



**Pyrenees**  
Shire Council

# Draft Financial Plan

2022-23 to 2031-32

Adopted by Council TBA

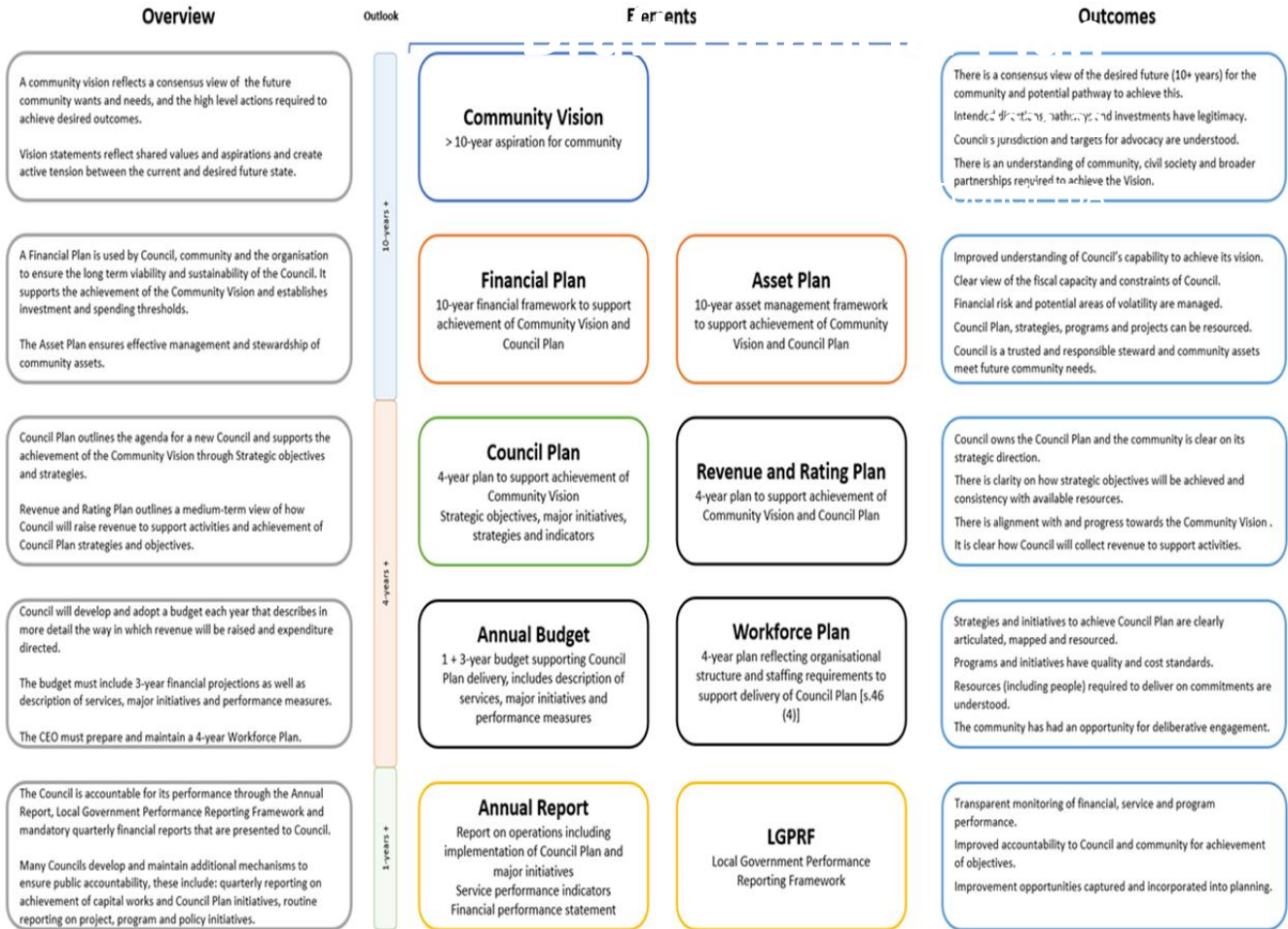
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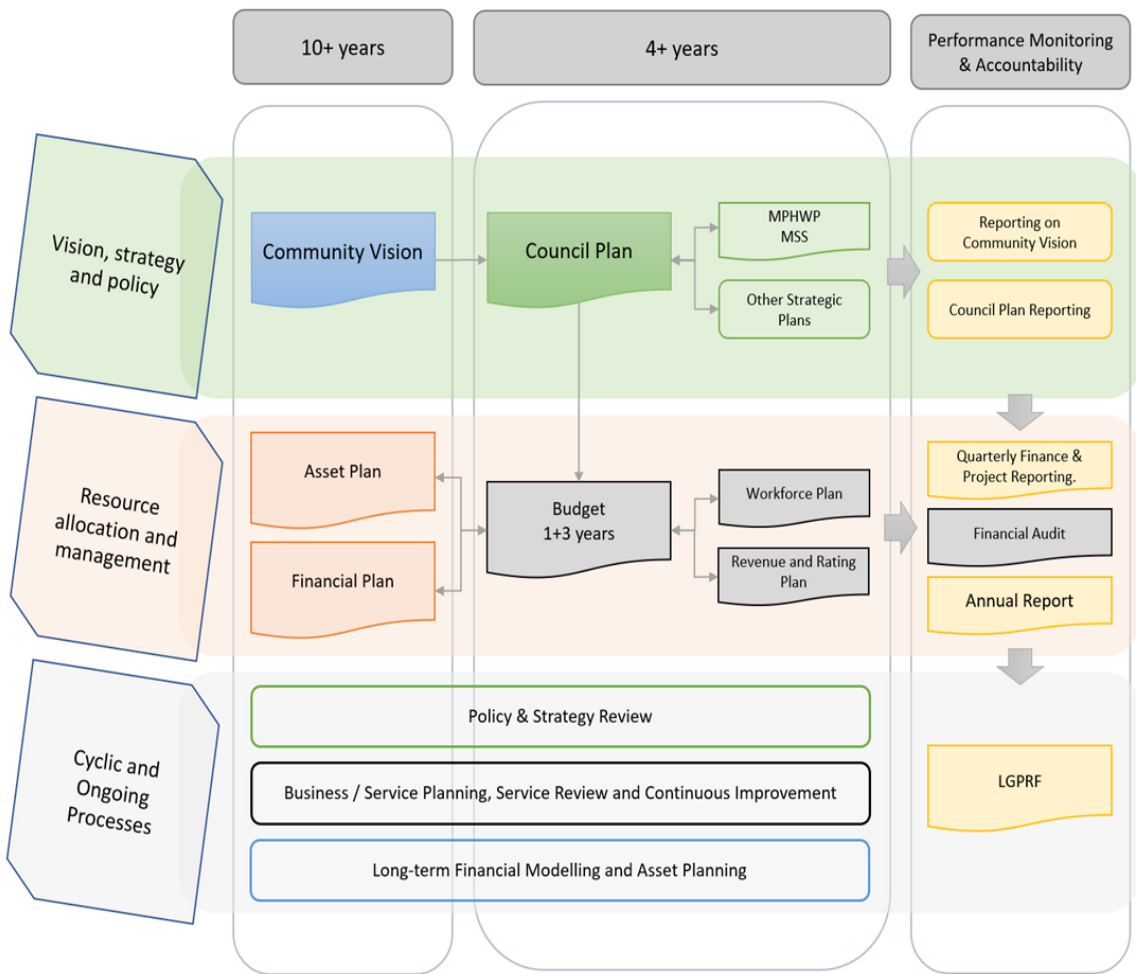
# 1. Legislative Requirements

This section describes how the Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning & Reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.



The following figure demonstrates how each element might inform or be informed by other parts of the integrated 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 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 below.
- 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 Management 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 Engagement Principles

Council has developed a comprehensive community engagement framework. Council has implemented the following consultation process to ensure due consideration and feedback is received from relevant stakeholders.

- a) Draft Financial Plan prepared by management;
- b) Draft Financial Plan placed on public exhibition at (April) Council meeting for a period of 28 day and calling for public submissions;
- c) Community engagement is conducted using local news outlets and social media;
- d) Hearing of public submissions to the Financial Plan (June);
- e) Draft Financial Plan, including any revisions, presented to (June) Council meeting for adoption.

### 1.4 Service Performance Principles

Council services are designed to be purpose, 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 regard service provision.

