



Financial Plan 2022/23



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Foreword

I am pleased to introduce Council's 2022/23 – 2031/32 Financial Plan to the Baw Baw Shire community.

Baw Baw Shire is one of the fastest growing regions in Victoria. To properly serve our community, to ensure liveability and to address the decade's coming challenges, financial accountability and long-term sustainability is vital.

It is through meticulous long-term planning that we can achieve positive outcomes not only now but for the next ten years and beyond.

The Financial Plan is our ten-year roadmap. It considers and addresses critical issues such as borrowing, depreciation, asset renewal, capital works, rates revenue and the level of delivered services.

It matches our financial capacity to our operational requirements and ensures that we have a detailed plan in place to deliver the services our community needs now and over the decade to come.

Operating within a rate capped environment and amidst the continuing impacts of COVID presents unique and complex challenges – especially coupled with the phenomenal growth of our region's population.

However, this Plan offers a clear strategy for managing these challenges while balancing increasing growth against rising costs and declining per capita revenue.

I would like to congratulate everyone involved in preparing the Financial Plan. Their efforts have been immense, and it is owing to their hard work that we have a plan to carry us forward with confidence.

Cr Michael Leaney
Mayor

1 Summary

The Financial Plan (FP) is developed to align financial capacity with long-term service objectives. Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability considering Council's service objectives and financial challenges.

The FP is designed to provide the following objectives:

- establish a prudent and sound financial framework, combining and integrating financial strategies as expressed in the Council Plan;
- provide an assessment of the resources (financial and non-financial) required to accomplish the objectives and strategies included in the Council Plan (non-financial resources are assumed to include human resources) and Council's asset base;
- establish a financial framework against which Council's strategies, policies and financial performance can be measured
- ensure that Council complies with sound financial management principles, as required by the *Local Government Act 2020* (the Act) and plan for the long-term financial sustainability of Council;
- allow Council to meet the objectives of the Act to promote the social, economic and environmental viability of municipal district and its role in maintaining the viability of Council to ensure that resources are managed in a responsible manner;

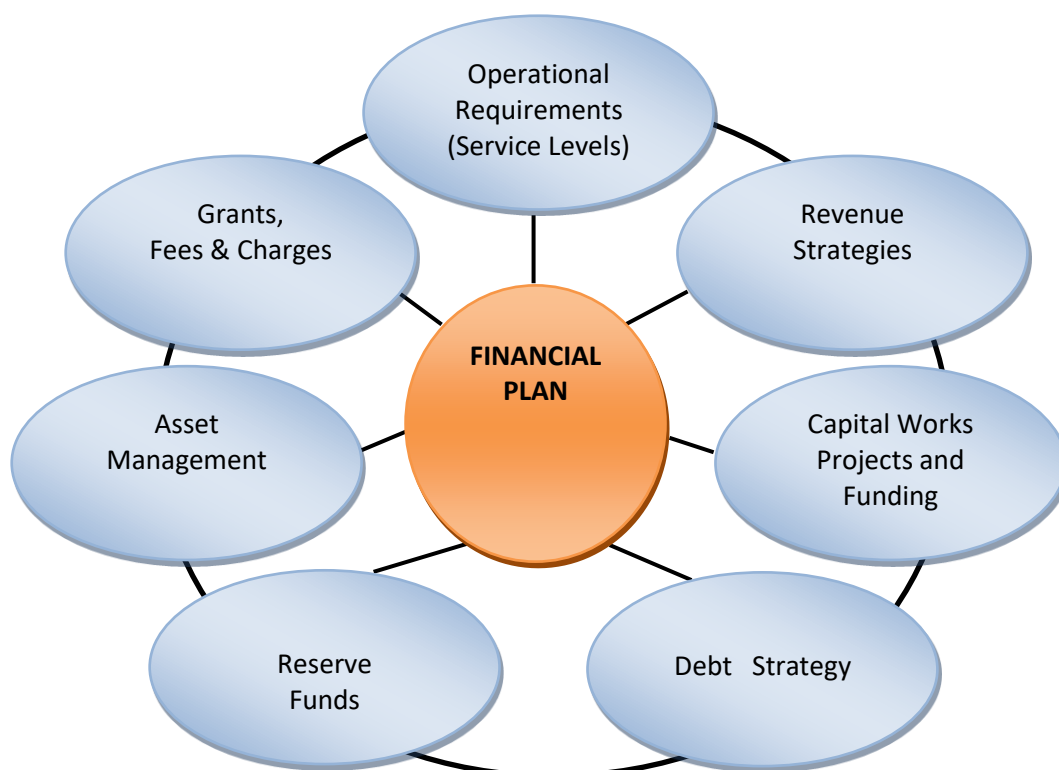
The FP will be reviewed on an annual basis and represents a comprehensive approach to document and integrate the various strategies (financial and other) of Council. The development of the long-term financial projections represents the output of several strategy areas that is represented by the diagram on the following page.

While meeting Council's service needs within a financially sustainable framework, the funding scenarios within the FP are designed to consider the impact to the community particularly regarding the affordability of rates and charges.

While establishing a long-term financial framework for Council's strategic financial direction, the specific projects and services to be funded in any given year are the subject of Council's consideration, review and approval during the annual budget process.

The FP is designed to assist the Council and the community to sustainably manage the growth and development of the Shire over the next 15-20 years. The Shire-wide Baw Baw Settlement Management Plan will guide growth and development of towns and localities across the Shire, prepare for the projected population changes, and identify key infrastructure needs. Council's FP is designed to provide a financially sustainable model that will deliver on the expectations identified within the Community Vision. More specifically the purpose of the FP is to provide a mechanism that will continue to fund ongoing services to the changing population demographic as well as fund the identified infrastructure needs.

A deliberative engagement process for the Financial Plan was conducted in August 2021. This was part of a wider deliberative engagement process which included the formation of a Deliberative Panel who in July 2021 recommended a draft Community Vision to the Council that was adopted in October 2021. The Community Vision and the outcomes of the deliberative process influenced the Council Plan 2021-2025 and the development of this FP.



2 Objective of the Financial Plan

The FP is intended to achieve a number of objectives within the ten-year timeframe.

The achievement of a prudent balance between meeting the service needs of our community and remaining financially sustainable for future generations is a key platform of the FP.

The FP aims to fund the ongoing provision of quality services, while meeting the community needs within a financially sustainable context.

A financially sustainable context is achieved by maintaining an ongoing operating surplus and debt levels within policy and prudential guidelines.

The FP framework includes the ability to manage funding for capital works as well as meet the asset renewal requirements that is articulated within Council's Asset Management Plan.

3 Strategic Direction Outcomes

The following table highlights the key strategies of the FP. Each section includes a detailed analysis to support the relevant strategies.

Each of the strategy recommendations are designed to support Council's strategic financial direction and are subject to review and confirmation during the annual budget process.

Summary – Strategy Recommendations

1. That Council endorse the rating parameters applied in this Strategy based on the rate cap increase of 1.75 per cent for 2022/23. Future years will be adjusted in accordance with official CPI projections.
2. That Council applies differential rates for:
 - General Residential properties.
 - Farms at a discount of 20 per cent to the general rate.
 - Vacant land with a surcharge of 80 per cent.
 - Commercial and Industrial properties with a surcharge of 30 per cent.
 - Urban Living at a discount of 10 per cent.
 - Residential Development with a surcharge of 30 per cent.
3. That Council, where appropriate, applies loan borrowing to fund new and/or significantly upgraded major assets that provide a broad community benefit while total debt remains within the maximum 50 per cent prudential limit (Indebtedness Ratio).
4. That Council continues to review its critical infrastructure renewal requirements and allocate funds to the replacement of existing assets.

3.1 Financial Sustainable Position

To ensure ongoing financial sustainability the following performance outcomes are identified:

- Achieving and maintaining an adjusted underlying operational surplus (refer Appendix 1 Financial Statements – Comprehensive Income Statement) prior to the recognition of capital income over the life of the Plan.
- Increasing the capital works investment, funded from operational sources to a sufficient level that allows Council to adequately fund its asset renewal requirements.
- That the asset management funding gap identified between existing asset renewal funding and that required to maintain assets at present levels, be progressively addressed through the period of this FP.
- That Council endorse through this FP, the principle that ongoing asset renewal requirements are to be funded from ongoing operational funding sources and that non-renewable funding sources such as asset sales, reserve funds or loan funds are not to be used to address these needs.
- Maintaining a working capital (liquidity) ratio above 1.2 to ensure adequate cash to fund day to day operational needs as they fall due.

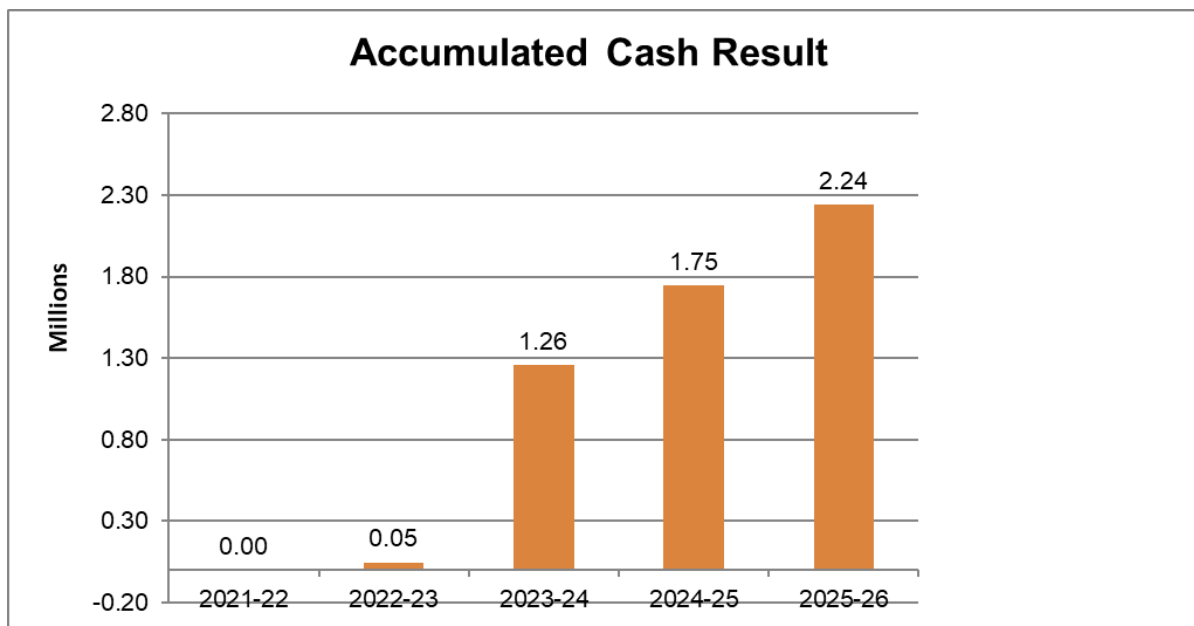
3.2 Accumulated Cash Result

The Accumulated Cash Result is a measure of financial performance that identifies the available and unallocated cash after funding the services and projects in each budget year.

