

knox

your city



# Financial Plan

2021 – 2031



# Acknowledgement of traditional land owners

Knox City Council acknowledges the Wurundjeri Woi-wurrung people and Bunurong people of the Kulin Nation as Traditional Custodians of the land. The Knox Aboriginal and Torres Strait Islander Community come from a variety of different Nations within Australia and Torres Strait, including the Traditional Custodians and Stolen Generation. As such we pay respect to all Aboriginal and Torres Strait Islander Elders, past and present, who have resided in the area and have been an integral part of the region's history.

Located at the foot of the Dandenong Ranges, Knox has many places of historic significance to the Kulin nation. Important cultural and historical sites within Knox hold both the traditional knowledge of the First Nations People and the traumatic stories of colonisation.

The journey ahead for Knox involves the land, the traditional custodians, the local Indigenous community, the wider community and the Council itself. Walking together and listening together to create a culturally safe and culturally rich community for all.

In 2021 Knox City Council announced an intention to promote a “whole of business” mindset, moving forward in its acknowledgement and respect of First Nations people, ensuring cross functional collaboration as opportunities present themselves.

## Contents

<b>1.</b>	<b>Legislative Requirements</b>	<b>3</b>
1.1.	Strategic Planning Principles	4
1.2.	Financial Planning Principles	4
1.3.	Community Engagement	5
1.4.	Service Performance Principles	5
1.5.	Asset Plan Integration	6
<b>2.</b>	<b>Financial Plan Context</b>	<b>7</b>
2.1.	Financial Policy Statements	7
2.2.	Strategic Actions	8
2.3.	Assumptions to the Financial Plan Statements	8
2.4.	Other Matters Impacting the 10-Year Financial Projections	10
<b>3.</b>	<b>Financial Plan Statements</b>	<b>11</b>
3.1.	Comprehensive Income Statement	11
3.2.	Balance Sheet	13
3.3.	Statement of Changes in Equity	13
3.4.	Statement of Cash Flows	14
3.5.	Statement of Capital Works	15
3.6.	Statement of Human Resources	16
3.7.	Planned Human Resources Expenditure	17
<b>4.</b>	<b>Financial Performance Indicators</b>	<b>21</b>
<b>5.</b>	<b>Strategies and Plans</b>	<b>23</b>
5.1.	Borrowing Strategy	23
5.2.	Reserves Strategy	24
	<b>Keeping in touch</b>	<b>24</b>

# 1. Legislative Requirements

Knox’s integrated strategic planning and reporting framework (pictured opposite) illustrates the medium and long term plans that guide and manage our city.

The Knox Community Plan 2021-2031 incorporates a Community Vision statement and describes our community’s aspirations for the future. It sets out Key Directions which articulate what we, as a collective, need to focus on to achieve our vision.

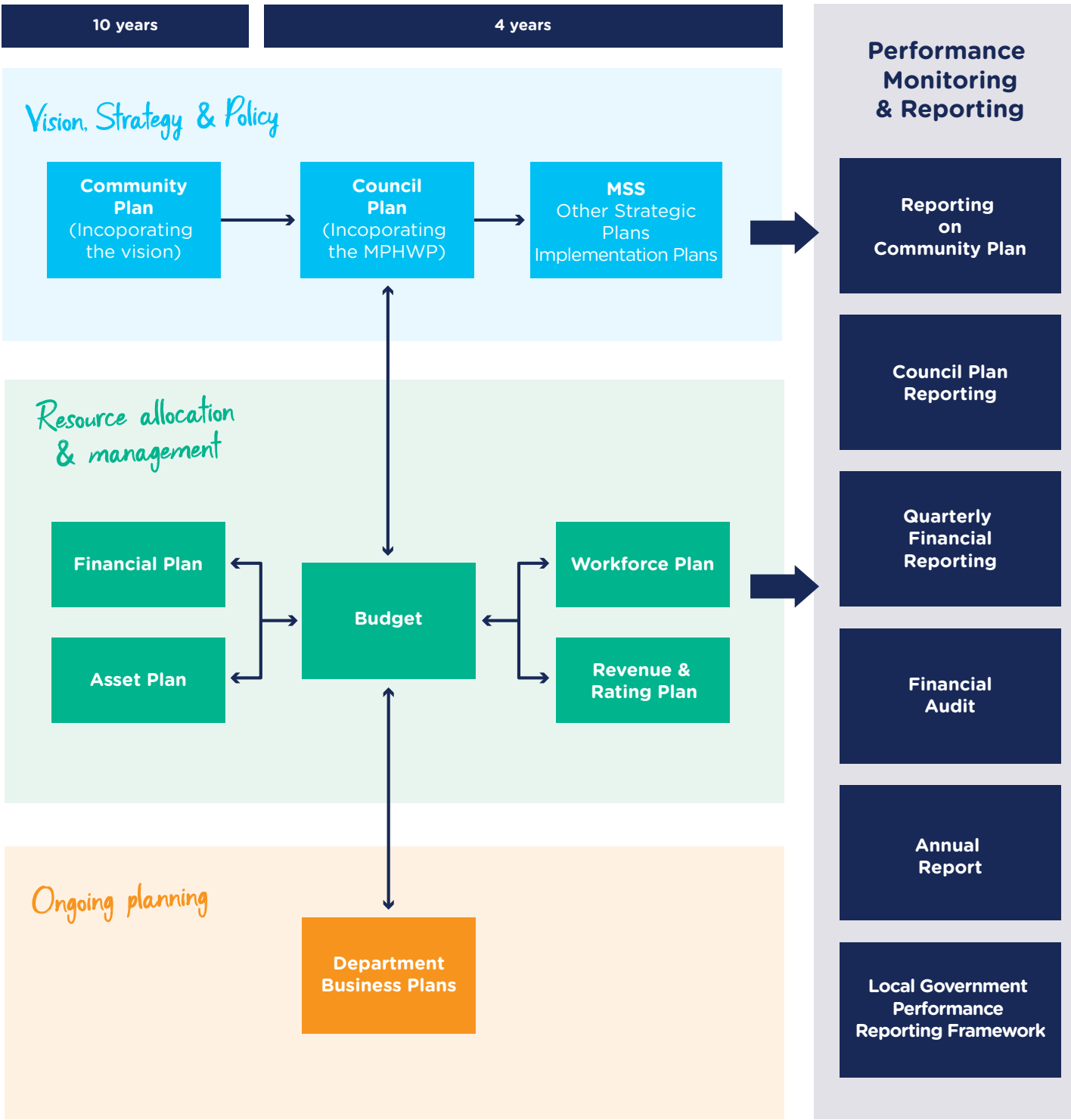
Knox’s Council Plan 2021-2025 provides direction to our organisation, describes how we’re going to contribute to the achievement of the Community Vision and shows how we’re going to measure our success. It also demonstrates our commitment to the health and wellbeing of our community by incorporating Knox’s Municipal Public Health & Wellbeing Plan (MPHWP).

There are also a number of other plans that guide our work. They include plans about how we’re going to manage our financial resources (the Financial Plan, Budget and Revenue and Rating Plan), how we’re going to manage and maintain our assets (the Asset Plan) and how we can make sure we have the right staff to deliver our services and initiatives (the Workforce Plan).

This plan is a new requirement of the *Local Government Act 2020*, which needs to be developed or reviewed and formally adopted by 31 October in the year following each Council election. It is an important part of Council’s integrated planning framework, all of which is created to help Council achieve its community vision:

**“Knox: where we connect with our people and our environment, ensuring they are safe, supported and have every opportunity to thrive”.**

Integrated strategic planning and reporting framework



## 1.1 Strategic Planning Principles

**The Financial Plan provides a 10 year financially sustainable projection regarding how the actions of the Council Plan may be funded to achieve the Community Vision. The Financial Plan is developed in the context of the following strategic planning principles:**

- a) Council has an integrated approach to planning, monitoring and performance reporting.
- b) Council's financial plan addresses the Community Vision by funding the aspirations of the Council Plan. The Council Plan aspirations and actions are formulated in the context of the Community Vision.
- c) The Financial Plan statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the Council Plan to achieve the Community Vision.
- d) Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan. The financial risks are included at section 1.2.2 to the right.
- e) The Financial Plan provides for the strategic planning principles of progress, monitoring of progress and reviews to identify and adapt to changing circumstances.

## 1.2 Financial Planning Principles

**The Financial Plan demonstrates the following financial management principles:**

- 1.2.1 Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- 1.2.2 Management of the following financial risks:
  - a) The financial viability of the Council (refer to section 2.1 Financial Policy Statements).
  - b) The management of current and future liabilities of the Council.  
The estimated 10 year liabilities are disclosed in section 3.2 Balance Sheet projections.
  - c) The beneficial enterprises of Council (where appropriate).
- 1.2.3 Financial policies and strategic plans are designed to provide financial stability and predictability to the community.
- 1.2.4 Council maintains accounts and records that explain its financial operations and financial position (refer section 3 Financial Statements).



## 1.3 Community Engagement

**During 2020-21 Council undertook a large research and engagement project to shape the future of Knox and inform the development of its new plans.**

Almost 4,500 community members and organisations, businesses, stakeholders, partners and members of Council's Advisory Committees took part in various engagement activities to:

- Gain an understanding of the community's aspirations for the future of Knox.
- Test the data gathered through research.
- Gain feedback on the goals in the current plan.
- Identify priority areas for the community and Council.

Based on the information gathered through the engagement, five Key Directions were established to provide the framework for our plans and guide the work of Council.

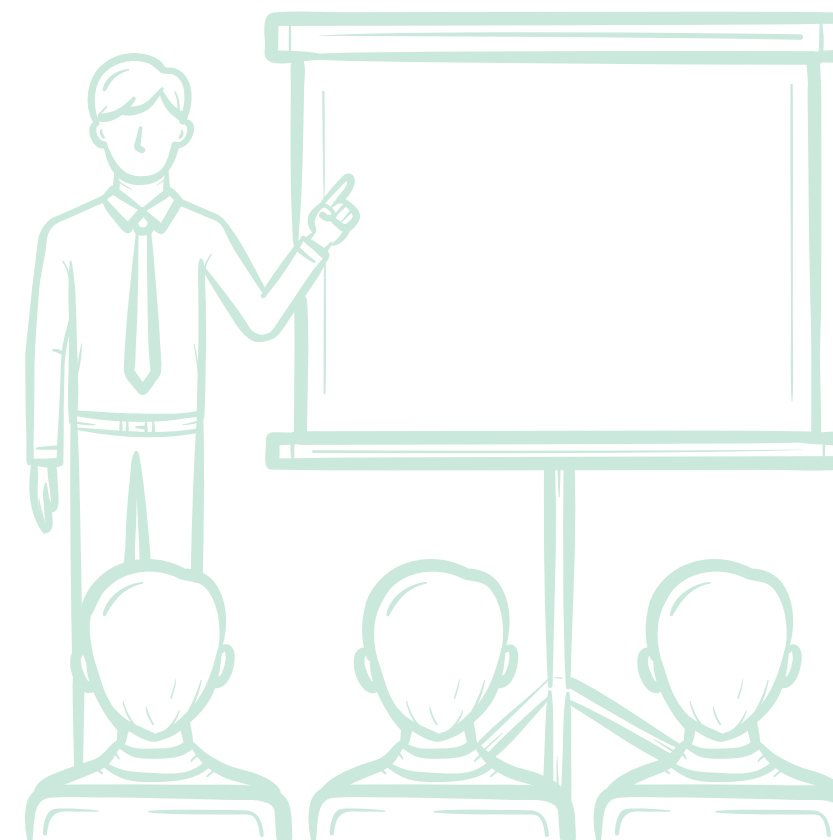
Council and the community will work together, focusing on these Key Directions over the next 10 years to achieve our vision:

- **Opportunity and Innovation** - Knox strives to be a city of opportunity, embracing innovation and change, and providing local learning and employment opportunities. It's a place where people and business can thrive.
- **Neighbourhoods, Housing and Innovation** - Building on what's great about our city, Knox's housing and infrastructure will meet the changing needs of our community.
- **Natural Environment and Sustainability** - Knox's natural environment is protected and enhanced to ensure sustainability for future generations.
- **Connection, Resilience and Wellbeing** - Knox is a place to call home. Our community is strong, healthy and we support and respect each other.
- **Civic Engagement and Integrity** - Knox Council is a trusted and respected leader in our community, acting appropriately and ensuring all voices are heard.