### 1.5 Asset Plan Integration

Integration to the Asset Plan is a key principle of the 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	Forecast											
			Actual 2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
Consistent underlying surplus results	Adjusted underlying surplus (deficit) / Adjusted underlying revenue greater than -2%	-7%	-22%	-8%	-8%	-8%	-8%	-8%	-7%	-8%	-7%	-7%	-7%	-7%
Ensure Council maintains sufficient working capital to meet its debt obligations as they fall due.	Current Assets / Current Liabilities greater than 1.00	1.00	1.02	1.07	1.05	1.07	1.09	1.06	1.05	1.10	1.15	1.21	1.29	
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 85%	85%	140%	101%	75%	74%	73%	75%	91%	74%	74%	73%	72%	
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 60%	60%	0%	5%	4%	4%	3%	3%	2%	1%	1%	0%	0%	
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 80%	80%	83%	87%	85%	87%	90%	86%	86%	90%	95%	101%	109%	

### 2.2 Strategic Actions

Following a series of community engagement activities, Council has identified the following strategic actions that will support the aspirations of the Council Plan.

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.

- Prepare for emergencies and ensure community safety
- Support a vibrant community arts, culture, and heritage environment
- Improve accessibility and inclusivity
- Promote health, wellbeing, engagement, and connection
- Improve social outcomes
- Sustain and enhance unique character of our communities
- Support community sustainability
- Enhance liveability of our communities
- Promote responsible development
- Lead and promote environmental sustainability
- Foster a climate change resilient community
- Encourage community care of biodiversity and natural values
- Improve waste management to reduce harm to the environment
- Support our local businesses and help to strengthen key industries
- Invest in road infrastructure to improve connectivity for commerce and community
- Advocate for and invest in assets and infrastructure to support industry sustainability

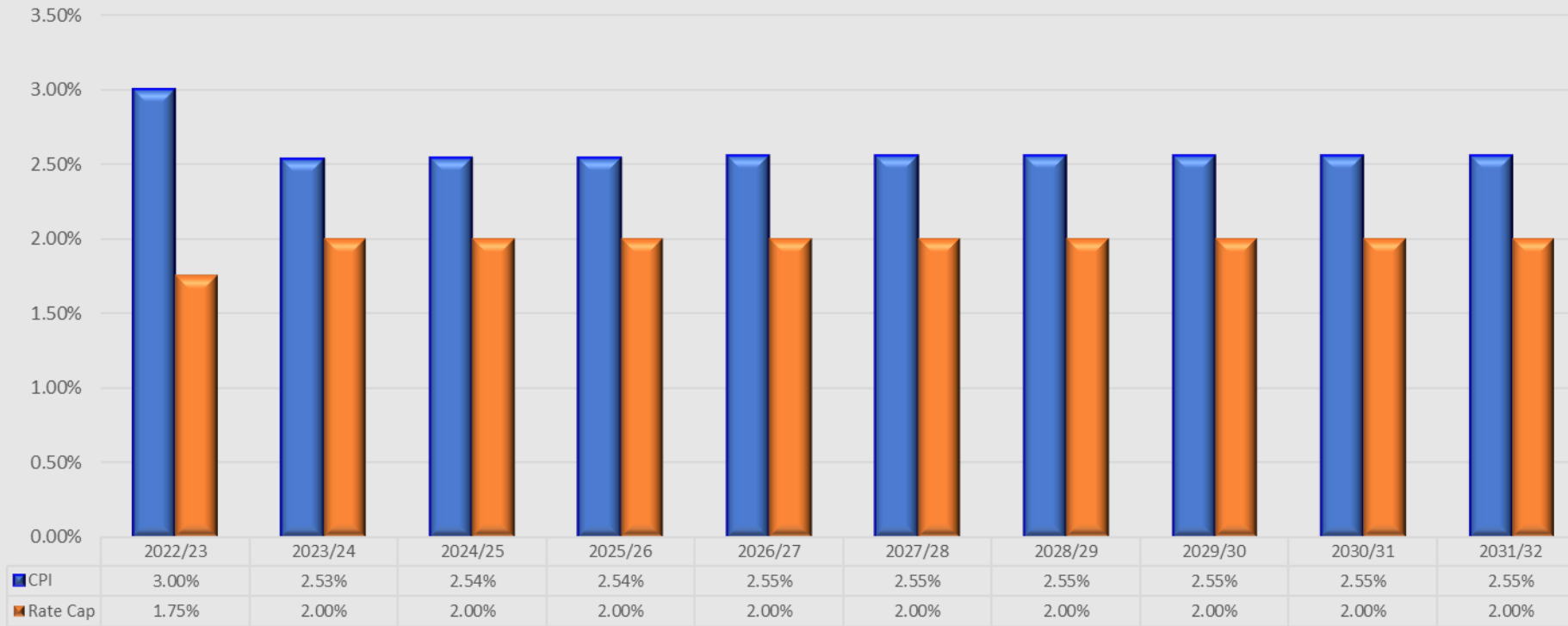
### 2.3 Assumptions to the financial plan statements

This section presents information regarding the assumptions to the Comprehensive Income Statement for the 10 years from 2022/23 to 2031/32. The assumptions comprise the annual escalations, movement for each line item of the Comprehensive Income Statement.

Escalation Factors	% movement	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CPI		3.00%	2.53%	2.54%	2.54%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%
Rate Cap		1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Growth		0.90%	0.95%	0.95%	0.95%	0.95%	1.05%	1.05%	1.05%	1.05%	1.05%
<b>Income:</b>											
Rates and charges		1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Statutory fees and fines		1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
User fees		1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Grants - Operating		1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Grants - Capital		Linked to identified projects									
Contributions - monetary											
Contributions - non-monetary											
Net gain on disposal of property, infrastructure, plant and equipment											
Other income		1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Increase in grant funding		0	0	0	0	0	0	0	0	0	0
<b>Expenditure:</b>											
Employee costs		2.70%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%
Employee Cost as % of Rate Cap		100.00%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Materials and services		3.00%	2.53%	2.54%	2.54%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%
Depreciation & Amortisation		3.00%	2.53%	2.54%	2.54%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%
Doubtful Debts		1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other expenses		2.50%	2.53%	2.54%	2.54%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%
<b>Capital:</b>											
Capital Expenses		0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Capital Expenses-Waste Charge		3.00%	2.53%	2.54%	2.54%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%
<b>Borrowings:</b>		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
New Borrowings		650	0	0	0	0	0	0	0	0	0
<b>Adjustments</b>		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Rate Debt Growth		0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%



### Rate Cap v's Inflation



The most significant factor in structuring Council’s 10 year Financial Plan is the variation between the expected inflation levels and the expected Rate Cap levels. At this stage it is expected that there will be a negative gap between inflation and the ability of the Council to match the inflation increase with increases in revenue due the State Governments Rate Capping policy.

### 2.3.1 Rates and charges

Base rate revenue will increase by 1.75% for the 2022/23 year, based on the state government rate cap, with estimated future annual increases of 2.0% per annum for the ensuing years of the long term financial plan. In addition, it is expected that during the 2022/23 year a further increase of 0.95% per annum will be received for growth (additional properties) as a result of supplementary rates.

Waste charges are proposed to remain at the 2021/22 levels in order to defray the total costs of waste management incurred across the municipal district. Future years waste charges are estimated to increase in line with the growth % increase to ensure Council continues to recover the full costs of providing waste services.

### 2.3.2 Statutory fees and fines

The Financial Plan indexes statutory fees, set by legislation, according on the estimated rate cap set by the state government. This is often a best case scenario given some fees are outside of the control by Council and therefore, may be subject to variations.

### 2.3.3 User fees

Revenue from user fees is expected to increase by 51% for the 2022/23 year. Details of user fees for the 2022/23 budget year can be found in Council's schedule of Fees and Charges that is adopted in conjunction with the budget.

Revenue increases for the ensuing years are based on a conservative annual rate of 2.0% to reflect, annual increases in line with the state government rate cap.

### 2.3.4 Grants

Council currently receives grants for tied (specific purpose grants) and un-tied Financial Assistance grant funding received via the Victorian Local Government Grants Commission (VLGGC). Operating grants are expected to increase on an annual basis equivalent to the state government rate cap.

### 2.3.5 Contributions

Council receives contributions from community groups. These contributions represent funds to enable Council to provide specific projects for those community groups. The contributions are for specific purposes and require Council to outlay funds to fund the remaining balance of the project.

### 2.3.6 Other income

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

### 2.3.7 Employee costs

The 2022/23 year includes a 2.0% increase for employee costs that mainly reflects the salary increase for all staff pursuant to the Enterprise Bargaining Agreement as well as a further 0.7% to fund additional increases for those staff that move within the Band structure of the award.

The ensuing years, from 2023/24 to 2031/32, reflect annual increases of 80% of the rate cap per annum to provide for annual EBA increases, a further 0.7% increase is allowed for Band creep within the award.

### **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 more governed by market forces based on availability than CPI.

Council's payments to family day carers are also included under this category. Other associated costs included under this category are utilities, materials for the supply of meals on wheels and consumable items for a range of services. Council also utilises external expertise on a range of matters, including legal services and audit. These costs are kept to within CPI levels year on year.

### **2.3.9 Depreciation**

Depreciation estimates have been based on the projected capital spending contained within this LTFS document. Depreciation has been further increased by the indexing of the replacement cost of Council's fixed assets.

