



GLEN EIRA
CITY COUNCIL

BENTLEIGH
BENTLEIGH EAST
BRIGHTON EAST
CARNEGIE
CAULFIELD
ELSTERNWICK
GARDENVALE
GLEN HUNTLY
MCKINNON
MURRUMBEENA
ORMOND
ST KILDA EAST

GLEN EIRA CITY COUNCIL

STRATEGIC RESOURCE PLAN 2020–2021 to 2029–2030

For the year ended 30 June 2021

Ordinary Council Meeting

Tuesday 30 June 2020



Home invasion
Thieves are opportunistic
Thieves like empty houses
Three points to preventing crime

Fences	Garden	Lighting	Alarm
Doors and windows	Bins and letterbox	House number	Safe
Property marking	Bikes		

PROTECTED

TE AND
RS FOR ALL
AT PAWFIELD PARK

How we can have
A PERFECT STAR

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1 Introduction

This Strategic Resource Plan (SRP) is presented in unprecedented times. The COVID-19 pandemic has had a significant impact on individuals, businesses and government since March 2020. Service closures, emergency response, and financial concessions to sustain community resilience have all had a substantial impact on Council's financial position. This is expected to continue in the 2020-21 financial year.

This Strategic Resource Plan is based on current knowledge of the potential impacts of COVID-19 on Council's finances. Whilst it is not possible to quantify the overall financial impact of COVID-19 until it has run its course, this SRP takes into account facility closures, changes to programming, reduced revenue and unanticipated increased expenditure that will all have an impact on Council's long-term financial position and liquidity.

On 7 April 2020, Council endorsed a \$7.3m '*COVID-19 Response and Recovery Package*' which contains a mix of both financial concessions and new initiatives for the Glen Eira community. In the 2019-20 financial year it will be resourced through re-prioritisation of existing budgets and the re-allocation of resources (staffing and budgetary) from activities now unable to be progressed due to COVID-19. The value of all initiatives in the *COVID-19 Response and Recovery Package* have been reflected in Council's Strategic Resource Plan.

2 Purpose

The *Local Government Act* requires a *Strategic Resource Plan* (SRP) to be prepared describing both financial and non-financial resources (including human resources) for the next 10 years to achieve the strategic objectives in the *Council and Community Plan*. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP. The SRP gives effect to the *Council and Community Plan*.

3 Plan Development

Council has prepared an SRP for the ten years 2020-21 to 2029-30 as part of its ongoing financial planning to assist in adopting a budget within a longer term strategic framework. The SRP takes the strategic objectives and strategies as specified in the *Council and Community Plan* and gives effect to them in financial terms for the next 10 years.

The key objective, which underlines the development of the SRP, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the *Council and Community Plan*. The key financial objectives, which underpin the SRP, are:

- Mitigate risks to our community and local economy arising from the impact of the COVID-19 pandemic.
- Manage finances appropriately within the constraints set by the State Government's Rate Capping regime.
- Renew and upgrade our ageing assets and community facilities.
- Maintain essential services at not less than current levels.
- Set fee increases that are manageable and sustainable.

- Invest in continuous improvement, technology and other enablers to efficiency and enhanced customer outcomes.
- Keep day-to-day costs manageable and rates below our peers.

In preparing the SRP, Council has also been mindful of the need to comply with the following Financial Management Principles under the *Local Government Act*:

- Revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with a Council's financial policies and strategic plans;
- Financial risks must be monitored and managed prudently having regard to economic circumstances;
- Financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community;
- Accounts and records that explain the financial operations and financial position of the Council must be kept.

4 Background

While Council has always enjoyed a sound financial position, we are already experiencing a detrimental impact on previously reliable income streams as a result of the outbreak. In addition, unanticipated expenditures and provision of relief measures have meant a re-evaluation of Council priorities and objectives over the next few years until the impacts of COVID-19 are under control.

Over the longer-term, the SRP aims to sustain operational surpluses, increasing Council's renewal, upgrade and new investment in community assets, and ensuring that Council's liquidity position is sound.

In recent years, Council has made a concerted effort to contain costs and direct necessary funding to capital expenditure. This approach has ensured the City's infrastructure and community facilities are improving and that Council provides the facilities and services that the community needs at a price that the community is prepared to pay. To achieve this, Council must continue to carefully manage finances and use innovation and continuous improvement measures to ensure services are the most efficient and cost-effective that can be provided.

It is the decision of Council to determine the priority for spending on the operational services that Council provides as well as the investment in the capital works program.

The SRP for 2020-21 to 2029-30 shows very steady operational surpluses ranging from \$5.4m to \$34m per annum over the next 10 years. These are necessary to ensure cash reserves are contributing to fund the long-term capital works program.

The SRP has a challenging capital works program. Council has committed to undertaking a significant strategic work plan over the coming 10 years, which includes completing a comprehensive update of the *Glen Eira Planning Scheme*, and implementing our approach to place based planning and integrated transport.

This important work will set the future 10-20 year strategic direction in the key areas of land-use, transport, economic development and urban design. The average capital spend across the 10 year period is approximately \$52m.

Council also needs to ensure that working capital is maintained such that sufficient cash reserves are available to meet normal cash flow requirements and meet potential emergencies.

The long-term financial position within the SRP is based on Council funding the entire Capital Works Program (including Council borrowings). Consideration of alternative funding options (besides borrowings), may be explored and this is likely to depend on specific site options available with different partners.

5 Assumptions/Deliverables

The SRP assumes a rate increase of 2.0 per cent in 2020-21 and 2.0 per cent in future years. This is the fifth year of Victorian Councils operating under a rate cap. Previous year caps were also based on forecast CPI and set at 2.5 per cent for 2019-20, 2.25 per cent for 2018-19, 2.0 per cent for 2017-18 and 2.5 per cent for 2016-17.

Council must manage the budget and long-term plan appropriately within the constraints set by the State Government's Rate Capping regime.

The SRP is based on the assumptions set out below:

5.1 Operational

Due to COVID-19, the SRP reflects an operating budget where some business areas will be severely restrained for at least 6 months of the 2020-21 financial year. This will particularly impact services such as our Libraries and Glen Eira Leisure - both experiencing forced closures due to Chief Health Officer Directives. Financial concessions for 2020-21 range from the ability to defer rates without penalty interest, waivers to certain fees and charges, rent relief for Council community tenants and sporting clubs and relaxation of parking restrictions and a community kindness campaign.

i. Income

- Council's SRP is based on an average rates per assessment increase of 2 per cent. The budget assumes an additional 800 to 1,000 property assessments per annum. The average Rates per Assessment for 2020-21 is estimated at \$1,440. The 10 year outlook is based on 2 per cent increase each year.
- Waste management charges are levied on the basis of cost recovery. Glen Eira's policy is to levy waste and recycling charges 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.
- Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, health act registrations and parking fines. Increases are set at 2 per cent per annum.
- User fees relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include use of leisure, community facilities and the provision of human services such as Family Day Care and Community Care Services. Increases are set at 2 per cent per annum.

- Operating grant funding received from State and Federal sources is set at 2 per cent per annum. One-off non-recurrent grant funding includes funding for:
 - Carnegie Pool Redevelopment (subject to the Sports & Recreation Victoria Better Pools Program grant of \$2m over 2022-23 and 2023-24)
 - Murrumbeena Park \$4.8m (\$3.6m in 2020-21 and \$1.2m in 2021-22)
 - Stanley Street Car Park (\$10m in 2022-23)
 - Bleazby Street Car Park (\$8m in 2022-23).
 - Eat Street Community Space (\$1.3m between 2019-20 and 2021-22)
 - Aileen Avenue Open Space (\$1.3m between 2019-20 and 2021-22).

ii. Expenses

- Contractor payments – increase by 2 per cent per annum which covers items such as: waste management, tipping fees, parks and grounds maintenance, traffic management, IT support, agency staff etc.
- Election costs of \$635k every 4 years.
- Equivalent full-time staffing is capped at current levels.
- Clayton South Regional Landfill Site – allowance of \$149k in 2020-21 and \$211k per annum from 2021-22 onwards, being Glen Eira’s contribution for post closure rehabilitation costs.

iii. Other Assumptions in the SRP:

- This SRP assumes that Council continues operating our three Residential Aged Care Facilities – Spurway, Rosstown and Warrawee.
- No provision or allowance has been made for any call from the Defined Benefits fund.
- No additional income public/private sector partnerships has been factored into considerations for strategic projects such as structure plan projects.

5.2 Capital Works Program

Council’s base capital program is approximately \$36m (excluding Strategic and Major Projects). Projects in the 10 year Capital Works Program (per annum) include:

i. Strategic Projects

- Carnegie Pool Redevelopment – capital costs of \$47.6m from 2020-21 to 2023-24.
- Lord Reserve / Koornang Park Masterplan Precinct Implementation - \$3.4m over 2020-21 to 2024-25.

ii. Structure Plans (Activity Centres)

Council has committed to undertaking a significant strategic work plan over the coming 4 years to complete a comprehensive update of the Planning Scheme, place based planning and integrated transport. This important work will set the future 10-20 year strategic direction in the key areas of land-use, transport, economic development and urban design.