## 1.4 Service Performance Principles

**Council services are designed to be purposeful, targeted to community needs and value for money. The service performance principles are listed below:**

- a) Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify the key services and projects to be delivered to the community. The Financial Plan provides the mechanism to demonstrate how the service aspirations within the Council Plan may be funded.
- b) Services are accessible to the relevant users within the community.
- c) Council provides quality services that provide value for money to the community. The *Local Government Performance Reporting Framework (LGPRF)* is designed to communicate Council's performance regarding the provision of quality and efficient services.
- d) Council is developing a performance monitoring framework to continuously improve its service delivery standards.
- e) Council is developing a service delivery framework that considers and responds to community feedback and complaints regarding service provision.





## 1.5 Asset Plan Integration

**Integration to the Asset Plan is a key principle of Council's strategic financial planning principles. The purpose of this integration is designed to ensure that future funding is allocated in a manner that supports service delivery in terms of the plans and the effective management of Council's assets into the future.**

The Asset Plan identifies the operational and strategic practices which will ensure that Council manages assets across their life cycle in a financially sustainable manner. The Asset Plan, and associated asset management policies, provide Council with a sound base to understand the risk associated with managing its assets for the community's benefit.

The Asset Plan is designed to inform the 10-year Financial Plan by identifying the amount of capital renewal, backlog and maintenance funding that is required over the life of each asset category. The level of funding will incorporate knowledge of asset condition, the risk assessment issues as well as the impact of reviewing and setting intervention and service levels for each asset class.

In addition to identifying the operational and strategic practices that ensure that Council manages assets across their life cycle in a financially sustainable manner, the Asset Plan quantifies the asset portfolio and the financial implications of those practices. Together the Financial Plan and Asset Plan seek to balance projected investment requirements against projected budgets.



## 2. Financial Plan Context

This section describes the context and external / internal environment and consideration in determining the 10-year financial projections and assumptions.

### 2.1 Financial Policy Statements

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

Policy Statement	Measure	Target	Actual 2020-21	Budget 2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Consistent underlying surplus results	Adjusted underlying result greater than \$0	\$0	\$5,700	(\$54,217)	\$4,617	\$10,105	\$12,438	\$20,409	\$20,504	\$17,801	\$19,022	\$23,756	\$26,977
Ensure Council maintains sufficient working capital to meet its debt obligations as they fall due	Current Assets / Current Liabilities greater than 100%	100.00%	144.58%	123.28%	119.89%	121.37%	118.89%	127.96%	144.28%	138.37%	116.99%	121.22%	117.99%
Allocate adequate funds towards renewal capital in order to replace assets and infrastructure as they reach the end of their service life	Asset Renewal and Upgrade Expenses / Depreciation above 100%	100.00%	164.89%	362.66%	217.58%	206.55%	184.52%	152.14%	141.35%	149.36%	174.65%	143.64%	132.49%
That Council applies loan funding to new capital and maintains total borrowings in line with rate income and growth of the municipality	Total Borrowings / Rate Revenue to remain below 80%	80.00%	0.00%	69.00%	82.28%	74.31%	69.17%	57.64%	54.60%	58.11%	53.47%	40.97%	25.48%
Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash imposts if required	Unrestricted Cash / Current Liabilities to be maintained above 60%	60.00%	60.87%	43.43%	44.52%	45.58%	51.22%	63.72%	80.93%	76.16%	57.67%	60.36%	55.65%

## 2.2 Strategic Actions

Following a series of community engagement activities, Council has identified the following strategic actions that will support the community's aspirations identified in the Community Plan 2021-2031 and delivery of the Council Plan 2021-2025.

The strategic actions are included to the 10-year financial plan and, where appropriate, referenced in the commentary associated with the 10-year Comprehensive Income Statement and the 10-year Statement of Capital Works.

- That Council adopt the budgeted statement of financial performance (Comprehensive Income Statement) as an integral part of the budget setting process for current and future budgets.
- That Council adopt the budgeted statement of financial position (Balance Sheet) as being an integral part of the budget setting process for current and future budgets.
- That Council adopt the budgeted statement of cash flows as being an integral part of the budget setting process for current and future budgets.
- That the working capital ratio be targeted to remain above a ratio of 1.0.
- That capital expenditure on asset renewal projects (and upgrades that have a significant renewal component) to exceed depreciation expense, and that the asset renewal gap be reduced.
- That debt funding be applied to growth infrastructure where necessary.
- That Council consider the most appropriate fees and charges strategy so that adequate funds are recovered to offset operational expenses in annual and future budgets.
- Maintain essential services at not less than current levels.

## 2.3 Assumptions to the Financial Plan Statements

This section presents information regarding the assumptions to the Comprehensive Income Statement for the 10 years from 2021-22 to 2030-31. The assumptions comprise the annual escalations / movement for each item of the Comprehensive Income Statement.

Escalation Factors % Movements	Budget 2021-22 \$'000	2022 -23 \$'000	2023 -24 \$'000	2024 -25 \$'000	2025 -26 \$'000	2026 -27 \$'000	2027 -28 \$'000	2028 -29 \$'000	2029 -30 \$'000	2030 -31 \$'000
CPI	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Growth in Properties (number)	600	600	600	600	600	600	600	600	600	600
Rates and Charges	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Supplementary Rates (\$'000)	250	250	250	250	250	250	250	250	250	250
Statutory Fees and Fines	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
User Fees	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Grants - Operating (excluding VGC)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Grants - Operating (VGC)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Grants - Capital (excluding VGC)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Grants - Capital (VGC and Roads to Recovery)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Contributions - Monetary	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Contributions - Non-Monetary (\$'000)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Other Income	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Employee Costs	2.61%	2.61%	2.61%	2.61%	2.61%	2.20%	2.20%	2.20%	2.20%	2.20%
Materials and Services	0.50%	0.75%	1.00%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Utilities	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Contributions and Donations	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other Expenses	1.50%	1.75%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%



### 2.3.1 Rates and Charges

Planning for future rate increases has been an important component of the Financial Plan process. The State Government has introduced the Fair Go Rates System which sets out the maximum amount councils may increase rates in a year. The Financial Plan assumes a rate increase of 1.5 percent in 2021-22. The rates in 2022-23 (1.75 percent) and 2023-24 (2.0 percent) have been based on the Department of Treasury and Finance CPI estimates in November 2020. Increases from 2024-25 onwards are estimated to be 2.5%.

The Financial Plan assumes an additional 600 property assessments per annum, while supplementary rates are anticipated to be \$0.250 million per annum. The average Rates per Assessment for 2021-22 is estimated at \$1,603.

Waste management charges are levied on the basis of cost recovery. This is consistent with the position of the majority of councils given that waste charges are outside the Minister's Rate Cap. The budget reflects both an increase in Waste and Recycling Charges as well as increased contractor expenses.

More information can be found in Council's *Revenue and Rating Plan 2021-22*.

### 2.3.2 User Fees

User fees relate mainly to the recovery of service delivery costs from Council's extensive and highly diversified range of services provided to the community. Examples of user fees include:

- Kindergarten and Childcare fees.
- Waste Management fees.
- Aged and Health Care service fees.
- Leases, recreational reserve and facility hire fees.

Council endeavours, as much as possible, to be a full cost recovery service provider.

### 2.3.3 Statutory Fees and Fines

Statutory fees are fees and fines levied in accordance with legislation. Examples of statutory fees and fines include:

- Planning and subdivision fees.
- Building and Inspection fees.
- Infringements and fines.
- Land Information Certificate fees.

Increases in the Financial Plan have been based on the projected CPI.

### 2.3.4 Grants

Council receives tied operating grant funding from State and Federal sources, with these operating grants budgeted to increase by 2 percent per annum.

Council receives untied Financial Assistance Grants via the Victorian Local Government Grants Commission. These grants are composed of an operating and capital component, and are anticipated to increase by 1 percent per annum. The Roads to Recovery grant is also anticipated to increase by 1 percent.

Council does not budget for capital grants for specific projects that have not been confirmed. However Council will pro-actively advocate to other levels of government for grant funding support to deliver important infrastructure and service outcomes for the community. Council may use its own funds to leverage higher grant funding and maximise external funding opportunities.

### 2.3.5 Contributions

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

Examples of contributions include:

- Monies collected from developers under planning and development agreements.
- Monies collected under developer contribution plans and infrastructure contribution plans.
- Contributions from user groups towards the upgrade of facilities.
- Assets handed over to Council from developers at the completion of a subdivision, such as roads, drainage, and streetlights.

Contributions linked to developments can be received well before any council expenditure occurs. In this situation, the funds will be identified and held separately for the specific works identified in the agreements.

Developer contributions are statutory contributions and are transferred to a restricted reserve until utilised for a specific purpose through the Capital Works Program or delivered as works in kind by developers. Income of this nature is unpredictable and is directly contingent on developer activities in the municipality.

### 2.3.6 Other Income

Revenue from other income mainly comprises investment income plus the recovery of income from a variety of sources and rental income received from the hire of Council buildings.

### 2.3.7 Employee Costs

Increases for employee costs reflect the salary increase for all staff pursuant to Council's Enterprise Bargaining Agreement. The increase in the Superannuation Guarantee of 0.5 percent each year through to 2025-26 has been factored in to the employee cost increases. No provision or allowance has been made for any call from the Defined Benefits fund.

### 2.3.8 Materials and Services

Material costs include items required for the maintenance and repairs of Council buildings, roads, drains and footpaths which are governed more by market forces based on availability rather than CPI. Other associated costs included under this category are utilities, waste management, materials for the supply of community meals, and consumable items for a range of services.