### **2.3.10 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 include administration costs such as Councillor allowances, election costs, sponsorships, partnerships, community grants, lease expenditure, fire services property levy, audit costs and other costs associated with the day to day running of Council.

### 3. Financial Plan Statements

This section presents information regarding the Financial Plan Statements for the 10 years 2022/23 to 2031/32.

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

### 3.1 Comprehensive Income Statement

	Forecast / Actual										
	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	2031/32 \$'000
<b>Income</b>											
Rates and charges	12,497	12,818	13,196	13,585	13,986	14,399	14,838	15,291	15,757	16,238	16,733
Statutory fees and fines	231	248	253	258	263	268	273	278	284	290	296
User fees	846	866	883	901	919	937	956	975	995	1,015	1,035
Grants - Operating	5,350	7,321	7,467	7,616	7,768	7,923	8,081	8,243	8,408	8,576	8,748
Grants - Capital	5,926	3,805	1,395	1,395	1,395	2,846	2,395	1,500	1,500	1,500	1,500
Contributions - monetary	281	-	-	-	-	50	-	-	-	-	-
Contributions - non-monetary	-	-	-	-	-	-	-	-	-	-	-
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	3,093	-	-	-	-	-	-	-	-	-	-
Other income	300	120	122	124	126	129	132	135	138	141	144
<b>Total income</b>	<b>28,524</b>	<b>25,178</b>	<b>23,316</b>	<b>23,879</b>	<b>24,457</b>	<b>26,552</b>	<b>26,675</b>	<b>26,422</b>	<b>27,082</b>	<b>27,760</b>	<b>28,456</b>
<b>Expenses</b>											
Employee costs	9,386	9,382	9,598	9,819	10,044	10,275	10,512	10,753	11,001	11,254	11,513
Materials and services	9,339	8,111	8,251	8,460	8,649	8,869	9,096	9,328	9,565	9,809	10,059
Depreciation	6,471	6,697	6,866	7,041	7,220	7,404	7,593	7,786	7,985	8,188	8,397
Amortisation - intangible assets	-	-	-	-	-	-	-	-	-	-	-
Amortisation - right of use assets	13	13	13	13	13	13	13	13	13	13	13
Bad and doubtful debts	30	31	32	32	33	34	34	35	36	36	37
Borrowing costs	-	16	33	29	26	23	19	15	11	7	2
Finance Costs - leases	6	6	6	6	6	6	6	6	6	6	6
Other expenses	265	268	275	282	289	296	304	312	320	328	336
<b>Total expenses</b>	<b>25,510</b>	<b>24,524</b>	<b>25,073</b>	<b>25,681</b>	<b>26,280</b>	<b>26,920</b>	<b>27,576</b>	<b>28,248</b>	<b>28,936</b>	<b>29,641</b>	<b>30,364</b>
<b>Surplus/(deficit) for the year</b>	<b>3,014</b>	<b>654</b>	<b>(1,757)</b>	<b>(1,802)</b>	<b>(1,823)</b>	<b>(368)</b>	<b>(901)</b>	<b>(1,826)</b>	<b>(1,854)</b>	<b>(1,881)</b>	<b>(1,908)</b>
<b>Other comprehensive income</b>											
Net asset revaluation increment /(decrement)	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive result</b>	<b>3,014</b>	<b>654</b>	<b>(1,757)</b>	<b>(1,802)</b>	<b>(1,823)</b>	<b>(368)</b>	<b>(901)</b>	<b>(1,826)</b>	<b>(1,854)</b>	<b>(1,881)</b>	<b>(1,908)</b>

### 3.2 Balance Sheet

	Forecast /										
	Actual										
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>											
<b>Current assets</b>											
Cash and cash equivalents	6,877	7,390	7,308	7,526	7,825	7,641	7,694	8,127	8,643	9,244	9,982
Trade and other receivables	1,006	1,019	1,032	1,046	1,060	1,074	1,089	1,104	1,120	1,136	1,153
Inventories	4	4	4	4	4	4	4	4	4	4	4
Other assets	166	166	166	166	166	166	166	166	166	166	166
<b>Total current assets</b>	<b>8,053</b>	<b>8,579</b>	<b>8,510</b>	<b>8,742</b>	<b>9,055</b>	<b>8,885</b>	<b>8,953</b>	<b>9,401</b>	<b>9,933</b>	<b>10,550</b>	<b>11,305</b>
<b>Non-current assets</b>											
Trade and other receivables	33	33	33	33	33	33	33	33	33	33	33
Property, infrastructure, plant & equipment	252,779	253,595	251,905	249,866	247,724	247,518	246,540	244,252	241,853	239,337	236,703
Right-of-use assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total non-current assets</b>	<b>252,812</b>	<b>253,628</b>	<b>251,938</b>	<b>249,899</b>	<b>247,757</b>	<b>247,551</b>	<b>246,573</b>	<b>244,285</b>	<b>241,886</b>	<b>239,370</b>	<b>236,736</b>
<b>Total assets</b>	<b>260,865</b>	<b>262,207</b>	<b>260,448</b>	<b>258,641</b>	<b>256,812</b>	<b>256,436</b>	<b>255,525</b>	<b>253,687</b>	<b>251,819</b>	<b>249,921</b>	<b>248,041</b>
<b>Liabilities</b>											
<b>Current liabilities</b>											
Trade and other payables	5,031	5,031	5,031	5,031	5,031	5,031	5,031	5,031	5,031	5,031	5,031
Trust funds and deposits	374	374	374	374	374	374	374	374	374	374	374
Provisions	2,457	2,523	2,581	2,640	2,701	2,763	2,827	2,892	2,959	3,027	3,097
Interest-bearing liabilities	-	63	66	70	73	77	81	85	89	46	-
Lease liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>7,862</b>	<b>7,991</b>	<b>8,052</b>	<b>8,115</b>	<b>8,179</b>	<b>8,245</b>	<b>8,313</b>	<b>8,382</b>	<b>8,453</b>	<b>8,478</b>	<b>8,502</b>
<b>Non-current liabilities</b>											
Provisions	132	136	139	142	145	148	151	154	158	162	166
Interest-bearing liabilities	-	555	489	419	346	269	188	103	14	32	32
Lease liabilities	17	17	17	17	17	17	17	17	17	17	17
<b>Total non-current liabilities</b>	<b>149</b>	<b>708</b>	<b>645</b>	<b>578</b>	<b>508</b>	<b>434</b>	<b>356</b>	<b>274</b>	<b>189</b>	<b>147</b>	<b>151</b>
<b>Total liabilities</b>	<b>8,011</b>	<b>8,699</b>	<b>8,697</b>	<b>8,693</b>	<b>8,687</b>	<b>8,679</b>	<b>8,669</b>	<b>8,656</b>	<b>8,642</b>	<b>8,625</b>	<b>8,653</b>
<b>Net assets</b>	<b>252,854</b>	<b>253,508</b>	<b>251,751</b>	<b>249,948</b>	<b>248,126</b>	<b>247,758</b>	<b>246,857</b>	<b>245,031</b>	<b>243,177</b>	<b>241,296</b>	<b>239,388</b>
<b>Equity</b>											
Accumulated surplus	97,215	97,869	96,112	94,309	92,487	92,119	91,218	89,392	87,538	85,657	83,749
Reserves	155,639	155,639	155,639	155,639	155,639	155,639	155,639	155,639	155,639	155,639	155,639
<b>Total equity</b>	<b>252,854</b>	<b>253,508</b>	<b>251,751</b>	<b>249,948</b>	<b>248,126</b>	<b>247,758</b>	<b>246,857</b>	<b>245,031</b>	<b>243,177</b>	<b>241,296</b>	<b>239,388</b>



### 3.3 Statement of Changes in Equity

	Total	Accumulate	Revaluation	Other
	\$'000	d Surplus	Reserve	Reserves
	\$'000	\$'000	\$'000	\$'000
<b>2022 Forecast Actual</b>				
Balance at beginning of the financial year	249,840	94,201	155,630	9
Surplus/(deficit) for the year	3,014	3,014	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to/from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>252,854</b>	<b>97,215</b>	<b>155,630</b>	<b>9</b>
<b>2023</b>				
Balance at beginning of the financial year	252,854	97,215	155,630	9
Surplus/(deficit) for the year	654	654	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to/from other reserves	-	-	-	-
<b>Transfers from other reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at end of the financial year</b>	<b>253,508</b>	<b>97,869</b>	<b>155,630</b>	<b>9</b>
<b>2024</b>				
Balance at beginning of the financial year	253,508	97,869	155,630	9
Surplus/(deficit) for the year	- 1,757	- 1,757	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to/from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>251,751</b>	<b>96,112</b>	<b>155,630</b>	<b>9</b>
<b>2025</b>				
Balance at beginning of the financial year	251,751	96,112	155,630	9
Surplus/(deficit) for the year	- 1,802	- 1,802	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to/from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>249,948</b>	<b>94,309</b>	<b>155,630</b>	<b>9</b>
<b>2026</b>				
Balance at beginning of the financial year	249,948	94,309	155,630	9
Surplus/(deficit) for the year	- 1,823	- 1,823	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to/from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>248,126</b>	<b>92,487</b>	<b>155,630</b>	<b>9</b>
<b>2027</b>				
Balance at beginning of the financial year	248,126	92,487	155,630	9
Surplus/(deficit) for the year	- 368	- 368	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to/from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>247,758</b>	<b>92,119</b>	<b>155,630</b>	<b>9</b>
<b>2028</b>				
Balance at beginning of the financial year	247,758	92,119	155,630	9
Surplus/(deficit) for the year	- 901	- 901	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to/from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>246,857</b>	<b>91,218</b>	<b>155,630</b>	<b>9</b>