Structure Plan Implementation – funding of \$110m has been allocated in the SRP to fund structure plan works in Elsternwick, Carnegie and Bentleigh over the next 10 years. Funding will enable major projects identified in the Structure Plans, including new buildings, new public plazas and community spaces and includes the following:

ELSTERNWICK
STRUCTURE PLAN
2018-2031



Elsternwick Community Hub & Park



Selwyn Street Cultural Precinct



Stanley Street East Car Park

- Elsternwick Community Hub & Park - \$47m (majority of spend in 2024-25 to 2027-28). Create a new community hub and improved car parking in place of the existing car park between Staniland Grove and Orrong Road.
- Selwyn Street Cultural Precinct - \$5.6m (to be completed in 2023-24) to facilitate a new cultural precinct centred around Selwyn Street.
- Stanley Street East Multi-deck Car Park - \$22.32m (project subject to co-funding by federal government, completed in 2023-24).

CARNEGIE
STRUCTURE PLAN
2018-2031



Koornang Road Streetscape

- Koornang Road Streetscape Upgrade & Pedestrianisation - \$6.15m (majority of spend in 2025-26 to 2028-29). Improvement of the Koornang Road retail streetscape.

**BENTLEIGH
STRUCTURE PLAN
2018-2031**



Eat Street



Bentleigh Library Upgrade

- Eat Street (Rotunda) - \$5.1m (to be completed in 2021-22). Create a pedestrian-only mall area with outdoor seating, activated by cafes, restaurants and bars with increased trading hours.
- Bentleigh Library Upgrade - \$6.3m (to be completed in 2022-23). Improve Bentleigh Library and the surrounding area, including expansion of the facility and introduction of a new civic forecourt.
- Bleazby Street Car Park - \$15.7m (dependent on co-funding by federal government, completion in 2023-24).

**INTEGRATED TRANSPORT
STRATEGY
2018-2031**

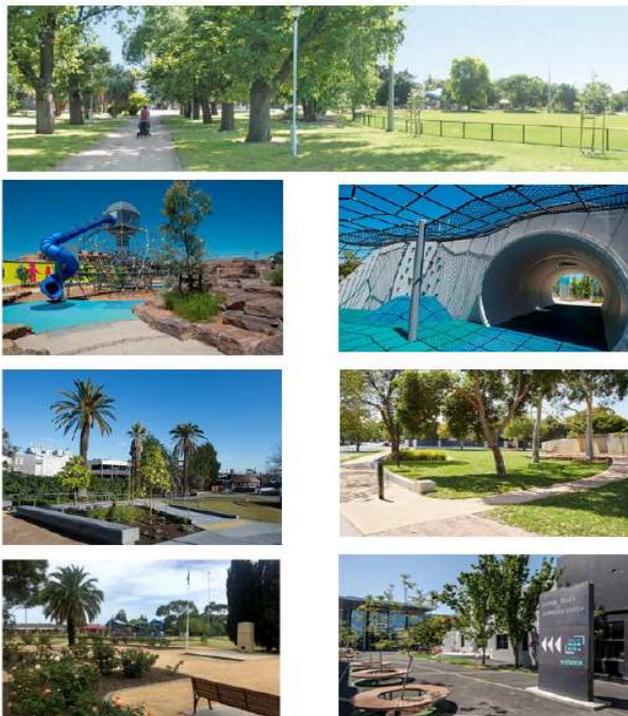


- To implement the new Integrated Transport Strategy with projects including new bicycle paths, new pedestrian improvements, wayfinding signage, parking improvements, etc. - \$6.8m.
- Streetscape and Activity Centre Minor Improvements Program - \$550k.

iii. Open Space & Recreational Projects

Council receives open space levies pursuant to clause 52.01 of the *Glen Eira Planning Scheme*. Open Space initiatives included in this SRP:

- Open Space Strategy Implementation of \$33m over the next 10 years for open space projects.
- Open Space Masterplan construction and landscape enhancement works - \$8.8m over 10 years.
- Recreational Upgrades (cricket net upgrades, sportsground shelters and tennis strategy implementation) - \$5.7m over 10 years.
- Playground Upgrades - \$5m over 10 years
- Sportsgrounds Lighting - \$2.3m over 10 years.
- Public Toilet Upgrades - \$2m over 10 years.
- Warm Season Grasses - \$800k every second year.



iv. Community Facilities

- Completion of Murrumbeena Pavilion - \$11.6m from 2020-21 to 2023-24.
- Pavilion Design and Construction Program - \$15.3m over ten years.
- Town Hall Refurbishment – total of \$8m (\$2m per annum from 2021-22 to 2024-25).

v. Sustainability Initiatives

- Solar and energy efficient projects - \$3.4m.
- Energy efficiency lighting – \$2m in 2028-29 for the upgrade of residential street lighting to LEDs.

vi. Great @ Glen Eira Projects

- Transformation Program - \$3m over 10 years.

vii. Community Safety

- Transport and Planning projects – \$1.2m per annum includes safety projects at cross intersections, pedestrian, safer speed limits, school safety, shopping centres, sustainable transport and disabled parking upgrades.

viii. Renewals

Rates revenue has been applied to ensure that capital expenditure is increased to address the infrastructure renewal gap and complete additional capital works projects. Included in the capital program is the renewal and upgrade of Council's major infrastructure assets with an average spend of \$24m per annum including:

- Roads \$4.6m, Drainage Improvement Program \$4.1m, Footpaths \$2m, Local Road Resurfacing \$1.7m, Right of Ways \$340k and Car Park Renewals \$340k (all amounts are per annum).
- Building Renewal works – \$18m over ten years for cyclical renewal works such as floor coverings, roof renewals and replacement of plant and equipment.
- Recreation and Parks – \$18m over ten years for renewals of: park shelters, cricket wickets, goal posts, bin enclosures, park furniture and athletics track/ netball court re-surfacing.
- Glen Eira Leisure (GEL) – allowance for cyclical renewal works and replacement of plant and equipment over ten years of \$11m.
- Library Book Collections – approximately \$1.1m per annum for the purchase of books, DVDs, magazines, games, eBooks and eMagazines.
- Replacement of Fleet and Plant – \$1.8m per annum - includes plant and equipment at Parks, Depot and Town Hall.
- Information Technology - \$1.5m per annum includes:
 - Renewing base infrastructure such as storage, servers, networking and end-user tools (desktops; laptops; tablets; monitors).
 - Defining and building the technology foundations to support Council's Transformation Program including service design, reviewing the current state architecture and business applications.

5.3 Cash Position/Liquidity Ratio

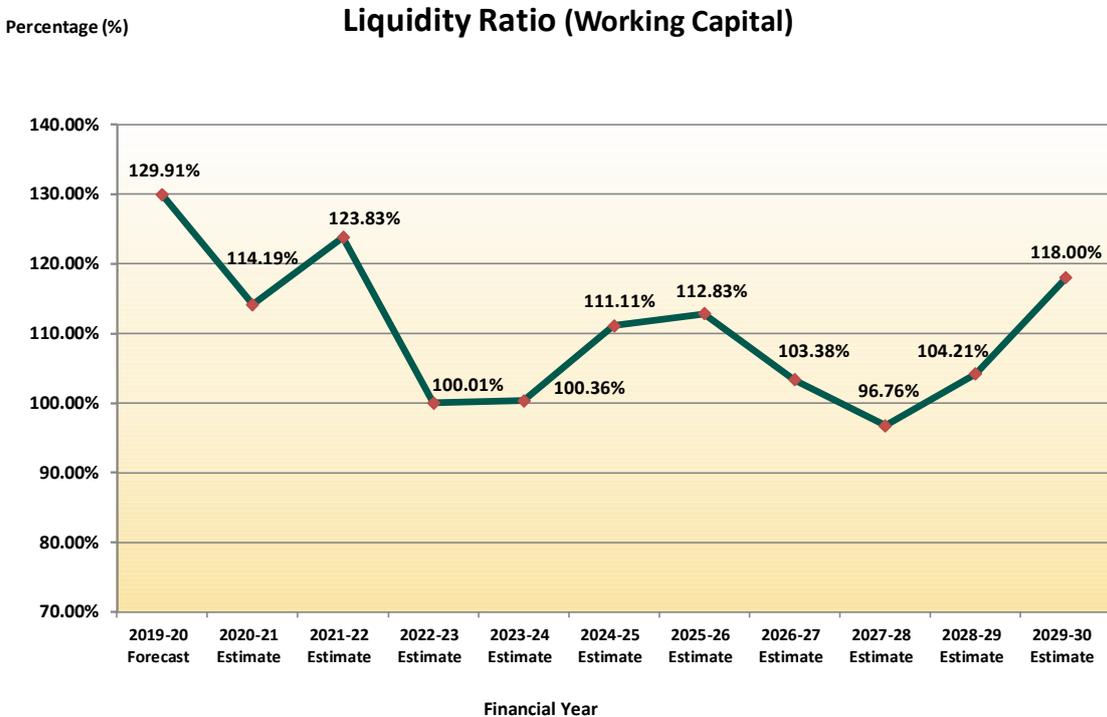
While Council has always enjoyed a sound financial position, we are already experiencing a detrimental impact on previously reliable income streams as a result of the COVID-19 pandemic. Facility closures, changes to programming, reduced revenue and unanticipated increased expenditure will all have an impact on Council’s long-term financial position and liquidity.