Council also utilises external expertise on a range of matters, including legal services and audit. Discretionary material costs are budgeted to increase by CPI, less an efficiency target of 1 percent. Non-discretionary costs such as utility costs are budgeted to increase by 5 percent.

### 2.3.9 Contributions and Donations

Contributions and donations includes Council's annual contribution to the Eastern Regional Libraries Corporation. Council also offer a range of grants and funding to community members, organisations and businesses across a range of areas.

### 2.3.10 Depreciation and Amortisation

Depreciation estimates have been based on the projected life of Council's existing property, infrastructure, plant and equipment, together with the projected capital spending contained in this Financial Plan.

### 2.3.11 Borrowing Costs

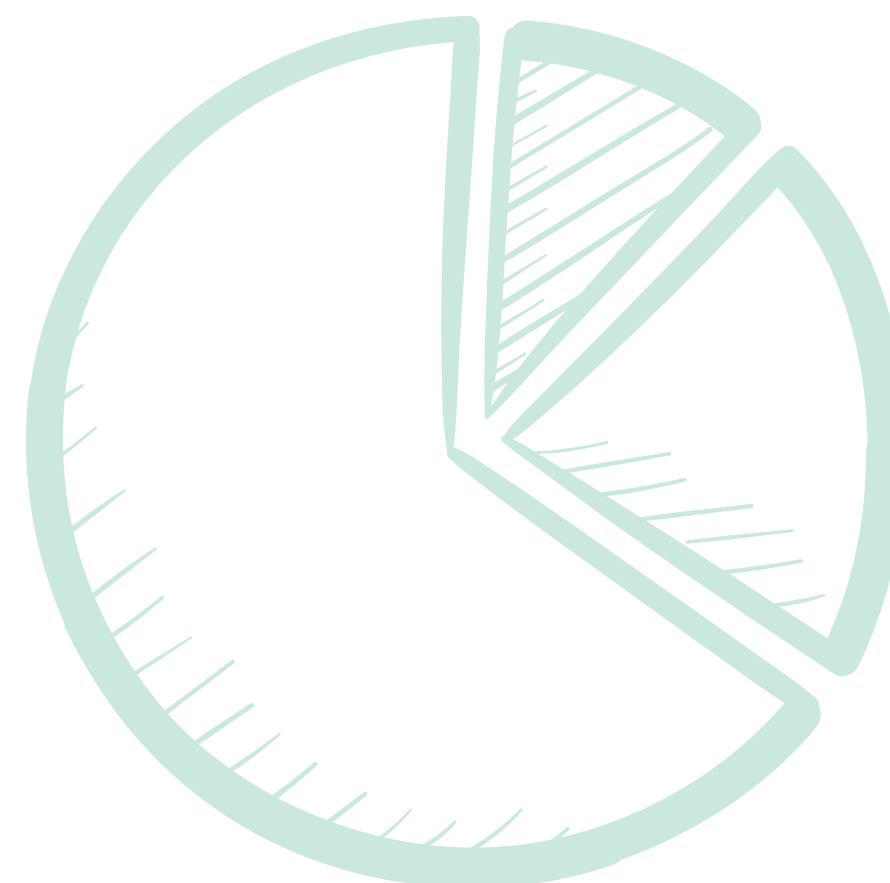
Borrowing costs comprise the interest expense to service Council's loan portfolio that is described in Section 5.1 Borrowing Plan.

### 2.3.12 Other Expenses

Other expenses includes administration costs such as Councillor allowances, operating lease rentals and audit expenses.

## 2.4 Other Matters Impacting the 10-Year Financial Projections

Due to the significant uncertainty surrounding the COVID-19 outbreak and the government's response to this, it is not possible to estimate the full impact on Council's operations, financial position and cash flows at this point in time. This being the case, Council does not consider it practicable to provide a quantitative or qualitative estimate of the potential impact of this outbreak on Council at this time.





### 3. Financial Plan Statements

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

#### 3.1 Comprehensive Income Statement

	Actual 2020-21 \$'000	Budget 2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>INCOME</b>											
Rates and charges	122,309	126,258	130,499	135,217	140,707	146,366	150,909	155,596	160,432	165,423	170,574
User fees	13,428	16,212	17,547	20,017	21,061	21,794	22,761	23,772	25,109	25,932	27,086
Statutory fees and fines	2,689	4,098	4,545	4,610	4,670	4,787	4,907	5,030	5,156	5,285	5,417
Grants - operating	30,752	23,339	20,247	20,624	21,000	21,353	21,712	22,078	22,450	22,798	23,184
Grants - capital	5,293	19,622	3,172	2,504	1,953	1,972	1,991	2,811	2,031	2,052	2,073
Contributions - monetary	6,795	10,606	8,088	18,200	7,729	7,743	7,758	7,773	7,788	7,804	7,820
Contributions - non-monetary	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Share of net profits (losses) of associates	154	0	0	0	0	0	0	0	0	0	0
Other income	1,178	1,031	1,037	1,048	1,059	1,647	1,767	1,878	1,840	1,752	1,678
<b>TOTAL INCOME</b>	<b>182,598</b>	<b>203,166</b>	<b>187,135</b>	<b>204,220</b>	<b>200,179</b>	<b>207,662</b>	<b>213,805</b>	<b>220,938</b>	<b>226,806</b>	<b>233,046</b>	<b>239,832</b>
<b>EXPENSES</b>											
Employee costs	80,316	75,784	75,678	77,289	79,117	81,182	82,968	84,793	86,658	88,564	90,512
Materials and services	58,113	82,702	69,438	70,859	70,383	68,595	70,410	72,718	74,815	73,230	74,105
Contributions and donations	6,371	6,053	5,758	5,815	5,870	6,017	6,168	6,322	6,480	6,642	6,809
Depreciation	22,417	24,787	26,311	27,372	28,242	29,065	29,838	30,738	31,835	32,873	33,721
Amortisation - intangible assets	478	893	893	893	893	893	893	893	893	893	893
Amortisation - right of use assets	645	1,311	1,346	1,390	1,403	1,403	1,403	1,403	1,403	1,403	1,403
Borrowing costs	0	758	1,408	1,514	1,407	1,354	1,158	1,175	1,385	1,350	1,056
Finance costs - leases	33	69	71	73	74	74	74	74	74	74	74
Bad and doubtful debts	278	75	76	77	78	80	82	84	86	88	90
Net loss (gain) on disposal of property, infrastructure, plant and equipment	3,575	40,645	(3,280)	(4,880)	(2,380)	(4,080)	(2,380)	1,433	1,433	1,433	1,433
Other expense	797	630	669	643	654	670	687	704	722	740	759
<b>TOTAL EXPENSES</b>	<b>173,023</b>	<b>233,707</b>	<b>178,368</b>	<b>181,045</b>	<b>185,741</b>	<b>185,253</b>	<b>191,301</b>	<b>200,337</b>	<b>205,784</b>	<b>207,290</b>	<b>210,855</b>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>9,575</b>	<b>(30,541)</b>	<b>8,767</b>	<b>23,175</b>	<b>14,438</b>	<b>22,409</b>	<b>22,504</b>	<b>20,601</b>	<b>21,022</b>	<b>25,756</b>	<b>28,977</b>
<b>TOTAL COMPREHENSIVE RESULT</b>	<b>9,575</b>	<b>(30,541)</b>	<b>8,767</b>	<b>23,175</b>	<b>14,438</b>	<b>22,409</b>	<b>22,504</b>	<b>20,601</b>	<b>21,022</b>	<b>25,756</b>	<b>28,977</b>
<b>LESS</b>											
Grants - capital - non recurrent	3,400	17,711	1,250	570	0	0	0	800	0	0	0
Contributions and donations - capital	475	3,965	900	10,500	0	0	0	0	0	0	0
Contributions - non-monetary	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<b>UNDERLYING SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>5,700</b>	<b>(54,217)</b>	<b>4,617</b>	<b>10,105</b>	<b>12,438</b>	<b>20,409</b>	<b>20,504</b>	<b>17,801</b>	<b>19,022</b>	<b>23,756</b>	<b>26,977</b>

## 3.2 Balance Sheet

	Actual 2020-21 \$'000	Budget 2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>CURRENT ASSETS</b>											
Cash and cash equivalents	45,598	34,103	36,189	37,850	38,055	43,510	54,458	54,881	44,400	42,834	41,296
Other financial assets	0	0	0	0	0	0	0	0	0	0	0
Trade and other receivables	18,989	19,585	20,279	21,032	21,876	22,543	23,232	23,942	24,676	25,434	26,217
Non-current assets classified as held for sale	2,072	0	0	0	0	0	0	0	0	0	0
Other assets	1,276	1,295	1,318	1,344	1,378	1,412	1,447	1,483	1,520	1,558	1,597
Inventories	11	11	11	11	11	11	11	11	11	11	11
<b>TOTAL CURRENT ASSETS</b>	<b>67,946</b>	<b>54,994</b>	<b>57,797</b>	<b>60,237</b>	<b>61,320</b>	<b>67,476</b>	<b>79,148</b>	<b>80,317</b>	<b>70,607</b>	<b>69,837</b>	<b>69,121</b>
<b>NON CURRENT ASSETS</b>											
Investments in associates	5,074	5,074	5,074	5,074	5,074	5,074	5,074	5,074	5,074	5,074	5,074
Property, infrastructure, plant and equipment	1,982,808	2,041,431	2,068,466	2,083,177	2,094,348	2,098,635	2,108,440	2,136,846	2,163,910	2,173,427	2,179,842
Right-of-use assets	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533
Intangible assets	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371
<b>TOTAL NON CURRENT ASSETS</b>	<b>1,990,786</b>	<b>2,049,409</b>	<b>2,076,444</b>	<b>2,091,155</b>	<b>2,102,326</b>	<b>2,106,613</b>	<b>2,116,418</b>	<b>2,144,824</b>	<b>2,171,888</b>	<b>2,181,405</b>	<b>2,187,820</b>
<b>TOTAL ASSETS</b>	<b>2,058,732</b>	<b>2,104,403</b>	<b>2,134,241</b>	<b>2,151,392</b>	<b>2,163,646</b>	<b>2,174,089</b>	<b>2,195,566</b>	<b>2,225,141</b>	<b>2,242,495</b>	<b>2,251,242</b>	<b>2,256,941</b>
<b>CURRENT LIABILITIES</b>											
Trade and other payables	13,856	14,063	14,310	14,594	14,962	15,335	15,720	16,112	16,517	16,931	17,355
Trust funds and deposits	1,857	1,885	1,918	1,956	2,005	2,055	2,106	2,159	2,213	2,268	2,325
Unearned income	11,657	0	0	0	0	0	0	0	0	0	0
Provisions	19,019	19,505	20,004	20,516	21,041	21,580	22,046	22,522	23,009	23,507	24,016
Interest-bearing loans and borrowings	0	8,551	11,371	11,961	12,963	13,159	14,379	16,646	18,008	14,301	14,282
Lease liabilities	605	605	605	605	605	605	605	605	605	605	605
<b>TOTAL CURRENT LIABILITIES</b>	<b>46,994</b>	<b>44,609</b>	<b>48,208</b>	<b>49,632</b>	<b>51,576</b>	<b>52,734</b>	<b>54,856</b>	<b>58,044</b>	<b>60,352</b>	<b>57,612</b>	<b>58,583</b>
<b>NON CURRENT LIABILITIES</b>											
Provisions	3,608	3,640	3,672	3,705	3,740	3,775	3,805	3,836	3,868	3,900	3,933
Interest-bearing loans and borrowings	0	78,565	96,005	88,524	84,361	71,202	68,023	73,778	67,770	53,469	29,187
Lease liabilities	934	934	934	934	934	934	934	934	934	934	934
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>4,542</b>	<b>83,139</b>	<b>100,611</b>	<b>93,163</b>	<b>89,035</b>	<b>75,911</b>	<b>72,762</b>	<b>78,548</b>	<b>72,572</b>	<b>58,303</b>	<b>34,054</b>
<b>TOTAL LIABILITIES</b>	<b>51,536</b>	<b>127,748</b>	<b>148,819</b>	<b>142,795</b>	<b>140,611</b>	<b>128,645</b>	<b>127,618</b>	<b>136,592</b>	<b>132,924</b>	<b>115,915</b>	<b>92,637</b>
<b>NET ASSETS</b>	<b>2,007,196</b>	<b>1,976,655</b>	<b>1,985,422</b>	<b>2,008,597</b>	<b>2,023,035</b>	<b>2,045,444</b>	<b>2,067,948</b>	<b>2,088,549</b>	<b>2,109,571</b>	<b>2,135,327</b>	<b>2,164,304</b>
<b>EQUITY</b>											
Accumulated surplus	706,532	696,976	705,689	728,308	746,189	770,039	791,982	812,020	834,477	861,666	890,074
Reserves	1,300,664	1,279,679	1,279,733	1,280,289	1,276,846	1,275,405	1,275,966	1,276,529	1,275,094	1,273,661	1,274,230
<b>TOTAL EQUITY</b>	<b>2,007,196</b>	<b>1,976,655</b>	<b>1,985,422</b>	<b>2,008,597</b>	<b>2,023,035</b>	<b>2,045,444</b>	<b>2,067,948</b>	<b>2,088,549</b>	<b>2,109,571</b>	<b>2,135,327</b>	<b>2,164,304</b>