## Statement of Changes in Equity (cont.)

	Total	Accumulate	Revaluation	Other
	\$'000	d Surplus	Reserve	Reserves
	\$'000	\$'000	\$'000	\$'000
<b>2029</b>				
Balance at beginning of the financial year	246,857	91,218	155,630	9
Surplus/(deficit) for the year	- 1,826	- 1,826	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>245,031</b>	<b>89,392</b>	<b>155,630</b>	<b>9</b>
<b>2030</b>				
Balance at beginning of the financial year	245,031	89,392	155,630	9
Surplus/(deficit) for the year	- 1,854	- 1,854	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>243,177</b>	<b>87,538</b>	<b>155,630</b>	<b>9</b>
<b>2031</b>				
Balance at beginning of the financial year	243,177	87,538	155,630	9
Surplus/(deficit) for the year	- 1,881	- 1,881	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>241,296</b>	<b>85,657</b>	<b>155,630</b>	<b>9</b>
<b>2032</b>				
Balance at beginning of the financial year	241,296	85,657	155,630	9
Surplus/(deficit) for the year	- 1,908	- 1,908	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Transfers from other reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>239,388</b>	<b>83,749</b>	<b>155,630</b>	<b>9</b>

### 3.4 Statement of Cash Flows

	Forecast / Actual										
	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	2031/32 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>											
Rates and service charges	12,485	12,805	13,183	13,571	13,972	14,385	14,823	15,276	15,741	16,222	16,716
Statutory fees and fines	231	248	253	258	263	268	273	278	284	290	296
User charges	898	919	937	956	975	994	1,014	1,034	1,055	1,077	1,098
Grants - operating	5,350	7,321	7,467	7,616	7,768	7,923	8,081	8,243	8,408	8,576	8,748
Grants - capital	5,926	3,805	1,395	1,395	1,395	2,846	2,395	1,500	1,500	1,500	1,500
Contributions - cash	281	0	0	0	0	50	0	0	0	0	0
Interest on cash invested	30	30	30	30	30	30	30	30	30	30	30
Trust funds	0	0	0	0	0	0	0	0	0	0	0
Other receipts	270	90	92	94	96	99	102	105	108	111	114
Net GST	2,435	1,527	1,307	1,309	1,334	1,576	1,539	1,449	1,481	1,513	1,546
Employee costs	(9,386)	(9,312)	(9,537)	(9,757)	(9,980)	(10,210)	(10,445)	(10,685)	(10,930)	(11,182)	(11,439)
Materials and services	(10,273)	(8,922)	(9,076)	(9,306)	(9,514)	(9,756)	(10,005)	(10,260)	(10,522)	(10,790)	(11,065)
Other payments	(292)	(295)	(302)	(310)	(318)	(326)	(334)	(343)	(351)	(360)	(370)
<b>Net cash provided by/(used in) operating activities</b>	<b>7,955</b>	<b>8,216</b>	<b>5,748</b>	<b>5,856</b>	<b>6,021</b>	<b>7,878</b>	<b>7,472</b>	<b>6,627</b>	<b>6,804</b>	<b>6,986</b>	<b>7,174</b>
<b>Cash flows from investing activities</b>											
Payments for property, infrastructure, plant and equipment	(17,118)	(8,501)	(5,930)	(5,739)	(5,822)	(8,242)	(7,600)	(6,373)	(6,468)	(6,565)	(6,664)
Proceeds from sale of property, infrastructure, plant and equipment	3,093	202	202	202	202	282	282	282	282	282	282
<b>Net cash provided by/ (used in) investing activities</b>	<b>(14,025)</b>	<b>(8,299)</b>	<b>(5,728)</b>	<b>(5,537)</b>	<b>(5,620)</b>	<b>(7,960)</b>	<b>(7,318)</b>	<b>(6,091)</b>	<b>(6,186)</b>	<b>(6,283)</b>	<b>(6,382)</b>
<b>Cash flows from financing activities</b>											
Finance costs	(6)	(22)	(39)	(35)	(32)	(29)	(25)	(21)	(17)	(13)	(8)
Proceeds from borrowings	0	650	0	0	0	0	0	0	0	0	0
Repayment of borrowings	0	(32)	(63)	(66)	(70)	(73)	(77)	(81)	(85)	(89)	(46)
<b>Net cash provided by/(used in) financing activities</b>	<b>(6)</b>	<b>596</b>	<b>(102)</b>	<b>(102)</b>	<b>(102)</b>	<b>(102)</b>	<b>(102)</b>	<b>(102)</b>	<b>(102)</b>	<b>(102)</b>	<b>(54)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(6,076)</b>	<b>513</b>	<b>(82)</b>	<b>218</b>	<b>299</b>	<b>(184)</b>	<b>53</b>	<b>434</b>	<b>516</b>	<b>601</b>	<b>738</b>
Cash and cash equivalents at the beginning of the financial year	12,953	6,877	7,390	7,308	7,526	7,825	7,641	7,694	8,127	8,643	9,244
<b>Cash and cash equivalents at the end of the financial year</b>	<b>6,877</b>	<b>7,390</b>	<b>7,308</b>	<b>7,526</b>	<b>7,825</b>	<b>7,641</b>	<b>7,694</b>	<b>8,127</b>	<b>8,643</b>	<b>9,244</b>	<b>9,982</b>

### 3.5 Statement of Capital Works

	Forecast /										
	Actual										
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>											
Land	100	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-
<b>Total land</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Buildings</b>						1,970					
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-
Building improvements	232	280	184	187	191	195	199	203	207	211	215
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-
<b>Total buildings</b>	<b>232</b>	<b>280</b>	<b>184</b>	<b>187</b>	<b>191</b>	<b>2,165</b>	<b>199</b>	<b>203</b>	<b>207</b>	<b>211</b>	<b>215</b>
<b>Total property</b>	<b>332</b>	<b>280</b>	<b>184</b>	<b>187</b>	<b>191</b>	<b>2,165</b>	<b>199</b>	<b>203</b>	<b>207</b>	<b>211</b>	<b>215</b>
<b>Plant and equipment</b>											
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Plant, machinery and equipment	797	777	793	808	825	941	960	979	999	1,019	1,039
Fixtures, fittings and furniture	38	23	23	24	24	25	25	26	26	27	27
Computers and telecommunications	152	152	155	158	161	164	167	171	174	178	181
Library books	24	24	24	25	25	26	26	27	28	28	29
<b>Total plant and equipment</b>	<b>1,011</b>	<b>976</b>	<b>995</b>	<b>1,015</b>	<b>1,035</b>	<b>1,156</b>	<b>1,178</b>	<b>1,203</b>	<b>1,227</b>	<b>1,252</b>	<b>1,276</b>
<b>Infrastructure</b>											
Roads	3,756	3,373	2,600	2,638	2,676	2,714	2,753	3,130	3,171	3,213	3,256
Bridges	2,950	646	661	667	673	681	686	738	745	751	759
Footpaths and cycleways	128	878	29	29	30	30	31	32	32	33	33
Drainage	594	779	784	539	544	549	555	282	287	293	299
Recreational, leisure and community facilities	310	745	87	88	90	142	1,450	148	151	154	157
Waste management	60	50	51	53	54	55	57	58	60	61	63
Other infrastructure	-	-	-	-	-	-	-	-	-	-	-
<b>Total infrastructure</b>	<b>7,798</b>	<b>6,471</b>	<b>4,212</b>	<b>4,014</b>	<b>4,067</b>	<b>4,171</b>	<b>5,532</b>	<b>4,388</b>	<b>4,446</b>	<b>4,505</b>	<b>4,567</b>
<b>Total capital works expenditure</b>	<b>9,141</b>	<b>7,727</b>	<b>5,391</b>	<b>5,216</b>	<b>5,293</b>	<b>7,492</b>	<b>6,909</b>	<b>5,794</b>	<b>5,880</b>	<b>5,968</b>	<b>6,058</b>
<b>Represented by:</b>											
New asset expenditure	106	956	256	6	6	1,976	7	7	7	7	7
Asset renewal expenditure	8,279	5,305	4,878	4,951	5,025	5,251	6,634	5,450	5,533	5,618	5,705
Asset expansion expenditure	-	-	-	-	-	-	-	-	-	-	-
Asset upgrade expenditure	756	1,466	257	259	262	265	268	337	340	343	346
<b>Total capital works expenditure</b>	<b>9,141</b>	<b>7,727</b>	<b>5,391</b>	<b>5,216</b>	<b>5,293</b>	<b>7,492</b>	<b>6,909</b>	<b>5,794</b>	<b>5,880</b>	<b>5,968</b>	<b>6,058</b>
Grants	4,723	3,805	1,395	1,395	1,395	2,846	2,395	1,500	1,500	1,500	1,500
Contributions	-	-	-	-	-	50	-	-	-	-	-
Council cash	4,418	3,272	3,996	3,821	3,898	4,696	4,514	4,294	4,380	4,468	4,558
Borrowings	-	650	-	-	-	-	-	-	-	-	-
<b>Total capital works expenditure</b>	<b>9,141</b>	<b>7,727</b>	<b>5,391</b>	<b>5,216</b>	<b>5,293</b>	<b>7,492</b>	<b>6,909</b>	<b>5,794</b>	<b>5,880</b>	<b>5,968</b>	<b>6,058</b>

