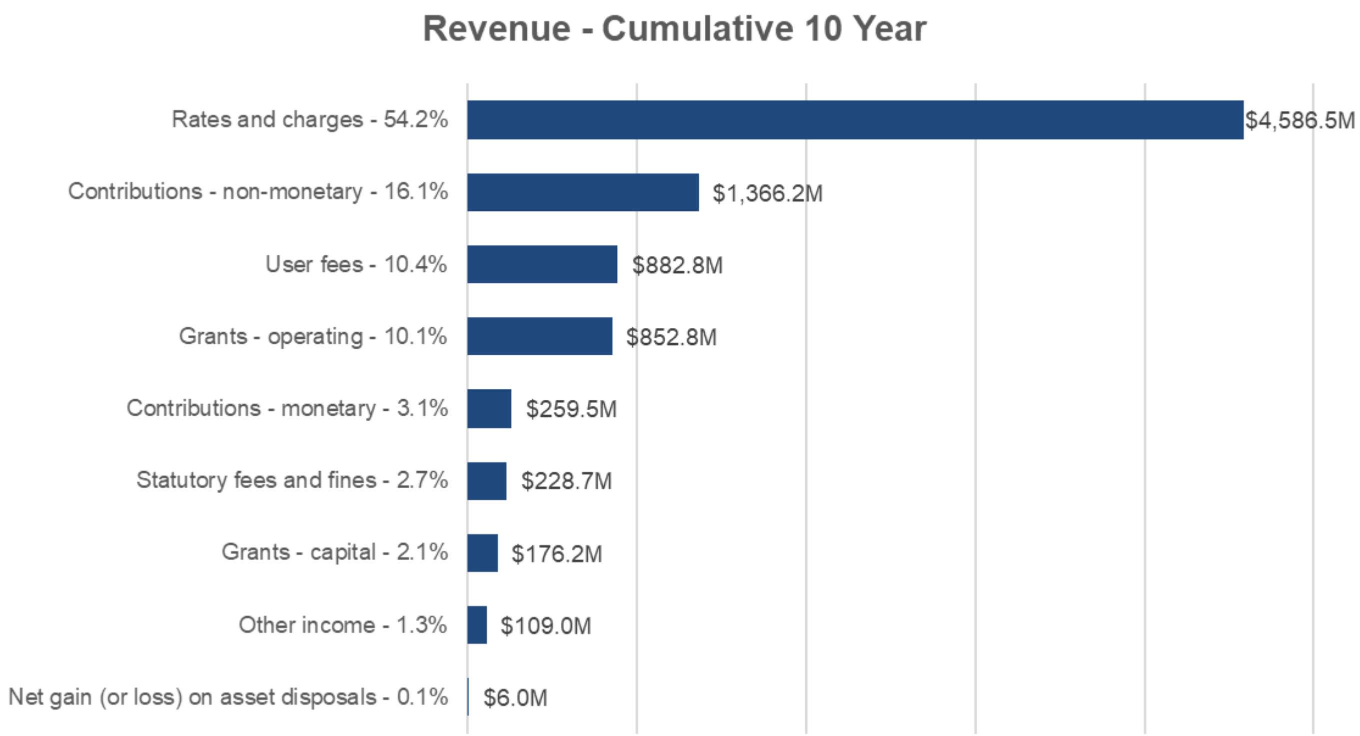
It is important that the plan considers the most recent economic data and forecasts available. A review will be conducted each year to ensure that the underlying assumptions and parameters are reasonable given changes in the economic, internal and external environments.

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

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Core Assumptions										
CPI / Inflation	3.40%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Property & Service Volume Growth	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Key Revenue Assumptions										
General Rates / Rate Cap	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Waste Charge	6.80%	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Statutory Fees & Fines	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Users Charges	3.40%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Grants - Operating	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Grants - Capital	Per confirmed funding		10% of Capital Program							
Contribution - Monetary	Per projections on Developer Contributions									
Contribution - Non-Monetary	2.00%	4.00%	4.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Key Expenditure Assumptions										
Salaries & Wages EBA + increments	3.80%	3.80%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%
Salaries & Wages Efficiency Factor		(1.50%)	(1.50%)	(1.00%)	(0.50%)	-	-	-	-	-
Materials & Services / Other Expenses Growth	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Materials and Services/Other Expenses Efficiency Factor		(3.00%)	(3.00%)	(2.00%)	(0.50%)	-	-	-	-	-

REVENUE

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



a. Rates & Charges

Rates and charges on average comprise 54.2% of total revenue over the life of the plan, being the most critical income source. Rates and charges income are budgeted at $358.3 million in 2026-27 and is expected to rise by $216.8 million to reach $575.1 million by 2035-36.

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

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

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

Assumptions

The 2026-27 Budget includes a rate increase of 2.75% in 2026-27, being in line with the state government rate cap. The rate cap is assumed to be 2.75% thereafter. Rates increases are assumed to be at the level of the rate cap.

The City is in a period of significant growth and will see approximately 35,706 new rateable properties over the life of the plan. Growth has been assumed using available population forecast data and is expected to be 2.0% for 2026-27 and 2.5% for the remainder of the plan.

Waste Charge

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

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

- Rollout of the food organics and garden organics service delivery, requiring facility upgrade works to allow for organics processing
- Contingency for the purchase of kerbside glass bins for kerbside collection of glass bins by 2027 in line with the State Government's reforms to kerbside collection
- Planning and construction of a regional resource hub
- Investment in the development of a new resource recovery centre due to growth in the region
- State government Environment Protection Authority levy increases

Assumptions

The waste charge has been increased by 6.80% in 2026-27 and is expected to increase by 5.00% in 2027-28 and then 4.00% for the remainder of the plan. This increase is required to absorb the increase in the EPA levy and to deliver the kerbside reform mandated by the state government.

Beyond 2027-28, it is planned the waste charge be set at a level consistent with the expected increases in the cost of operating waste services.

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

b. Contributions

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

The plan includes the following contributions based on current projections:

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

c. User Fees

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

Assumptions

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

d. Government Grants

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

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

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

Assumptions

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

The value of capital grants will vary over the life of the plan depending on the value and nature of the capital projects being undertake and commitments made by the State and Federal Government. Based on recent trends, capital grants are expected to represent around 10% of the funding for the City's capital program.