While the accounting standards provide a large surplus within the Income Statement, this accounting surplus is not a true reflection of available cash as it includes non-cash income such as gifted assets. Council's 2022/23 Annual Budget reports an accounting surplus of \$24.6 million that includes \$7.3 million of non-cash income, excludes the cost of the \$41.8 million capital works program as well as including \$19.6 million of non-cash depreciation and amortisation expense.

Removing these non-cash items from the \$24.6 million surplus then adding back the cash items, not included to the accounting surplus, results in an accumulated cash result or cash surplus of \$0.005 million for the 2022/23 Budget year. The Accumulated Cash Position also differs from the Statement of Cash Flows as the cash flow statement is designed to show a high-level summary of the cash inflows and cash outflows for each financial year. By contrast the Accumulated Cash Position reports the unallocated cash remaining after funding the operating budget, the capital works program and after quarantining cash to the reserve funds.

The bar graph below reflects the estimated accumulated cash surplus for the years 2021/22 to 2025/26 after adjusting for non-cash items and adding back cash items, such as capital works, not included to the accounting surplus. The Accumulated Cash Result is the remaining cash after allocation of available cash to reserves and after funding all expenditure identified in both the operating budget and the capital works program. The results indicate that Council has limited cash that remains unallocated.





3.3 Performance Reporting

Financial and Performance Reporting ratios are included in the annual Performance Report, and form part of the Local Government Performance Reporting Framework (LGPRF). The ratios are regularly updated to ensure ongoing sustainability.

The up-to-date version of the key financial ratios are reflected in the FP Appendix 1 Financial Statements.

LGPRF measures include:

- Expenses per property assessment – total expenses divided by total number of properties indicates the average cost of operating Council for each ratepayer.
- Average rate per property – total rate revenue divided by number of property assessments indicates the average rates paid for each property.
- Current assets compared to current liabilities – an indicator of working capital.
- Unrestricted cash compared to current liabilities – the result indicates there is sufficient cash to meet short term liabilities.
- Loans and borrowing compared to rates.
- Loans and borrowings repayments compared to rates.
- Non-current liabilities compared to own source revenue.
- Asset renewal and upgrade expense compared to depreciation.
- Adjusted underlying surplus (or deficit).
- Rates compared to adjusted underlying revenue – rate revenue compared to adjusted underlying revenue measures the reliance on rate revenue that will be partly impacted by rate capping for ensuing years.
- Rates compared to property values – rates revenue relative to the total capital improved value of properties in the municipality. There is limited capacity for Council to influence this measure due to rate capping.

4 Revenue Strategies

4.1 Proposed Rating Levels

The rating system determines how Council will raise money from properties within the municipality. It does not influence the total amount of money to be raised, only the share of revenue contributed by each property.

Council and the community confront trade-offs and the principles are designed to improve the quality of decision making in this environment.

The Victorian Government has now established the Fair Go Rates System (FGRS), which is a framework limiting the maximum amount Council may increase rates in a year without seeking additional approvals. Each year the Minister for Local Government sets the rate cap that will specify the maximum increase in Council's rates and charges for the forthcoming financial year. The rate cap set by the Minister for 2022/23 is 1.75 per cent. Council does not propose to seek a variation to the 2022/23 rate cap.

Baw Baw Shire Council currently applies the Capital Improved Valuation methodology to levy its rates. Council currently applies differential rating (versus uniform rating) and has six differential rates in use. The following table below highlights the various "surcharges and discounts" that are utilized in the current rating structure.

Council has structured its approach to rating to raise a higher proportion of its rate revenue from its commercial, industrial and vacant land sectors while providing a discount to farm and urban farm ratepayers.

Rating Category	Budget 2022/23 Rate in \$	Differential Rating Category
General (Residential)	0.002622	1.0
Commercial and Industrial	0.003408	1.3
Vacant land	0.004719	1.8
Farm	0.002097	0.8
Urban Living	0.002359	0.9
Residential Development	0.003408	1.3

Council currently utilises a service charge to fully recover the cost of the waste disposal services.

Baw Baw Shire Council applies the Capital Improved Valuation as the valuation base for the following reasons:

- CIV is considered to be the closest approximation to an equitable basis for distribution of the rates across the community.
- CIV provides Council with the ability to levy a full range of differential rates. Limited Differential rating only is available under the other rating bases.

Strategy Recommendations

1. That Council applies differential rates for:

- General Residential properties.
- Farms at a discount of 20 per cent to the general rate.
- Vacant land with a surcharge of 80 per cent.
- Commercial and Industrial properties with a surcharge of 30 per cent.
- Urban Living at a discount of 10 per cent.
- Residential Development with a surcharge of 30 per cent.

2. That Council continues to allow a 100 per cent discount on the Cultural and Recreational properties subject to a two-yearly review being undertaken, with the exception of Warragul Country Club which receives a 47% rebate..

4.2 Revenue and Rating Plan – the future impact

A key decision of Council during the life of the FP is to determine the level of rate increase that will address funding levels for capital works, service provision for the municipality and maintain Council's long-term financial sustainability. Council will need to assess, on an annual basis, its appetite to seek a variation to the State Government rate cap.

The FP includes rate revenue for 2022/23 of \$57.2 million based on the rate cap of 1.75 percent, plus growth of \$1.0 million, over prior year levels. The total rate revenue generated is therefore \$58.2 million including supplementary valuations (growth).

Baw Baw Shire Council currently applies a service charge for the collection and disposal of waste on properties that fall within the collection area. Council retains the objective of setting the service charge for waste at a level that fully recovers the cost of the service.

A total of \$11.0 million is included for waste service charges (including supplementary waste). Total revenue from rates and service charges for 2022/23, including growth (supplementary rates and charges) is \$69.2 million.

Council's annual costs are expected to decrease by 5.0 per cent mainly due the exit from aged and disability services, offset by the provision for new staff to cover growth in services, additional costs to fund the new and expanded road maintenance contract plus higher depreciation expenses. Similarly, revenue is expected to decrease by 3.9 per cent mainly due to the exit from aged and disability services, and lower capital grants.

Council is budgeting for a surplus of \$24.6 million during 2022/23 (before the impact of asset revaluation increments) however it should be noted that \$28.9 million of income, comprising non-recurrent capital grants plus monetary and non-monetary contributions, is dedicated specifically to fund capital projects. Excluding this income Council's 2022/23 budget would therefore reflect a deficit of \$2.4 million.

The Revenue and Rating Plan is based on future years base rates increasing by official CPI estimates with no allowance for rate variations to be approved above the cap. The rate increase of 1.75 per cent in 2022/23 is expected to be marginally below the rate of increase of Council's cost base thereby placing some limitation to future capital works programs and the capacity to fully fund infrastructure renewal needs.

Asset Management identifies the significant challenges to both maintain infrastructure at agreed service levels and close the pre-existing infrastructure gap.

These challenges are not able to be met from within the existing resource base without a significant alteration to the current provision of operational services.

4.3 Revenue from Grants and Contributions

The FP includes grant revenue as an integral component of Council's funding mix for the coming ten years. The assumptions and escalation factors for grant revenue are identified within Section 10, Financial Projections.

Grants and contributions are identified as Operating or Capital. A further dissection applies for recurrent and non-recurrent grant income. The majority of Council's operating grants are recurrent in nature.

Baw Baw Shire Council currently receives in the order of \$12.38 million for recurrent operating grants representing 10.61 per cent of total income.

Capital grants are generally one off in nature and vary depending upon the level of capital works expenditure to which the funding is applied. For the 2022/23 Budget year Council proposes to receive a total of \$12.99 million operating plus a further \$17.04 million capital grants as well as \$4.50 million contributions to be applied to the annual capital works program.

4.4 Revenue from User Charges, Fees and Fines

User charges, fees and fines for 2022/23 are expected to total \$4.28 million that represents in the order of the 3.7 per cent of total operating income. Income from user charges, fees and fines is budgeted to be slightly less than the prior year budget due to recovery from the impacts of COVID-19, and exit from aged and disability services.

This income category comprises:

- Statutory fees and fines – these charges are fixed by law and can only be increased in line with the annual increases announced by State Government.
- Discretionary fees and fines – the balance of fees and charges is discretionary wherein Council may levy and increase these charges at its discretion.

The annual Schedule of Fees and Charges includes a detailed listing of user charges, fees and fines adopted during the annual budget process.

Strategy Recommendations

1. That Council endorse the rating parameters applied in this Plan based on an annual rate increase of 1.75 per cent per annum. In addition, supplementary rates are expected to raise a further 2 per cent for growth (mainly new ratepayers);
2. That Council continue its focus of securing grant revenue particularly for capital works projects and;
3. That Council seeks to maximise revenue from user charges, fees and fines by applying an annual cost escalation factor of 3 per cent as the index to all discretionary fees and charges.

5 Long Term Borrowing Strategy

This section includes a review of Council's:

- Current debt position and
- Future debt strategy

5.1 Current Debt Position

The following table reports Council's current debt position and the movements in total interest-bearing liabilities 2018/19 to 2022/23.

	2018/19 \$'000s	2019/20 \$'000s	2020/21 \$'000s	2021/22 \$'000s	2022/23 \$'000s
Total Debt	11,607	11,168	15,323	13,906	17,956

During the 2022/23 budget year Council is proposing to borrow a total of 8.050 million:

- Borrow \$4.050 million for Stage 1 of the Warragul Indoor Stadium
- Refinance a \$4.0 million loan facility applied to partly fund the West Gippsland Arts Centre (WGAC).

5.2 Future Debt Strategy

Future loan borrowing should generally be applied to fund capital expansion and new projects rather than recurrent expenditure for day-to-day operations and/or asset replacement.

Expenditure of a renewal nature, both operating and capital, should be funded from renewable revenue sources rather than non-renewable sources such as loans, asset sales and reserves.