### 3.6 Statement of Human Resources

Staff 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	2031/32 \$'000
<b>Staff expenditure</b>											
Employee costs - operating	9,386	9,382	9,598	9,819	10,044	10,275	10,512	10,753	11,001	11,254	11,513
Employee costs - capital	405	444	454	465	475	486	497	509	521	533	545
<b>Total staff expenditure</b>	<b>9,791</b>	<b>9,826</b>	<b>10,052</b>	<b>10,283</b>	<b>10,520</b>	<b>10,762</b>	<b>11,009</b>	<b>11,262</b>	<b>11,521</b>	<b>11,786</b>	<b>12,058</b>

Staff numbers	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	2031/32 FTE
<b>Staff numbers</b>											
Employees	89.11	93.11	93.11	93.11	93.11	93.11	93.11	93.11	93.11	93.11	93.11
<b>Total</b>	<b>89.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>

Department	Comprises				
	Total \$'000	Permanent		Casual \$'000	Temporary \$'000
		Full Time \$'000	Part Time \$'000		
Corporate & Community Services	4,121	2,784	1,317	20	
CEO & Council	1,093	767	326		
Assets & Development Services	4,087	4,087			
<b>Ttoal permanent staff expenditure</b>	<b>9,301</b>	<b>7,638</b>	<b>1,643</b>	<b>20</b>	<b>-</b>
Other employee related expenditure	81				
Capitalised labour costs	444				
<b>Total staff expenditure</b>	<b>9,826</b>	<b>15,276</b>	<b>3,286</b>	<b>40</b>	<b>-</b>

Department	Comprises				
	Total FTE	Permanent		Casual FTE	Temporary FTE
		Full Time FTE	Part Time FTE		
Corporate & Community Services	<b>39.40</b>	25.00	14.07	0.33	
CEO & Council	<b>8.10</b>	5.00	3.10		
Assets & Development Services	<b>45.61</b>	43.00	2.56	0.05	
<b>Ttotal staff</b>	<b>93.11</b>	<b>73.00</b>	<b>19.73</b>	<b>0.38</b>	-



### 3.7 Planned Human Resource Expenditure

Staff numbers	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	2031/32 \$'000
<b>Corporate &amp; Community Services</b>										
<b>Permanent full time</b>										
Male	983	1,005	1,028	1,052	1,076	1,101	1,126	1,152	1,179	1,206
Female	1,801	1,843	1,885	1,929	1,973	2,018	2,065	2,112	2,161	2,211
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Permanent part time</b>										
Male	19	19	20	20	21	21	22	22	23	23
Female	1,298	1,328	1,359	1,390	1,422	1,455	1,488	1,522	1,557	1,593
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,101</b>	<b>4,195</b>	<b>4,292</b>	<b>4,391</b>	<b>4,492</b>	<b>4,595</b>	<b>4,701</b>	<b>4,809</b>	<b>4,919</b>	<b>5,032</b>
<b>CEO &amp; Council</b>										
<b>Permanent full time</b>										
Male	654	669	684	700	716	732	749	767	784	802
Female	113	115	118	121	123	126	129	132	135	138
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Permanent part time</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	326	334	342	349	357	366	374	383	391	400
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,093</b>	<b>1,118</b>	<b>1,144</b>	<b>1,170</b>	<b>1,197</b>	<b>1,224</b>	<b>1,252</b>	<b>1,281</b>	<b>1,311</b>	<b>1,341</b>
<b>Assets &amp; Development Services</b>										
<b>Permanent full time</b>										
Male	3,461	3,541	3,622	3,706	3,791	3,878	3,967	4,058	4,152	4,247
Female	799	817	836	855	875	895	915	936	958	980
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Permanent part time</b>										
Male	90	92	94	96	99	101	103	106	108	111
Female	181	185	189	194	198	203	207	212	217	222
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,531</b>	<b>4,635</b>	<b>4,742</b>	<b>4,851</b>	<b>4,962</b>	<b>5,076</b>	<b>5,193</b>	<b>5,312</b>	<b>5,435</b>	<b>5,560</b>
Casual, temporary and other expenditure	102	104	106	109	111	114	116	119	122	125
<b>Total staff expenditure</b>	<b>9,826</b>	<b>10,052</b>	<b>10,283</b>	<b>10,520</b>	<b>10,762</b>	<b>11,009</b>	<b>11,262</b>	<b>11,521</b>	<b>11,786</b>	<b>12,058</b>

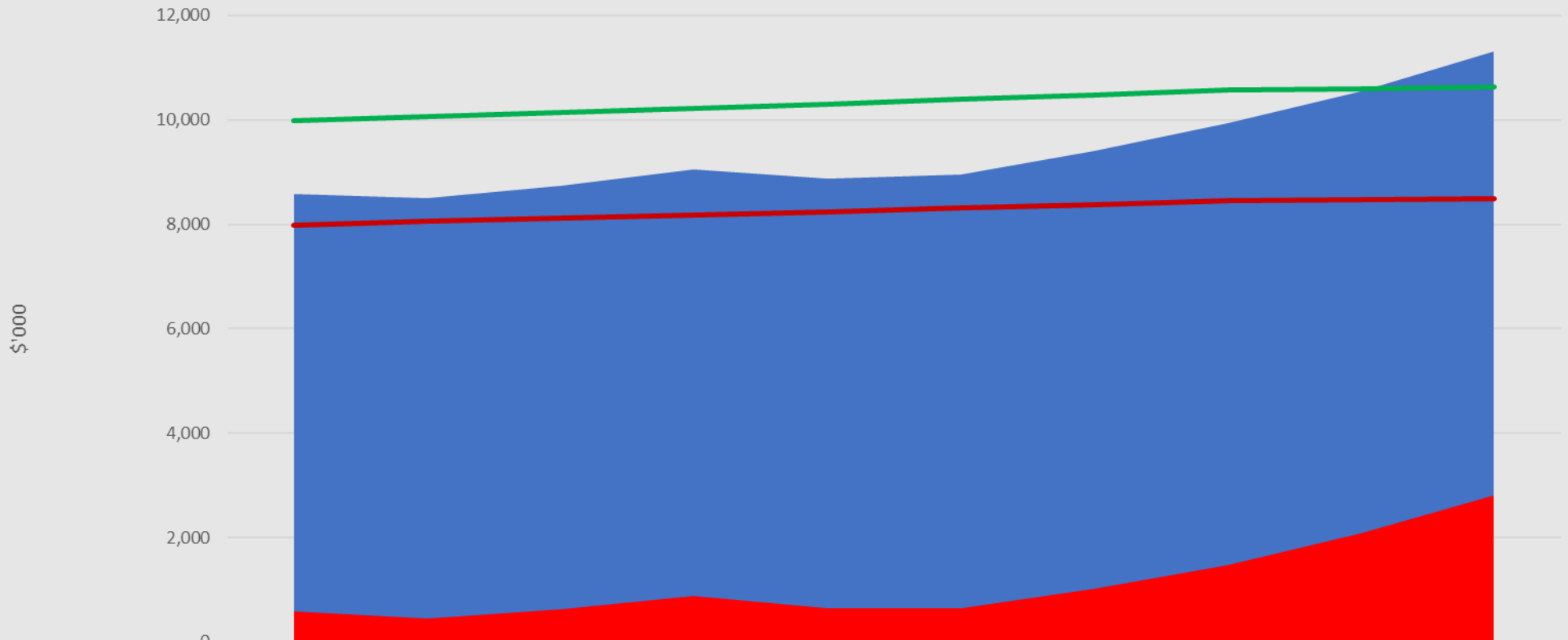
Staff numbers	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
<b>Corporate &amp; Community Services</b>										
<b>Permanent full time</b>										
Male	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Female	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Permanent part time</b>										
Male	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Female	13.83	13.83	13.83	13.83	13.83	13.83	13.83	13.83	13.83	13.83
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>
<b>CEO &amp; Council</b>										
<b>Permanent full time</b>										
Male	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Female	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Permanent part time</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>
<b>Assets &amp; Development Services</b>										
<b>Permanent full time</b>										
Male	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
Female	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Permanent part time</b>										
Male	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Female	1.76	1.76	1.76	1.76	1.76	1.76	1.76	1.76	1.76	1.76
Self-described gender	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>
Casual, temporary and other expenditure	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38
<b>Total staff numbers</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</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.