### 3.3 Statement of Changes in Equity

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2021 ACTUAL BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	1,991,745	697,657	1,255,640	38,448
Surplus/(deficit) for the year	9,575	9,575	0	0
Net asset revaluation increment (decrement)	5,876	0	5,876	0
Transfer to other reserves	0	(10,020)	0	10,020
Transfer from other reserves	0	9,320	0	(9,320)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,007,196</b>	<b>706,532</b>	<b>1,261,516</b>	<b>39,148</b>
<b>2022 BUDGET BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	2,007,196	706,532	1,261,516	39,148
Surplus/(deficit) for the year	(30,541)	(30,541)	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(6,054)	0	6,054
Transfer from other reserves	0	27,039	0	(27,039)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>1</b>	<b>696,976</b>	<b>1,261,516</b>	<b>18,163</b>
<b>2023 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	1,976,655	696,976	1,261,516	18,163
Surplus/(deficit) for the year	8,767	8,767	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(6,554)	0	6,554
Transfer from other reserves	0	6,500	0	(6,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>1,985,422</b>	<b>705,689</b>	<b>1,261,516</b>	<b>18,217</b>
<b>2024 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	1,985,422	705,689	1,261,516	18,217
Surplus/(deficit) for the year	23,175	23,175	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(7,056)	0	7,056
Transfer from other reserves	0	6,500	0	(6,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,008,597</b>	<b>728,308</b>	<b>1,261,516</b>	<b>18,773</b>
<b>2025 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	2,008,597	728,308	1,261,516	18,773
Surplus/(deficit) for the year	14,438	14,438	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(7,057)	0	7,057
Transfer from other reserves	0	10,500	0	(10,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,023,035</b>	<b>746,189</b>	<b>1,261,516</b>	<b>15,330</b>

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2026 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	2,023,035	746,189	1,261,516	15,330
Surplus/(deficit) for the year	22,409	22,409	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(7,059)	0	7,059
Transfer from other reserves	0	8,500	0	(8,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,045,444</b>	<b>770,039</b>	<b>1,261,516</b>	<b>13,889</b>
<b>2027 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	2,045,444	770,039	1,261,516	13,889
Surplus/(deficit) for the year	22,504	22,504	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(7,061)	0	7,061
Transfer from other reserves	0	6,500	0	(6,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,067,948</b>	<b>791,982</b>	<b>1,261,516</b>	<b>14,450</b>
<b>2028 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	2,067,948	791,982	1,261,516	14,450
Surplus/(deficit) for the year	20,601	20,601	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(7,063)	0	7,063
Transfer from other reserves	0	6,500	0	(6,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,088,549</b>	<b>812,020</b>	<b>1,261,516</b>	<b>15,013</b>
<b>2029 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	2,088,549	812,020	1,261,516	15,013
Surplus/(deficit) for the year	21,022	21,022	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(7,065)	0	7,065
Transfer from other reserves	0	8,500	0	(8,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,109,571</b>	<b>834,477</b>	<b>1,261,516</b>	<b>13,578</b>
<b>2030 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	2,109,571	834,477	1,261,516	13,578
Surplus/(deficit) for the year	25,756	25,756	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(7,067)	0	7,067
Transfer from other reserves	0	8,500	0	(8,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,135,327</b>	<b>861,666</b>	<b>1,261,516</b>	<b>12,145</b>
<b>2031 BALANCE AT BEGINNING OF THE FINANCIAL YEAR</b>	2,135,327	861,666	1,261,516	12,145
Surplus/(deficit) for the year	28,977	28,977	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(7,069)	0	7,069
Transfer from other reserves	0	6,500	0	(6,500)
<b>BALANCE AT END OF THE FINANCIAL YEAR</b>	<b>2,164,304</b>	<b>890,074</b>	<b>1,261,516</b>	<b>12,714</b>

### 3.4 Statement of Cash Flows

	Actual 2020-21 \$'000	Budget 2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Rates and charges	121,271	125,925	130,080	134,751	140,165	146,020	150,554	155,232	160,059	165,041	170,182
User fees	11,707	16,028	17,354	19,814	20,851	21,569	22,528	23,529	24,856	25,670	26,812
Statutory fees and fines	1,951	4,019	4,462	4,524	4,580	4,691	4,807	4,926	5,048	5,172	5,300
Grants - operating	30,752	21,757	20,247	20,624	21,000	21,353	21,712	22,078	22,450	22,798	23,184
Grants - capital	5,293	9,547	3,172	2,504	1,953	1,972	1,991	2,811	2,031	2,052	2,073
Contributions - monetary	6,795	10,606	8,088	18,200	7,729	7,743	7,758	7,773	7,788	7,804	7,820
Interest received	55	150	150	150	150	738	858	969	931	843	769
Other receipts	1,123	881	887	898	909	909	909	909	909	909	909
Net movement in trust deposits	273	28	33	38	49	50	51	53	54	55	57
Employee costs	(79,560)	(75,266)	(75,147)	(76,744)	(78,558)	(80,608)	(82,472)	(84,286)	(86,139)	(88,034)	(89,970)
Materials and services	(47,509)	(82,589)	(69,289)	(70,675)	(70,129)	(68,335)	(70,144)	(72,444)	(74,534)	(72,943)	(73,810)
Contributions and donations	(6,371)	(6,053)	(5,758)	(5,815)	(5,870)	(6,017)	(6,168)	(6,322)	(6,480)	(6,642)	(6,809)
Short-term, low value and variable lease payments	(7)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)
Other payments	(790)	(622)	(661)	(635)	(646)	(662)	(679)	(696)	(714)	(732)	(751)
<b>NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES</b>	<b>44,983</b>	<b>24,403</b>	<b>33,610</b>	<b>47,626</b>	<b>42,175</b>	<b>49,415</b>	<b>51,697</b>	<b>54,524</b>	<b>56,251</b>	<b>61,985</b>	<b>65,758</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
Proceeds from sale of property, infrastructure, plant and equipment	1,575	22,604	14,067	15,667	13,167	14,867	13,167	1,167	1,167	1,167	1,167
Payments for property, infrastructure, plant and equipment	(40,765)	(143,480)	(63,026)	(51,764)	(49,092)	(43,033)	(49,322)	(60,638)	(60,391)	(43,883)	(41,629)
Payments for investments	0	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of investments	9,900	0	0	0	0	0	0	0	0	0	0
<b>NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES</b>	<b>(29,290)</b>	<b>(120,876)</b>	<b>(48,959)</b>	<b>(36,097)</b>	<b>(35,925)</b>	<b>(28,166)</b>	<b>(36,155)</b>	<b>(59,471)</b>	<b>(59,224)</b>	<b>(42,716)</b>	<b>(40,462)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
Finance costs	0	(758)	(1,408)	(1,514)	(1,407)	(1,354)	(1,158)	(1,175)	(1,385)	(1,350)	(1,056)
Proceeds from borrowings	0	90,936	28,811	4,480	8,800	0	11,200	22,400	12,000	0	0
Repayment of borrowings	0	(3,820)	(8,551)	(11,371)	(11,961)	(12,963)	(13,159)	(14,378)	(16,646)	(18,008)	(24,301)
Interest paid - lease liability	(33)	(69)	(71)	(73)	(74)	(74)	(74)	(74)	(74)	(74)	(74)
Repayment of lease liabilities	(646)	(1,311)	(1,346)	(1,390)	(1,403)	(1,403)	(1,403)	(1,403)	(1,403)	(1,403)	(1,403)
<b>NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES</b>	<b>(679)</b>	<b>84,978</b>	<b>17,435</b>	<b>(9,868)</b>	<b>(6,045)</b>	<b>(15,794)</b>	<b>(4,594)</b>	<b>5,370</b>	<b>(7,508)</b>	<b>(20,835)</b>	<b>(26,834)</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>15,014</b>	<b>(11,495)</b>	<b>2,086</b>	<b>1,661</b>	<b>205</b>	<b>5,455</b>	<b>10,948</b>	<b>423</b>	<b>(10,481)</b>	<b>(1,566)</b>	<b>(1,538)</b>
Cash and cash equivalents at the beginning of the financial year	30,584	45,598	34,103	36,189	37,850	38,055	43,510	54,458	54,881	44,400	42,834
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>45,598</b>	<b>34,103</b>	<b>36,189</b>	<b>37,850</b>	<b>38,055</b>	<b>43,510</b>	<b>54,458</b>	<b>54,881</b>	<b>44,400</b>	<b>42,834</b>	<b>41,296</b>