Council's future debt strategy will align with the Baw Baw Shire Council Borrowing Policy. The policy is designed to demonstrate prudent financial management by using loan facilities to fund specific capital projects. Consideration of loan facilities as a source of funding is to be assessed against the following predetermined criteria:

1. Intergenerational equity – that the loan be paid by future generations who benefit from projects funded by the loan proceeds;
2. Capital infrastructure – loan borrowings to be used to fund capital infrastructure, usually new and upgrade projects;
3. Loan term – that the loan term does not exceed the life of the infrastructure asset funded by the loan proceeds and;
4. Prudent Debt Levels – that Council assess its capacity to borrow against prudent financial guidelines.

5.2.1 Prudent Debt Levels

Council assessed its capacity to borrow against prudent financial guidelines.

The administration of the Local Government sector’s borrowing involves:

- The collation of the sector’s borrowing requirements through an annual survey.
- The assessment of individual council’s borrowings; and
- Recommendation to the Department of Treasury and Finance (DTF) of the aggregate net new borrowing requirement of the sector.

All borrowings by individual councils are assessed under a borrowings assessment policy adopted by the Local Government Division.

The following financial ratios are identified to manage Council’s capacity for debt.

Measure	Description	Financial Guideline (maximum)	2019/20	2020/21	2021/22	2022/23
Indebtedness	Total non current liabilities as a % of own revenue	50%	33.1%	28.4%	36.7%	40.0%
Debt Servicing	Interest costs as a % of total revenue	5.0%	0.4%	0.3%	0.4%	0.3%
Debt Commitment	Principal and Interest as a % of rates	10.0%	7.6%	6.6%	6.5%	0.4%

- Indebtedness – total non-current liabilities divided by own revenue is to be a maximum of 50 per cent notwithstanding that prudential guideline allows a maximum of 80 per cent for total debt to rates. Council's ratio is aligned with both prudent guidelines and the Borrowing Policy and is projected to be 40 per cent at the completion of the 2022/23 financial year.
- Debt Servicing – interest repayments as a percentage of total revenue. This measure reflects the proportion of total revenue that is used to service debt (interest on outstanding debt) and which cannot be used directly for service delivery. Ideally the ratio should remain below 5.0 per cent. Council's ratio is projected to be 0.3 per cent for the 2022/23 financial year that is well within prudent guidelines.
- Debt Commitment – principal and interest repayments divided by total rates. This ratio measures the amount of rate dollars being spent to repay debt and interest as an overall percentage of rate revenue. It is preferable that this ratio remain below 10 per cent. Council's ratio is within the prudential guideline and projected to be 0.4 per cent at the for the 2022/23 financial year. The increase from the 2021/22 year is mainly due to additional loans throughout the year highlighted in the Long-term Infrastructure Plan.

5.2.2 Future Loan Requirements

This Strategy includes projected future borrowing assumptions to highlight the likely impact to Council's financial position as well as the potential applications for future borrowings.

All new borrowings are to be included to the annual budget and adopted by Council prior to the approval and drawdown of loan funds.

The 2022/23, 2023/24, and 2024/25 years are proposing additional borrowing of \$4.05 million, \$6.00 million and \$5.00 million respectively to partly fund new community projects including the Warragul Indoor Stadium, the Baw Baw Civic Precinct, and the Rokeby Noojee trail.

Projected future borrowings have been structured to ensure that Council does not exceed an indebtedness level more than 50 per cent (medium risk) of annual rate revenue (Indebtedness Ratio), which is an increase on previous levels of debt. This position has been taken by Council in order to fund existing intergenerational

projects and ensure that council maintains appropriate cash reserves. Borrowings will return to a level below 40 per cent after the 2028/29 financial year. As reflected in the above table, the indebtedness ratio remains at 40 per cent at the completion of the 2022/23 financial year.

Future years borrowing ratios may also be impacted by the recognition of operating leases that are now included to the budgeted financial statements that comprise a total of \$2.04 million lease liability at the end of the 2022/23 budget year. Even if included with loan borrowings, this amount is not expected to result in a significant impact to the prudent debt ratios.

Strategy Recommendations

1. That prior to undertaking any future borrowings, Council model the implications of the proposed loan program within the FP and determine the funding mechanism to meet annual debt servicing and redemption requirements;
2. That Council remain within the maximum 50 per cent prudential limit (Indebtedness Ratio) and;
3. That Council applies loan borrowing to fund new and/or significantly upgraded major assets that provide a broad, multigenerational community benefit.

6 Reserve Usage Strategy

Reserve funds are amounts of money set aside for specific purposes in later years. In general, these funds are identified as restricted cash that is quarantined from Council's surplus cash.

6.1 Nature of Reserves

Council utilises the following reserve funds.

- Open Space
- Open Space – Development Contributions
- Development Contribution Plans
- Defined Benefits Superannuation
- Unexpended Grants
- Land Sales – Statutory and Discretionary
- Native Vegetation Offset Scheme
- Loan Repayment
- Community Infrastructure
- Capital Development Reserve
- Capital works carryover
- Library facility reserve
- Revolving Sustainability Fund

6.1.1 Open Space

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

Transfers to the reserve (inflows) comprise contribution income from subdividers in lieu of the 5.0 per cent Public Open Space requirement. Transfers from the reserve (outflows) are applied to fund Open Space capital projects on an annual basis.

The Open Space – Development Contribution Reserve is a fund to hold levy income pursuant to a Public Infrastructure Plan (PIP) and payable to Council by landowners. The PIP will generally identify the Open Space levy amount, or

quantum of land in lieu of payment, due to Council prior to the issue of a Statement of Compliance.

Open Space reserve funds are never spent before they are received. A minimum balance of \$1 million is maintained to cover any unexpected short-term expenses, and to seed fund future projects. The reserve can be used for the purchase of Open Space assets, including pavilions on Council owned land.

6.1.2 Development Contribution Plans

This reserve retains funds received from developers for infrastructure provision related to the Baw Baw Shire Development Contributions Plans.

Council has three (3) Development Contribution Plans with currently three reserves established to manage DCP01, DCP02 (Warragul) and DCP03 (Drouin). DCP03 was introduced to manage proceeds from the recently adopted Precinct Structure Plans within Warragul and Drouin.

Transfers from this reserve will be for nominated capital works for Development Infrastructure projects and Community Infrastructure projects. These funds are tied directly to the income received or cash funds refunded to developers for capital works completed directly by the developer.

Whilst this Reserve fund displays a projected increasing balance over the term of the Development Contributions Plan (DCP01), all reserve funds will eventually be expended at the conclusion of the DCP.

DCP02 and DCP03 – Due to the impact of developer works in kind arrangements, where developers are expected to complete infrastructure works in lieu of Council receiving levy income, there is limited levy income (transfers to reserve) identified after the 2022/23 financial years notwithstanding the increased level of activity. Council's current information from its DCP Priority Development team indicates that developer activity that would normally give rise to the receipt of levy income, is now expected to be applied to offset 'works in kind' credits where developers will complete DCP capital projects on behalf of Council, and apply levies payable to offset capital works rather than remit the levies due as cash payments to Council.

6.1.3 Defined Benefits Superannuation

The purpose of this reserve is to set aside any surplus funds from annual savings in employee costs (budget to actual variance) to fund future calls relating to the defined benefits superannuation scheme. There is minimal change to this reserve

as there were no recent identified savings, to increase the reserve, or advised calls necessary to repay the defined benefits scheme.

6.1.4 Unexpended Grants

The purpose of this reserve is to set aside any unexpended grant funds arising at the completion of a prior financial year in order to then allow them to be carried over to the following year for matching against the relevant operating and capital expenditure.

Transfers to this reserve will be unspent government grants for operating and capital and projects. Transfers to this reserve will be in the form of funds, accumulated to the reserve and then applied to the following financial year to match with the associated operating and capital expenditure.

6.1.5 Land Sales

Council has allocated two reserves, statutory and discretionary, that comprises proceeds from the sale of Council land. The statutory reserve is to comprise the proceeds from open space land. The discretionary reserve comprises sales from all other Council land that is not required to be held for a specific purpose.

6.1.6 Native Vegetation Offset Scheme

This reserve is designed to hold contributions in order to complete the native vegetation program works.

6.1.7 Loan Repayment

This is a discretionary reserve to hold funds for the repayment of interest only loans. The annual contributions are equal to the deemed principle repayment so sufficient funds will be available to fund the future repayment of interest only loans.

6.1.8 Community Infrastructure

The purpose of this reserve is to set aside surplus funds from annual budget savings for the construction of new community infrastructure including allocation to a community hub style facility. The majority of this reserve is expected to be allocated to partly fund new community facilities during the years 2022/23 to 2023/24.

6.1.9 Capital Development Reserve

The reserve holds the surplus after statutory funds are allocated from a DCP reserve to complete identified infrastructure works. Council's policy is to reimburse the indexed value of identified infrastructure projects within each of the DCP schemes. In the event the actual project cost is less than the indexed value, as allocated from a DCP reserve, the surplus funds are allocated to the Capital Development Reserve.

6.1.10 Capital Works carryover

The purpose of this reserve is to set aside unexpended funds for incomplete capital works arising at the completion of a prior financial year in order to then allow them to be carried over to the following year for matching against the relevant capital expenditure.

Transfers to this reserve will be the balance of capital projects that are incomplete at the end of the prior financial year.

Transfers to this reserve will be in the form of funds, then applied to the following financial year to match with the associated capital expenditure to complete prior year projects.

6.1.11 Library Facility Reserve

This reserve is Council's proportion of a reserve fund held by the My Community Library (Myli). This amount is only available for use by the Library Corporation.

6.1.12 Revolving Sustainability Fund

Newly established reserve established in 2021/22. Cost savings from delivered sustainability projects to be transferred into reserve at year end and directed towards funding future Sustainability projects.

6.2 Restricted and Discretionary Reserves

Reserve funds are either restricted or discretionary. Restricted reserves are legally required to be used for a specific purpose. The restricted reserves as highlighted in light green (refer Reserve table below) are:

- Open Space
- Development Contribution Reserves
- Land Sales
- Native Vegetation
- Library Facility

Discretionary reserves do not have a legal restriction wherein their creation and application are at the discretion of Council. The discretionary reserves are:

- Defined Benefits Superannuation
- Unexpended Grants
- Land Sales
- Loan Repayment
- Community Infrastructure
- Capital Development Reserve
- Capital works carryover
- Revolving Sustainability Fund

6.3 Projected Reserve Funds

The following table highlights the projected reserve fund balances over the next four years.

The Open Space reserve is projected to decrease based on estimated contribution income, and usage. Development contributions (DCP 01) are aligned to the remaining years of the Development Contribution Plan reserve when the reserve is to be fully expended.

The Capital works carryover reserve is applied to fund Capital projects carried over from 2021/22 and identified for completion during the 2022/23 financial year. The loan repayment reserve is a discretionary reserve to accumulate sufficient funds to repay interest only loans.