Our forecast cash balance is expected to remain at relatively low levels for the next few years but sufficient to cover current liabilities.

Council should hold sufficient cash to cover ‘Restricted Assets’ such as:

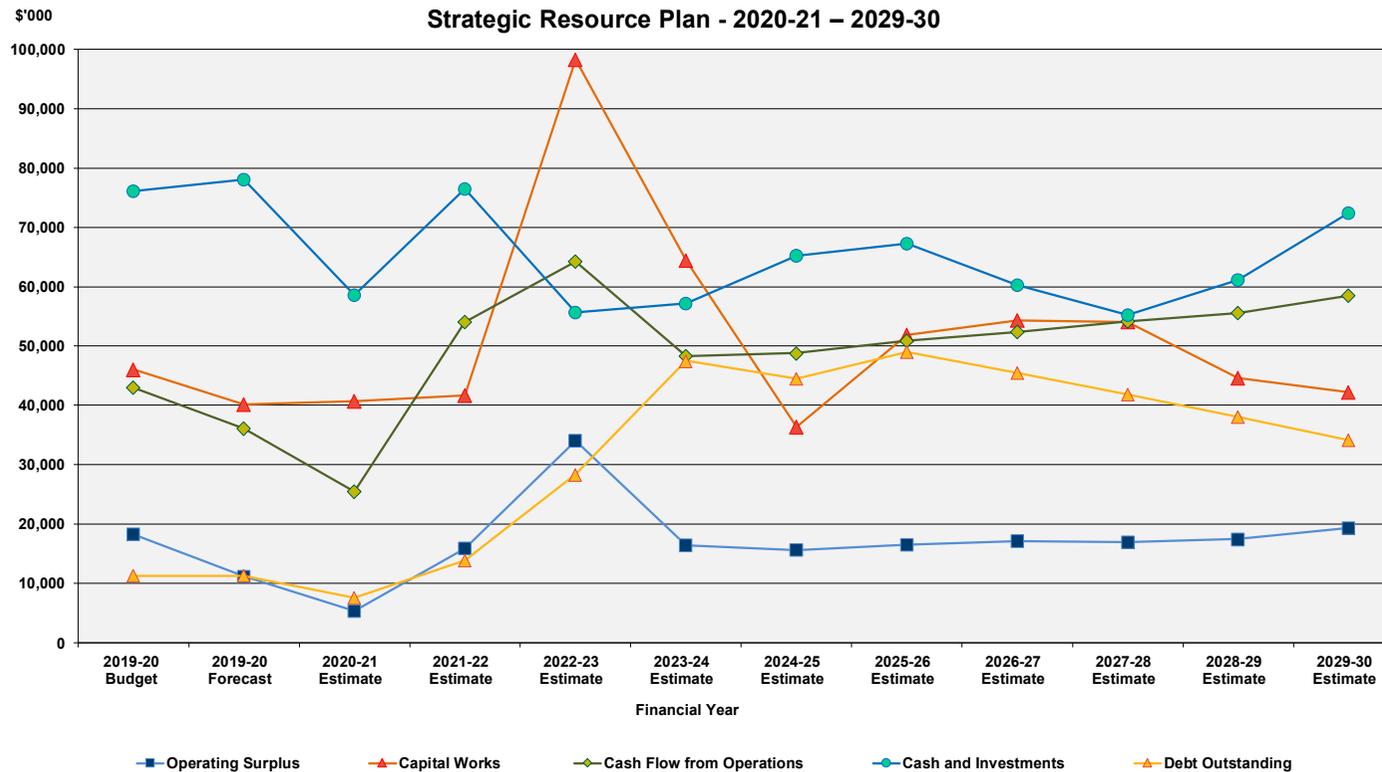
- **Residential Accommodation Deposits (\$31m)** – relates to resident accommodation deposits for Council’s nursing homes at Warrawee, Rosstown and Spurway. These deposits are to be refunded (less retention income) when residents leave the facility. These funds are to be invested in cash and term deposit accounts in accordance with the *Aged Care Act 1997*. Council is liable to repay deposits as and when required; and
- **Refundable Deposits (\$5m)** – are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

An item placing additional pressure on Council’s Liquidity Ratio is the classification of leave entitlements. Although a majority of leave entitlements are not expected to be settled within 12 months, almost all leave entitlements are classified as current liability provisions in Council’s balance sheet, placing greater pressure on the liquidity ratio.



6 Financial Resources

The following graph summarises the key financial results for the years 2019-20 to 2029-30. The graph below shows that: the operating result remains positive; capital works averages over \$52m; and loans will be used to partially fund major projects from 2022-23 with repayments over fifteen years. The level of projected cash incorporates capital expenditure and current rates projections. The financial statements include a more detailed analysis of the financial resources to be used over the ten year period (refer to Section 12).



The following table summarises the key financial results for the years 2019-20 to 2029-30. Section 12 includes a more detailed analysis of the financial resources to be used over the ten year period.

Key Financial Results													
	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate	Trend + / o / -
Operating Surplus	18,310	11,170	5,362	15,932	34,022	16,409	15,656	16,559	17,142	17,011	17,459	19,358	o
Capital Works	46,056	40,178	40,678	41,715	98,220	64,424	36,383	51,825	54,327	54,108	44,603	42,235	o
Cash Flow from Operations	43,026	36,099	25,478	54,072	64,241	48,314	48,801	50,860	52,375	54,156	55,591	58,470	+
Cash and Investments	76,125	78,104	58,554	76,479	55,695	57,211	65,253	67,246	60,249	55,250	61,190	72,374	o
Debt Outstanding	11,277	11,304	7,636	13,848	28,350	47,475	44,520	49,052	45,484	41,815	38,041	34,160	-

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

7 Financial Performance Indicators

7.1 Local Government Performance Reporting Framework Indicators (LGPRF)

The Local Government Performance Reporting Framework is a mandatory system of performance reporting for all Councils. The regulations include a set of 12 financial performance indicators, which aim to provide information on the effectiveness of financial management.

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

Financial Performance Indicators for the years ending 30 June 2020-30															
Indicator	Measure	Notes	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate	Trend +/-
Operating Position															
Adjusted Underlying Result	Adjusted Underlying Surplus	1	8.38%	3.65%	-0.48%	7.26%	6.83%	7.32%	7.24%	7.45%	7.53%	7.29%	7.31%	7.93%	o
	Adjusted Underlying Revenue														
Liquidity															
Working Capital	Current Assets/ Current Liabilities	2	144.35%	129.91%	114.19%	123.83%	100.01%	100.36%	111.11%	112.83%	103.38%	96.76%	104.21%	118.00%	o
Unrestricted Cash	Unrestricted Cash/ Current Liabilities		69.01%	62.43%	22.45%	52.97%	26.00%	27.43%	38.27%	40.13%	30.43%	23.56%	30.77%	44.33%	-

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

2020-21 to 2029-30 Strategic Resource Plan

Financial Performance Indicators for the years ending 30 June 2018-29

Indicator	Measure	Notes	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate	Trend +/-
Obligations															
Loans and Borrowings	Interest-bearing Loans and Borrowings Rate Revenue	3	9.88%	9.90%	6.37%	11.18%	22.17%	35.98%	32.71%	35.01%	31.55%	28.19%	24.92%	21.75%	-
Loans and Borrowings	Interest and Principal Repayments Rate Revenue		3.51%	3.49%	3.33%	3.21%	4.96%	3.23%	3.13%	3.52%	3.42%	3.32%	3.23%	3.14%	o
Indebtedness	Non-current Liabilities Own Source Revenue		7.62%	9.95%	6.97%	9.50%	19.47%	29.22%	26.46%	27.69%	26.17%	23.38%	20.66%	17.97%	-
Asset Renewal	Asset Renewal+Upgrade Asset Depreciation	4	150.47%	128.48%	115.05%	135.25%	287.79%	189.60%	104.74%	128.70%	131.17%	124.56%	110.86%	108.09%	o
Stability															
Rates Concentration	Rate Revenue Adjusted Underlying Revenue	5	61.70%	64.27%	68.17%	64.10%	64.56%	64.90%	65.14%	65.17%	65.44%	65.78%	66.10%	66.33%	o
Rates Effort	Rate Revenue Property Values (CIV)		0.17%	0.18%	0.18%	0.17%	0.17%	0.17%	0.16%	0.16%	0.16%	0.15%	0.15%	0.15%	o
Efficiency															
Expenditure Level	Total Expenditure No. of Assessments		\$ 2,479	\$ 2,489	\$ 2,552	\$ 2,619	\$ 2,662	\$ 2,685	\$ 2,734	\$ 2,765	\$ 2,797	\$ 2,841	\$ 2,883	\$ 2,908	+
Revenue Level	Rates Revenue No. of Assessments		\$ 1,428	\$ 1,417	\$ 1,438	\$ 1,468	\$ 1,497	\$ 1,527	\$ 1,561	\$ 1,592	\$ 1,624	\$ 1,656	\$ 1,689	\$ 1,722	+
Workforce Turnover	No. of Resignations & Terminations Average Number of Staff		10.50%	10.86%	10.87%	10.87%	10.87%	10.86%	10.84%	10.83%	10.81%	10.79%	10.76%	10.73%	o

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

Notes to Financial Performance Indicators (LGPRF)

1. Adjusted Underlying Result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. The changes in Council services required during the COVID-19 pandemic has reduced our surplus significantly in 2020-21 however Council expects to retain a positive result over the subsequent 9 years.