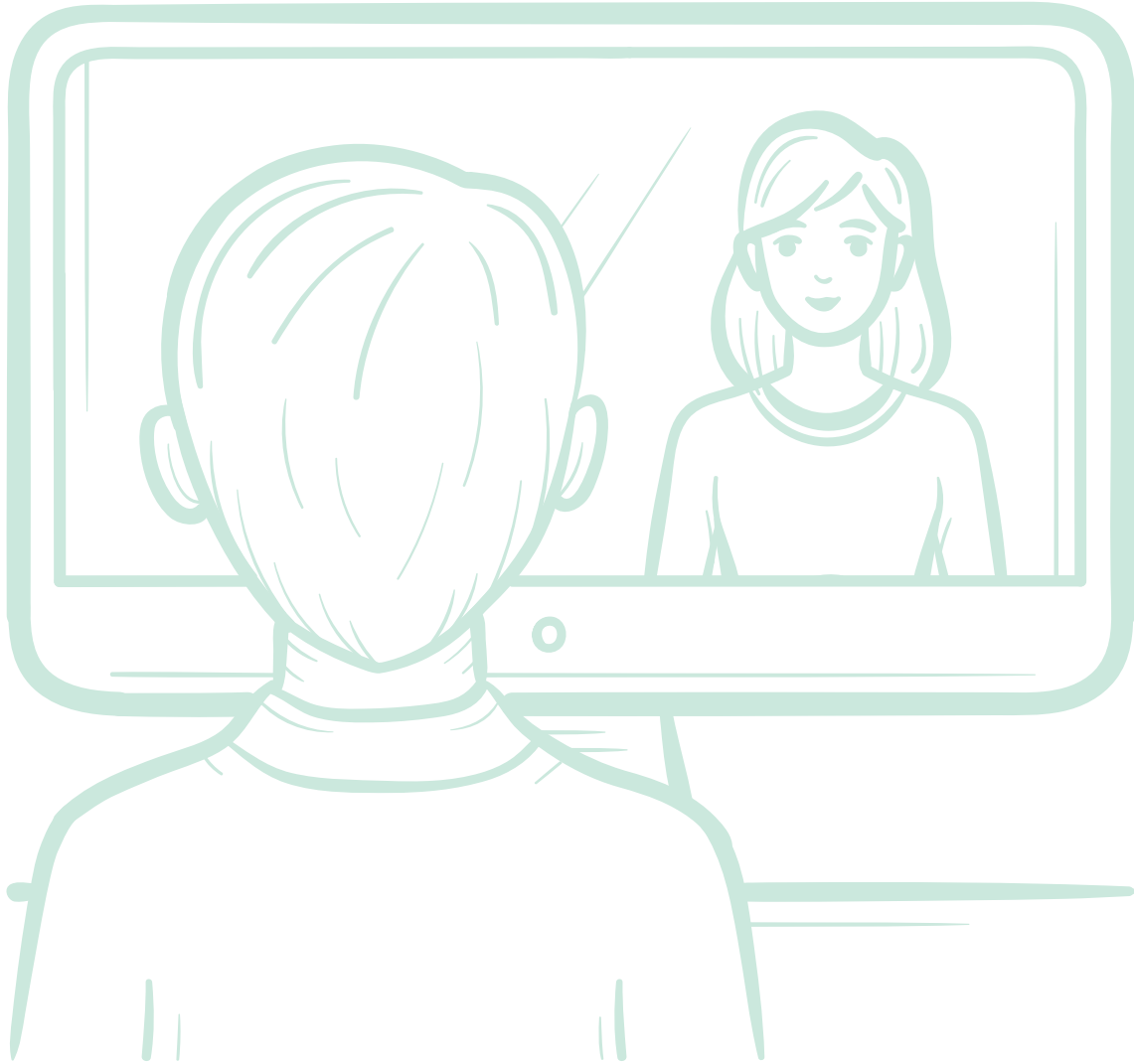


### 3.5 Statement of Capital Works

	Actual 2020-21 \$'000	Budget 2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>PROPERTY</b>											
Land and Buildings	10,457	61,026	31,463	23,967	20,910	13,847	19,986	31,687	30,519	11,261	7,819
<b>TOTAL PROPERTY</b>	<b>10,457</b>	<b>61,026</b>	<b>31,463</b>	<b>23,967</b>	<b>20,910</b>	<b>13,847</b>	<b>19,986</b>	<b>31,687</b>	<b>30,519</b>	<b>11,261</b>	<b>7,819</b>
<b>PLANT AND EQUIPMENT</b>											
Plant, machinery and equipment	1,240	2,885	2,457	2,011	2,695	2,776	2,845	2,916	2,989	3,064	3,141
Computers and telecommunications	3,357	12,624	4,809	4,805	3,100	3,193	3,273	3,355	3,439	3,525	3,613
Artworks	54	267	123	124	125	46	47	48	49	50	51
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>4,651</b>	<b>15,776</b>	<b>7,389</b>	<b>6,940</b>	<b>5,920</b>	<b>6,015</b>	<b>6,165</b>	<b>6,319</b>	<b>6,477</b>	<b>6,639</b>	<b>6,805</b>
<b>INFRASTRUCTURE</b>											
Roads	9,054	10,260	9,794	10,409	10,913	11,643	11,934	12,232	12,538	12,852	13,174
Bridges	1,272	715	467	425	385	381	391	401	411	421	432
Footpaths and cycleways	5,032	5,527	5,614	5,360	5,856	5,899	6,046	6,198	6,354	6,513	6,676
Drainage	2,619	6,158	4,545	3,184	3,381	4,160	4,264	4,370	4,479	4,591	4,705
Recreational, leisure and community facilities	9,995	62,542	11,339	7,699	6,948	5,400	5,536	5,675	5,817	5,962	6,112
Off street car parks	925	1,570	1,240	1,326	848	905	928	952	975	1,000	1,025
Other infrastructure	399	557	252	259	266	269	276	283	290	297	304
<b>TOTAL INFRASTRUCTURE</b>	<b>29,296</b>	<b>87,329</b>	<b>33,251</b>	<b>28,662</b>	<b>28,597</b>	<b>28,657</b>	<b>29,375</b>	<b>30,111</b>	<b>30,864</b>	<b>31,636</b>	<b>32,428</b>
<b>TOTAL CAPITAL WORKS EXPENDITURE</b>	<b>44,404</b>	<b>164,131</b>	<b>72,103</b>	<b>59,569</b>	<b>55,427</b>	<b>48,519</b>	<b>55,526</b>	<b>68,117</b>	<b>67,860</b>	<b>49,536</b>	<b>47,052</b>
<b>REPRESENTED BY</b>											
Asset renewal	26,218	43,475	36,688	35,053	37,324	37,828	38,775	39,745	40,740	41,758	42,803
Asset upgrade	10,746	46,417	20,560	21,485	14,787	6,392	3,400	6,166	14,860	5,461	1,875
Asset new	5,929	64,971	14,435	2,961	3,281	4,229	13,279	22,132	12,185	2,240	2,295
Asset expansion	1,511	9,268	420	70	35	70	72	74	75	77	79
<b>TOTAL CAPITAL WORKS EXPENDITURE</b>	<b>44,404</b>	<b>164,131</b>	<b>72,103</b>	<b>59,569</b>	<b>55,427</b>	<b>48,519</b>	<b>55,526</b>	<b>68,117</b>	<b>67,860</b>	<b>49,536</b>	<b>47,052</b>
<b>CAPITAL WORKS FUNDING SOURCE</b>											
<b>EXTERNAL</b>											
Loan proceeds	0	90,936	28,811	4,480	8,800	0	11,200	22,400	12,000	0	0
Grants - capital	5,293	15,111	3,172	2,504	1,953	1,972	1,991	2,811	2,031	2,052	2,073
Contributions - capital	475	1,685	900	10,500	0	0	0	0	0	0	0
<b>TOTAL EXTERNAL FUNDING</b>	<b>5,768</b>	<b>107,732</b>	<b>32,883</b>	<b>17,484</b>	<b>10,753</b>	<b>1,972</b>	<b>13,191</b>	<b>25,211</b>	<b>14,031</b>	<b>2,052</b>	<b>2,073</b>
<b>INTERNAL</b>											
Proceeds from sale of fixed assets	1,575	20,532	14,067	15,667	13,167	14,867	13,167	1,167	1,167	1,167	1,167
Movement in reserve funds	6,033	21,155	6,500	6,500	10,500	8,500	6,500	6,500	8,500	8,500	6,500
Rate funding	31,028	14,712	18,653	19,918	21,007	23,180	22,668	35,239	44,162	37,817	37,312
<b>TOTAL INTERNAL FUNDING</b>	<b>38,636</b>	<b>56,399</b>	<b>39,220</b>	<b>42,085</b>	<b>44,674</b>	<b>46,547</b>	<b>42,335</b>	<b>42,906</b>	<b>53,829</b>	<b>47,484</b>	<b>44,979</b>
<b>TOTAL CAPITAL WORKS FUNDING SOURCES</b>	<b>44,404</b>	<b>164,131</b>	<b>72,103</b>	<b>59,569</b>	<b>55,427</b>	<b>48,519</b>	<b>55,526</b>	<b>68,117</b>	<b>67,860</b>	<b>49,536</b>	<b>47,052</b>
<b>LESS OPERATING PROJECTS EXPENDITURE</b>											
Operating Projects Expenditure	4,027	20,651	9,077	7,805	6,335	5,486	6,204	7,479	7,469	5,653	5,423
<b>NET CAPITAL WORKS (CAPITALISED EXPENDITURE EXCLUDING OPERATING PROJECTS EXPENDITURE)</b>	<b>40,377</b>	<b>143,480</b>	<b>63,026</b>	<b>51,764</b>	<b>49,092</b>	<b>43,033</b>	<b>49,322</b>	<b>60,638</b>	<b>60,391</b>	<b>43,883</b>	<b>41,629</b>

3.6 Statement of Human Resources

	Forecast 2020-21 \$'000 FTE	Budget 2021-22 \$'000 FTE	2022-23 \$'000 FTE	2023-24 \$'000 FTE	2024-25 \$'000 FTE	2025-26 \$'000 FTE	2026-27 \$'000 FTE	2027-28 \$'000 FTE	2028-29 \$'000 FTE	2029-30 \$'000 FTE	2030-31 \$'000 FTE
STAFF EXPENDITURE											
Employee costs - operating	80,316	75,784	75,678	77,289	79,117	81,182	82,968	84,793	86,658	88,564	90,512
Employee costs - capital	2,812	2,454	3,684	3,507	3,595	3,689	3,770	3,853	3,938	4,024	4,113
TOTAL STAFF EXPENDITURE	83,128	78,238	79,362	80,796	82,712	84,871	86,738	88,646	90,596	92,588	94,625
STAFF NUMBERS											
Full time equivalent (FTE) employees	717.03	719.43	716.83	714.13	714.13	714.13	714.13	714.13	714.13	714.13	714.13
TOTAL STAFF NUMBERS	717.03	719.43	716.83	714.13	714.13	714.13	714.13	714.13	714.13	714.13	714.13