Reserves	Forecast	Projection	Projection	Projection	Projection
	2021-22	2022-23	2023-24	2024-25	2025-26
Open Space					
Opening balance	\$3,132	\$3,580	\$2,289	\$2,302	\$2,314
Transfer to reserve	\$448	\$500	\$513	\$525	\$538
Transfer from reserve	\$0	-\$1,791	-\$500	-\$513	-\$525
Closing balance	\$3,580	\$2,289	\$2,302	\$2,314	\$2,327
Open Space - Development Contributions					
Opening balance	\$802	\$1,112	\$1,362	\$1,362	\$1,362
Transfer to reserve	\$310	\$250	\$0	\$0	\$0
Transfer from reserve	\$0	\$0	\$0	\$0	\$0
Closing balance	\$1,112	\$1,362	\$1,362	\$1,362	\$1,362
Defined Benefits Super					
Opening balance	\$679	\$679	\$679	\$679	\$679
Transfer to reserve	\$0	\$0	\$0	\$0	\$0
Transfer from reserve	\$0	\$0	\$0	\$0	\$0
Closing balance	\$679	\$679	\$679	\$679	\$679
Development Contributions - DCP01					
Opening balance	\$2,936	\$319	\$1,517	\$1,558	\$1,601
Transfer to reserve (Levy income)	\$1,100	\$1,657	\$1,698	\$1,741	\$1,784
Transfer from reserve (Capital projects)	-\$3,717	-\$459	-\$1,657	-\$1,698	-\$900
Closing balance	\$319	\$1,517	\$1,558	\$1,601	\$2,485
Development Contributions - DCP02					
Opening balance	\$3,062	\$3,522	\$4,158	\$4,186	\$4,214
Transfer to reserve (Levy income)	\$460	\$1,096	\$1,123	\$1,151	\$1,180
Transfer from reserve (Capital projects)	\$0	-\$460	-\$1,096	-\$1,123	-\$1,151
Closing balance	\$3,522	\$4,158	\$4,186	\$4,214	\$4,243
Development Contributions - DCP03					
Opening balance	\$414	\$1,000	\$2,025	\$2,051	\$2,077
Transfer to reserve (Levy income)	\$1,000	\$1,025	\$1,051	\$1,077	\$1,104
Transfer from reserve (Capital projects)	\$0	\$0	-\$1,025	-\$1,051	-\$1,077
Closing balance	\$1,414	\$2,025	\$2,051	\$2,077	\$2,104
Native Vegetation Offset Scheme					
Opening balance	\$334	\$332	\$332	\$332	\$332
Transfer to reserve	\$145	\$0	\$0	\$0	\$0
Transfer from reserve	-\$147	\$0	\$0	\$0	\$0
Closing balance	\$332	\$332	\$332	\$332	\$332
Land Sales - statutory					
Opening balance	\$152	\$152	\$152	\$152	\$152
Transfer to reserve	\$0	\$0	\$0	\$0	\$0
Transfer from reserve	\$0	\$0	\$0	\$0	\$0
Closing balance	\$152	\$152	\$152	\$152	\$152
Land Sales - discretionary					
Opening balance	\$627	\$627	\$627	\$627	\$627
Transfer to reserve	\$0	\$0	\$0	\$0	\$0
Transfer from reserve	\$0	\$0	\$0	\$0	\$0
Closing balance	\$627	\$627	\$627	\$627	\$627
Loan Repayment					
Opening balance	\$3,144	\$5,024	\$6,524	\$7,024	\$0
Transfer to reserve	\$6,223	\$3,144	\$5,024	\$6,524	\$7,024
Transfer from reserve	\$810	\$1,880	\$1,500	\$500	\$253
Transfer from reserve	-\$3,889	\$0	\$0	\$0	-\$7,277
Closing balance	\$3,144	\$5,024	\$6,524	\$7,024	\$0
Capital Works Carryover					
Opening balance	\$20,000	\$20,000	\$20,000	\$20,000	\$26,000
Transfer to reserve	\$23,717	\$20,000	\$20,000	\$20,000	\$20,000
Transfer from reserve	\$20,000	\$20,000	\$20,000	\$20,000	\$26,000
Transfer from reserve	-\$23,717	-\$20,000	-\$20,000	-\$20,000	-\$20,000
Closing balance	\$20,000	\$20,000	\$20,000	\$20,000	\$26,000
Community Infrastructure					
Opening balance	\$1,294	\$294	\$194	\$194	\$194
Transfer to reserve	\$2,024	\$1,294	\$294	\$194	\$194
Transfer from reserve	\$0	\$0	\$0	\$0	\$0
Transfer from reserve	-\$730	-\$1,000	-\$100	\$0	\$0
Closing balance	\$1,294	\$294	\$194	\$194	\$194
Library - Facility Statutory					
Opening balance	\$	-	-	-	-
Transfer to reserve	\$	118	-	-	-
Transfer from reserve	\$	-	-	-	-
Transfer from reserve	-\$	118	-	-	-
Closing balance	\$	-	-	-	-
Capital Development Reserve					
Opening balance	\$1,096	\$1,096	\$1,096	\$0	\$0
Transfer to reserve	\$1,096	\$1,096	\$1,096	\$1,096	\$0
Transfer from reserve	\$0	\$0	\$0	\$0	\$0
Transfer from reserve	\$0	\$0	\$0	-\$1,096	\$0
Closing balance	\$1,096	\$1,096	\$1,096	\$0	\$0
Revolving Sustainability Fund					
Opening balance	\$0	\$130	\$125	\$0	\$0
Transfer to reserve	\$130	\$100	\$0	\$0	\$0
Transfer from reserve	\$0	-\$105	-\$135	\$0	\$0
Closing balance	\$130	\$125	-\$10	\$0	\$0
Reserve Summary					
Opening Balance	\$52,852	\$36,987	\$39,680	\$41,062	\$40,576
Transfer to Reserves	\$24,403	\$26,508	\$25,885	\$24,995	\$30,860
Transfer from Reserves	-\$39,854	-\$23,815	-\$24,513	-\$25,481	-\$30,931
Closing Balance	\$37,401	\$39,680	\$41,052	\$40,576	\$40,505

7 Service Planning

The key objective of Council's Plan is to maintain existing service levels and maintain a satisfactory operating position over the life of the plan.

7.1 Operational Performance

The range and level of services Council is able to offer the community is reviewed annually based on the outcome of community consultation undertaken during the year.

Council's proposed operating revenue for 2022/23 is \$116.75 million while its operating costs are expected to total \$92.113 million.

The FP is premised on Council on continuing to review its service levels across the shire and where possible and cost effective, maintain them at 2021/22 levels, or return them to pre COVID-19 levels where possible.

Future service requirements include:

- Increased demand for Council Statutory Planning, Priority Development, Strategic Planning services due to the growth and development within the municipality particularly in the areas of the Precinct Structure Plans.
- Demands for other Council services as the community grows, including community compliance, asset protection, open space planning.
- Demand for new and improved community infrastructure including the development of community hubs, kindergarten facilities and sporting complexes, and increasing Council's capacity in services responsible for delivering these and other capital programs and strategic projects.
- Development and implementation of new waste management contracts, including community education and support.
- Council building maintenance – revised building maintenance expenditure to ensure service standards are maintained across Council's extensive range of facilities.
- Parks and gardens maintenance – acquisition of gifted assets including park land has identified the necessity to increase the allocation to maintenance requirements.

- Additional capital for new / expansion and upgrade works in order to complete existing master plans and strategies.

7.2 Financial Performance Analysis

Council's financial position is characterised by:

- An underlying minor deficit result for years 2022/23 to 2024/25 inclusive of the FP that provides a basis for sound financial management and capacity to fund the infrastructure renewal program.
- Moderate debt ratios with the capacity to increase loan borrowing pursuant to Council's long-term borrowing strategy.
- A capital works program targeted to fund renewal demand as well as new projects including, where possible, the developer contributions plan works.
- An updated condition based assessment of infrastructure assets to inform the Long-term Infrastructure Plan and identify priority renewal requirements.

8 Asset Management

Asset Management is a major component of the FP as it provides an indicator of the financial resources necessary to maintain and improve Council's asset base based on community needs.

8.1 Asset Portfolio

Fixed assets include land, buildings, roads, drains and other infrastructure assets. The total value of fixed assets as at 30 June 2021 was \$820,513 million (written down value).

Fixed Asset Category As at 30 June 2021	Replacement Value \$'000s	Accumulated Depreciation \$'000s	Written Down Value \$'000s
Land (including land under roads)	153,153	-	153,153
Buildings	130,628	61,598	69,030
Plant and Equipment	7,024	3,689	3,335
Fixtures, fittings and furniture	4,389	4,131	258
Roads	468,185	96,627	371,558
Bridges	52,678	23,982	28,696
Footpaths and cycle ways	50,710	6,927	43,783
Drainage	98,201	17,755	80,446
Parks, open space and streetscapes	32,461	5,018	27,443

Off street car parks	12,531	3,383	9,148
Works in Progress	33,663		33,663
Total	1,043,623	223,110	820,513

Depreciation is reassessed following condition assessments and when general valuations are undertaken.

To ensure the ongoing delivery of service standards, it is necessary for Council to determine the cost to retain the current infrastructure portfolio including the long-term average cost of renewal plus maintenance.

The total infrastructure and building assets (Roads, Bridges, Footpaths and cycleways, Drainage, Off street car parks, Parks, open space & streetscapes as well as Buildings) comprise \$879.06 million replacement value and \$663.77 million written down value as at 30 June 2021. The 2020/21 annual depreciation for infrastructure and building assets totalled \$16.9 million.

This result indicates that Council's infrastructure and building assets have a total useful life of 52.01 years (\$879.06 million replacement value divided by \$16.9 million depreciation) and an average remaining useful life of 39.27 years (\$663.77 million written down value divided by \$16.9 million depreciation).

That is, based on the audited annual financials, Council's infrastructure and building assets are in the order of 24.49 per cent utilised (12.74 years divided by 52.01 years) and have in the order of 75.51 per cent of their life remaining (39.27 years divided by the total life of 52.01 years).

The depreciation amount of \$16.9 million is a product of recent revaluation of the major classes of infrastructure assets including roads, drains, bridges and footpaths as well as a revaluation of Council buildings. This work also included a detailed condition-based assessment of certain asset class in order to reassess useful lives and therefore the annual depreciation charge.