2. Working Capital

The proportion of current liabilities represented by current assets. This measures the ability to pay existing liabilities in the next 12 months. A ratio of more than 100 per cent means there are more short term assets than short-term liabilities.

Council needs to ensure working capital is maintained such that sufficient cash reserves are available to meet normal cash flow requirements. Over the last few years, Council has invested heavily in its capital works program by fully utilising cash reserves.

Council should hold sufficient cash to cover 'Restricted Assets' such as: Residential Aged Care Deposits, Contract Deposits and *Fire Services Property Levy*.

The trend of working capital is forecast to remain at a level of more than 100 per cent.

3. Debt Compared to Rates

Trend indicates Council's reliance on debt against its annual rate revenue.

4. Asset Renewal

This percentage indicates the extent of Council's renewal and upgrade expenditure on new capital works projects against its depreciation charge.

5. Rates Concentration

Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will still be consistently reliant on rate revenue compared to all other revenue sources.

8 Non-financial Resources

8.1 Human Resources

In addition to the financial resources to be consumed over the planning period, Council also utilises non-financial resources, in particular human resources. Glen Eira has capable and diverse staff required to provide a range of quality services to the community. Recruitment, development and retention of our staff are critical for the organisation to be able to provide services to our community. The ages of staff vary, with Glen Eira Sports and Aquatic Centre (GESAC) attracting a younger age group of employees in the fitness and aquatic areas.

The 2020-21 Budget provides for 873.86 full-time equivalent (FTE) staff in a range of positions across the organisation. The status of these FTE's comprises of: 475.85 full-time, 297.9 permanent part-time and 100.11 casuals. The increase in EFT during 2020-21 is mostly due to services being brought in-house at a lower cost and new services externally funded.

Our COVID-19 response has closed services during 2019-20 and these are expected to remain closed for at least half of 2020-21. These changes are reflected in our labour costs but the EFT has remained the same as the affected staff will remain employed by Council.

A detailed Statement of Human Resources is included in Section 12.

The following table summarises the non-financial resources for the next ten years.

Statement of Human Resources for the years ending 30 June 2020 - 2030												
Staff Expenditure	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Employee Costs - Operating	83,725	80,098	83,073	90,762	93,099	95,594	98,147	100,758	103,025	105,343	107,713	110,136
Employee Costs - Capital	(2,476)	(2,833)	(3,014)	(3,103)	(3,186)	(3,272)	(3,360)	(3,450)	(3,528)	(3,607)	(3,688)	(3,771)
Total Staff Expenditure	81,250	77,265	80,059	87,658	89,913	92,323	94,787	97,307	99,497	101,735	104,025	106,365
Staff Numbers	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number
Employees (Full-time Equivalent)	860.19	856.35	873.86	873.36	872.36	872.36	872.36	872.36	872.36	872.36	872.36	872.36

8.2 Risk Management

Glen Eira City Council is committed to ensuring strategic and operational risks are appropriately managed to protect Council and the community.

Council is committed to protecting its revenue, expenditure and assets from any attempt by members of the public, contractors, agents, intermediaries, volunteers, or its own staff to gain financial or other benefits by deceit, bias or dishonest conduct.

Council has a well-developed and mature risk management framework. Through a strategic risk review process, coupled with the incorporation of the top 10 risks in every Council business plan, Council has a thorough understanding of the risks and opportunities it needs to manage.

The challenge ahead is to create true business success by being able to demonstrate that all risks are considered in every decision made. The Risk Management Unit, in collaboration with Council's business unit managers, ensures existing and emerging risk issues are identified, discussed and mitigated. Assistance is offered through advice, support and training to all staff.

Council's Audit and Risk Committee considers a number of risk management reports prepared by management. The Committee reviews specific risk areas across Council and in some instances across specific projects, and examines the controls in place to mitigate those risks.

The risk management function works in collaboration with Council's business unit managers to ensure risk is well understood and managed. Assistance is offered through advice, support and training to all staff. Management of risk at the business unit level was reported by the auditors to be excellent. Risk management has been embraced by staff and this responsibility has been included in position descriptions.

Every manager has a risk register to monitor the operational risks within their business units. Managers are provided with refresher training on how to review identified risks, add new risks and assess the effectiveness of the controls while providing detailed information about the way the risk is managed.

Council's key assurance activities have been mapped to its strategic risks. The assurance map considers the key risks to Council in achieving its objectives and performance expectations, the assurance activities that have been conducted and the operation of controls that apply to those risks.

9 Glen Eira Rating Strategy

9.1 Rating context

The whole community pays taxes and rates. Of the total tax revenue collected by all levels of government, currently councils across Australia collect 3.5 per cent. The other 96.5 per cent goes to federal and state governments. The more tax revenue that federal and state governments return to local projects, the less pressure there will be on rates.

Glen Eira City Council's ("Council's") reliance on rates is influenced by policy and legislative factors that preclude or limit Council's ability to charge. Council does not have discretion to set user fees and charges for a range of services where this is set out in State legislation or regulation, such as prescribed fees for planning permits, or in funding agreements with other levels of Government such as those applying to aged services and maternal and child health.

From 2016-17 onwards, Council's ability to raise revenue from rate income has been impacted by the State Government's introduction of the *Fair Go Rates System* (FGRS).

9.2 State Taxation of Glen Eira Property

i. Fire Services Property Levy (FSPL)

From 1 July 2013, the State Government commenced using Local Governments' rate systems as a collection agent for the *Fire Services Property Levy*. The Levy is listed on Council rate notices, collected by Councils and paid to the State Government. The amount of the State Levy collected in Glen Eira is estimated at approximately \$12.92m for 2020-21.

ii. State Landfill Levy

The *State Government Landfill Levy* is the amount that Council pays to the State Government for every tonne of waste delivered to landfill. The government uses the levy to promote recycling and related programs and the levy reflects the government's policy to reduce waste going to landfill. The landfill levy is beyond Council's control.

Since 2009, the State Government's Landfill Levy has increased from \$9 to \$86 per tonne (an 855 per cent increase). It is estimated that Council will pay approximately \$2.11m in 2020-21 for the State Government Landfill Levy which is 21 per cent of Glen Eira's total waste collection and disposal costs.

9.3 The Rating System

The rates system is set down in State Government legislation. One of the easiest ways to explain this system is that if you own one per cent of the value of property in a municipality, you pay one per cent of the total rates.

Rates are set according to how much your property is worth compared to the rest of the municipality. For example, a \$700,000 property in a wealthy municipality may be below the average house value so the owner would pay below the average rates, while a \$700,000 property in a less affluent municipality might be well above the average house value so the owner would pay above average rates.

9.4 The Rating Framework at Glen Eira Council

Glen Eira City Council has adopted the Net Annual Value (NAV) system for rating purposes. NAV for non-residential properties is the assessed rental value. In accordance with legislation this must be at least 5 per cent of the Capital Improved Value (CIV) for any property. For residential properties it is fixed at 5 per cent of the CIV, but for commercial or industrial properties there is no set amount and will generally be higher.

i. Recreational Land

Council provides rate relief to recreational land as provided under the *Cultural and Recreational Lands Act 1963*. This Act effectively provides Council with the power to apply a discount to Cultural and Recreational properties.

ii. Rebates

Under the *Pensioner Rate Assistance Scheme*, anyone who has been issued with a pensioner concession card by Centrelink or Veterans' Affairs, or a Veterans' Affairs Gold Card specifying War Widow or TPI, is entitled to a State Government rebate on their rates bill. The available State Government concession is 50 per cent of rates to a maximum of \$241 for 2020-21.

Glen Eira City Council is one of the few Councils to provide an additional rebate to further assist all who are eligible for the State Government rebate. The maximum total Council and State Government rebate granted is \$270 (Council's portion is approximately \$29 in 2020-21).