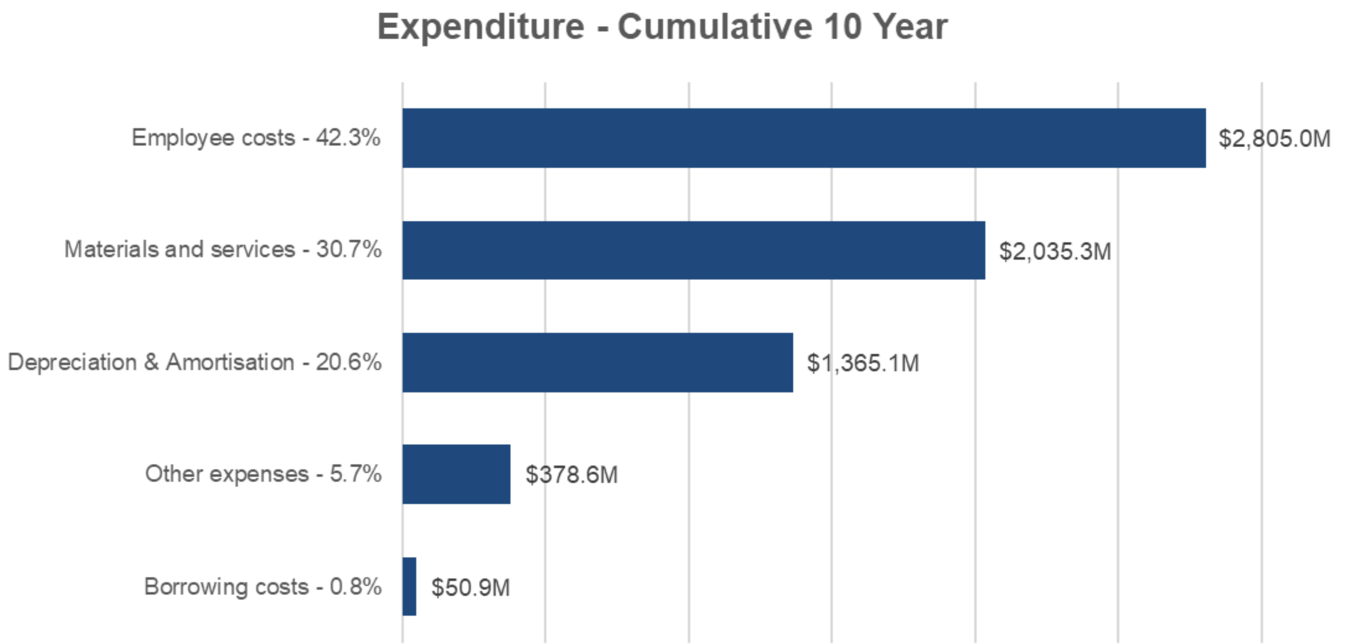
e. Statutory Fees & Charges

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

Assumptions

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

EXPENDITURE



a. Employee Costs

Employees are an integral part of the success of the City through the delivery of programs and services to our community. Total employee costs on average account for 42.3% of all expenditure. Employee costs are forecast at $221.9 million for the 2026-27 financial year and will rise to $353.3 million over the 10 years of the plan, to meet the growing needs of the municipality.

Assumptions

Consistent with the current EBA, increases to salaries are expected to be 3.00% until 2028-29. Beyond this, EA increases are assumed to be 2.5% consistent with the assumed CPI. An additional 0.8% increase is assumed for annual banding increments.

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

To support the achievement of an ongoing underlying operating surplus, an efficiency factor has been applied to projected employee costs. This is expected to be realised through a combination of structural efficiencies and service review outcomes.

b. Materials & Services

The 2026-27 budget for materials and services is $170.2 million, growing to $250.5 million by 2035-36. The most significant expense category within materials and services are contracts, which account for almost half of total materials and services.

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

Assumptions

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

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

To support the achievement of an ongoing underlying operating surplus, an efficiency factor has been applied to projected materials and services costs. This is expected to be realised through a combination of structural efficiencies and service review outcomes.

c. Depreciation & Amortisation

The City has infrastructure assets including roads, footpaths, buildings, drains and open space that average $5 billion over the life of the Plan.

Assumptions

Depreciation is calculated based on the expected useful life of each asset (excluding land). Depreciation fluctuates based on the changes in the City’s asset base. With a growing asset base, depreciation is expected to increase on average by around 4.2% per annum over the life of the plan.

CAPITAL PROGRAM OF WORKS

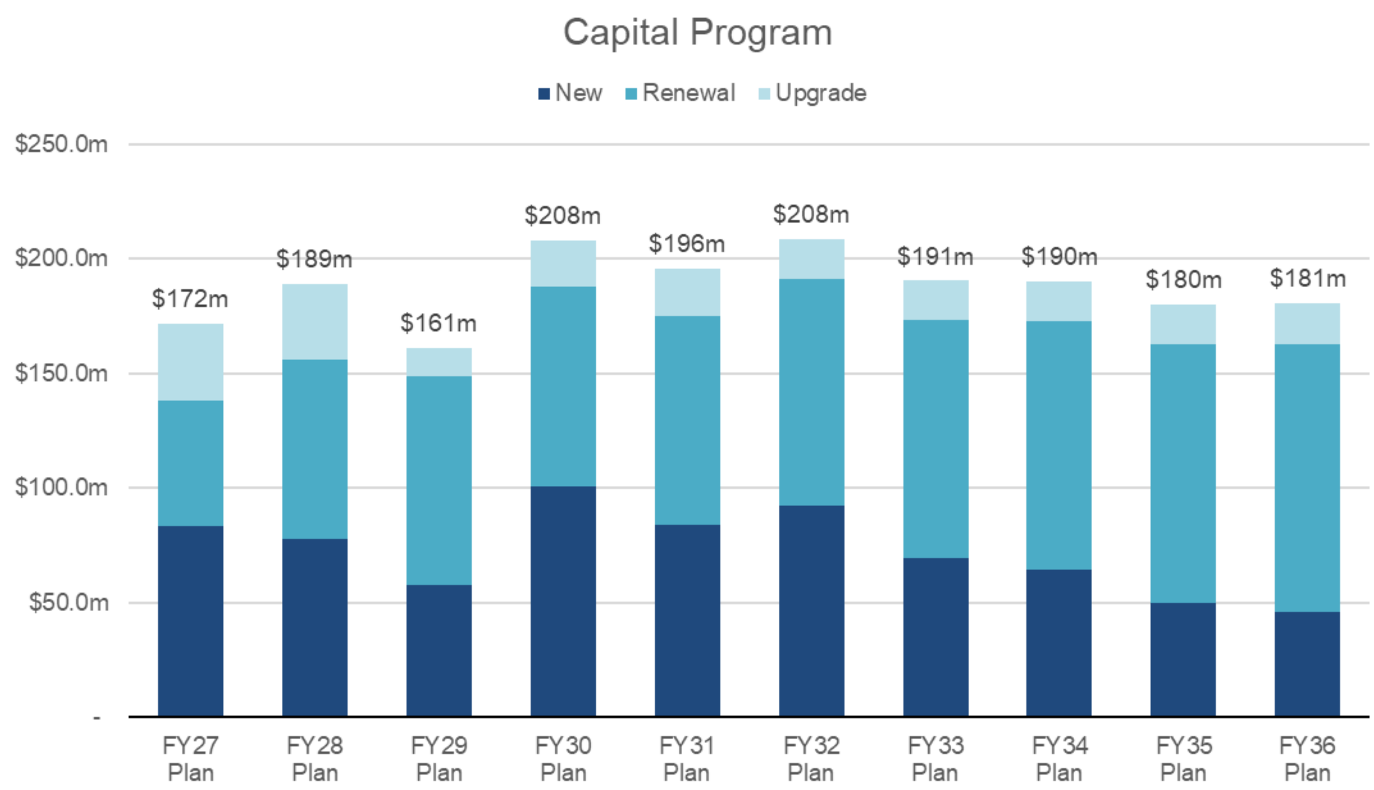
The capital works program aims to meet the infrastructure service requirements of the City and its forecasted population growth. High demand for new infrastructure needs to be balanced with the community's expectation on maintenance and renewal of existing assets.

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

The capital works program for 2026-27 to 2029-30 is as per the 2026-27 Budget. Beyond this, the capital program has been projected based on the key principles that underpin the strategic financial outcomes included in the plan, including:

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

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



Appendix 1 – Financial Statements

Financial Plan Statements

This section presents information in regard to the financial plan statements for the ten years from 2026-27 to 2035-36.