3.7 Planned Human Resource Expenditure

	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>CEO</b>										
Permanent - Full Time	2,519	2,580	2,643	2,706	2,777	2,838	2,900	2,964	3,029	3,096
Female	1,832	1,876	1,922	1,968	2,019	2,064	2,109	2,156	2,203	2,251
Male	687	704	721	738	757	774	791	808	826	844
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	639	654	670	687	705	720	736	752	769	786
Female	639	654	670	687	705	720	736	752	769	786
Male	0	0	0	0	0	0	0	0	0	0
Self-described gender	0	0	0	0	0	0	0	0	0	0
TOTAL CEO	3,158	3,234	3,313	3,393	3,482	3,558	3,636	3,716	3,798	3,882
<b>CITY CENTRE</b>										
Permanent - Full Time	2,521	2,782	2,862	2,948	3,025	3,091	3,160	3,229	3,300	3,373
Female	2,003	2,210	2,274	2,342	2,403	2,456	2,510	2,565	2,622	2,679
Male	518	572	588	606	622	635	649	664	678	693
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	1,708	1,885	1,940	1,996	2,048	2,093	2,139	2,186	2,234	2,284
Female	1,599	1,765	1,816	1,869	1,918	1,960	2,003	2,047	2,092	2,138
Male	109	120	124	127	130	133	136	139	142	145
Self-described gender	0	0	0	0	0	0	0	0	0	0
TOTAL CITY CENTRE	4,229	4,667	4,802	4,944	5,073	5,185	5,299	5,415	5,534	5,656
<b>CITY STRATEGY AND INTEGRITY</b>										
Permanent - Full Time	11,337	11,445	11,681	11,907	12,218	12,487	12,761	13,042	13,329	13,622
Female	5,393	5,411	5,522	5,629	5,776	5,903	6,033	6,166	6,301	6,440
Male	5,944	6,034	6,159	6,278	6,442	6,584	6,728	6,876	7,028	7,182
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	5,072	5,089	5,194	5,295	5,433	5,553	5,675	5,800	5,927	6,058
Female	3,765	3,778	3,856	3,931	4,034	4,122	4,213	4,306	4,400	4,497
Male	1,307	1,311	1,338	1,364	1,400	1,430	1,462	1,494	1,527	1,560
Self-described gender	0	0	0	0	0	0	0	0	0	0
TOTAL CITY STRATEGY AND INTEGRITY	16,409	16,534	16,875	17,202	17,651	18,039	18,436	18,842	19,256	19,680

TABLE CONTINUED ON FOLLOWING PAGE

▼

### 3.7 Planned Human Resource Expenditure (continued)

	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>CONNECTED COMMUNITIES</b>										
Permanent - Full Time	12,796	12,563	12,845	13,162	13,506	13,803	14,106	14,417	14,734	15,058
Female	11,381	11,178	11,429	11,711	12,017	12,281	12,551	12,827	13,110	13,398
Male	1,415	1,385	1,416	1,451	1,489	1,522	1,555	1,589	1,624	1,660
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	14,137	13,836	14,148	14,498	14,876	15,204	15,538	15,880	16,229	16,586
Female	13,353	13,069	13,363	13,693	14,050	14,359	14,675	14,998	15,328	15,665
Male	784	767	785	805	826	844	863	882	901	921
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>TOTAL CONNECTED COMMUNITIES</b>	<b>26,933</b>	<b>26,399</b>	<b>26,993</b>	<b>27,660</b>	<b>28,382</b>	<b>29,006</b>	<b>29,644</b>	<b>30,297</b>	<b>30,963</b>	<b>31,644</b>
<b>INFRASTRUCTURE</b>										
Permanent - Full Time	14,560	14,580	14,926	15,294	15,693	16,038	16,391	16,752	17,120	17,497
Female	2,903	2,907	2,976	3,049	3,129	3,197	3,268	3,340	3,413	3,488
Male	11,657	11,673	11,950	12,245	12,565	12,841	13,124	13,412	13,707	14,009
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	658	659	674	692	710	726	742	758	775	792
Female	658	659	674	692	710	726	742	758	775	792
Male	0	0	0	0	0	0	0	0	0	0
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>TOTAL INFRASTRUCTURE</b>	<b>15,218</b>	<b>15,239</b>	<b>15,600</b>	<b>15,986</b>	<b>16,403</b>	<b>16,764</b>	<b>17,133</b>	<b>17,510</b>	<b>17,895</b>	<b>18,289</b>
<b>PEOPLE AND INNOVATION</b>										
Permanent - Full Time	5,611	5,259	5,330	5,488	5,631	5,755	5,882	6,011	6,143	6,279
Female	3,333	3,034	3,075	3,166	3,249	3,320	3,393	3,468	3,544	3,622
Male	2,278	2,225	2,255	2,322	2,383	2,435	2,489	2,543	2,599	2,656
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	1,838	1,796	1,821	1,874	1,923	1,965	2,008	2,053	2,098	2,144
Female	1,838	1,796	1,821	1,874	1,923	1,965	2,008	2,053	2,098	2,144
Male	0	0	0	0	0	0	0	0	0	0
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>TOTAL PEOPLE AND INNOVATION</b>	<b>7,449</b>	<b>7,055</b>	<b>7,151</b>	<b>7,362</b>	<b>7,554</b>	<b>7,720</b>	<b>7,890</b>	<b>8,064</b>	<b>8,241</b>	<b>8,422</b>
Casuals, temporary and other expenditure	2,388	2,550	2,555	2,570	2,637	2,695	2,754	2,813	2,876	2,938
Capitalised labour costs	2,454	3,684	3,507	3,595	3,689	3,770	3,853	3,939	4,024	4,113
<b>TOTAL STAFF EXPENDITURE</b>	<b>78,238</b>	<b>79,362</b>	<b>80,796</b>	<b>82,712</b>	<b>84,871</b>	<b>86,738</b>	<b>88,646</b>	<b>90,595</b>	<b>92,588</b>	<b>94,624</b>

TABLE CONTINUED ON FOLLOWING PAGE

3.7 Planned Human Resource Expenditure (continued)

	2021-22 FTE	2022-23 FTE	2023-24 FTE	2024-25 FTE	2025-26 FTE	2026-27 FTE	2027-28 FTE	2028-29 FTE	2029-30 FTE	2030-31 FTE
<b>CEO</b>										
Permanent - Full Time	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Female	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Male	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	4.44	4.44	4.44	4.44	4.44	4.44	4.44	4.44	4.44	4.44
Female	4.44	4.44	4.44	4.44	4.44	4.44	4.44	4.44	4.44	4.44
Male	0	0	0	0	0	0	0	0	0	0
Self-described gender	0	0	0	0	0	0	0	0	0	0
TOTAL CEO	21.44	21.44	21.44	21.44	21.44	21.44	21.44	21.44	21.44	21.44
<b>CITY CENTRE</b>										
Permanent - Full Time	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Female	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Male	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	17.07	17.07	17.07	17.07	17.07	17.07	17.07	17.07	17.07	17.07
Female	15.91	15.91	15.91	15.91	15.91	15.91	15.91	15.91	15.91	15.91
Male	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16
Self-described gender	0	0	0	0	0	0	0	0	0	0
TOTAL CITY CENTRE	42.07	42.07	42.07	42.07	42.07	42.07	42.07	42.07	42.07	42.07
<b>CITY STRATEGY AND INTEGRITY</b>										
Permanent - Full Time	102.00	102.00	102.00	102.00	102.00	102.00	102.00	102.00	102.00	102.00
Female	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00
Male	54.00	54.00	54.00	54.00	54.00	54.00	54.00	54.00	54.00	54.00
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	45.86	45.86	45.86	45.86	45.86	45.86	45.86	45.86	45.86	45.86
Female	33.83	33.83	33.83	33.83	33.83	33.83	33.83	33.83	33.83	33.83
Male	12.03	12.03	12.03	12.03	12.03	12.03	12.03	12.03	12.03	12.03
Self-described gender	0	0	0	0	0	0	0	0	0	0
TOTAL CITY STRATEGY AND INTEGRITY	147.86	147.86	147.86	147.86	147.86	147.86	147.86	147.86	147.86	147.86

TABLE CONTINUED ON FOLLOWING PAGE





### 3.7 Planned Human Resource Expenditure (continued)

	2021-22 FTE	2022-23 FTE	2023-24 FTE	2024-25 FTE	2025-26 FTE	2026-27 FTE	2027-28 FTE	2028-29 FTE	2029-30 FTE	2030-31 FTE
<b>CONNECTED COMMUNITIES</b>										
Permanent - Full Time	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00	129.00
Female	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00
Male	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	143.00	143.00	143.00	143.00	143.00	143.00	143.00	143.00	143.00	143.00
Female	134.65	134.65	134.65	134.65	134.65	134.65	134.65	134.65	134.65	134.65
Male	8.35	8.35	8.35	8.35	8.35	8.35	8.35	8.35	8.35	8.35
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>TOTAL CONNECTED COMMUNITIES</b>	<b>272.00</b>	<b>272.00</b>	<b>272.00</b>	<b>272.00</b>	<b>272.00</b>	<b>272.00</b>	<b>272.00</b>	<b>272.00</b>	<b>272.00</b>	<b>272.00</b>
<b>INFRASTRUCTURE</b>										
Permanent - Full Time	151.00	151.00	151.00	151.00	151.00	151.00	151.00	151.00	151.00	151.00
Female	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Male	121.00	121.00	121.00	121.00	121.00	121.00	121.00	121.00	121.00	121.00
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55
Female	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55
Male	0	0	0	0	0	0	0	0	0	0
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>TOTAL INFRASTRUCTURE</b>	<b>158.55</b>	<b>158.55</b>	<b>158.55</b>	<b>158.55</b>	<b>158.55</b>	<b>158.55</b>	<b>158.55</b>	<b>158.55</b>	<b>158.55</b>	<b>158.55</b>
<b>PEOPLE AND INNOVATION</b>										
Permanent - Full Time	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00
Female	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Male	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Self-described gender	0	0	0	0	0	0	0	0	0	0
Permanent - Part Time	14.03	14.03	14.03	14.03	14.03	14.03	14.03	14.03	14.03	14.03
Female	14.03	14.03	14.03	14.03	14.03	14.03	14.03	14.03	14.03	14.03
Male	0	0	0	0	0	0	0	0	0	0
Self-described gender	0	0	0	0	0	0	0	0	0	0
<b>TOTAL PEOPLE AND INNOVATION</b>	<b>55.03</b>	<b>55.03</b>	<b>55.03</b>	<b>55.03</b>	<b>55.03</b>	<b>55.03</b>	<b>55.03</b>	<b>55.03</b>	<b>55.03</b>	<b>55.03</b>
Casuals, temporary and other expenditure	22.48	19.88	17.18	17.18	17.18	17.18	17.18	17.18	17.18	17.18
Capitalised labour costs	0	0	0	0	0	0	0	0	0	0
<b>TOTAL STAFF NUMBERS</b>	<b>719.43</b>	<b>716.83</b>	<b>714.13</b>	<b>714.13</b>	<b>714.13</b>	<b>714.13</b>	<b>714.13</b>	<b>714.13</b>	<b>714.13</b>	<b>714.13</b>

## 4. Financial Performance Indicators

The following table highlights Council's projected performance across a range of key financial performance indicators. These indicators provide an analysis of Council's 10-year financial projections and should be interpreted in the context of the organisation's objectives and financial management principles.

### Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator.
- o Forecasts that Council's financial performance/financial position indicator will be steady.
- Forecasts deterioration in Council's financial performance/financial position indicator.

Indicator	Measure	Notes	Actual 2020-21	Budget 2021-22	2022 -23	2023 -24	2024 -25	2025 -26	2026 -27	2027 -28	2028 -29	2029 -30	2030 -31	Trend +/o/-
<b>Operating Position (measures whether a council is able to generate an underlying surplus)</b>														
Adjusted Underlying Result	Adjusted Underlying Surplus (Deficit) Adjusted Underlying Revenue	1	3.19%	(30.21%)	2.52%	5.29%	6.28%	9.92%	9.68%	8.16%	8.46%	10.28%	11.34%	+
<b>Liquidity (measures whether a council is able to generate sufficient cash to pay bills on time)</b>														
Working Capital	Current Assets Current Liabilities	2	144.58%	123.28%	119.89%	121.37%	118.89%	127.96%	144.28%	138.37%	116.99%	121.22%	117.99%	o
Unrestricted Cash	Unrestricted Cash Current Liabilities	3	60.87%	43.43%	44.52%	45.58%	51.22%	63.72%	80.93%	76.16%	57.67%	60.36%	55.65%	+
<b>Obligations (measures whether the level of debt and other long term obligations is appropriate to the size and nature of the Council's activities)</b>														
Loans and Borrowings	Interest Bearing Loans and Borrowings Rate Revenue	4	0.00%	69.00%	82.28%	74.31%	69.17%	57.64%	54.60%	58.11%	53.47%	40.97%	25.48%	+
Loans and borrowings	Interest and Principal Repayments Rate Revenue	4	0.00%	3.63%	7.63%	9.53%	9.50%	9.78%	9.49%	10.00%	11.24%	11.70%	14.87%	-
Indebtedness	Non Current Liabilities Own Source Revenue	5	3.11%	53.90%	62.56%	55.26%	50.81%	41.63%	38.68%	40.48%	36.23%	28.28%	16.02%	+
Asset Renewal	Asset Renewal and Upgrade Expenditure Depreciation	6	164.89%	362.66%	217.58%	206.55%	184.52%	152.14%	141.35%	149.36%	174.65%	143.64%	132.49%	-
<b>Stability (measures whether a council is able to generate revenue from a range of sources)</b>														
Rates Concentration	Rate Revenue Adjusted Underlying Revenue	7	68.43%	70.34%	71.32%	70.74%	71.00%	71.17%	71.25%	71.33%	71.36%	71.60%	71.72%	o
Rates Effort	Rate Revenue Property Values (CIV)	8	0.24%	0.24%	0.25%	0.26%	0.26%	0.27%	0.28%	0.28%	0.29%	0.30%	0.30%	o
<b>Efficiency (measures whether a council is using resources efficiently)</b>														
Expenditure Level	Total Expenditure No. of Assessments		\$2,548	\$3,420	\$2,588	\$2,604	\$2,648	\$2,619	\$2,682	\$2,785	\$2,837	\$2,835	\$2,860	o
Revenue Level	Residential Rate Revenue No. of Residential Assessments		\$1,581	\$1,609	\$1,640	\$1,674	\$1,717	\$1,753	\$1,791	\$1,830	\$1,870	\$1,912	\$1,955	o
Workforce Turnover	No. of Resignations & Terminations Average No. of Staff		15.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	o

## Notes on indicators

### 4.1 Adjusted underlying results

Adjusted underlying result is the net surplus or deficit for the year (per Australian Accounting Standards) adjusted for non-recurrent grants used to fund capital expenditure, non-monetary asset contributions, and contributions to fund capital expenditure other than grants and non-monetary asset contributions. It is an indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance is expected over the period. The significant decrease in 2021-22 is largely driven by the net loss anticipated on the disposal of property, infrastructure, plant and equipment, in particular the transfer of the Knox Regional Sports Park assets to the State Government. This transfer has been carried forward from the 2020-21 financial year.

### 4.2 Working capital

Working capital (current assets / current liabilities) is the proportion of current liabilities represented by current assets. It is a general measure of the organisation's liquidity and its ability to meet its commitments as and when they fall due. The working capital ratio is anticipated to remain around 100% for the ten year period, with the decline from the current year forecast due to a reduction of cash and cash equivalents together with the utilisation of interest-bearing loans and borrowings to fund the Capital Works Program.

### 4.3 Unrestricted cash

Unrestricted cash means all cash and cash equivalents other than restricted cash, including cash that will be used to fund capital expenditure from the previous financial year. Restricted cash means cash and cash equivalents, within the meaning of Accounting Standard AASB 107 *Statement of Cash Flows*, that are not available for use other than for a purpose for which it is restricted. The decline from the current year forecast demonstrates a reduction of cash and cash equivalents together with the utilisation of interest-bearing loans and borrowings to fund the Capital Works Program. Statutory reserve balances will remain steady before a decrease from 2024-25.

### 4.4 Debt compared to rates

Loans and borrowings means interest bearing loans and borrowings compared to rates and charges revenue. The balance of interest bearing loans and borrowings is shown as a percentage of rates revenue. Loans and borrowings also refers to interest and principal repayments compared to rate revenue. The ratio describes Council's cash flow debt repayment capacity through the inclusion of interest and principal repayments on interest bearing loans and borrowings as a percentage of rate revenue. The trend indicates an increased reliance on debt against annual rate revenue over the next two years due to borrowings to fund the Capital Works Program, with this debt substantially paid down over the ten year period.

### 4.5 Indebtedness

Indebtedness compares non-current liabilities to own source revenue. Own source revenue is defined as adjusted underlying revenue other than revenue that is not under the control of Council (including government grants). Interest-bearing borrowings will increase in 2021-22 to fund the Capital Works Program. There will be a further increase in 2022-23 followed by decreases for the remainder of the ten year period.

### 4.6 Asset renewal

Asset renewal is calculated as asset renewal expenditure as a percentage of depreciation. This indicates the extent of Council's renewal of assets against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets. Council's asset renewal indicator is greater than 100% through the ten year outlook.

### 4.7 Rates concentration

Rates concentration is measured as rate revenue compared to adjusted underlying revenue. Adjusted underlying revenue is defined as total income excluding non-recurrent grants used to fund capital expenditure, non-monetary asset contributions, and contributions to fund capital expenditure from sources other than grants and non-monetary contributions. Rates concentration reflects the extent of reliance on rate revenues to fund all of Council's on-going services. The trend is relatively steady for rates concentration.

### 4.8 Rates effort

Rates effort, which is intended to examine the community's capacity to pay, presents rate revenue as a percentage of the capital improved value of rateable properties in the municipality. The trend is relatively steady for rates effort.





## 5. Strategies and Plans

### 5.1 Borrowing Strategy

#### 5.1.1 Current Debt Position

Council has no borrowings as at 30 June 2021. The forecast borrowings for the 2020-21 financial year have been carried forward to the 2021-22 financial year.

Council has forecast to access debt funding to complete a range of major infrastructure projects including the construction of Early Years Hubs and for the Knox Central project.



#### 5.1.2 Future Borrowing Requirements

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

	Actual 2020 -21 \$'000	Budget 2021 -22 \$'000	2022 -23 \$'000	2023 -24 \$'000	2024 -25 \$'000	2025 -26 \$'000	2026 -27 \$'000	2027 -28 \$'000	2028 -29 \$'000	2029 -30 \$'000	2030 -31 \$'000
OPENING BALANCE	0	0	87,116	107,376	100,485	97,324	84,361	82,402	90,424	85,778	67,770
Plus new loans	0	90,936	28,811	4,480	8,800	0	11,200	22,400	12,000	0	0
Less principal repayment	0	(3,820)	(8,551)	(11,371)	(11,961)	(12,963)	(13,159)	(14,378)	(16,646)	(18,008)	(24,301)
CLOSING BALANCE	0	87,116	107,376	100,485	97,324	84,361	82,402	90,424	85,778	67,770	43,469
Interest payment	0	758	1,408	1,514	1,407	1,354	1,158	1,175	1,385	1,350	1,056

#### 5.1.3 Performance Indicators

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

Performance Indicator	Target	Forecast 2020-21 \$'000	Budget 2021- 22 \$'000	2022 -23 \$'000	2023 -24 \$'000	2024 -25 \$'000	2025 -26 \$'000	2026 -27 \$'000	2027 -28 \$'000	2028 -29 \$'000	2029 -30 \$'000	2030 -31 \$'000
Total Borrowings / Rate Revenue	Below 80%	0.00%	69.00%	82.28%	74.31%	69.17%	57.64%	54.60%	58.11%	53.47%	40.97%	25.48%
Debt Servicing / Rate Revenue	Below 5%	0.00%	0.60%	1.08%	1.12%	1.00%	0.93%	0.77%	0.76%	0.86%	0.82%	0.62%
Debt Commitment / Rate Revenue	Below 10%	0.00%	3.63%	7.63%	9.53%	9.50%	9.78%	9.49%	10.00%	11.24%	11.70%	14.87%
Indebtedness / Own Source Revenue	Below 80%	3.11%	53.90%	62.56%	55.26%	50.81%	41.63%	38.68%	40.48%	36.23%	28.28%	16.02%

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

### Total Borrowings / Rate Revenue

This indicator compares interest bearing loans and borrowings to rates and charges revenue. The balance of interest bearing loans and borrowings is shown as a percentage of rates revenue. The trend indicates an increased reliance on debt against annual rate revenue over the next two years due to borrowings to fund the Capital Works Program, with this debt substantially paid down over the ten year period. The ratio exceeds the target ratio in 2022-23, but remains within the target range for the remainder of the outlook period.

### Debt Servicing / Rate Revenue

This indicator compares interest payments on interest bearing loans to rate revenue. The trend is relatively steady over the ten year period, and remains well within the target range.

### Debt Commitment / Rate Revenue

This indicator describes Council's cash flow debt repayment capacity through the inclusion of interest and principal repayments on interest bearing loans and borrowings as a percentage of rate revenue. The trend indicates an increased reliance on debt against annual rate revenue over the next two years due to borrowings to fund the Capital Works Program, with the debt commitment then remaining relatively steady for the remainder of the ten year period while debt is paid down. The ratio exceeds the target ratio from 2028-29 while the interest bearing loans are reduced.