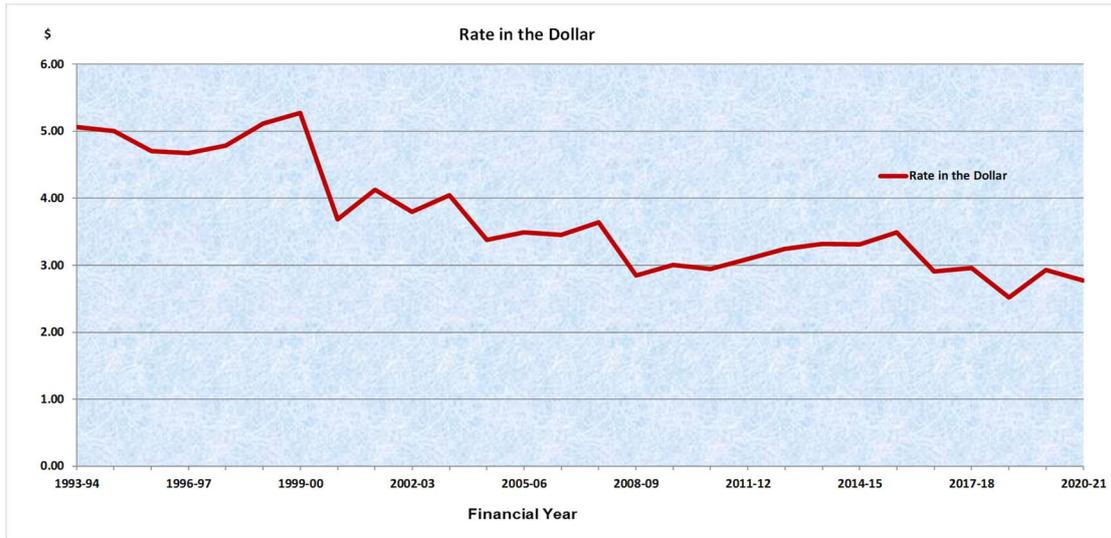
9.5 General Revaluation of Properties

As of 1 July 2018, the Valuer-General has been conducting a revaluation of all properties every year. The current revaluation is effective as at 1 January 2020. The current capital improved value of all rateable property is approximately \$65.3 billion.

The property values are used:

- by State Government to levy land tax and the *Fire Services Property Levy* (effective 1 July 2013); and
- by Council to levy rates.

A revaluation has no effect on Council's total rate income. Rising property values do not impact on Council's total revenue collection. They usually result in the adjustment, by Council, of a lower rate in the dollar to offset the overall increase in property values. For example, the rate in the dollar in 1991–92 (City of Caulfield) was 7.1178 of net annual value. The rate in the dollar in 2020-21 is 2.7691.



A revaluation can affect the rates on an individual property. Rates are redistributed according to the shift in property values that have occurred in different parts of the municipality. In a revaluation year some ratepayers may experience a change in their rates depending on the type of property they own, where it is located and how its value has moved relative to the average.

9.6 Strategic Resource Plan

In developing the SRP, rate revenue was identified as an important source of revenue, accounting for approximately 55 per cent of the total revenue received by Council annually.

Planning for future rate increases has been an important component of the Strategic Resource Planning 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 SRP assumes an average rate increase of 2 per cent per annum.

9.7 Current and Future year Rate Increases

It is predicted that the 2020-21 operating position will be impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future revenue growth while containing costs in order to achieve operating surpluses and capital investment as set out in the SRP.

Council's SRP is based on the Rate Cap announcement by the Minister of 2.0 per cent for 2020-21. The SRP assumes an additional 800 to 1,000 property assessments per annum. The average Rates per Assessment for 2020-21 is estimated at \$1,440.

The table below shows the average rates per assessment forecasted for the 10 year outlook.

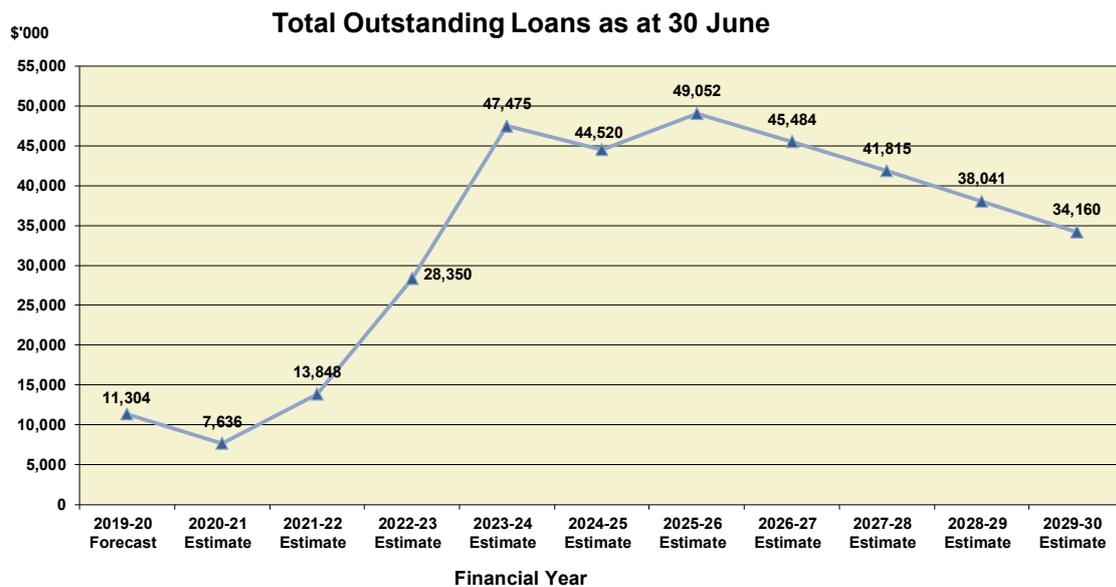
Rate Increases		
Year	Increase in Average Rates per Assessment (capped)	Average Rates per Assessment
	(%)	(\$)
2020-21 Estimate	2.00%	1,440
2021-22 Estimate	2.00%	1,469
2022-23 Estimate	2.00%	1,498
2023-24 Estimate	2.00%	1,528
2024-25 Estimate	2.00%	1,559
2025-26 Estimate	2.00%	1,590
2026-27 Estimate	2.00%	1,622
2027-28 Estimate	2.00%	1,654
2028-29 Estimate	2.00%	1,687
2029-30 Estimate	2.00%	1,721

10 Borrowings Strategy / Funding Options

New loans of \$60m have been included in the Strategic Resource Plan to fund major and strategic projects from 2021-22. This is considered an appropriate funding source for long term community assets.

Borrowings outstanding as at 30 June 2021 are projected to be \$7.6m.

The long-term financial position within the SRP is based on Council funding the entire Capital Works Program (including Council borrowings). Consideration of alternative funding options (besides borrowings), may be explored and this is likely to depend on specific site options available with different partners.



The following table sets out the schedule of borrowings and repayments, based on the forecast financial position of Council out to 2029-30.

Borrowings				
Year	New Borrowings	Repayment of Borrowings	Interest Paid for Borrowings	Balance 30 June
	\$'000	\$'000	\$'000	\$'000
2019-20 Forecast	-	3,553	439	11,304
2020-21 Estimate	-	3,669	330	7,636
2021-22 Estimate	10,000	3,788	189	13,848
2022-23 Estimate	20,000	5,498	850	28,350
2023-24 Estimate	22,000	2,874	1,386	47,475
2024-25 Estimate	-	2,956	1,305	44,520
2025-26 Estimate	8,000	3,468	1,457	49,052
2026-27 Estimate	-	3,567	1,358	45,484
2027-28 Estimate	-	3,669	1,256	41,815
2028-29 Estimate	-	3,774	1,151	38,041
2029-30 Estimate	-	3,882	1,043	34,160

11 Infrastructure Strategy

Council is committed to the long term sustainability of its major community assets. To this end, over the years, Council has developed and implemented the following Asset Management Plans:

- Stormwater Drainage
- Roads and Right of Ways
- Pathways
- Buildings and Structures
- Recreation

The plans provide the framework for meeting the desired levels of service from our community assets, in the most cost effective manner for the present and the future. The plans incorporate the main elements of planning, creating, operating, maintaining, replacing and renewing Council assets.

Using the basis of the various Asset Management Plans, capital expenditure requirements of Council have been estimated for the next 10 years (which is a key input to the SRP). The key processes to determine Council's long-term infrastructure funding requirements are as follows:

- Long term capital planning process which integrates with the *Council and Community Plan*, *Strategic Resource Plan* and *Annual Budget* processes.
- Identification of capital projects through the preparation of asset management plans.
- Prioritisation of capital projects within classes on the basis of evaluation criteria.
- Business Case template for officers to document capital project submissions.