Comprehensive Income Statement

Income Statement Converted to Cash

Balance Sheet

Statement of Cash Flows

Statement of Capital Works

Statement of Human Resources

Statement of Changes in Equity

COMPREHENSIVE INCOME STATEMENT

	Forecast Actual	Budget	Projections								
	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
Income / Revenue											
Rates and charges	341,162	358,262	376,774	397,209	418,756	441,475	465,435	490,702	517,344	545,437	575,059
Statutory fees and fines	19,109	17,971	18,914	19,907	20,952	22,052	23,210	24,429	25,711	27,061	28,482
User fees	66,493	69,369	73,011	76,844	80,879	85,125	89,594	94,298	99,248	104,459	109,943
Grants - operating	62,259	75,248	77,317	79,443	81,628	83,873	86,179	88,549	90,984	93,486	96,057
Grants - capital	37,646	45,944	18,722	10,417	9,269	17,794	18,575	15,219	14,566	13,041	12,656
Contributions - monetary	28,308	46,544	30,881	24,469	40,778	26,278	27,988	25,764	23,534	10,742	2,500
Contributions - non-monetary	118,023	120,652	125,478	130,497	133,107	135,769	138,485	141,254	144,079	146,961	149,900
Net gain (or loss) on disposal of assets	5,917	3,342	270	275	281	287	292	298	304	310	316
Other income	12,274	9,323	11,491	12,703	10,757	8,574	9,032	10,587	11,385	12,210	12,937
Total income / revenue	**691,192**	**746,654**	**732,858**	**751,766**	**796,406**	**821,227**	**858,789**	**891,099**	**927,156**	**953,707**	**987,851**
Expenses											
Employee costs	212,307	221,892	232,180	243,024	254,457	267,689	282,955	299,098	316,169	334,221	353,312
Materials and services	150,578	170,230	173,894	177,814	185,348	194,120	204,271	214,954	226,196	238,027	250,478
Depreciation	111,009	110,439	115,195	119,986	126,297	131,388	136,765	142,191	147,699	153,083	158,640
Amortisation - intangible assets	2,113	2,389	2,389	2,389	2,389	2,350	-	-	-	-	-
Depreciation - right of use assets	1,380	1,377	1,377	1,137	1,085	1,085	1,085	1,085	1,085	1,085	1,085
Borrowing costs	5,017	5,151	4,787	4,514	4,407	5,203	5,420	5,351	5,351	5,351	5,351
Finance costs - leases	191	108	383	530	432	386	337	286	233	177	118
Other expenses	28,542	31,369	32,074	32,796	34,190	35,814	37,694	39,673	41,756	43,948	46,256
Total expenses	**511,137**	**542,955**	**562,280**	**582,191**	**608,605**	**638,036**	**668,527**	**702,638**	**738,488**	**775,893**	**815,240**
Surplus/(deficit) for the year	**180,055**	**203,700**	**170,579**	**169,574**	**187,801**	**183,191**	**190,262**	**188,462**	**188,668**	**177,815**	**172,611**
Other comprehensive income											
Net asset revaluation gain /(loss)	211,755	220,225	229,034	238,196	242,959	247,819	252,775	257,831	262,987	268,247	273,612
Total other comprehensive income	**211,755**	**220,225**	**229,034**	**238,196**	**242,959**	**247,819**	**252,775**	**257,831**	**262,987**	**268,247**	**273,612**
Total comprehensive result	**391,810**	**423,925**	**399,613**	**407,770**	**430,760**	**431,010**	**443,037**	**446,293**	**451,655**	**446,062**	**446,223**

INCOME STATEMENT CONVERTED TO CASH

	Forecast Actual	Budget		Projections							
	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
Surplus/(deficit) for the year	**180,055**	**203,700**	**170,579**	**169,574**	**187,801**	**183,191**	**190,262**	**188,462**	**188,668**	**177,815**	**172,611**
Adjustment for Non-Cash Items											
Contributions - non-monetary	(118,023)	(120,652)	(125,478)	(130,497)	(133,107)	(135,769)	(138,485)	(141,254)	(144,079)	(146,961)	(149,900)
Depreciation & amortisation	114,503	114,205	118,961	123,512	129,771	134,823	137,850	143,276	148,784	154,168	159,725
Written-Down Value of Asset Disposals	16,303	7,985	400	395	389	383	378	372	366	360	354
Adjustment for Non-Cash Items											
Capital Expenditure	(147,222)	(171,550)	(189,023)	(161,202)	(208,142)	(195,648)	(208,482)	(190,508)	(190,219)	(180,277)	(180,799)
Adjustment for Financing Items											
New Borrowings	-	30,000	-	-	20,000	41,000	17,000	-	-	-	-
Loan Repayments	(7,423)	(57,555)	(7,690)	(6,345)	(23,427)	(42,808)	(18,700)	-	-	-	-
Lease Repayments	(1,274)	(1,430)	(1,250)	(1,294)	(941)	(987)	(1,035)	(1,086)	(1,139)	(1,195)	(1,254)
Adjustment for Reserve Movements											
Reserve Drawdown/(Replenishment)	(34,369)	(2,278)	35,144	7,699	29,273	17,542	23,322	7,653	5,874	307	3,634
Cash Surplus/(Deficit) for the Year	**2,551**	**2,424**	**1,644**	**1,841**	**1,617**	**1,728**	**2,110**	**6,915**	**8,254**	**4,216**	**4,370**

BALANCE SHEET

	Forecast Actual	Budget	Projections								
	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
Assets											
Current assets											
Cash and cash equivalents	154,502	157,147	139,440	132,639	113,329	103,510	93,796	93,773	97,481	101,670	104,788
Trade and other receivables	14,773	11,730	11,181	11,605	10,943	8,483	8,283	9,009	9,079	9,155	9,145
Other financial assets	101,288	104,765	92,960	88,426	75,553	69,007	62,531	62,515	64,987	67,780	69,859
Inventories	1,246	1,404	1,435	1,467	1,529	1,602	1,686	1,775	1,868	1,966	2,069
Prepayments	5,488	6,186	6,319	6,461	6,736	7,056	7,427	7,816	8,227	8,659	9,113
Non-current assets classified as held for sale	369	369	369	369	369	369	369	369	369	369	369
Other assets	3,004	2,967	3,174	3,360	3,456	3,553	3,740	3,969	4,185	4,412	4,646
Total current assets	**280,671**	**284,568**	**254,879**	**244,327**	**211,914**	**193,580**	**177,831**	**179,226**	**186,196**	**194,010**	**199,990**
Non-current assets											
Trade and other receivables	16,928	17,776	18,695	19,709	20,778	21,905	23,094	24,348	25,669	27,063	28,533
Investments in associates, joint arrangement and subsidiaries	12,256	12,256	12,256	12,256	12,256	12,256	12,256	12,256	12,256	12,256	12,256
Property, infrastructure, plant & equipment	5,690,239	6,084,243	6,512,182	6,921,697	7,379,219	7,826,683	8,289,282	8,736,312	9,185,532	9,627,573	10,072,890
Right-of-use assets	3,413	2,036	11,367	10,370	9,285	8,200	7,116	6,031	4,946	3,862	2,777
Intangible assets	11,907	9,518	7,129	4,739	2,350	0	0	0	0	0	0
Total non-current assets	**5,734,743**	**6,125,829**	**6,561,628**	**6,968,771**	**7,423,888**	**7,869,045**	**8,331,747**	**8,778,946**	**9,228,404**	**9,670,754**	**10,116,456**
Total assets	**6,015,413**	**6,410,397**	**6,816,507**	**7,213,098**	**7,635,802**	**8,062,624**	**8,509,578**	**8,958,172**	**9,414,600**	**9,864,765**	**10,316,446**

	Forecast Actual	Budget	Projections								
	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
Liabilities											
Current liabilities											
Trade and other payables	44,199	49,965	51,785	51,399	55,599	57,123	60,252	61,976	64,719	67,124	70,205
Trust funds and deposits	21,144	21,566	21,998	22,438	22,886	23,344	23,811	24,287	24,773	25,269	25,774
Contract and other liabilities	26,619	18,537	18,978	15,102	14,813	19,369	20,062	18,695	18,690	18,258	18,406
Provisions	43,793	45,605	47,511	49,503	51,548	53,701	56,029	58,477	61,051	63,758	66,603
Interest-bearing liabilities	57,555	7,690	6,345	23,427	42,808	18,700	-	-	-	-	30,000
Lease liabilities	1,430	720	537	941	987	1,035	1,086	1,139	1,195	1,254	1,312
Total current liabilities	**194,739**	**144,083**	**147,155**	**162,810**	**188,641**	**173,272**	**161,241**	**164,576**	**170,429**	**175,663**	**212,300**
Non-current liabilities											
Provisions	33,034	33,159	33,290	31,440	21,348	11,264	11,299	11,405	11,519	11,643	11,776
Interest-bearing liabilities	98,971	121,281	114,935	91,508	68,700	91,000	108,000	108,000	108,000	108,000	78,000
Lease liabilities	2,514	1,794	11,435	9,877	8,890	7,855	6,768	5,629	4,433	3,179	1,867
Total non-current liabilities	**134,519**	**156,234**	**159,660**	**132,824**	**98,938**	**110,119**	**126,067**	**125,034**	**123,953**	**122,822**	**91,643**
Total liabilities	**329,258**	**300,317**	**306,815**	**295,635**	**287,579**	**283,391**	**287,308**	**289,609**	**294,382**	**298,485**	**303,944**
Net assets	**5,686,155**	**6,110,080**	**6,509,693**	**6,917,463**	**7,348,223**	**7,779,234**	**8,222,270**	**8,668,563**	**9,120,218**	**9,566,280**	**10,012,502**
Equity											
Accumulated surplus	2,589,903	2,791,325	2,997,048	3,174,321	3,391,395	3,592,129	3,805,713	4,001,828	4,196,369	4,374,491	4,550,735
Asset Revaluation Reserves	2,950,598	3,170,823	3,399,857	3,638,053	3,881,012	4,128,831	4,381,606	4,639,437	4,902,424	5,170,671	5,444,283
Other Cash Reserves	145,654	147,932	112,788	105,089	75,816	58,273	34,951	27,298	21,424	21,117	17,483
Total equity	**5,686,155**	**6,110,080**	**6,509,693**	**6,917,463**	**7,348,223**	**7,779,234**	**8,222,270**	**8,668,563**	**9,120,218**	**9,566,280**	**10,012,502**