### Indebtedness / Rate Revenue

Indebtedness compares non-current liabilities to own source revenue. Own source revenue is defined as adjusted underlying revenue other than revenue that is not under the control of Council (including government grants). Interest-bearing borrowings will increase in 2021-22 to fund the Capital Works Program. There will be a further increase in 2022-23 followed by decreases for the remainder of the ten year period.

## 5.2 Reserves Strategy

### 5.2.1 Current Reserves

#### HACC Capital Grant Reserve

The purpose of this reserve is to refurbish, upgrade and maintain minor capital within the Home and Community Care funded programs.

#### Open Space Reserve

The Open Space Reserve is used to provide funding for future purchases and improvements of open space. Funding is provided from developer's contributions for open space which is initially recognised in the Comprehensive Income Statement and then transferred to the reserve from accumulated surplus to facilitate separate tracking of the total funds received but not yet spent.

#### Aged Care Reserve

The purpose of this reserve is to set aside the proceeds from the divestment of the Amaroo Gardens Aged Care Facility by Council on 2 November 2011 for aged services and infrastructure within the Knox municipality.

#### Basketball Stadium Infrastructure Reserve

The purpose of this reserve is to improve basketball stadium facilities within the Knox municipality.

#### Blue Hills Reserve

The purpose of this reserve is to construct the Early Years Hubs facilities for the benefit of the Knox community.

#### City Futures Fund

The purpose of this reserve is to construct major facilities within the Knox municipality.

#### Knox Regional Sports Park - Football Pitch Replacement Fund

The purpose of this reserve is to provide for future football pitch replacement at Knox Regional Sports Park.

#### Mountain Gate Reserve

The purpose of this reserve is to enhance community facilities within Mountain Gate.

#### Revegetation Net Gain Reserve

The purpose of this reserve is to ensure any loss of vegetation through development is re-established in a sustainable location.

#### Revolving Energy Fund

The purpose of this reserve is to re-invest savings in energy costs to be invested in further works to minimise energy consumption.

#### Scoresby Recreation Reserve

The purpose of this reserve is to invest the income derived from lease of this site into the Scoresby Recreation Reserve.

#### Stamford Park Reserve

The purpose of this reserve is to develop the Stamford Park site for the benefit of the Knox community.

#### State Basketball Centre Asset Renewal Fund

The purpose of this reserve is to provide for asset renewal works at the State Basketball Centre (Knox Regional Sports Park).

#### Unexpended grants reserve

The purpose of this reserve is to quarantine early payment of Victoria Grants Commission General Purpose and Local Roads Federal Grant funding for use in the following year.

## 5.2.2 Reserve Usage Projections

The table below discloses the balance and annual movement for each reserve over the 10-year life of the Financial Plan.

Total amount of reserves, for each year, is to align with the Statement of Changes in Equity. Restricted reserves are to be included to the disclosure of restricted cash assets.

Reserves	Statutory / Discretionary	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>HACC Capital Reserve</b>	<b>Statutory</b>										
Opening balance		635	635	635	635	635	635	635	635	635	635
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		0	0	0	0	0	0	0	0	0	0
Closing balance		635	635	635	635	635	635	635	635	635	635
<b>Open Space Reserve</b>	<b>Statutory</b>										
Opening balance		15,630	13,026	13,026	13,526	10,026	8,526	9,026	9,526	8,026	6,526
Transfer to reserve		6,000	6,500	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Transfer from reserve		(8,604)	(6,500)	(6,500)	(10,500)	(8,500)	(6,500)	(6,500)	(8,500)	(8,500)	(6,500)
Closing balance		13,026	13,026	13,526	10,026	8,526	9,026	9,526	8,026	6,526	7,026
<b>Statutory Reserves Summary</b>	<b>Total Statutory</b>										
Opening balance		16,265	13,661	13,661	14,161	10,661	9,161	9,661	10,161	8,661	7,161
Transfer to reserve		6,000	6,500	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Transfer from reserve		(8,604)	(6,500)	(6,500)	(10,500)	(8,500)	(6,500)	(6,500)	(8,500)	(8,500)	(6,500)
Closing balance		13,661	13,661	14,161	10,661	9,161	9,661	10,161	8,661	7,161	7,661
<b>Aged Care Reserve</b>	<b>Discretionary</b>										
Opening balance		4,891	3,317	3,317	3,317	3,317	3,317	3,317	3,317	3,317	3,317
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(1,574)	0	0	0	0	0	0	0	0	0
Closing balance		3,317	3,317	3,317	3,317	3,317	3,317	3,317	3,317	3,317	3,317
<b>Basketball Stadium Infrastructure Reserve</b>	<b>Discretionary</b>										
Opening balance		100	126	152	179	207	236	266	297	329	362
Transfer to reserve		26	26	27	28	29	30	31	32	33	34
Transfer from reserve		0	0	0	0	0	0	0	0	0	0
Closing balance		126	152	179	207	236	266	297	329	362	396
<b>Blue Hills Reserve</b>	<b>Discretionary</b>										
Opening balance		3	3	3	3	3	3	3	3	3	3
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		0	0	0	0	0	0	0	0	0	0
Closing balance		3	3	3	3	3	3	3	3	3	3

TABLE CONTINUED ON FOLLOWING PAGE



## 5.2.2 Reserve Usage Projections (continued)

Reserves	Statutory / Discretionary	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>City Futures Reserve</b>	<b>Discretionary</b>										
Opening balance		2,915	247	247	247	247	247	247	247	247	247
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(2,668)	0	0	0	0	0	0	0	0	0
Closing balance		247	247	247	247	247	247	247	247	247	247
<b>Knox Regional Sports Park - Football Renewal</b>	<b>Discretionary</b>										
Opening balance		727	0	0	0	0	0	0	0	0	0
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(727)	0	0	0	0	0	0	0	0	0
Closing balance		0	0	0	0	0	0	0	0	0	0
<b>Mountain Gate Reserve</b>	<b>Discretionary</b>										
Opening balance		140	140	140	140	140	140	140	140	140	140
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		0	0	0	0	0	0	0	0	0	0
Closing balance		140	140	140	140	140	140	140	140	140	140
<b>Revegetation Net Gain Reserve</b>	<b>Discretionary</b>										
Opening balance		461	461	461	461	461	461	461	461	461	461
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		0	0	0	0	0	0	0	0	0	0
Closing balance		461	461	461	461	461	461	461	461	461	461
<b>Revolving Energy Fund</b>	<b>Discretionary</b>										
Opening balance		60	37	37	37	37	37	37	37	37	37
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(23)	0	0	0	0	0	0	0	0	0
Closing balance		37	37	37	37	37	37	37	37	37	37
<b>Scoresby Recreational Reserve</b>	<b>Discretionary</b>										
Opening balance		144	172	200	229	258	288	319	351	384	418
Transfer to reserve		28	28	29	29	30	31	32	33	34	35
Transfer from reserve		0	0	0	0	0	0	0	0	0	0
Closing balance		172	200	229	258	288	319	351	384	418	453

TABLE CONTINUED ON FOLLOWING PAGE

## 5.2.2 Reserve Usage Projections (continued)

Reserves	Statutory / Discretionary	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>Stamford Park Reserve</b>	<b>Discretionary</b>										
Opening balance		8,923	0	0	0	0	0	0	0	0	0
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(8,923)	0	0	0	0	0	0	0	0	0
Closing balance		0	0	0	0	0	0	0	0	0	0
<b>State Basketball Centre Asset Renewal</b>	<b>Discretionary</b>										
Opening balance		597	0	0	0	0	0	0	0	0	0
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(597)	0	0	0	0	0	0	0	0	0
Closing balance		0	0	0	0	0	0	0	0	0	0
<b>Unexpended Grants Reserve</b>	<b>Discretionary</b>										
Opening balance		4,038	0	0	0	0	0	0	0	0	0
Transfer to reserve		0	0	0	0	0	0	0	0	0	0
Transfer from reserve		(4,038)	0	0	0	0	0	0	0	0	0
Closing balance		0	0	0	0	0	0	0	0	0	0
<b>Discretionary Reserves Summary</b>	<b>Total Discretionary</b>										
Opening balance		22,999	4,503	4,557	4,613	4,670	4,729	4,790	4,853	4,918	4,985
Transfer to reserve		54	54	56	57	59	61	63	65	67	69
Transfer from reserve		(18,550)	0	0	0	0	0	0	0	0	0
Closing balance		4,503	4,557	4,613	4,670	4,729	4,790	4,853	4,918	4,985	5,054
<b>Total Reserves Summary</b>	<b>Statutory &amp; Discretionary</b>										
Opening balance		39,264	18,164	18,218	18,774	15,331	13,890	14,451	15,014	13,579	12,146
Transfer to reserve		6,054	6,554	7,056	7,057	7,059	7,061	7,063	7,065	7,067	7,069
Transfer from reserve		(27,154)	(6,500)	(6,500)	(10,500)	(8,500)	(6,500)	(6,500)	(8,500)	(8,500)	(6,500)
Closing balance		18,164	18,218	18,774	15,331	13,890	14,451	15,014	13,579	12,146	12,715

# Keeping in touch and opportunities to have your say

Knox City Council is committed to seeking feedback, making sure you are aware of issues that affect you and providing opportunities to have your say. There are a number of ways you can do this.

Visit our Have Your Say website to see how you can contribute to projects and tell us what you think of our draft plans and strategies - [www.knox.vic.gov.au/haveyoursay](http://www.knox.vic.gov.au/haveyoursay)

Knox City Council has several Advisory Committees that provide advice on the development, implementation, monitoring, and review of programs or activities. These committees are made up of community members, Council officers and current Councillors. Find out if there are opportunities available in your area of interest on our website: [www.knox.vic.gov.au/our-council/about-council/council-committees](http://www.knox.vic.gov.au/our-council/about-council/council-committees)

Sign up to receive Knox eNews, our monthly email newsletter which will keep you informed about the latest news, events and activities across the community: [www.knox.vic.gov.au/email-newsletter](http://www.knox.vic.gov.au/email-newsletter)



Phone:	9298 8000
Email:	knoxcc@knox.vic.gov.au
Website:	www.knox.vic.gov.au
Social media:	facebook.com/knexcouncil or via Twitter @knoxcc
Visit Council in person:	Knox Civic Centre 511 Burwood Highway Wantirna South 3152



# knox

your city

Knox City Council  
511 Burwood Highway  
Wantirna South VIC 3152  
[knox.vic.gov.au](http://knox.vic.gov.au)

T +61 3 9298 8000  
F +61 3 9800 3096  
E [knoxcc@knox.vic.gov.au](mailto:knoxcc@knox.vic.gov.au)  
f [knoxcouncil](#)  
t [knoxcc](#)  
i [knoxcouncil](#)



133 677 (ask for 03 9298 8000)



Interpreter  
131 450

Speak and Listen Users  
1300 555 727 (ask for 03 9298 8000)

ABN 24 477 480 661

**For any queries please call the  
Civic Centre on 9298 8000 or email  
[communityplan@knox.vic.gov.au](mailto:communityplan@knox.vic.gov.au)**