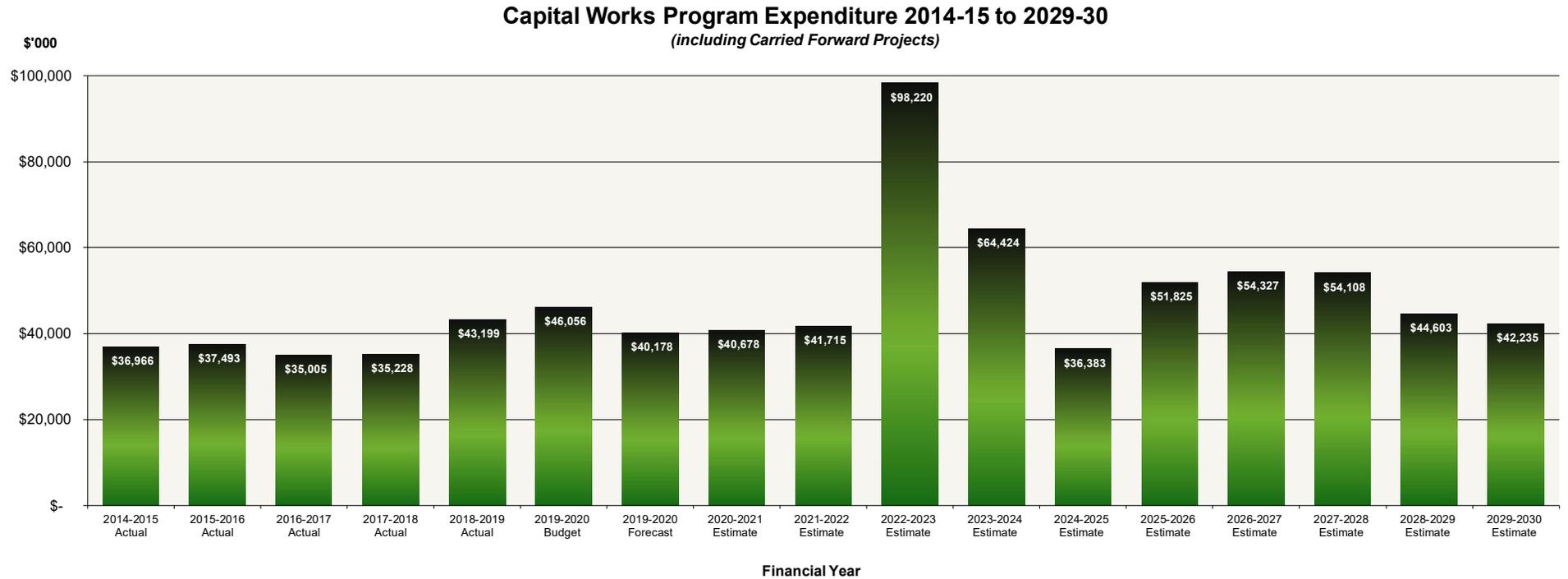
The plans provide the framework for meeting the desired levels of service from our community assets, in the most cost effective manner for the present and the future.

A key objective of the *Infrastructure Strategy* is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

Most of the condition data Council has about its community assets is now reliable and up to date. It shows that Council's assets, on average, are in very good condition. Further, over 90 per cent of the assets are in good to excellent condition.

With a robust financial strategy in place, Council is in a good position to continue to maintain its existing community assets to the standard the community expects. This is a substantial turnaround from 1999 when Council became increasingly aware that many of its assets were run down and not financially sustainable.

The graph below highlights the growth in Capital expenditure since 2014-15 and Council's forward outlook on capital expenditure to 2029-30.



12 Financial Statements

The following eight Financial Statements for the *Strategic Resource Plan* form a special purpose financial report prepared specifically to meet the requirements of the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Human Resources - Staff Expenditure
- Statement of Human Resources - Staff Numbers

Comprehensive Income Statement for the years ending 30 June 2020 - 2030

	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income												
Rates Revenue	95,829	95,792	98,663	102,176	105,718	109,360	113,106	116,640	120,270	123,999	127,829	131,762
Supplementary Rates	850	953	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Waste and Recycling Charges	17,489	17,488	20,292	20,741	21,156	21,579	22,011	22,451	22,900	23,358	23,825	24,302
Statutory Fees and Fines	8,546	9,674	6,252	10,561	10,772	10,988	11,208	11,432	11,660	11,894	12,131	12,374
User Fees	28,206	20,760	18,998	27,422	28,247	29,095	29,965	30,564	31,175	31,799	32,435	33,084
Other Income	1,557	1,694	1,729	1,892	1,892	1,892	1,892	1,892	1,892	1,892	1,892	1,892
Interest Received	2,000	1,501	1,500	1,916	1,675	1,721	1,962	2,022	1,812	1,662	1,840	2,176
Contributions - Monetary	9,000	7,497	6,600	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Grants - Operating	21,555	22,393	20,926	23,376	23,843	24,320	24,806	25,302	25,808	26,325	26,851	27,388
Grants - Capital	2,802	4,676	6,215	1,900	20,485	1,520	531	542	552	563	575	586
Total Income	187,834	182,427	182,177	199,985	223,790	210,476	215,481	220,846	226,072	231,492	237,379	243,564
Expenses												
Employee Costs	81,250	77,265	80,059	87,658	89,913	92,323	94,787	97,307	99,497	101,735	104,025	106,365
Materials and Consumables	5,918	5,130	5,746	5,752	5,867	5,985	6,104	6,226	6,351	6,478	6,607	6,740
Contractor Payments	36,474	38,626	40,123	39,812	40,824	40,641	42,094	42,283	43,128	43,991	45,521	45,768
Maintenance	7,632	7,880	8,033	8,111	8,073	8,302	8,486	8,655	8,897	8,992	9,172	9,429
Utilities	4,987	5,125	5,391	5,499	5,608	5,721	5,835	5,952	6,071	6,192	6,316	6,442
Insurance	1,310	1,235	1,199	1,223	1,248	1,273	1,298	1,324	1,350	1,377	1,405	1,433
Grants and Subsidies	1,304	1,438	1,670	1,403	1,431	1,459	1,488	1,518	1,549	1,580	1,611	1,643
Other Expenses	5,933	7,630	6,478	6,456	6,585	6,459	6,588	6,720	6,854	6,991	7,131	7,274
Borrowing Costs	439	439	330	189	850	1,386	1,305	1,457	1,358	1,256	1,151	1,043
Finance Costs - Leases	-	177	176	174	176	103	105	108	110	112	114	116
Depreciation	22,759	23,635	24,853	25,060	26,461	27,990	29,286	30,264	31,269	33,255	34,320	35,380
Amortisation - Intangible Assets	260	593	738	753	768	783	799	815	831	848	865	882
Amortisation - Right of Use Assets	-	782	761	706	706	384	392	400	408	416	424	433
Net Loss on Sale/Disposal of Property, Infrastructure, Plant and Equipment	1,258	1,303	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258
Total Expenses	169,523	171,258	176,815	184,052	189,768	194,067	199,826	204,286	208,930	214,481	219,920	224,207
Surplus for the year	18,310	11,170	5,362	15,932	34,022	16,409	15,656	16,559	17,142	17,011	17,459	19,358

Balance Sheet for the years ending 30 June 2020 - 2030

	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets												
Current Assets												
Cash and Cash Equivalents	76,125	78,104	58,554	76,479	55,695	57,211	65,253	67,246	60,249	55,250	61,190	72,374
Trade and Other Receivables	13,815	16,088	24,088	14,088	14,588	15,088	15,088	16,088	17,088	18,088	19,088	20,088
Other Financial Assets	1,625	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878
Total Current Assets	91,565	96,070	84,520	92,445	72,161	74,177	82,219	85,212	79,215	75,216	82,156	94,340
Non-Current Assets												
Investments in Joint Operations	1,457	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045
Financial Assets	5	5	5	5	5	5	5	5	5	5	5	5
Intangible Assets	563	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845
Right of Use Assets	-	3,648	2,887	2,181	1,476	1,092	700	300	2,392	1,976	1,552	1,119
Property, Infrastructure, Plant & Equipment	2,577,169	2,217,026	2,230,395	2,244,739	2,314,171	2,348,264	2,353,004	2,372,192	2,392,861	2,411,308	2,419,168	2,423,583
Total Non-Current Assets	2,579,194	2,223,569	2,236,177	2,249,815	2,318,542	2,352,251	2,356,599	2,375,387	2,398,148	2,416,179	2,423,615	2,427,597
Total Assets	2,670,759	2,319,639	2,320,697	2,342,260	2,390,703	2,426,427	2,438,817	2,460,598	2,477,363	2,491,395	2,505,771	2,521,937
Liabilities												
Current Liabilities												
Trade and Other Payables	13,925	18,431	18,431	18,431	18,931	19,431	19,431	19,431	19,431	19,431	19,431	19,431
Trust Funds and Deposits	32,353	36,934	36,934	36,934	36,934	36,934	36,934	36,934	36,934	36,934	36,934	36,934
Provisions	13,468	14,283	14,283	14,283	14,283	14,283	14,283	15,283	16,283	17,283	18,283	19,283
Lease Liabilities	-	636	581	581	310	310	310	310	310	310	310	310
Interest-Bearing Liabilities	3,685	3,669	3,788	4,425	1,694	2,956	3,039	3,567	3,669	3,774	3,882	3,993
Total Current Liabilities	63,432	73,953	74,017	74,654	72,152	73,914	73,997	75,525	76,627	77,732	78,840	79,951
Non-Current Liabilities												
Provisions	1,360	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350
Interest-Bearing Liabilities	7,592	7,636	3,848	9,422	26,655	44,520	41,481	45,484	41,815	38,041	34,160	30,167
Lease Liabilities	-	3,138	2,557	1,976	1,666	1,356	1,046	736	2,926	2,616	2,306	1,996
Other Liabilities	2,820	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590
Total Non-Current Liabilities	11,772	14,714	10,345	15,338	32,261	49,816	46,467	50,160	48,681	44,598	40,406	36,103
Total Liabilities	75,203	88,666	84,362	89,993	104,414	123,729	120,464	125,686	125,308	122,329	119,246	116,054
Net Assets	2,595,556	2,230,973	2,236,335	2,252,267	2,286,289	2,302,698	2,318,354	2,334,913	2,352,054	2,369,066	2,386,525	2,405,883
Equity												
Accumulated Surplus	999,560	969,096	969,859	978,791	1,006,663	1,016,921	1,027,427	1,038,836	1,050,828	1,061,689	1,075,999	1,098,206
Reserves	1,595,996	1,261,877	1,266,477	1,273,477	1,279,627	1,285,777	1,290,927	1,296,077	1,301,227	1,307,377	1,310,527	1,307,677
TOTAL EQUITY	2,595,556	2,230,973	2,236,335	2,252,267	2,286,289	2,302,698	2,318,354	2,334,913	2,352,054	2,369,066	2,386,525	2,405,883