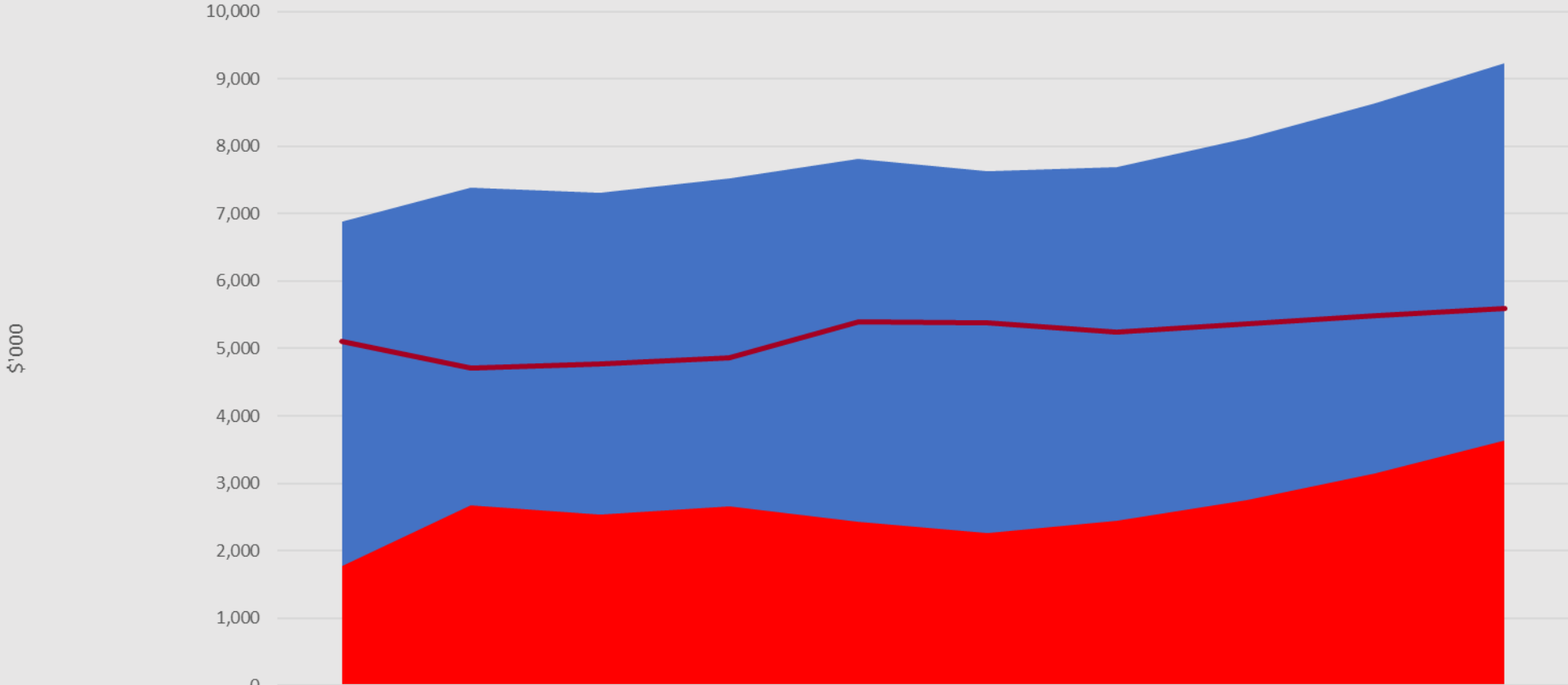
Indicator	Measure	Notes	Forecast	Budget	Projections										Trend
			Actual 2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	+ / o / -	
<b>Operating position</b>															
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue		-22.1%	-7.7%	-7.5%	-7.5%	-7.5%	-7.2%	-7.4%	-6.9%	-6.8%	-6.8%	-6.7%	+	
<b>Liquidity</b>															
Working Capital	Current assets / current liabilities		102.4%	107.4%	105.7%	107.7%	110.7%	107.8%	107.7%	112.2%	117.5%	124.4%	133.0%	+	
Unrestricted cash	Unrestricted cash / current liabilities		82.7%	87.8%	86.1%	88.1%	91.1%	88.1%	88.1%	92.5%	97.8%	104.6%	113.0%	+	
<b>Obligations</b>															
Loans and borrowings	Interest bearing loans and borrowings / rate revenue		0.0%	0.4%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%	0.3%	+	
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		0.0%	0.4%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%	0.3%	+	
Indebtedness	Non-current liabilities / own source revenue		1.1%	5.0%	4.5%	3.9%	3.3%	2.8%	2.2%	1.6%	1.1%	0.8%	0.8%	+	
Asset renewal	Asset renewal and upgrade expense / Asset depreciation		139.6%	101.1%	74.8%	74.0%	73.2%	74.5%	90.9%	74.3%	73.6%	72.8%	72.0%	-	
<b>Stability</b>															
Rates concentration	Rate revenue / adjusted underlying revenue		59.8%	56.3%	56.6%	56.9%	57.2%	57.4%	57.8%	57.9%	58.2%	58.5%	58.8%	+	
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	+	
<b>Efficiency</b>															
Expenditure level	Total expenses/ no. of property assessments		4.14	3.93	3.97	4.01	4.05	4.09	4.13	4.18	4.22	4.27	4.31	-	
Revenue level	Total rate revenue / no. of property assessments		2.03	2.05	2.09	2.12	2.15	2.19	2.22	2.26	2.30	2.34	2.38	+	
<b>Key to Forecast Trend:</b>															
+ 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															

## Working Capital



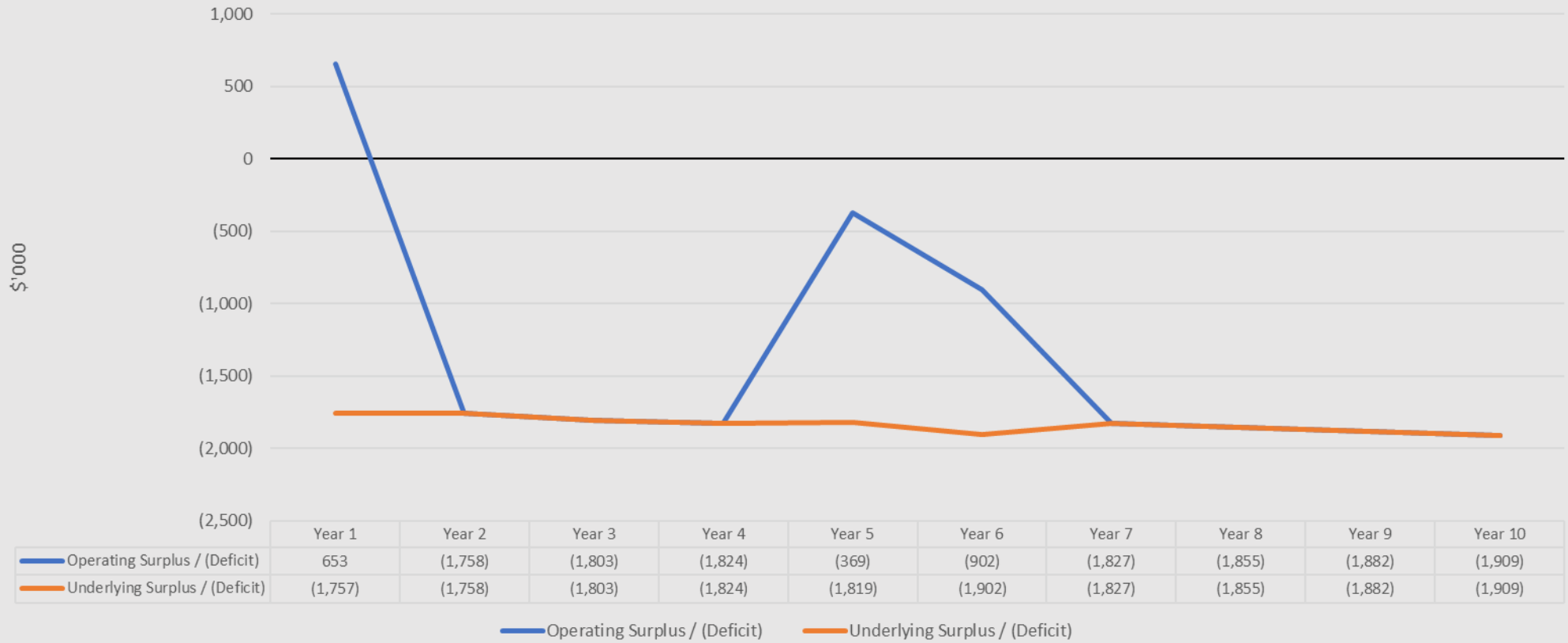
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Working Capital \$	8,579	8,510	8,742	9,055	8,885	8,953	9,401	9,933	10,550	11,305
Surplus / (Deficit)	588	458	628	876	640	640	1,020	1,480	2,073	2,803
Min Working Capital \$	7,991	8,052	8,115	8,179	8,245	8,313	8,382	8,453	8,478	8,502
Low Risk	9,989	10,066	10,143	10,224	10,306	10,391	10,477	10,566	10,597	10,628