The FP includes annual capital renewal in the order of \$15.17 million for 2022/23 that is compared to the estimate 2022/23 depreciation charge of \$18.73 million. The renewal to depreciation ratio for 2022/23 is 80.9 per cent (target 100 per cent) with

the ensuing three financial years, 2023/24 to 2025/26, are projected to be 87.10 per cent, 82.31 per cent and 72.37 per cent respectively.

The following table provides a summary of the valuation of Council's infrastructure and building assets.

Infrastructure and Building Assets 2020/21	Replacement Value \$M	Written Down Value \$M	Annual Depreciation \$M
Infrastructure	748.4	594.7	14.7
Building	130.6	69.0	2.2
Total	879.0	633.7	16.9

8.1.1 Infrastructure Assets

Council's infrastructure assets are in relatively sound condition and on average 10.4 years or 20.4 per cent through their average total life of 50.9 years:

- Average total life of 50.9 years (\$748.4 million divided by \$14.7 million depreciation)
- Average remaining life of 40.5 years (\$594.7 million divided by \$14.7 million depreciation).

This high level result indicates that in the order of \$14.7 million per annum is required to replace Council's infrastructure assets. This estimate is continually reviewed following the updated condition-based assessment of each asset class.

8.1.2 Building Assets

Council's building assets are generally in average condition reflecting the need for further renewal investment to this asset category. The table indicates that building assets are on average 28.0 years or 47.1 per cent through their average total life of 59.4 years:

- Average total life of 59.4 years (\$130.6 million replacement value divided by \$2.2 million depreciation)

- Average remaining life of 31.4 years (\$69.0 million written down value divided by \$2.2 million depreciation)

This high-level result indicates that \$2.2 million per annum is required replace Council's building assets.

8.1.3 Asset Sales

During the review of the FP it is proposed to continually monitor the service requirements of realisable (saleable) assets, including land and buildings, that may be surplus to requirements and can be identified as potential asset sales.

Asset sales will generally provide a cash injection that can be either quarantined to a discretionary reserve and/or applied to fund new or expanded assets that better reflect Council's service requirements.

8.2 Future Asset Management and Infrastructure Gap

Council continues to address the renewal funding gap and the maintenance funding gap particularly as shortfalls in maintenance funding accelerate the need to renew assets.

The challenges in managing infrastructure assets may differ as each group is reassessed however common themes are expected to be present across all grouping.

These issues include:

- Collection and management of data;
- Understanding the relationship between maintenance and renewal works;
- Quantifying the backlog;
- Lifecycle costing; and
- Accurately projecting future renewal requirements and updating Council's Plan to reflect these.

8.3 Asset Management Policy and Plans

Asset management policy and planning provides Council with a sound base to understand and manage the risk associated with managing its assets for the community's benefit.

Council continues to review and refine the process for establishing standards of service and delivery to the community. These revised levels of service are based on an assessment of risk and affordability that will also influence funding decisions into the long-term.

Robust asset management practices will ensure that Council continues to meet the needs of current and future generations in a sustainable manner. Funding will need to be continually provided into the future to improve data collection and enable better understanding of asset performance. The ongoing assessment of agreed service levels and the application of a risk framework will enable Council to be more proactive in assessing the investment in infrastructure assets.

Each of the individual asset plans to be delivered by Council will detail a methodology for responsible management of that asset class, incorporate knowledge of the condition of the asset group, risk assessment issues, establishment of intervention and service levels, and the identification of renewal, backlog and maintenance funding requirements projected over the life of the Long-term Infrastructure Plan.

Council monitors asset condition and performance to:

- Identify those assets which are surplus to requirements;
- Predict when asset failure to deliver the required level of service is likely to occur;
- Ascertain the reasons for performance deficiencies; and
- Determine what corrective action is required and when (maintenance, rehabilitation, renewal).

Priority is on funding the annual renewal annuity based on predetermined service levels.

The infrastructure asset intervention levels identify the condition when infrastructure assets are to be replaced. The higher the intervention level the greater the asset deterioration prior to replacement. The condition sets the minimum service standard of infrastructure assets as a basis when funding is required for renewal purposes.

Lowering the intervention level would increase the dollar amount necessary for capital renewal as assets would be identified earlier (better condition) at the time of replacement.

Council, as asset managers, continually assesses the relative merits of rehabilitation/renewal/replacement options and identify the optimum long-term solution through a decision related to levels of service.

A renewal gap exists where the renewal expenditure is less than the renewal demand resulting in an annual increase in the percentage of assets that are above intervention (exceeds their useful life and past their due date for replacement).

It is recommended that no asset's condition be allowed to go below their respective intervention levels as the cost of renewal significantly increases and the asset's functionality, safety and ability to provide its intended service level is compromised.

Strategy Recommendations

That Council continues to allocate additional funds to the renewal of existing assets while investing in strategic infrastructure projects to service the growth within the municipality.

That Council, as part of the review of its Asset Management Plans, continue to align the financial results (asset portfolio) that indicate a remaining useful life of 40.5 years (or 79.6 per cent) and 31.4 years (or 52.9 per cent) for infrastructure and building assets respectively.

That Council, to maintain its critical renewal investment levels, continues to update its Asset Management Plans for all classes of Council assets incorporating service level assessments.

9 Capital Works – Program expenditure and funding sources

This section considers the asset management requirements of the previous section and provides a framework for renewal and improvement of Council's infrastructure.

The Plan will focus on the following outcomes in order to:

- Improve and maintain the level of investment in infrastructure renewal;
- Maintain or improve the condition of Council's infrastructure;
- Invest in upgrade, expansion and new assets based on the expectations of the Council Plan and the funding principles with regard to the revenue strategy, the long-term borrowing strategy and the reserve usage strategy.

Future years of the Plan propose to allocate sufficient funds from rate revenue to complete the capital expenditure program.

9.1 Capital program expenditure

Council's longer term capital program is based on the following guidelines:

- Provide for expenditure growth required to level of sustainable renewal to meet the community's service level requirements (based on current Asset Management Plans);
- Continue to fund capital renewal as a priority followed by the allocation of funds to upgrade and construct new assets. Project priority is based on community needs in line with the Council Plan. This strategy has resulted in the inclusion of identified projects to the Long-term Infrastructure Plan
- Income assumptions to remain conservative given they are less predictable.

Council's ten-year capital program is reflected at Appendix 1 Capital Works Statement

The four-year future capital program includes a total of \$66.5 million for strategic projects, in particular the Baw Baw Civic Precinct redevelopment. The \$66.5 million is to be primarily funded from external grants, new loan borrowings and Council cash reserves.

The level of prior and current capital investment is reflected in the following table between the 2018/19 to 2022/23 financial year. The 2022/23 budget does not include project works carried forward from the prior 2021/22 year.

Capital Expenditure Type	2018/19 Actual \$000's	2019/20 Actual \$000's	2020/21 Actual \$000's	2021/12 Forecast \$000's	2022/23 Budget \$000's
Renewal	\$12,095	\$16,703	\$9,939	\$16,916	\$16,774
Upgrade	\$8,588	\$6,444	\$6,082	\$6,544	\$7,861
New/Expansion	\$4,403	\$4,457	\$6,190	\$15,218	\$17,143
TOTAL	\$24,717	\$27,604	\$22,211	\$38,678	\$41,778

9.2 Capital funding sources

External capital funding includes capital grants, capital contributions, developer contributions and open space contributions.

Internal capital funding sources include Council cash contribution (rates), statutory reserves, discretionary reserves, asset sales and, where appropriate, land sales.

10 Financial Projections

10.1 Modelling Methodology

The FP establishes a framework for Council to benchmark its performance within the LG sector. The future year operating projections are modelled on the 2022/23 Budget and identify available funding to complete capital works while applying the financial ratios to demonstrate ongoing sustainability. The Budgeted Statements (financial statements) are the result of this modelling and included as Appendix 1.

10.2 Financial parameters and assumptions

The following information explains the major forecast parameters for the life of the ten-year FP. Council's cost base (materials, services and contract costs) is expected to increase by more than the rate of CPI mainly due to:

- The impact of contract costs that are driven by price indexes other than Consumer Price Index and generally greater than CPI.
- An allowance for population growth and, where necessary, additional expenditure to meet the community demands for increases to existing service levels.

10.2.1 Rate revenue

Base rate revenue will increase by 1.75 per cent for the 2022/23 year, based on the state government rate cap, with future annual increases consistent with official CPI estimates per annum for the ensuing years of the FP. In addition, it is expected that during the 2022/23 year a further increase in the order of 2 per cent per annum will be received for growth (additional properties) as a result of supplementary rates.

Waste charges will increase by 12 per cent in 2022/23 to fully recover the cost of waste management including the additional impost for recycling charges and waste levy expenses.

10.2.2 Fees and charges revenue

Revenue from user fees and charges are expected to decrease by 18.59 per cent for the 2022/23 year due mainly due to the exit from aged and disability services and new transfer station contract terms and condition. The 2022/23 years revenue and future years revenue is not expected to be impacted by COVID-19 at this date.

10.2.3 Grants and subsidies

Recurrent Operating grants are expected to decrease by approximately 24.1 per cent, largely due to the exit from aged and disability services.

10.2.4 Investment income

Interest income received from the investment of surplus funds is pursuant to Council's Investment Policy. The future year's estimates are based on projected average cash balances held during the year and using current term deposit rates.

10.2.5 Employee costs

The 2022/23 Budget includes a 5.9 per cent decrease for employee costs, largely as a result of the exit from aged and disability services, offset by increases in existing salaries, combined with the addition of new approved positions. The ensuing years, from 2023/24 to 2025/26, reflect annual increases of 4.0 per cent per annum to provide for annual EBA increases, some increases to salary increase within a band as well as a marginal increase in positions for the delivery of existing services.

10.2.6 Materials, contracts and services

Materials, contracts and services are expected to decrease by 8.0 per cent compared to the prior year due to the exit from aged and disability services, and further the prior year included a number of fixed term initiatives that are not included in 2022/23. Future year cost increases are expected to be in the order of 2.0 per cent per annum based on future CP predictions.

The 2022/23 result reflects the forecast on par with budget expenditure from the prior 2021/22 year. The rate of annual increase for the ensuing years is generally expected to exceed CPI mainly due to:

- Additional expense allocation to respond to community demands and the cost of maintaining existing services.
- Adjustments more than CPI for major contracts such as the expanded road maintenance that are impacted by costs drivers, including the road construction index and transport costs.

10.2.7 Borrowing costs

Borrowing costs for 2022/23 are budgeted at \$0.352 million that is a marginal decrease on the prior year. This result is mainly due to high interest loans now being fully repaid. During the 2022/23 budget year total borrowing is expected to increase by \$4.050 million, however borrowing costs will decrease given the prior year final figure was significantly less than budget.