STATEMENT OF CHANGES IN EQUITY

	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
2026 Forecast Actual				
Balance at beginning of the financial year	5,294,345	2,444,217	2,738,843	111,285
Surplus/(deficit) for the year	180,055	180,055	-	-
Net asset revaluation gain/(loss)	211,755	-	211,755	-
Transfers to other reserves	-	110,244	-	(110,244)
Transfers from other reserves	-	(144,613)	-	144,613
Balance at end of the financial year	**5,686,155**	**2,589,903**	**2,950,598**	**145,654**
2027 Budget				
Balance at beginning of the financial year	5,686,155	2,589,903	2,950,598	145,654
Surplus/(deficit) for the year	203,700	203,700	-	-
Net asset revaluation gain/(loss)	220,225	-	220,225	-
Transfers to other reserves	-	143,638	-	(143,638)
Transfers from other reserves	-	(145,915)	-	145,915
Balance at end of the financial year	**6,110,080**	**2,791,325**	**3,170,823**	**147,932**
2028				
Balance at beginning of the financial year	6,110,080	2,791,325	3,170,823	147,932
Surplus/(deficit) for the year	170,579	170,579	-	-
Net asset revaluation gain/(loss)	229,034	-	229,034	-
Transfers to other reserves	-	161,476	-	(161,476)
Transfers from other reserves	-	(126,332)	-	126,332
Balance at end of the financial year	**6,509,693**	**2,997,048**	**3,399,857**	**112,788**
2029				
Balance at beginning of the financial year	6,509,693	2,997,048	3,399,857	112,788
Surplus/(deficit) for the year	169,574	169,574	-	-
Net asset revaluation gain/(loss)	238,196	-	238,196	-
Transfers to other reserves	-	134,809	-	(134,809)
Transfers from other reserves	-	(127,110)	-	127,110
Balance at end of the financial year	**6,917,463**	**3,174,321**	**3,638,053**	**105,089**
2030				
Balance at beginning of the financial year	6,917,463	3,174,321	3,638,053	105,089
Surplus/(deficit) for the year	187,801	187,801	-	-
Net asset revaluation gain/(loss)	242,959	-	242,959	-
Transfers to other reserves	-	181,921	-	(181,921)
Transfers from other reserves	-	(152,648)	-	152,648
Balance at end of the financial year	**7,348,223**	**3,391,395**	**3,881,012**	**75,816**

	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
2031				
Balance at beginning of the financial year	7,348,223	3,391,395	3,881,012	75,816
Surplus/(deficit) for the year	183,191	183,191	-	-
Net asset revaluation gain/(loss)	247,819	-	247,819	-
Transfers to other reserves	-	151,323	-	(151,323)
Transfers from other reserves	-	(133,781)	-	133,781
Balance at end of the financial year	**7,779,234**	**3,592,129**	**4,128,831**	**58,274**
2032				
Balance at beginning of the financial year	7,779,234	3,592,129	4,128,831	58,274
Surplus/(deficit) for the year	190,262	190,262	-	-
Net asset revaluation gain/(loss)	252,775	-	252,775	-
Transfers to other reserves	-	165,258	-	(165,258)
Transfers from other reserves	-	(141,936)	-	141,936
Balance at end of the financial year	**8,222,270**	**3,805,713**	**4,381,606**	**34,952**
2033				
Balance at beginning of the financial year	8,222,270	3,805,713	4,381,606	34,952
Surplus/(deficit) for the year	188,462	188,462	-	-
Net asset revaluation gain/(loss)	257,831	-	257,831	-
Transfers to other reserves	-	164,201	-	(164,201)
Transfers from other reserves	-	(156,548)	-	156,548
Balance at end of the financial year	**8,668,563**	**4,001,828**	**4,639,437**	**27,298**
2034				
Balance at beginning of the financial year	8,668,563	4,001,828	4,639,437	27,298
Surplus/(deficit) for the year	188,668	188,668	-	-
Net asset revaluation gain/(loss)	262,987	-	262,987	-
Transfers to other reserves	-	147,435	-	(147,435)
Transfers from other reserves	-	(141,561)	-	141,561
Balance at end of the financial year	**9,120,218**	**4,196,369**	**4,902,424**	**21,424**
2035				
Balance at beginning of the financial year	9,120,218	4,196,369	4,902,424	21,424
Surplus/(deficit) for the year	177,815	177,815	-	-
Net asset revaluation gain/(loss)	268,247	-	268,247	-
Transfers to other reserves	-	146,752	-	(146,752)
Transfers from other reserves	-	(146,445)	-	146,445
Balance at end of the financial year	**9,566,280**	**4,374,491**	**5,170,671**	**21,118**
2036				
Balance at beginning of the financial year	9,566,280	4,374,491	5,170,671	21,118
Surplus/(deficit) for the year	172,611	172,611	-	-
Net asset revaluation gain/(loss)	273,612	-	273,612	-
Transfers to other reserves	-	149,973	-	(149,973)
Transfers from other reserves	-	(146,339)	-	146,339
Balance at end of the financial year	**10,012,502**	**4,550,735**	**5,444,283**	**17,484**

STATEMENT OF CASH FLOWS

	Forecast Actual	Budget		Projections							
	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
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities											
Rates and charges	345,608	357,131	375,549	395,858	417,331	439,973	463,850	489,031	515,582	543,578	573,100
Statutory fees and fines	32,097	17,971	18,914	19,907	20,952	22,052	23,210	24,429	25,711	27,061	28,482
User fees	66,541	69,389	73,036	76,870	80,906	85,154	89,624	94,329	99,282	104,494	109,980
Grants - operating	63,436	76,780	77,561	79,694	81,886	84,138	86,451	88,829	91,272	93,782	96,361
Grants - capital	29,006	36,310	18,895	6,264	8,696	22,056	18,965	13,541	14,240	12,279	12,464
Contributions - monetary	28,308	46,544	30,881	24,469	40,778	26,278	27,988	25,764	23,534	10,742	2,500
Interest received	9,272	8,850	10,085	9,480	7,366	6,369	6,302	6,274	6,423	6,692	6,953
Trust funds and deposits taken	415	423	431	440	449	458	467	476	486	495	505
Other receipts	740	2,377	553	1,411	2,730	3,317	1,468	2,058	3,352	3,867	4,387
Employee costs	(210,464)	(219,955)	(230,143)	(240,883)	(252,205)	(265,322)	(280,466)	(296,481)	(313,417)	(331,328)	(350,271)
Materials and services	(148,788)	(165,078)	(171,612)	(177,443)	(192,548)	(201,036)	(200,692)	(211,155)	(222,240)	(233,905)	(246,182)
Other payments	(28,155)	(31,369)	(32,074)	(32,796)	(34,190)	(35,814)	(37,694)	(39,673)	(41,756)	(43,948)	(46,256)
Net cash provided by/(used in) operating activities	**188,016**	**199,373**	**172,077**	**163,272**	**182,149**	**187,622**	**199,472**	**197,421**	**202,467**	**193,808**	**192,024**
Cash flows from investing activities											
Payments for property, infrastructure, plant and equipment	(139,860)	(170,334)	(188,149)	(162,593)	(205,795)	(196,272)	(207,840)	(191,407)	(190,233)	(180,774)	(180,773)
Proceeds from sale of property, infrastructure, plant and equipment	22,220	11,327	670	670	670	670	670	670	670	670	670
Payments for investments	-	(3,477)	-	-	-	-	-	-	(2,472)	(2,793)	(2,079)
Proceeds from sale of investments	-	-	11,805	4,534	12,873	6,546	6,476	15	-	-	-
Net cash provided by/ (used in) investing activities	**(117,641)**	**(162,484)**	**(175,674)**	**(157,389)**	**(192,252)**	**(189,056)**	**(200,694)**	**(190,721)**	**(192,035)**	**(182,896)**	**(182,182)**
Cash flows from financing activities											
Finance costs	(5,017)	(5,151)	(4,787)	(4,514)	(4,407)	(5,203)	(5,420)	(5,351)	(5,351)	(5,351)	(5,351)
Proceeds from borrowings		30,000	-	-	20,000	41,000	17,000	-	-	-	-
Repayment of borrowings	(7,423)	(57,555)	(7,690)	(6,345)	(23,427)	(42,808)	(18,700)	-	-	-	-
Interest paid - lease liability	(191)	(108)	(383)	(530)	(432)	(386)	(337)	(286)	(233)	(177)	(118)
Repayment of lease liabilities	(1,274)	(1,430)	(1,250)	(1,294)	(941)	(987)	(1,035)	(1,086)	(1,139)	(1,195)	(1,254)
Net cash provided by/(used in) financing activities	**(13,905)**	**(34,244)**	**(14,110)**	**(12,684)**	**(9,207)**	**(8,384)**	**(8,493)**	**(6,723)**	**(6,723)**	**(6,723)**	**(6,723)**
Net increase/(decrease) in cash & cash equivalents	56,470	2,645	(17,707)	(6,801)	(19,310)	(9,819)	(9,714)	(23)	3,709	4,189	3,119
Cash and cash equivalents at the beginning of the financial year	98,032	154,502	157,147	139,440	132,639	113,329	103,510	93,796	93,773	97,481	101,670
Cash and cash equivalents at the end of the financial year	**154,502**	**157,147**	**139,440**	**132,639**	**113,329**	**103,510**	**93,796**	**93,773**	**97,481**	**101,670**	**104,788**