### Cash Available compared to Cash Required



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash at beginning of period	6,877	7,389	7,306	7,523	7,821	7,636	7,688	8,120	8,635	9,235
Surplus / (Deficit) in cash held	1,769	2,672	2,537	2,655	2,422	2,260	2,439	2,757	3,154	3,633
Minimum Cash Required	5,108	4,717	4,769	4,868	5,399	5,376	5,249	5,364	5,482	5,602

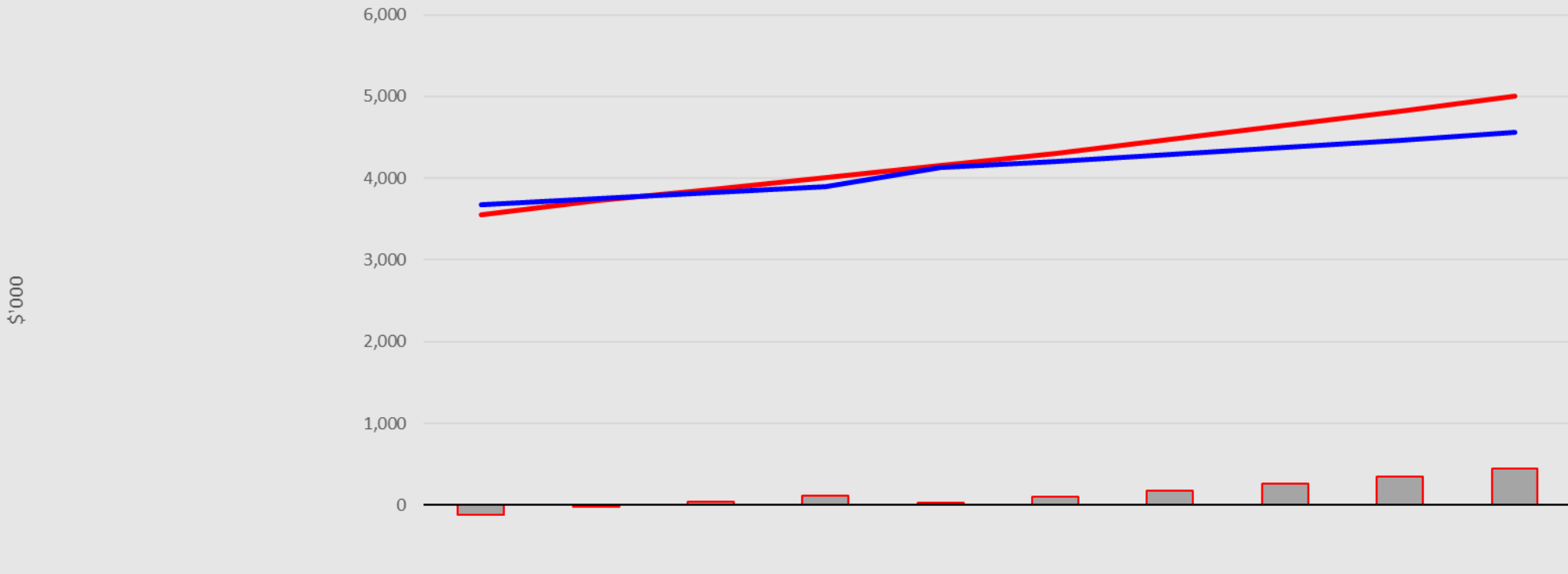
### Council Surplus / Underlying Surplus



**NB:** Due to Council’s restricted revenue raising capacity as a result of the State Governments Rate Capping policy, combined with the expected increase in inflation rates over medium period it is not possible, without severe service restrictions, to budget for a positive surplus and underlying surplus. This does mean that the Council is not financially sustainable as is evident by the budgeted working capital for this period.



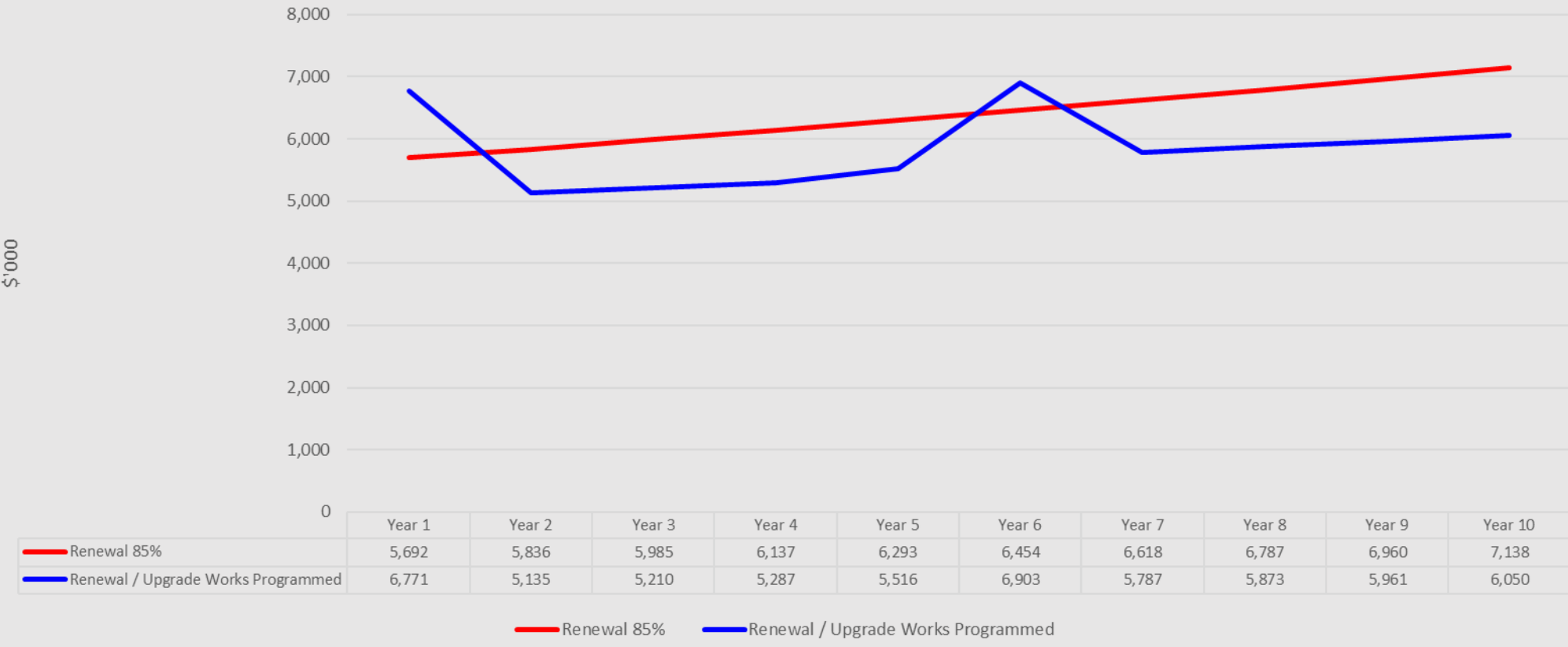
### Level of Standard Capital Works



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Surplus / (Deficit) of funds required	(115)	(20)	33	116	25	100	178	263	351	443
Funds available for Capital Works from Operations	3,558	3,726	3,855	4,014	4,152	4,309	4,472	4,643	4,819	5,001
Standard Capital Works	3,673	3,746	3,822	3,898	4,127	4,209	4,294	4,380	4,468	4,558

Council has restructured the “standard” capital works program to a level that Council’s current funding permits. This level of funding will still address the asset renewal issues that exists in the municipality whilst ensuring the financial sustainability of the Council.

### 85% Target Renewal / Upgrade Capital Works



Whilst Council has a target of funding 85% renewal of depreciation, this will not be possible each year due to the increased level of inflation which directly impacts the increases in depreciation whilst Council’s funding capacity is restricted by the State Governments “rate Capping” policy.