Appendix I Financial Statements

Period start	1 Jul 21	1 Jul 22	1 Jul 23	1 Jul 24	1 Jul 25	1 Jul 26	1 Jul 27	1 Jul 28	1 Jul 29	1 Jul 30	1 Jul 31	
Period end	30 Jun 22	30 Jun 23	30 Jun 24	30 Jun 25	30 Jun 26	30 Jun 27	30 Jun 28	30 Jun 29	30 Jun 30	30 Jun 31	30 Jun 32	
Comprehensive Income Statement												
Revenue from Operating Activities												
Rates and Charges	\$'000	64,605	68,247	71,010	73,663	76,397	79,535	82,779	86,134	89,603	93,192	96,906
Supplementary Rates	\$'000	750	1,000	750	750	750	750	750	750	750	750	750
Special Charges	\$'000	-	-	-	-	-	-	-	-	-	-	-
Rate Assistance Package	\$'000	-	-	-	-	-	-	-	-	-	-	-
Grants - Operating (Recurrent)	\$'000	16,836	11,775	12,077	12,387	12,705	13,023	13,348	13,682	14,024	14,375	14,375
Grants - Operating (Non-recurrent)	\$'000	-	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220
Grants - Capital (Recurrent)	\$'000	1,779	1,823	1,869	1,916	1,964	2,013	2,063	2,115	2,168	2,222	2,277
Grants - Capital (Non-recurrent)	\$'000	20,046	15,217	16,861	16,154	4,522	770	746	718	704	650	594
Contributions (Non-monetary)	\$'000	7,103	7,316	7,535	7,761	7,994	8,234	8,481	8,650	8,900	8,900	8,900
Contributions (Monetary)	\$'000	3,459	4,503	4,220	4,392	5,116	4,187	4,295	4,404	4,431	4,631	4,750
Reimbursements and Subsidies	\$'000	-	-	-	-	-	-	-	-	-	-	-
User Charges	\$'000	2,701	1,741	1,793	1,847	1,902	1,960	2,018	2,079	2,141	2,205	2,205
Statutory Fees and Fines	\$'000	2,558	2,540	2,591	2,643	2,695	2,749	2,804	2,860	2,918	2,976	2,976
DCP New Contributions	\$'000	-	-	-	-	-	-	-	-	-	-	-
Capital grants - amendments	\$'000	-	-	-	-	-	-	-	-	-	-	-
Cost of maintaining inherited assets	\$'000	-	-	-	-	-	-	-	-	-	-	-
Natural Disaster Funding	\$'000	150	-	-	-	-	-	-	-	-	-	-
Spare revenue line 5	\$'000	-	-	-	-	-	-	-	-	-	-	-
Spare revenue line 6	\$'000	-	-	-	-	-	-	-	-	-	-	-
Total Revenue from Operating Activities	\$'000	119,987	115,382	119,926	122,732	115,266	114,440	118,506	122,612	130,859	131,120	134,953
Revenue from Outside of Operating Activities												
Interest Revenue	\$'000	200	185	185	185	185	185	185	185	185	185	185
Other Revenue Outside of Operating Activities	\$'000	956	948	948	948	948	948	948	948	948	948	948
Total Revenue from Outside Operating Activities	\$'000	1,156	1,133	1,133	1,133	1,133	1,133	1,133	1,133	1,133	1,133	1,133
Total Revenue	\$'000	121,143	116,515	121,059	123,865	116,399	115,573	119,639	123,745	131,992	132,253	136,086
Operating Expenses from Ordinary Activities												
Employee Costs	\$'000	(33,939)	(30,136)	(31,267)	(32,439)	(33,656)	(34,918)	(36,227)	(37,586)	(38,995)	(40,457)	(41,974)
Employee Costs Provisioned	\$'000	-	(277)	(281)	(285)	(290)	(294)	(299)	(303)	(308)	(312)	(317)
Materials & Consumables	\$'000	(37,847)	(34,859)	(35,556)	(36,267)	(36,992)	(37,732)	(38,487)	(39,257)	(40,042)	(40,842)	(41,659)
Utilities	\$'000	-	-	-	-	-	-	-	-	-	-	-
Bad and Doubtful Debts	\$'000	-	-	-	-	-	-	-	-	-	-	-
Depreciation	\$'000	(18,246)	(18,733)	(18,673)	(19,911)	(20,708)	(21,535)	(22,396)	(22,883)	(23,389)	(23,388)	(23,387)
Amortisation of Intangible Assets	\$'000	(363)	(190)	(283)	(377)	(475)	(574)	(486)	(498)	(511)	(523)	(424)
Amortisation of Right-of-Use Assets	\$'000	(601)	(688)	(688)	(688)	(688)	(688)	(688)	(688)	(688)	(688)	0
Amortisation of Landfill Rehabilitation	\$'000	-	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	\$'000	-	(4,192)	(4,360)	(4,534)	(4,715)	(4,904)	(5,100)	(5,304)	(5,516)	(5,737)	(5,967)
Other Expenses	\$'000	(4,245)	-	-	-	-	-	-	-	-	-	-
Whole of life opex costs	\$'000	-	-	-	-	-	-	-	-	-	-	-
Contributions	\$'000	-	-	-	-	-	-	-	-	-	-	-
Interest on Borrowings (Finance Costs)	\$'000	(497)	(312)	(439)	(618)	(840)	(940)	(1,010)	(1,010)	(1,010)	(1,010)	(927)
Interest on Leases	\$'000	-	(48)	(42)	(35)	(27)	(23)	(22)	(20)	(19)	(18)	(16)
New Init Employee Costs 2022/23	\$'000	-	(1,310)	(1,559)	(1,618)	(1,678)	(1,741)	(1,806)	(1,874)	(1,945)	(2,017)	(2,093)
Budget Submissions 2021/22 & Budget submissions 2022/23	\$'000	(92)	(589)	(60)	(61)	(62)	(64)	(65)	(66)	(68)	(69)	(70)
Maintenance costs inherited 2022/3 onwards. Other costs	\$'000	-	(250)	(515)	(788)	(1,069)	(1,359)	(1,657)	(1,964)	(2,281)	(2,606)	(2,942)
Road Maintenance Contract	\$'000	500	500	1,000	500	500	500	500	500	500	500	500
New Init Employee Costs 2021/22	\$'000	(867)	(1,028)	(1,048)	(1,069)	(1,090)	(1,112)	(1,134)	(1,157)	(1,180)	(1,204)	(1,228)
New Inits Other Costs 2021/22 & 22/23	\$'000	(750)	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	\$'000	(96,947)	(92,111)	(93,770)	(98,190)	(101,791)	(105,256)	(108,749)	(111,983)	(115,323)	(117,872)	(120,505)
Net Surplus/(Deficit) from Operations	\$'000	24,196	24,404	27,290	25,675	14,608	10,317	10,890	11,762	16,669	14,382	15,581
Adjustments												
Net Gain/(Loss) on Disposal of Property Plant & Equipment	\$'000	250	440	250	250	250	250	250	250	250	250	250
Net Gain/(Loss) on Sale of Assets Held for Resale	\$'000	300	(240)	-	-	-	-	-	-	-	-	-
Share of Net Profit/(Loss) of Associates and Joint Ventures	\$'000	37	-	-	-	-	-	-	-	-	-	-
Unrealised Gain/(Loss) on investment in Associates	\$'000	-	38	38	39	39	40	41	41	42	43	43
New Init Employee Costs 2022/23	\$'000	-	-	-	-	-	-	-	-	-	-	-
New Init Other Costs 2022/23	\$'000	-	-	-	-	-	-	-	-	-	-	-
Spare Adjustments line 6	\$'000	(200)	-	-	-	-	-	-	-	-	-	-
Total Adjustments	\$'000	387	238	288	289	289	290	291	291	292	293	293
Operating Surplus/(Deficit) after Adjustments	\$'000	24,583	24,641	27,578	25,963	14,897	10,607	11,180	12,053	16,961	14,674	15,874
Adjusted Underlying Surplus (Deficit)	\$'000	(6,025)	(2,394)	(1,038)	(2,343)	(2,735)	(2,584)	(2,342)	(1,719)	(1,074)	494	1,631

Balance Sheet

Current Assets

Cash and Cash Equivalents	\$'000	49,749	51,955	54,065	55,051	49,479	51,758	54,316	57,442	40,912	41,508	44,339
Trade and Other Receivables	\$'000	7,380	7,067	7,277	7,532	7,609	7,734	8,004	8,327	8,960	8,960	9,249
GST Receivable	\$'000	-	-	-	-	-	-	-	-	-	-	-
Inventories	\$'000	-	-	-	-	-	-	-	-	-	-	-
Accrued Income	\$'000	-	-	-	-	-	-	-	-	-	-	-
Prepayments	\$'000	-	-	-	-	-	-	-	-	-	-	-
Financial Assets	\$'000	-	-	-	-	-	-	-	-	-	-	-
Assets held for resale	\$'000	1,640	-	-	-	-	-	-	-	-	-	-
Other Current Assets	\$'000	3,820	3,820	3,820	3,820	3,820	3,820	3,820	3,820	3,820	3,820	3,820
Total Current Assets	\$'000	62,589	62,843	65,163	66,403	60,908	63,313	66,140	69,589	53,693	54,288	57,408

Non Current Assets

Land Under Roads	\$'000	153,153	153,153	153,153	153,153	153,153	153,153	153,153	153,153	153,153	153,153	153,153
Property Plant and Equipment	\$'000	3,593	5,227	4,345	3,428	2,474	1,483	453	(576)	22,248	21,221	20,195
Infrastructure Assets	\$'000	683,116	711,843	744,078	775,034	798,485	811,159	820,858	830,857	841,248	852,265	863,925
Right-of-Use Assets	\$'000	5,180	4,492	3,804	3,116	2,428	1,868	1,308	747	187	(0)	(0)
Investment Property	\$'000	-	-	-	-	-	-	-	-	-	-	-
Intangible Asset	\$'000	500	761	940	1,037	1,048	972	996	1,021	1,046	1,073	649
Landfill Rehabilitation Intangible Asset	\$'000	-	-	-	-	-	-	-	-	-	-	-
Investment in Associates and Joint Ventures	\$'000	2,315	2,353	2,391	2,429	2,469	2,509	2,549	2,591	2,633	2,675	2,719
Trade and Other Receivables (Long Term)	\$'000	-	-	-	-	-	-	-	-	-	-	-
Other Financial Assets	\$'000	-	-	-	-	-	-	-	-	-	-	-
Total Non Current Assets	\$'000	847,857	877,829	908,711	938,197	960,057	971,143	979,317	987,794	1,020,515	1,030,386	1,040,641
Total Assets	\$'000	910,446	940,671	973,874	1,004,600	1,020,965	1,034,456	1,045,457	1,057,383	1,074,207	1,084,675	1,098,049