STATEMENT OF CAPITAL WORKS

	Forecast Actual 2025-26 $'000	Budget 2026-27 $'000	Projections 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
Property											
Land	2,741	**10,805**	17,133	9,269	28,688	8,319	23,978	7,224	2,574	7,018	2,668
Total land	2,741	**10,805**	17,133	9,269	28,688	8,319	23,978	7,224	2,574	7,018	2,668
Buildings	53,178	**54,780**	24,511	42,661	60,897	59,716	52,153	50,860	35,540	29,262	30,328
Heritage buildings	9	**-**	4,500	3,500	-	-	-	-	-	-	-
Building improvements	5	**-**	-	-	-	-	-	-	-	-	-
Total buildings	53,192	**54,780**	29,011	46,161	60,897	59,716	52,153	50,860	35,540	29,262	30,328
Total property	55,933	**65,585**	46,144	55,430	89,584	68,035	76,131	58,084	38,114	36,280	32,996
Plant and equipment											
Plant, machinery and equipment	2,845	**11,517**	11,430	8,941	6,554	6,881	8,104	8,434	8,769	9,095	9,431
Fixtures, fittings and furniture	121	**366**	394	451	464	482	533	553	572	592	612
Computers and telecommunications	1,650	**2,108**	1,825	2,284	2,336	2,444	2,817	2,927	3,038	3,148	3,261
Total plant and equipment	4,617	**13,990**	13,649	11,676	9,353	9,807	11,454	11,913	12,379	12,834	13,304
Infrastructure											
Roads	31,069	**25,007**	34,916	38,636	45,480	52,150	48,376	47,957	49,805	51,611	53,474
Bridges	460	**434**	436	519	533	556	629	653	677	700	725
Footpaths and cycleways	10,850	**7,124**	4,848	5,609	6,330	7,177	8,015	7,471	6,928	7,175	7,431
Drainage	5,453	**4,833**	8,057	8,824	13,784	9,149	9,802	10,192	10,589	10,977	11,377
Recreational, leisure and community facilities	16,069	**25,413**	28,116	20,225	21,125	24,277	20,870	17,049	22,728	27,789	27,683
Waste management	1,952	**13,609**	30,950	1,567	1,619	3,491	9,832	10,927	9,991	10,097	10,209
Parks, open space and streetscapes	10,612	**7,782**	12,492	10,915	12,309	12,734	14,958	17,584	30,063	13,595	14,098
Other infrastructure	10,208	**7,773**	9,415	7,800	8,025	8,272	8,415	8,676	8,944	9,219	9,501
Total infrastructure	86,672	**91,976**	129,229	94,096	109,204	117,805	120,896	120,510	139,725	131,163	134,499
Total capital works expenditure	147,222	**171,550**	189,023	161,202	208,142	195,648	208,482	190,508	190,219	180,277	180,799

	Forecast Actual 2025-26 $'000	Budget 2026-27 $'000	Projections 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
Represented by:											
New asset expenditure	55,877	**83,615**	77,661	57,913	100,959	83,968	92,231	69,645	64,674	50,156	45,954
Asset renewal expenditure	58,558	**54,517**	78,398	91,112	87,071	91,395	99,339	103,701	108,124	112,435	116,884
Asset expansion expenditure	-	**-**	-	-	-	-	-	-	-	-	-
Asset upgrade expenditure	32,786	**33,418**	32,963	12,177	20,112	20,284	16,911	17,162	17,420	17,686	17,960
Total capital works expenditure	147,222	**171,550**	189,023	161,202	208,142	195,648	208,482	190,508	190,219	180,277	180,799
Funding sources represented by:											
Grants	37,646	**45,944**	18,722	10,417	9,269	17,794	18,575	15,219	14,566	13,041	12,656
Contributions	3,470	**1,697**	1,033	2,832	2,978	1,771	2,274	3,832	4,456	4,986	5,424
Council cash	106,105	**123,909**	169,267	147,954	195,895	176,083	187,633	171,457	171,197	162,249	162,719
Borrowings	-	**-**	-	-	-	-	-	-	-	-	-
Total capital works expenditure	147,222	**171,550**	189,023	161,202	208,142	195,648	208,482	190,508	190,219	180,277	180,799

STATEMENT OF HUMAN RESOURCES

Planned Expenditure	2025-26 $'000	2026-27 $'000	2027-28 $'000	2028-29 $'000	2029-30 $'000	2030-31 $'000	2031-32 $'000	2032-33 $'000	2033-34 $'000	2034-35 $'000	2035-36 $'000
Chief Executive											
Permanent - Full time	**949**	**914**	**957**	**1,001**	**1,049**	**1,103**	**1,166**	**1,233**	**1,303**	**1,377**	**1,456**
Women	798	769	804	842	882	927	980	1,036	1,095	1,158	1,224
Men	151	146	152	159	167	176	186	196	207	219	232
Persons of self-described gender		0	0	0	0	0	0	0	0	0	0
Permanent - Part time	**827**	**797**	**834**	**873**	**914**	**961**	**1,016**	**1,074**	**1,135**	**1,200**	**1,269**
Women	695	670	701	734	768	808	854	903	955	1,009	1,067
Men	132	127	133	139	145	153	162	171	181	191	202
Persons of self-described gender		0	0	0	0	0	0	0	0	0	0
Total Chief Executive	**1,776**	**1,711**	**1,790**	**1,874**	**1,962**	**2,064**	**2,182**	**2,306**	**2,438**	**2,577**	**2,725**
City Infrastructure											
Permanent - Full time	**48,441**	**49,588**	**51,887**	**54,310**	**56,865**	**59,822**	**63,234**	**66,841**	**70,656**	**74,691**	**78,957**
Women	9,694	9,923	10,383	10,868	11,379	11,971	12,654	13,376	14,139	14,946	15,800
Men	38,747	39,665	41,504	43,442	45,486	47,851	50,580	53,466	56,517	59,744	63,157
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	**1,036**	**1,061**	**1,110**	**1,162**	**1,216**	**1,279**	**1,352**	**1,430**	**1,511**	**1,597**	**1,689**
Women	207	212	222	232	243	256	271	286	302	320	338
Men	829	848	888	929	973	1,023	1,082	1,143	1,209	1,278	1,351
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0	0
Total City Infrastructure	**49,477**	**50,648**	**52,997**	**55,472**	**58,081**	**61,102**	**64,586**	**68,271**	**72,167**	**76,288**	**80,646**
City Life											
Permanent - Full time	**41,658**	**43,251**	**45,256**	**47,370**	**49,598**	**52,177**	**55,153**	**58,299**	**61,627**	**65,145**	**68,867**
Women	32,022	33,247	34,788	36,413	38,126	40,108	42,396	44,814	47,372	50,077	52,937
Men	9,508	9,872	10,329	10,812	11,320	11,909	12,588	13,306	14,066	14,869	15,718
Persons of self-described gender	128	133	139	145	152	160	169	179	189	200	211
Permanent - Part time	**31,189**	**32,381**	**33,882**	**35,465**	**37,133**	**39,064**	**41,292**	**43,648**	**46,139**	**48,773**	**51,559**
Women	23,975	24,891	26,045	27,262	28,544	30,029	31,741	33,552	35,467	37,492	39,633
Men	7,119	7,391	7,733	8,095	8,475	8,916	9,424	9,962	10,531	11,132	11,768
Persons of self-described gender	96	99	104	109	114	120	127	134	141	150	158
Total City Life	**72,847**	**75,632**	**79,138**	**82,834**	**86,731**	**91,242**	**96,445**	**101,947**	**107,766**	**113,919**	**120,426**