## 5. Strategies and Plans

### 5.1.1 Current Debt Position

The total amount borrowed as at 30 June 2022 is \$0 million.

### 5.1.2 Future Borrowing Requirements

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

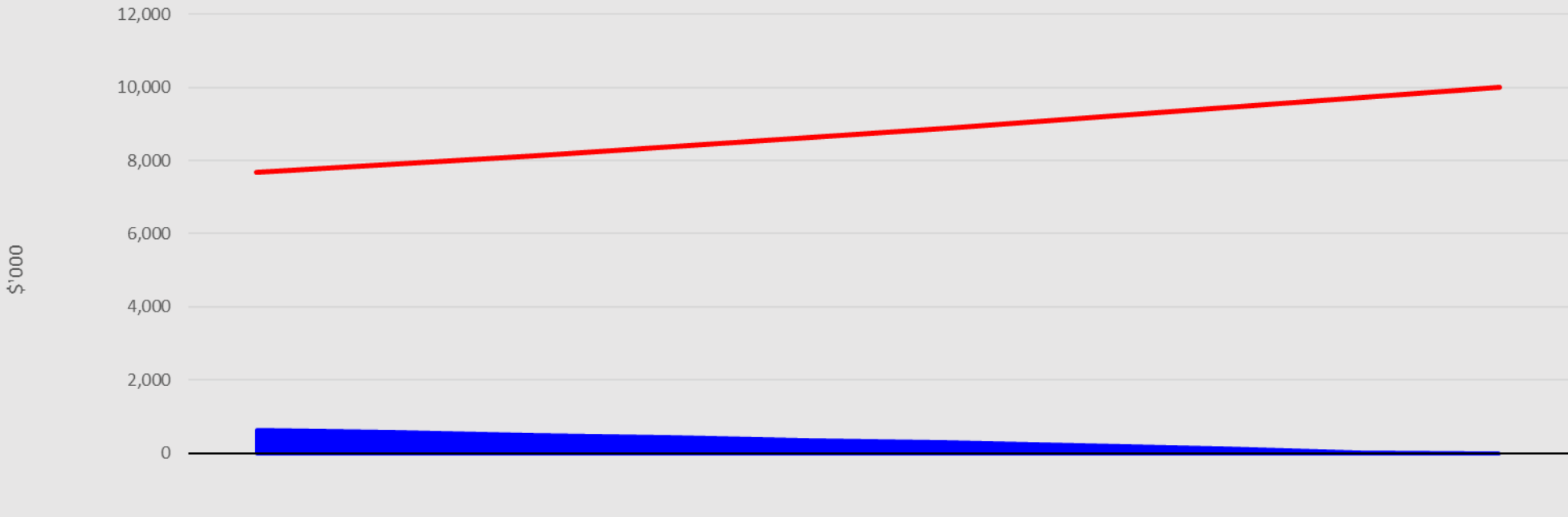
	Forecast /											
	Actual 2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	
<b>Opening Balance</b>	-	-	618	555	489	419	346	269	188	103	14	
Plus New Loans	-	650	-	-	-	-	-	-	-	-	-	
Less Principal repayment	-	32	63	66	70	73	77	81	85	89	46	
<b>Closing Balance</b>	-	<b>618</b>	<b>555</b>	<b>489</b>	<b>419</b>	<b>346</b>	<b>269</b>	<b>188</b>	<b>103</b>	<b>14</b>	<b>32</b>	
Interest Payment	-	16	33	29	26	23	19	15	11	7	2	

### 5.3.1 Performance Indicators

	Target	Forecast /										
		Actual 2021/22 %	2022/23 %	2023/24 %	2024/25 %	2025/26 %	2026/27 %	2027/28 %	2028/29 %	2029/30 %	2030/31 %	2031/32 %
Total borrowings / Rate revenue	Below 60%	0%	5%	4%	4%	3%	3%	2%	1%	1%	0%	0%
Debt servicing / Rate revenue	Below 5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Debt commitment / Rate revenue	Below 10%	0%	5%	4%	4%	3%	3%	2%	1%	1%	0%	0%
Indebtedness / Own source revenue	Below 60%	1%	5%	4%	4%	3%	3%	2%	2%	1%	1%	1%

Council maintains its loan borrowing within prudent and management limits as demonstrated by the above performance indicators. In each case Council is well within the target parameters.

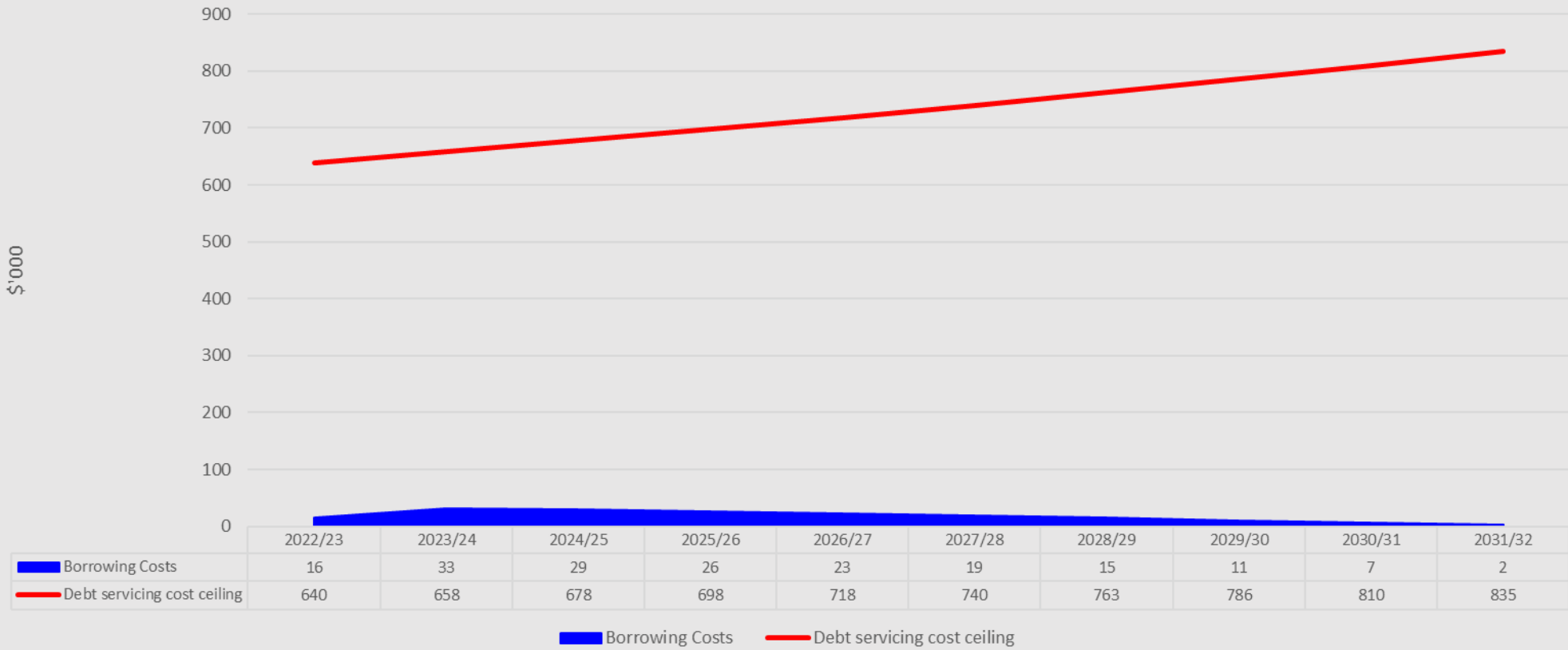
### Council Debt



	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Total Borrowings	635	572	506	436	363	286	205	120	31	(15)
Debt ceiling level	7,674	7,900	8,133	8,373	8,620	8,883	9,154	9,433	9,721	10,018

■ Total Borrowings    — Debt ceiling level

### Council Debt Servicing Costs



## 5.2 Reserves

### 5.2.1 Current Reserves

#### Recreational Land Reserve

The recreational land reserve holds funds contributed by developers for works associated with developing and improved public open space and recreational facilities within Council. Funds are contributed in accordance with Section 18 of the Subdivision Act and transfers are restricted to the purpose of creating open space such as parks, playgrounds, pavilions and other such items where it is deemed that these works should occur at a later point than the initial development. ☐ Movements - transfers to the reserve (inflows) comprise contribution income from subdividers in lieu of the 5.0% Public Open Space requirement. Transfers from the reserve (outflows) are applied to fund Open Space capital projects on an annual basis.

	Restricted	Forecast / Actual										
		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	2031/32 \$'000
<b>Opening Balance</b>		9	9	9	9	9	9	9	9	9	9	9
Transfer to reserve		-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve		-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>		<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>