2020-21 to 2029-30 Strategic Resource Plan

Statement of Changes in Equity for the years ending 30 June 2020-24

	Total	Accumulated Public Open Space Surplus	Reserve
	\$'000	\$'000	\$'000
2019-20 Budget			
Balance at beginning of the financial year	2,577,246	970,998	1,606,248
Comprehensive result	18,310	18,310	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	10,252	10,252
Balance at end of financial year	2,595,556	999,560	1,595,996
2019-20 Forecast			
Balance at beginning of the financial year	2,219,803	962,267	1,257,536
Comprehensive result	11,170	11,170	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(4,341)	4,341
Balance at end of financial year	2,230,973	969,096	1,261,877
2020-21 Estimate			
Balance at beginning of the financial year	2,230,973	969,096	1,261,877
Comprehensive result	5,362	5,362	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(4,600)	4,600
Balance at end of financial year	2,236,335	969,859	1,266,477
2021-22 Estimate			
Balance at beginning of the financial year	2,236,335	969,859	1,266,477
Comprehensive result	15,932	15,932	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(7,000)	7,000
Balance at end of financial year	2,252,267	978,791	1,273,477
2022-23 Estimate			
Balance at beginning of the financial year	2,252,267	978,791	1,273,477
Comprehensive result	34,022	34,022	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(6,150)	6,150
Balance at end of financial year	2,286,289	1,006,663	1,279,627
2023-24 Estimate			
Balance at beginning of the financial year	2,286,289	1,006,663	1,279,627
Comprehensive result	16,409	16,409	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(6,150)	6,150
Balance at end of financial year	2,302,698	1,016,921	1,285,777

2020-21 to 2029-30 Strategic Resource Plan

Statement of Changes in Equity for the years ending 30 June 2025-30

	Total	Accumulated Public Open Space Surplus	Reserve
	\$'000	\$'000	\$'000
2024-25 Estimate			
Balance at beginning of the financial year	2,302,698	1,016,921	1,285,777
Comprehensive result	15,656	15,656	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(5,150)	5,150
Balance at end of financial year	2,318,354	1,027,427	1,290,927
2025-26 Estimate			
Balance at beginning of the financial year	2,318,354	1,027,427	1,290,927
Comprehensive result	16,559	16,559	-
Movement in provisions	-	-	-
Movement in Reserves	-	(5,150)	5,150
Balance at end of financial year	2,334,913	1,038,836	1,296,077
2026-27 Estimate			
Balance at beginning of the financial year	2,334,913	1,038,836	1,296,077
Comprehensive result	17,142	17,142	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(5,150)	5,150
Balance at end of financial year	2,352,054	1,050,828	1,301,227
2027-28 Estimate			
Balance at beginning of the financial year	2,352,054	1,050,828	1,301,227
Comprehensive result	17,011	17,011	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(6,150)	6,150
Balance at end of financial year	2,369,066	1,061,689	1,307,377
2028-29 Estimate			
Balance at beginning of the financial year	2,369,066	1,061,689	1,307,377
Comprehensive result	17,459	17,459	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	(3,150)	3,150
Balance at end of financial year	2,386,525	1,075,999	1,310,527
2029-30 Estimate			
Balance at beginning of the financial year	2,386,525	1,075,999	1,310,527
Comprehensive result	19,358	19,358	-
Movement in assets and liabilities	-	-	-
Movement in Reserves	-	2,850	2,850
Balance at end of financial year	2,405,883	1,098,206	1,307,677

Statement of Cash Flows for the ending 30 June 2020 - 2030

	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
	Inflow/ (Outflow)											
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flow from Operating Activities												
Rates Revenue	96,679	94,745	91,663	113,176	106,718	110,360	114,106	117,640	121,270	124,999	128,829	132,762
Waste and Recycling Charges	17,489	17,488	20,292	20,741	21,156	21,579	22,011	22,451	22,900	23,358	23,825	24,302
Statutory Fees and Fines	8,546	9,674	6,252	10,561	10,772	10,988	11,208	11,432	11,660	11,894	12,131	12,374
User Fees	28,206	20,760	18,998	27,422	28,247	29,095	29,965	30,564	31,175	31,799	32,435	33,084
Other Receipts	1,557	1,694	1,729	1,892	1,892	1,892	1,892	1,892	1,892	1,892	1,892	1,892
Interest Received	2,000	1,501	1,500	1,916	1,675	1,721	1,962	2,022	1,812	1,662	1,840	2,176
Contributions - Monetary	9,000	7,497	6,600	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Grants - Operating	21,555	22,393	20,926	23,376	23,843	24,320	24,806	25,302	25,808	26,325	26,851	27,388
Grants - Capital	2,802	4,676	6,215	1,900	20,485	1,520	531	542	552	563	575	586
Employee Costs	(81,250)	(77,265)	(80,059)	(87,658)	(89,913)	(92,323)	(94,787)	(97,307)	(99,497)	(101,735)	(104,025)	(106,365)
Materials and Services	(57,625)	(59,433)	(62,162)	(61,799)	(63,051)	(63,380)	(65,305)	(65,958)	(67,346)	(68,610)	(70,632)	(71,455)
Other Payments	(5,933)	(7,630)	(6,478)	(6,456)	(6,585)	(6,459)	(6,588)	(6,720)	(6,854)	(6,991)	(7,131)	(7,274)
Net Cash provided by/(used in) Operating Activities	43,026	36,099	25,478	54,072	64,241	48,314	48,801	50,860	52,375	54,156	55,591	58,470
Cash Flow from Investing Activities												
Proceeds from Sale of Property, Infrastructure, Plant & Equipment	460	526	460	300	300	300	300	300	300	300	300	300
Payments for Property, Infrastructure, Plant & Equipment	(46,056)	(40,178)	(40,678)	(41,715)	(98,220)	(64,424)	(36,383)	(51,825)	(54,327)	(54,108)	(44,603)	(42,235)
Net Cash provided by/(used in) Investing Activities	(45,596)	(39,653)	(40,218)	(41,415)	(97,920)	(64,124)	(36,083)	(51,525)	(54,027)	(53,808)	(44,303)	(41,935)
Cash Flow from Financing Activities												
Proceeds from Borrowings	-	-	-	10,000	20,000	22,000	-	8,000	-	-	-	-
Repayment of Borrowings	(3,571)	(3,553)	(3,669)	(3,788)	(5,498)	(2,874)	(2,956)	(3,468)	(3,567)	(3,669)	(3,774)	(3,882)
Finance Costs	(439)	(439)	(330)	(189)	(850)	(1,386)	(1,305)	(1,457)	(1,358)	(1,256)	(1,151)	(1,043)
Interest paid - lease liability	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of lease liabilities	-	(834)	(812)	(755)	(757)	(413)	(415)	(418)	(420)	(422)	(424)	(426)
Net Cash provided by/(used in) Financing Activities	(4,010)	(4,826)	(4,810)	5,268	12,895	17,326	(4,676)	2,657	(5,345)	(5,347)	(5,349)	(5,351)
Net Increase/(Decrease) in Cash held	(6,580)	(8,380)	(19,550)	17,925	(20,784)	1,516	8,042	1,993	(6,997)	(4,999)	5,939	11,184
Cash and Cash Equivalents at the Beginning of the Financial Year	82,705	86,484	78,104	58,554	76,479	55,695	57,211	65,253	67,246	60,249	55,250	61,190
Cash and Cash Equivalents at End of Year	76,125	78,104	58,554	76,479	55,695	57,211	65,253	67,246	60,249	55,250	61,190	72,374