Planned Expenditure	2025-26 $'000	2026-27 $'000	2027-28 $'000	2028-29 $'000	2029-30 $'000	2030-31 $'000	2031-32 $'000	2032-33	2033-34 $'000	2034-35 $'000	2035-36 $'000
Corporate Services											
Permanent - Full time	**35,651**	**36,385**	**38,072**	**39,850**	**41,725**	**43,895**	**46,398**	**49,045**	**51,844**	**54,804**	**57,935**
Women	23,231	23,709	24,809	25,967	27,189	28,603	30,234	31,959	33,783	35,712	37,752
Men	12,420	12,676	13,263	13,883	14,536	15,292	16,164	17,086	18,061	19,092	20,183
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	**5,219**	**5,327**	**5,574**	**5,834**	**6,109**	**6,426**	**6,793**	**7,180**	**7,590**	**8,023**	**8,482**
Women	3,401	3,471	3,632	3,802	3,980	4,187	4,426	4,679	4,946	5,228	5,527
Men	1,818	1,856	1,942	2,032	2,128	2,239	2,366	2,501	2,644	2,795	2,955
Persons of self-described gender	0	0	0	0	0	0	0	0	0	0	0
Total Corporate Services	**40,870**	**41,712**	**43,646**	**45,684**	**47,833**	**50,321**	**53,190**	**56,225**	**59,434**	**62,828**	**66,416**
Growth & Place											
Permanent - Full time	**22,944**	**24,775**	**25,924**	**27,134**	**28,411**	**29,888**	**31,593**	**33,395**	**35,301**	**37,317**	**39,448**
Women	13,983	15,098	15,798	16,536	17,314	18,214	19,253	20,351	21,513	22,741	24,040
Men	8,846	9,551	9,994	10,461	10,953	11,523	12,180	12,875	13,610	14,387	15,208
Persons of self-described gender	116	125	131	137	144	151	160	169	179	189	200
Permanent - Part time	**3,128**	**3,378**	**3,535**	**3,700**	**3,874**	**4,075**	**4,308**	**4,553**	**4,813**	**5,088**	**5,379**
Women	1,906	2,059	2,154	2,255	2,361	2,483	2,625	2,775	2,933	3,101	3,278
Men	1,206	1,302	1,363	1,426	1,493	1,571	1,661	1,755	1,856	1,962	2,074
Persons of self-described gender	16	17	18	19	20	21	22	23	24	26	27
Total Growth & Place	**26,073**	**28,153**	**29,458**	**30,834**	**32,284**	**33,963**	**35,900**	**37,948**	**40,114**	**42,405**	**44,827**
Casuals, temporary and other expenditure	21,265	24,036	25,151	26,325	27,564	28,997	30,651	32,399	34,249	36,204	38,272
Total Salaries & Wages (Operating)	**212,307**	**221,892**	**232,180**	**243,024**	**254,457**	**267,689**	**282,954**	**299,097**	**316,168**	**334,221**	**353,312**
Capitalised labour costs	9,132	10,937	11,639	12,386	12,969	13,644	14,422	15,244	16,115	17,035	17,035
Total staff expenditure	**221,439**	**232,829**	**243,819**	**255,410**	**267,426**	**281,332**	**297,376**	**314,341**	**332,283**	**351,255**	**370,346**

Planned FTE	2025-26 FTE	2026-27 FTE	2027-28 FTE	2028-29 FTE	2029-30 FTE	2030-31 FTE	2031-32 FTE	2032-33 FTE	2033-34 FTE	2034-35 FTE	2035-36 FTE
Chief Executive											
Permanent - Full time	**2.0**	**4.5**	**4.6**	**4.7**	**4.8**	**4.9**	**5.0**	**5.1**	**5.2**	**5.3**	**5.4**
Women	2.0	3.8	3.9	4.0	4.1	4.1	4.2	4.3	4.4	4.5	4.5
Men	-	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	**-**	**3.9**	**4.0**	**4.1**	**4.2**	**4.3**	**4.4**	**4.5**	**4.5**	**4.6**	**4.7**
Women	-	3.3	3.4	3.5	3.5	3.6	3.7	3.8	3.8	3.9	4.0
Men	-	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total Chief Executive	**2.0**	**8.4**	**8.6**	**8.8**	**9.0**	**9.2**	**9.4**	**9.6**	**9.8**	**9.9**	**10.1**
City Infrastructure											
Permanent - Full time	**321.3**	**445.7**	**456.9**	**468.3**	**478.8**	**488.4**	**497.7**	**507.1**	**516.5**	**526.1**	**535.8**
Women	58.4	89.2	91.4	93.7	95.8	97.7	99.6	101.5	103.4	105.3	107.2
Men	262.9	356.5	365.4	374.6	383.0	390.7	398.1	405.7	413.2	420.8	428.6
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	**130.7**	**10.9**	**11.2**	**11.5**	**11.8**	**12.0**	**12.2**	**12.5**	**12.7**	**12.9**	**13.2**
Women	23.8	2.2	2.2	2.3	2.4	2.4	2.4	2.5	2.5	2.6	2.6
Men	107.0	8.8	9.0	9.2	9.4	9.6	9.8	10.0	10.1	10.3	10.5
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total City Infrastructure	**452.0**	**456.7**	**468.1**	**479.8**	**490.6**	**500.4**	**509.9**	**519.6**	**529.2**	**539.0**	**549.0**
City Life											
Permanent - Full time	**288.2**	**408.2**	**418.4**	**428.8**	**438.5**	**447.3**	**455.8**	**464.4**	**473.0**	**481.8**	**490.7**
Women	226.4	313.8	321.6	329.7	337.1	343.8	350.3	357.0	363.6	370.3	377.2
Men	61.2	93.2	95.5	97.9	100.1	102.1	104.0	106.0	108.0	110.0	112.0
Persons of self-described gender	0.6	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.5
Permanent - Part time	**320.1**	**305.6**	**313.2**	**321.1**	**328.3**	**334.9**	**341.2**	**347.7**	**354.1**	**360.7**	**367.4**
Women	251.5	234.9	240.8	246.8	252.4	257.4	262.3	267.3	272.2	277.3	282.4
Men	68.0	69.8	71.5	73.3	74.9	76.4	77.9	79.4	80.8	82.3	83.8
Persons of self-described gender	0.7	0.9	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1
Total City Life	**608.3**	**713.8**	**731.6**	**749.9**	**766.8**	**782.1**	**797.0**	**812.1**	**827.2**	**842.5**	**858.0**