Current Liabilities

Trade and Other Payables	\$'000	4,308	6,327	6,438	6,688	6,880	7,130	7,312	7,539	7,753	7,973	8,177
GST Payable	\$'000	-	-	-	-	-	-	-	-	-	-	-
Trust Funds and Deposits	\$'000	4,263	4,348	4,435	4,524	4,614	4,707	4,801	4,897	4,995	5,095	5,197
Unearned Income	\$'000	-	-	-	-	-	-	-	-	-	-	-
Current Provisions	\$'000	-	-	-	-	-	-	-	-	-	-	-
Current Landfill Rehabilitation Provision	\$'000	-	600	600	600	600	600	600	600	600	600	600
Current Employee Benefits	\$'000	6,747	7,038	7,334	7,634	7,939	8,248	8,562	8,880	9,204	9,532	9,865
Current Interest Bearing Liabilities	\$'000	-	-	-	7,277	-	-	-	-	4,155	2,474	4,050
Current Lease Liabilities	\$'000	435	254	261	268	152	153	155	156	84	49	50
Total Current Liabilities	\$'000	15,753	18,568	19,068	26,991	20,185	20,838	21,429	22,073	26,790	25,722	27,938

Non Current Liabilities

Non Current Employee benefits	\$'000	700	686	671	657	642	627	611	596	580	564	548
Non Current Provisions	\$'000	-	-	-	-	-	-	-	-	-	-	-
Non Current Landfill Rehabilitation Provision	\$'000	10,052	8,852	8,252	7,652	7,052	6,452	5,852	5,252	4,652	4,052	3,452
Non Current Interest Bearing Loans and Borrowings	\$'000	13,906	17,956	23,956	21,679	30,719	33,719	33,719	29,564	29,564	27,090	23,040
Non Current Lease Liabilities	\$'000	1,855	1,788	1,527	1,259	1,107	953	799	643	559	510	460
Other Non Current Liability	\$'000	-	-	-	-	-	-	-	-	-	-	-
Total Non Current Liabilities	\$'000	26,513	29,282	34,406	31,247	39,520	41,751	40,981	40,210	35,355	32,216	27,500
Total Liabilities	\$'000	42,266	47,850	53,475	58,237	59,705	62,589	62,410	62,282	62,145	57,938	55,438

Net Assets	\$'000	868,180	892,821	920,399	946,363	961,260	971,867	983,047	995,100	1,012,062	1,026,736	1,042,611
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Equity

Accumulated Surplus	\$'000	417,083	439,323	465,529	491,969	506,937	514,321	522,166	534,219	551,181	565,855	581,730
Reserve Land Under Roads	\$'000	-	-	-	-	-	-	-	-	-	-	-
Reserves - Statutory	\$'000	11,087	11,835	11,942	12,052	13,005	15,228	17,563	17,563	17,563	17,563	17,563
Reserves - Discretionary	\$'000	26,192	27,845	29,110	28,524	27,500	28,500	29,500	29,500	29,500	29,500	29,500
Landfill Rehabilitation Reserve	\$'000	-	-	-	-	-	-	-	-	-	-	-
Asset Revaluation Reserve	\$'000	413,818	413,818	413,818	413,818	413,818	413,818	413,818	413,818	413,818	413,818	413,818
Total Equity	\$'000	868,180	892,821	920,399	946,363	961,260	971,867	983,047	995,100	1,012,062	1,026,736	1,042,611

Cash Flow Statement

Cash flows from Operating Activities

Rates and Charges Received	\$'000	64,955	69,499	71,570	74,179	76,922	80,027	83,281	86,589	90,068	93,647	97,372
Grants - Operational Received	\$'000	15,737	13,006	13,292	13,600	13,919	14,237	14,563	14,895	15,237	15,588	15,595
Grants - Capital Received	\$'000	7,274	17,055	18,698	18,081	6,708	2,854	2,809	2,832	2,871	2,871	2,872
Interest Received	\$'000	200	185	185	185	185	185	185	185	185	185	185
User Fees Received	\$'000	2,718	1,747	1,789	1,842	1,898	1,955	2,014	2,073	2,136	2,200	2,206
Statutory Fees and Fines Received	\$'000	2,674	2,549	2,587	2,638	2,691	2,745	2,800	2,855	2,913	2,971	2,977
Other Revenue Received	\$'000	4,266	5,471	5,192	5,324	6,004	5,211	5,235	5,341	9,048	5,891	5,689
Employee Costs Paid	\$'000	(34,437)	(29,618)	(31,210)	(32,371)	(33,590)	(34,850)	(36,162)	(37,507)	(38,919)	(40,378)	(41,899)
Materials and Consumables Paid	\$'000	(39,556)	(33,496)	(35,482)	(36,168)	(36,903)	(37,642)	(38,407)	(39,149)	(39,945)	(40,744)	(41,573)
External Contracts Paid	\$'000	-	-	-	-	-	-	-	-	-	-	-
Utilities Paid	\$'000	-	-	-	-	-	-	-	-	-	-	-
Landfill Rehabilitation Expenditure Paid	\$'000	-	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)
GST Received / (Paid)	\$'000	-	-	-	-	-	-	-	-	-	-	-
Short-term, low value and variable lease payments	\$'000	-	-	-	-	-	-	-	-	-	-	-
Trust Funds and Deposits	\$'000	84	85	87	89	90	92	94	96	98	100	102
Other Expenses Paid	\$'000	(4,405)	(6,730)	(6,561)	(7,487)	(8,077)	(8,589)	(9,226)	(9,824)	(10,448)	(11,091)	(11,758)
Net Cash flows from Operating Activities	\$'000	19,510	39,153	39,547	39,312	29,247	25,626	26,587	27,787	32,645	30,640	31,168

Cash flows from Investing Activities

Payment for Property Plant and Equipment and Infrastructure	\$'000	(38,678)	(41,778)	(42,490)	(42,189)	(35,211)	(24,984)	(22,584)	(23,203)	(47,703)	(24,478)	(25,122)
Proceeds from Property Plant and Equipment and Infrastructure	\$'000	600	1,840	250	250	250	250	250	250	250	250	250
Proceeds/(Payments) from/for Investment Property	\$'000	-	-	-	-	-	-	-	-	-	-	-
Proceeds/(Payments) from/for Intangible Assets	\$'000	-	(451)	(462)	(474)	(486)	(498)	(510)	(523)	(536)	(549)	-
Proceeds from/(to) Investments	\$'000	-	-	-	-	-	-	-	-	-	-	-
Proceeds/(Payments) from/for Financial Assets	\$'000	-	-	-	-	-	-	-	-	-	-	-
Net Cash flows from Investing Activities	\$'000	(38,078)	(40,389)	(42,702)	(42,413)	(35,447)	(25,232)	(22,844)	(23,476)	(47,989)	(24,777)	(24,872)

Cash flows from Financing Activities

Proceeds from Interest Bearing Loans and Borrowings	\$'000	2,472	4,050	6,000	5,000	9,040	3,000	-	-	-	-	-
Repayments of Interest Bearing Loans and Borrowings	\$'000	(3,889)	-	-	-	(7,277)	-	-	-	-	(4,155)	(2,474)
Finance Costs	\$'000	(516)	(312)	(439)	(618)	(840)	(940)	(1,010)	(1,010)	(1,010)	(1,010)	(927)
Interest paid - lease liability	\$'000	(80)	(48)	(42)	(35)	(27)	(23)	(22)	(20)	(19)	(18)	(16)
Repayment of lease liabilities	\$'000	(413)	(248)	(254)	(261)	(268)	(152)	(153)	(155)	(156)	(84)	(49)
Net Cash flows from Financing Activities	\$'000	(2,426)	3,442	5,265	4,087	627	1,885	(1,185)	(1,185)	(1,185)	(5,267)	(3,466)

Net Change in Cash Held	\$'000	(20,994)	2,206	2,110	986	(5,572)	2,279	2,558	3,126	(16,530)	596	2,830
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Cash at Beginning of the Financial Year	\$'000	70,743	49,749	51,955	54,065	55,051	49,479	51,758	54,316	57,442	40,912	41,508
Cash at End of the Financial Year	\$'000	49,749	51,955	54,065	55,051	49,479	51,758	54,316	57,442	40,912	41,508	44,339

Cash and Cash Equivalents

Unrestricted Cash	\$'000	-	(195)	543	2,005	(3,496)	(4,440)	(5,217)	(2,091)	(18,621)	(18,025)	(15,194)
Restricted Cash (due to reserves)	\$'000	49,749	52,150	53,522	53,046	52,975	56,198	59,533	59,533	59,533	59,533	59,533
Cash and Cash Equivalents	\$'000	49,749	51,955	54,065	55,051	49,479	51,758	54,316	57,442	40,912	41,508	44,339

Capital Works Statement

Land	\$'000	-	1,241	42,490	42,189	35,211	24,984	22,584	23,203	47,703	24,478	25,122
Land improvements	\$'000	-	-	-	-	-	-	-	-	-	-	-
Buildings	\$'000	-	8,510	-	-	-	-	-	-	-	-	-
Building improvements	\$'000	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	\$'000	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	\$'000	-	-	-	-	-	-	-	-	-	-	-
Plant, machinery and equipment	\$'000	-	1,398	-	-	-	-	-	-	-	-	-
Fixtures, fittings and furniture	\$'000	-	-	-	-	-	-	-	-	-	-	-
Computers and telecommunications	\$'000	-	254	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	\$'000	-	-	-	-	-	-	-	-	-	-	-
Library books	\$'000	-	-	-	-	-	-	-	-	-	-	-
Roads	\$'000	-	10,910	-	-	-	-	-	-	-	-	-
Bridges	\$'000	-	475	-	-	-	-	-	-	-	-	-
Footpaths and cycleways	\$'000	-	2,920	-	-	-	-	-	-	-	-	-
Drainage	\$'000	-	2,470	-	-	-	-	-	-	-	-	-
Recreational, leisure and community facilities	\$'000	-	13,050	-	-	-	-	-	-	-	-	-
Waste management	\$'000	-	-	-	-	-	-	-	-	-	-	-
Parks, open space and streetscapes	\$'000	-	-	-	-	-	-	-	-	-	-	-
Aerodromes	\$'000	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	\$'000	-	280	-	-	-	-	-	-	-	-	-
Other infrastructure	\$'000	-	270	-	-	-	-	-	-	-	-	-
Artworks	\$'000	-	-	-	-	-	-	-	-	-	-	-
Carry forward	\$'000	-	-	-	-	-	-	-	-	-	-	-
Spare capex 3	\$'000	-	-	-	-	-	-	-	-	-	-	-
Landfill cells	\$'000	-	-	-	-	-	-	-	-	-	-	-
Total Capital Works	\$'000	-	41,778	42,490	42,189	35,211	24,984	22,584	23,203	47,703	24,478	25,122