Statement of Capital Works for the years ending 30 June 2020- 2030

Capital Works Area	2019-20 Budget \$'000	2019-20 Forecast \$'000	2020-21 Estimate \$'000	2021-22 Estimate \$'000	2022-23 Estimate \$'000	2023-24 Estimate \$'000	2024-25 Estimate \$'000	2025-26 Estimate \$'000	2026-27 Estimate \$'000	2027-28 Estimate \$'000	2028-29 Estimate \$'000	2029-30 Estimate \$'000
Carried forward expenditure from previous financial year	6,000	4,765	5,000	-	-	-	-	-	-	-	-	-
New Works												
Property												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	8,961	9,666	14,723	8,393	13,817	6,114	5,163	5,828	5,712	6,625	6,494	4,468
Total Property	8,961	9,666	14,723	8,393	13,817	6,114	5,163	5,828	5,712	6,625	6,494	4,468
Plant and Equipment												
Plant, Machinery and Equipment	2,492	2,492	2,226	1,473	1,528	1,697	1,574	1,594	2,686	1,627	1,794	1,794
Computers and Telecommunications	2,036	2,036	1,512	1,399	1,427	1,456	1,485	1,515	1,545	1,576	1,608	1,640
Library Books and Materials	910	910	699	1,428	928	947	966	1,985	985	1,005	1,025	1,045
Other Plant & Equipment	1,235	1,284	655	962	1,423	857	863	869	876	1,501	2,889	1,236
Total Plant and Equipment	6,674	6,723	5,092	5,263	5,307	4,957	4,888	5,963	6,092	5,709	7,315	5,715
Infrastructure												
Roads	7,066	6,758	4,229	8,221	9,008	8,469	9,297	8,765	9,597	9,071	9,908	9,389
Footpaths	2,385	2,385	2,225	2,105	2,147	2,190	2,234	2,279	2,324	2,371	2,418	2,466
Drainage	3,400	3,400	3,898	3,864	3,942	4,020	4,101	4,183	4,266	4,352	4,439	4,528
Open Space and Recreation	8,388	8,299	1,792	8,623	34,950	23,904	8,651	7,558	8,786	8,331	10,879	15,619
Car Parks	850	850	41	2,200	27,000	8,820	-	50	300	300	-	-
Streetscape Works	2,332	2,332	3,678	3,045	2,050	5,950	2,050	17,200	17,250	17,350	3,150	50
Total Infrastructure	24,421	24,024	15,863	28,058	79,096	53,353	26,332	40,034	42,523	41,774	30,794	32,052
Total New Works	40,056	40,413	35,678	41,715	98,220	64,424	36,383	51,825	54,327	54,108	44,603	42,235
Carried forward projects to the next financial year	-	(5,000)	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure (including carry forwards)	46,056	40,178	40,678	41,715	98,220	64,424	36,383	51,825	54,327	54,108	44,603	42,235

Statement of Capital Works for the years ending 30 June 2020- 2030

Capital Works Area	2019-20 Budget \$'000	2019-20 Forecast \$'000	2020-21 Estimate \$'000	2021-22 Estimate \$'000	2022-23 Estimate \$'000	2023-24 Estimate \$'000	2024-25 Estimate \$'000	2025-26 Estimate \$'000	2026-27 Estimate \$'000	2027-28 Estimate \$'000	2028-29 Estimate \$'000	2029-30 Estimate \$'000
Total Capital Expenditure	46,056	40,178	40,678	41,715	98,220	64,424	36,383	51,825	54,327	54,108	44,603	42,235
Represented by:												
Asset Renewal Expenditure	18,129	15,495	14,253	19,077	20,325	20,323	20,519	19,918	20,742	21,932	23,202	24,092
Asset Upgrade Expenditure	16,116	14,872	14,341	14,816	55,828	32,747	10,154	19,031	20,274	19,490	14,845	14,153
Asset Expansion Expenditure	1,936	1,936	3,535	5,662	18,169	9,554	3,110	10,677	10,632	10,808	3,457	2,034
Asset New Expenditure	9,875	7,875	8,550	2,160	3,898	1,800	2,600	2,199	2,679	1,877	3,099	1,957
Total Capital Expenditure	46,056	40,178	40,678	41,715	98,220	64,424	36,383	51,825	54,327	54,108	44,603	42,235
Funding sources represented by:												
Grants	4,600	4,676	6,215	1,900	20,485	1,520	531	542	552	563	575	586
Council Cash	41,456	35,502	34,463	29,814	57,735	40,904	35,852	43,283	53,775	53,544	44,028	41,649
Borrowings	-	-	-	10,000	20,000	22,000	-	8,000	-	-	-	-
Total Capital Funding	46,056	40,178	40,678	41,715	98,220	64,424	36,383	51,825	54,327	54,108	44,603	42,235

Statement of Human Resources - Staff Expenditure for the years ending 30 June 2020 - 2030

Description	2019-20 Budget	2019-20 Forecast	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff Expenditure												
Community Wellbeing												
Permanent Full-time	12,346	12,184	11,699	12,663	12,900	13,246	13,600	13,962	14,276	14,597	14,925	15,261
Permanent Part-time	21,830	21,397	22,674	23,910	24,554	25,212	25,885	26,573	27,171	27,783	28,408	29,047
Total Community Wellbeing	34,175	33,580	34,374	36,574	37,454	38,458	39,485	40,535	41,447	42,379	43,333	44,308
Environment and Infrastructure												
Permanent Full-time	14,169	14,289	15,171	15,671	16,093	16,524	16,965	17,416	17,808	18,209	18,618	19,037
Permanent Part-time	587	627	418	431	442	454	466	478	489	500	512	523
Total Environment and Infrastructure	14,756	14,916	15,590	16,101	16,535	16,978	17,431	17,895	18,297	18,709	19,130	19,560
Planning and Place												
Permanent Full-time	8,636	8,636	9,207	9,654	9,913	10,179	10,451	10,729	10,970	11,217	11,469	11,728
Permanent Part-time	1,696	1,696	1,703	1,753	1,800	1,848	1,898	1,948	1,992	2,037	2,083	2,129
Total Planning and Place	10,332	10,332	10,909	11,407	11,713	12,027	12,348	12,677	12,962	13,254	13,552	13,857
Corporate Services												
Permanent Full-time	8,676	8,676	8,841	9,153	9,399	9,651	9,909	10,172	10,401	10,635	10,875	11,119
Permanent Part-time	1,210	1,210	1,566	1,612	1,655	1,700	1,745	1,792	1,832	1,873	1,915	1,958
Total Corporate Services	9,886	9,886	10,406	10,765	11,055	11,351	11,654	11,964	12,233	12,508	12,790	13,078
City Management												
Permanent Full-time	3,324	3,324	3,247	3,374	3,464	3,557	3,652	3,749	3,834	3,920	4,008	4,098
Permanent Part-time	106	106	761	784	805	827	849	871	891	911	931	952
Total City Management	3,430	3,430	4,008	4,158	4,269	4,384	4,501	4,621	4,724	4,831	4,939	5,051
Total Permanent Staff Expenditure	72,580	72,145	75,287	79,004	81,026	83,198	85,419	87,691	89,664	91,682	93,744	95,854
Casuals and Other Expenditure	11,146	7,953	7,786	11,757	12,073	12,397	12,728	13,067	13,361	13,661	13,969	14,283
Capitalised Labour Costs	(2,476)	(2,833)	(3,014)	(3,103)	(3,186)	(3,272)	(3,360)	(3,450)	(3,528)	(3,607)	(3,688)	(3,771)
Total Expenditure	81,250	77,265	80,059	87,658	89,913	92,323	94,787	97,307	99,497	101,735	104,025	106,365

Statement of Human Resources - Staff Numbers for the years ending 30 June 2020 - 2030

Description	2019-20	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Budget	Forecast	Estimate									
	EFT Number											
Staff Expenditure												
Community Wellbeing												
Permanent Full-time	132.09	133.09	125.85	125.35	124.35	124.35	124.35	124.35	124.35	124.35	124.35	124.35
Permanent Part-time	242.94	236.04	249.61	249.61	249.61	249.61	249.61	249.61	249.61	249.61	249.61	249.61
Total Community Wellbeing	375.03	369.13	375.46	374.96	373.96							
Environment and Infrastructure												
Permanent Full-time	126.21	127.21	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00
Permanent Part-time	6.85	7.35	4.58	4.58	4.58	4.58	4.58	4.58	4.58	4.58	4.58	4.58
Total Environment and Infrastructure	133.06	134.56	136.58									
Planning and Place												
Permanent Full-time	80.00	80.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00
Permanent Part-time	19.80	19.80	18.73	18.73	18.73	18.73	18.73	18.73	18.73	18.73	18.73	18.73
Total Planning and Place	99.80	99.80	103.73									
Corporate Services												
Permanent Full-time	81.00	81.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00
Permanent Part-time	12.48	12.48	18.05	18.05	18.05	18.05	18.05	18.05	18.05	18.05	18.05	18.05
Total Corporate Services	93.48	93.48	97.05									
City Management												
Permanent Full-time	26.00	26.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Permanent Part-time	1.06	1.06	6.93	6.93	6.93	6.93	6.93	6.93	6.93	6.93	6.93	6.93
Total City Management	27.06	27.06	30.93									
Total Permanent Staff	728.43	724.03	743.75	743.25	742.25							
Casuals and Other	105.76	106.32	100.11	100.11	100.11	100.11	100.11	100.11	100.11	100.11	100.11	100.11
Capitalised Labour	26.00	26.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Total Staff	860.19	856.35	873.86	873.36	872.36							