Planned FTE	2025-26 FTE	2026-27 FTE	2027-28 FTE	2028-29 FTE	2029-30 FTE	2030-31 FTE	2031-32 FTE	2032-33 FTE	2033-34 FTE	2034-35 FTE	2035-36 FTE
Corporate Services											
Permanent - Full time	**223.6**	**254.6**	**260.9**	**267.5**	**273.5**	**278.9**	**284.2**	**289.6**	**295.0**	**300.5**	**306.0**
Women	149.7	165.9	170.0	174.3	178.2	181.8	185.2	188.7	192.2	195.8	199.4
Men	73.9	88.7	90.9	93.2	95.3	97.2	99.0	100.9	102.8	104.7	106.6
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Permanent - Part time	**40.0**	**37.3**	**38.2**	**39.2**	**40.0**	**40.8**	**41.6**	**42.4**	**43.2**	**44.0**	**44.8**
Women	26.8	24.3	24.9	25.5	26.1	26.6	27.1	27.6	28.1	28.7	29.2
Men	13.2	13.0	13.3	13.6	13.9	14.2	14.5	14.8	15.0	15.3	15.6
Persons of self-described gender	-	-	-	-	-	-	-	-	-	-	-
Total Corporate Services	**263.6**	**291.8**	**299.1**	**306.6**	**313.5**	**319.8**	**325.9**	**332.1**	**338.2**	**344.5**	**350.8**
Growth & Place											
Permanent - Full time	**153.4**	**181.5**	**186.0**	**190.7**	**195.0**	**198.9**	**202.7**	**206.5**	**210.3**	**214.2**	**218.2**
Women	100.9	110.6	113.4	116.2	118.8	121.2	123.5	125.8	128.2	130.5	133.0
Men	51.8	70.0	71.7	73.5	75.2	76.7	78.1	79.6	81.1	82.6	84.1
Persons of self-described gender	0.8	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1
Permanent - Part time	**24.8**	**25.1**	**25.8**	**26.4**	**27.0**	**27.5**	**28.1**	**28.6**	**29.1**	**29.7**	**30.2**
Women	16.3	15.3	15.7	16.1	16.5	16.8	17.1	17.4	17.8	18.1	18.4
Men	8.4	9.7	9.9	10.2	10.4	10.6	10.8	11.0	11.2	11.4	11.7
Persons of self-described gender	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Total Growth & Place	**178.2**	**206.6**	**211.8**	**217.1**	**222.0**	**226.4**	**230.7**	**235.1**	**239.5**	**243.9**	**248.4**
Casuals and fixed staff	293.5	208.7	214.0	219.3	224.2	228.7	233.1	237.5	241.9	246.4	250.9
Capitalised labour	71.2	77.5	79.5	81.5	83.3	85.0	86.6	88.2	89.9	91.5	93.2
Total staff numbers	**1,868.9**	**1,963.6**	**2,012.7**	**2,063.1**	**2,109.5**	**2,151.7**	**2,192.5**	**2,234.2**	**2,275.5**	**2,317.6**	**2,360.5**

Appendix 2: Financial Performance Indicators

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

Performance Indicator	Measure	Note	FY25 Actual	FY26 Forecast	FY27 Plan	FY28 Plan	FY29 Plan	FY30 Plan	FY31 Plan	FY32 Plan	FY33 Plan	FY34 Plan	FY35 Plan	FY36 Plan	Trend
Operating Position															
Adjusted Underlying Result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	0.36%	-2.78%	-2.69%	-1.04%	0.19%	0.30%	0.30%	0.40%	0.40%	0.30%	0.30%	0.30%	+
Liquidity															
Working Capital Ratio	Current Asset / Current Liabilities	2	168.2%	144.1%	197.5%	173.2%	150.1%	112.3%	111.7%	110.3%	108.9%	109.3%	110.4%	94.2%	-
Unrestricted Working Capital	Unrestricted cash / current liabilities	3	73.9%	56.6%	79.1%	81.3%	71.2%	59.9%	65.9%	75.3%	78.4%	82.8%	84.4%	74.0%	-
Obligations															
Indebtedness Ratio	Interest bearing loans and borrowings / rate revenue	4	45.9%	30.9%	34.5%	33.3%	26.4%	18.7%	19.8%	21.5%	20.3%	19.1%	18.0%	12.7%	-
Debt Coverage Ratio	Interest and principal repayments / rate revenue		8.3%	3.6%	17.5%	3.3%	2.7%	6.6%	10.9%	5.2%	1.1%	1.0%	1.0%	0.9%	-
Non-Current Liability Coverage Ratio	Non-current liabilities / own source revenue		45.9%	30.9%	34.5%	33.3%	26.4%	18.7%	19.8%	21.5%	20.3%	19.1%	18.0%	12.7%	-
Asset Renewal & Upgrade Ratio	Asset Renewal and Upgrade / Depreciation	5	82.3%	79.6%	96.7%	86.1%	84.9%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	0.0%	o
Asset Renewal Ratio	Asset Renewal / Depreciation		50.0%	52.8%	49.4%	68.1%	75.9%	68.9%	69.6%	72.6%	72.9%	73.2%	73.4%	73.7%	+
Stability															
Rates Concentration	Rate revenue / adjusted underlying revenue	6	62.9%	68.6%	67.8%	67.7%	68.1%	68.6%	69.0%	69.3%	69.6%	69.9%	70.1%	70.4%	+
Rates Effort	Rate revenue / CIV of rateable properties in the municipal district		0.28%	0.29%	0.30%	0.30%	0.31%	0.32%	0.32%	0.33%	0.34%	0.35%	0.36%	0.36%	+
Efficiency															
Expenditure Level	Total expenses / no. of property assessments		$ 3,568	$ 3,504	$ 3,661	$ 3,699	$ 3,736	$ 3,810	$ 3,897	$ 3,984	$ 4,085	$ 4,189	$ 4,294	$ 4,401	+
Revenue Level	General rates and municipal charges / no. of property assessments		$ 1,802	$ 2,339	$ 2,415	$ 2,478	$ 2,549	$ 2,622	$ 2,697	$ 2,774	$ 2,853	$ 2,934	$ 3,018	$ 3,105	+

Key to Forecast Trend:

+ Forecasts improvement in the organisation's financial performance/financial position indicator

o Forecasts that the organisations financial performance/financial position indicator will be steady

- Forecasts deterioration in the organisation's financial performance/financial position indicator