Statement of Human Resources

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Chief Executive Officer				
Permanent - Full time	433	444	452	463
Women	111	114	116	119
Men	321	330	336	344
Persons of self-described gender	0	0	0	0
Permanent - Part time	47	49	50	51
Women	47	49	50	51
Men	0	0	0	0
Persons of self-described gender	0	0	0	0
Total Chief Executive Officer	480	492	502	514
Community Infrastructure				
Permanent - Full time	10,382	10,761	11,091	11,469
Women	2,095	2,261	2,307	2,479
Men	8,287	8,500	8,784	8,991
Persons of self-described gender	0	0	0	0
Permanent - Part time	561	575	587	600
Women	404	414	422	432
Men	157	161	164	168
Persons of self-described gender	0	0	0	0
Total Community Infrastructure	10,943	11,336	11,677	12,070
Economic Development, Arts and Advocacy				
Permanent - Full time	2,053	2,219	2,378	2,552
Women	1,199	1,229	1,369	1,401
Men	855	989	1,009	1,151
Persons of self-described gender	0	0	0	0
Permanent - Part time	595	610	622	637
Women	388	398	406	415
Men	206	212	216	221
Persons of self-described gender	0	0	0	0
Total Economic Development, Arts and Advocacy	2,648	2,829	3,000	3,188
Governance and Information Services				
Permanent - Full time	2,795	2,980	3,154	3,346
Women	1,656	1,811	1,847	2,008
Men	1,140	1,169	1,307	1,338
Persons of self-described gender	0	0	0	0
Permanent - Part time	282	289	295	302
Women	232	238	243	248
Men	50	51	52	53
Persons of self-described gender	0	0	0	0
Total Governance and Information Services	3,077	3,269	3,449	3,648
Planning and Development				
Permanent - Full time	7,811	8,124	8,402	8,717
Women	3,592	3,684	3,872	3,963
Men	4,220	4,441	4,529	4,754
Persons of self-described gender	0	0	0	0
Permanent - Part time	1,247	1,279	1,305	1,335
Women	925	948	967	990
Men	323	331	338	345
Persons of self-described gender	0	0	0	0
Total Planning and Development	9,059	9,404	9,706	10,052
Strategy and Organisational Performance				
Permanent - Full time	4,902	5,140	5,358	5,484
Women	4,317	4,541	4,631	4,740
Men	584	599	726	744
Persons of self-described gender	0	0	0	0
Permanent - Part time	1,484	1,522	1,552	1,589
Women	1,390	1,425	1,454	1,488
Men	94	97	99	101
Persons of self-described gender	0	0	0	0
Total Strategy and Organisational Performance	6,386	6,662	6,910	7,072
Casuals, temporary and other expenditure	158	163	166	170
Capitalised labour costs	874	907	941	976
Total staff expenditure	32,751	34,154	35,411	36,714

Statement of Human Resources (cont)

	2022/23 FTE	2023/24 FTE	2024/25 FTE	2025/26 FTE
Chief Executive Officer				
Permanent - Full time	2.0	2.0	2.0	2.0
Women	1.0	1.0	1.0	1.0
Men	1.0	1.0	1.0	1.0
Persons of self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	0.6	0.6	0.6	0.6
Women	0.6	0.6	0.6	0.6
Men	0.0	0.0	0.0	0.0
Persons of self-described gender	0.0	0.0	0.0	0.0
Total Chief Executive Officer	2.6	2.6	2.6	2.6
Community Infrastructure				
Permanent - Full time	101.2	102.2	103.2	104.2
Women	20.0	21.0	21.0	22.0
Men	81.2	81.2	82.2	82.2
Persons of self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	5.3	5.3	5.3	5.3
Women	3.8	3.8	3.8	3.8
Men	1.5	1.5	1.5	1.5
Persons of self-described gender	0.0	0.0	0.0	0.0
Total Community Infrastructure	106.5	107.5	108.5	109.5
Economic Development, Arts and Advocacy				
Permanent - Full time	18.0	19.0	20.0	21.0
Women	11.0	11.0	12.0	12.0
Men	7.0	8.0	8.0	9.0
Persons of self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	5.7	5.7	5.7	5.7
Women	3.6	3.6	3.6	3.6
Men	2.1	2.1	2.1	2.1
Persons of self-described gender	0.0	0.0	0.0	0.0
Total Economic Development, Arts and Advocacy	23.7	24.7	25.7	26.7
Governance and Information Services				
Permanent - Full time	25.8	26.8	27.8	28.8
Women	16.0	17.0	17.0	18.0
Men	9.8	9.8	10.8	10.8
Persons of self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	3.4	3.4	3.4	3.4
Women	2.8	2.8	2.8	2.8
Men	0.6	0.6	0.6	0.6
Persons of self-described gender	0.0	0.0	0.0	0.0
Total Governance and Information Services	29.1	30.1	31.1	32.1
Planning and Development				
Permanent - Full time	65.9	66.9	67.9	68.9
Women	32.4	32.4	33.4	33.4
Men	33.5	34.5	34.5	35.5
Persons of self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	13.7	13.7	13.7	13.7
Women	9.1	9.1	9.1	9.1
Men	4.6	4.6	4.6	4.6
Persons of self-described gender	0.0	0.0	0.0	0.0
Total Planning and Development	79.5	80.5	81.5	82.5
Strategy and Organisational Performance				
Permanent - Full time	39.3	40.3	41.3	42.3
Women	35.3	36.3	36.3	37.3
Men	4.0	4.0	5.0	5.0
Persons of self-described gender	0.0	0.0	0.0	0.0
Permanent - Part time	13.7	13.7	13.7	13.7
Women	12.9	12.9	12.9	12.9
Men	0.8	0.8	0.8	0.8
Persons of self-described gender	0.0	0.0	0.0	0.0
Total Strategy and Organisational Performance	52.9	53.9	54.9	55.9
Casuals and temporary staff	1.7	1.7	1.7	1.7
Capitalised labour	7.0	7.0	7.0	7.0
Total staff numbers	296.0	301.0	306.0	311.0

Appendix 2 Performance Ratios

Period start	1 Jul 20	1 Jul 21	1 Jul 22	1 Jul 23	1 Jul 24	1 Jul 25	1 Jul 26	1 Jul 27	1 Jul 28	1 Jul 29	1 Jul 30	1 Jul 31
Period end	30 Jun 21	30 Jun 22	30 Jun 23	30 Jun 24	30 Jun 25	30 Jun 26	30 Jun 27	30 Jun 28	30 Jun 29	30 Jun 30	30 Jun 31	30 Jun 32

VAGO Ratios

15.02.01 VAGO Ratios

Net result	%	20.4%	20.3%	21.1%	22.8%	21.0%	12.8%	9.2%	9.3%	9.7%	12.9%	11.1%	11.7%
Adjusted underlying result	%	(1.0%)	(6.6%)	(2.7%)	(1.1%)	(2.4%)	(2.8%)	(2.5%)	(2.2%)	(1.6%)	(0.9%)	0.4%	1.3%
Liquidity	x	1.74	3.97	3.38	3.42	2.46	3.02	3.04	3.09	3.15	2.00	2.11	2.05
Internal financing	%	169.1%	50.4%	93.7%	93.1%	93.2%	83.1%	102.6%	117.7%	119.8%	68.4%	125.2%	124.1%
Indebtedness	%	28.4%	36.7%	39.1%	44.4%	38.9%	47.5%	48.3%	45.6%	43.1%	36.5%	32.0%	26.4%
Capital replacement ratio	x	1.54	2.12	2.23	2.28	2.12	1.70	1.16	1.01	1.01	2.04	1.05	1.07
Renewal gap ratio	x	0.91	N/A	1.32	1.97	1.76	1.35	0.85	0.70	0.70	1.71	0.69	0.69

Local Government Performance Reporting Framework

15.03.01 Operating position

Adjusted underlying result	%	-1.0%	-6.6%	-2.7%	-1.1%	-2.4%	-2.8%	-2.5%	-2.2%	-1.6%	-0.9%	0.4%	1.3%
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15.03.02 Liquidity

Working capital (current asset:	%	174.4%	397.3%	338.4%	341.7%	246.0%	301.7%	303.8%	308.6%	315.3%	200.4%	211.1%	205.5%
Unrestricted cash (unrestrictec	%	0.0%	-27.1%	-24.5%	-20.4%	-9.3%	-40.2%	-43.9%	-46.7%	-31.7%	-88.1%	-89.9%	-73.0%

15.03.03 Obligations

Loans and borrowings (as a pr	%	24.6%	21.5%	26.3%	33.7%	39.3%	40.2%	42.4%	40.7%	39.1%	37.6%	31.7%	28.0%
Loans and borrowings paymer	%	7.0%	6.8%	0.5%	0.6%	0.8%	10.6%	1.2%	1.2%	1.2%	1.1%	5.5%	3.5%
Indebtedness (Non-current liat	%	28.4%	36.7%	39.1%	44.4%	38.9%	47.5%	48.3%	45.6%	43.1%	36.5%	32.0%	26.4%
Asset renewal and upgrade (o	%	91.3%	N/A	132.2%	196.9%	175.7%	135.3%	84.9%	69.7%	69.7%	171.2%	69.2%	69.2%

15.03.04 Stability

Rates concentration (Rates co	%	69.6%	71.1%	76.1%	76.6%	76.9%	77.1%	77.5%	77.8%	78.1%	78.4%	78.7%	79.3%
Rates effort (Rates compared	%	N/A	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%

15.03.05 Efficiency

Expenditure level (expenditure	\$ / assessment	N/A	3,487.9	3,258.5	3,261.4	3,357.6	3,422.0	3,478.5	3,532.9	3,576.1	3,619.9	3,636.6	3,654.0
Revenue level (average rate pi	\$ / assessment	N/A	2,351.3	2,449.6	2,495.9	2,544.6	2,593.5	2,653.3	2,713.6	2,774.6	2,836.1	2,898.3	2,961.2
Workforce turnover (Resignati	%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A