Notes to Indicators

1. Underlying Operating Margin

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

2. Working Capital Ratio

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

3. Unrestricted Working Capital

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

4. Indebtedness Ratio

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

5. Asset Renewal & Upgrade Ratio

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

6. Rates Concentration

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

Adjusted Underlying Result

	Forecast	Budget	Projections								
	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
Operating Income											
Rates & Charges	339,953	356,684	376,774	397,209	418,756	441,475	465,435	490,702	517,344	545,437	575,059
Government Grants - Operating	62,259	75,248	77,317	79,443	81,628	83,873	86,179	88,549	90,984	93,486	96,057
User Fees	66,493	69,369	73,011	76,844	80,879	85,125	89,594	94,298	99,248	104,459	109,943
Statutory Fees & Fines	19,109	17,971	18,914	19,907	20,952	22,052	23,210	24,429	25,711	27,061	28,482
Interest Received	9,272	8,850	10,085	9,480	7,366	6,369	6,302	6,274	6,423	6,692	6,953
Other Income	742	354	372	392	412	434	457	481	506	532	560
Gain/Loss on Sale of Property	(525)	242	30	31	31	32	32	33	34	34	35
Total Operating Income	**497,303**	**528,717**	**556,503**	**583,306**	**610,024**	**639,360**	**671,209**	**704,765**	**740,251**	**777,701**	**817,090**
Operating Expenditure											
Employee Costs	212,307	221,892	232,180	243,024	254,457	267,689	282,955	299,098	316,169	334,221	353,312
Materials & Services	150,578	170,230	173,894	177,814	185,348	194,120	204,271	214,954	226,196	238,027	250,478
Depreciation	111,009	110,439	115,195	119,986	126,297	131,388	136,765	142,191	147,699	153,083	158,640
Ammortisation - intangible assets	2,113	2,389	2,389	2,389	2,389	2,350	-	-	-	-	-
Depreciation - right of use assets	1,380	1,377	1,377	1,137	1,085	1,085	1,085	1,085	1,085	1,085	1,085
Other Expenses	28,542	31,369	32,074	32,796	34,190	35,814	37,694	39,673	41,756	43,948	46,256
Interest Expense	5,017	5,151	4,787	4,514	4,407	5,203	5,420	5,351	5,351	5,351	5,351
Finance Costs - Leases	191	108	383	530	432	386	337	286	233	177	118
Total Operating Expenditure	**511,137**	**542,955**	**562,280**	**582,191**	**608,605**	**638,036**	**668,527**	**702,638**	**738,488**	**775,893**	**815,240**
Underlying Operating Surplus/(deficit)	**(13,834)**	**(14,237)**	**(5,776)**	**1,115**	**1,419**	**1,325**	**2,682**	**2,128**	**1,762**	**1,808**	**1,849**
Non-Recurrent Income											
Government Grant - Capital	37,646	45,944	18,722	10,417	9,269	17,794	18,575	15,219	14,566	13,041	12,656
Developer Contributions	28,308	46,544	30,881	24,469	40,778	26,278	27,988	25,764	23,534	10,742	2,500
Gain on Sale of Property	6,442	3,100	240	245	250	255	260	265	270	276	281
Recognition of Infrastructure	118,023	120,652	125,478	130,497	133,107	135,769	138,485	141,254	144,079	146,961	149,900
Net Asset Revaluation Gain	211,755	220,225	229,034	238,196	242,959	247,819	252,775	257,831	262,987	268,247	273,612
Rates and Charges	1,209	1,578	-	-	-	-	-	-	-	-	-
Other Capital Income	2,261	119	1,033	2,832	2,978	1,771	2,274	3,832	4,456	4,986	5,424
Total Non-Recurrent Income	**405,644**	**438,162**	**405,389**	**406,655**	**429,341**	**429,686**	**440,355**	**444,165**	**449,892**	**444,253**	**444,373**
Total comprehensive result	**391,810**	**423,925**	**399,613**	**407,770**	**430,760**	**431,010**	**443,037**	**446,293**	**451,655**	**446,062**	**446,223**

Appendix 3: Strategies & Plans

BORROWING STRATEGY

The total value of the debt as at 30 June 2026 is forecast to be $156.5 million.

Debt is expected to decrease to $108.0 million by the end of the plan. Borrowings are used to support the cash requirements of major capital projects. Borrowings are utilised in accordance with the City's borrowing policy and are maintained within prescribed indebtedness targets of being below 60 per cent.

	Forecast	Budget				Projections					
	2025-26 $'000	2026-27 $'000	2027-28 $'000	2028-29 $'000	2029-30 $'000	2030-31 $'000	2031-32 $'000	2032-33 $'000	2033-34 $'000	2034-35 $'000	2035-36 $'000
Opening Balance	163,949	**156,526**	128,971	121,281	114,935	111,508	109,700	108,000	108,000	108,000	108,000
Amount proposed to be borrowed/refinanced	-	30,000	-	-	20,000	41,000	17,000	-	-	-	-
Amount projected to be redeemed	(7,423)	(57,555)	(7,690)	(6,345)	(23,427)	(42,808)	(18,700)	-	-	-	-
Amount of borrowings as at 30 June	156,526	**128,971**	121,281	114,935	111,508	109,700	108,000	108,000	108,000	108,000	108,000
Interest Payments	5,017	5,151	4,787	4,514	4,407	5,203	5,420	5,351	5,351	5,351	5,351

RESERVES STRATEGY

Development Contributions Reserve

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

Funds are collected for two types of levies:

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

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

Waste Reserve

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

Capital Commitment Reserve

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

Property Sales Reserve

Proceeds from the sale of council owned properties that are identified as surplus to requirements are transferred to reserve to pay down loan borrowings. Funds are held in the reserve until loans mature, or it is an appropriate time to refinance, with reserve drawdowns occurring to reduce debt in line with Council's broader financial strategy.

Deferred Income Reserve

Government grants that are received and recognised prior to being expended are transferred to this reserve. This ensures that funding is applied in the financial year to which it relates, with drawdowns occurring as the associated expenditure is incurred. For example, early receipt of the Federal Government Financial Assistance Grant is transferred to the reserve and then recognised in the financial year to which the funding relates.

	Forecast 2025-26 $	Budget 2026-27 $	2027-28 $	2028-29 $	2029-30 $	2030-31 $'000	Projections 2031-32 $'000	2032-33 $'000	2033-34 $'000	2034-35 $'000	2035-36 $'000
Developer Contributions Reserves											
Opening Balance	63,708	81,864	109,534	98,571	82,105	35,482	20,606	5,606	6,606	7,606	13,348
Transfer to reserve	28,308	46,544	30,881	24,469	40,778	26,278	27,988	35,764	13,534	10,742	2,500
Transfer from reserve	(10,153)	(18,874)	(41,844)	(40,936)	(87,400)	(41,155)	(42,988)	(34,764)	(12,534)	(5,000)	(1,000)
Closing Balance	**81,864**	**109,534**	**98,571**	**82,105**	**35,482**	**20,606**	**5,606**	**6,606**	**7,606**	**13,348**	**14,848**

	Forecast 2025-26 $	Budget 2026-27 $	2027-28 $	2028-29 $	2029-30 $	2030-31 $'000	Projections 2031-32 $'000	2032-33 $'000	2033-34 $'000	2034-35 $'000	2035-36 $'000
Waste Reserve											
Opening Balance	10,854	21,283	21,798	7,356	22,984	40,333	37,668	29,346	20,692	13,818	7,770
Transfer to reserve	82,794	89,371	95,450	102,641	111,870	107,503	113,948	120,784	128,027	135,703	143,839
Transfer from reserve	(72,364)	(88,857)	(109,892)	(87,013)	(94,520)	(110,168)	(122,270)	(129,437)	(134,901)	(141,752)	(148,973)
Closing Balance	**21,283**	**21,798**	**7,356**	**22,984**	**40,333**	**37,668**	**29,346**	**20,692**	**13,818**	**7,770**	**2,636**

	Forecast 2025-26 $	Budget 2026-27 $	2027-28 $	2028-29 $	2029-30 $	2030-31 $'000	Projections 2031-32 $'000	2032-33 $'000	2033-34 $'000	2034-35 $'000	2035-36 $'000
Capital Commitments Reserve											
Opening Balance	21,881	21,370	5,462	1,291	-	-	-	-	-	-	-
Transfer to reserve	12,374	-	-	-	-	-	-	-	-	-	-
Transfer from reserve	(12,885)	(15,907)	(4,171)	(1,291)	-	-	-	-	-	-	-
Closing Balance	**21,370**	**5,462**	**1,291**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

	Forecast 2025-26 $	Budget 2026-27 $	2027-28 $	2028-29 $	2029-30 $	2030-31 $'000	Projections 2031-32 $'000	2032-33 $'000	2033-34 $'000	2034-35 $'000	2035-36 $'000
Property Sales Reserve											
Opening Balance	-	21,138	11,138	5,569	-	-	-	-	-	-	-
Transfer to reserve	21,138	10,000	-	-	-	-	-	-	-	-	-
Transfer from reserve	-	(20,000)	(5,569)	(5,569)	-	-	-	-	-	-	-
Closing Balance	**21,138**	**11,138**	**5,569**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

	Forecast	Budget					Projections				
	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
Deferred Income Reserve											
Opening Balance	14,842	-	-	-	-	-	-	-	-	-	-
Transfer to reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve	(14,842)	-	-	-	-	-	-	-	-	-	-
Closing Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

	Forecast	Budget					Projections				
	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
Total Reserves											
Opening Balance	111,285	145,654	147,932	112,788	105,088	75,815	58,273	34,951	27,298	21,424	21,117
Transfer to reserve	144,613	145,915	126,332	127,110	152,648	133,781	141,936	156,548	141,561	146,445	146,339
Transfer from reserve	(110,244)	(143,638)	(161,476)	(134,809)	(181,921)	(151,323)	(165,258)	(164,201)	(147,435)	(146,752)	(149,973)
Closing Balance	**145,654**	**147,932**	**112,788**	**105,088**	**75,815**	**58,273**	**34,951**	**27,298**	**21,424**	**21,117**	**17,483**

Contact Us

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

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