

HORSHAM RURAL CITY COUNCIL

FINANCIAL PLAN

2022/23 - 2031/32



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Issue	Date	Details	By
1	October 2021	First Plan adopted by Council for 2021 to 2013	Council
2	27 June 2022	Plan extended to 2032 and updated for 2022-23 Budget	Council

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 and Reporting framework. This framework guides Horsham Rural City Council in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Budget) and then holding itself accountable (Annual Report).

The following diagram provides an overview of the core legislated elements of Council’s integrated strategic planning framework.



1.1 Strategic Planning Principles

The Financial Plan provides a 10 year financial 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:

- Council has an integrated approach to planning, monitoring and performance reporting.
- Council's Financial Plan addresses the Community Vision by funding the aspirations of the Council Plan. The Council Plan aspirations and actions are formulated in the context of the Community Vision.
- The Financial Plan statements provide the 10 year financial resources necessary to implement the strategic objectives and aspirations of the Council Plan to support the Community Vision. Under Section 91 of the Local Government Act 2020 Council must develop, adopt and keep in force a Financial Plan and it must be for a period of at least the next 10 financial years. As a result council intends to extend the plan by a further year following the yearly budget process.
- At the commencement of a new Council term a more significant review will be undertaken at some point during the first year, to align to any requirements of the newly elected council.
- 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 below.
- The Financial Plan provides for the strategic planning principles of monitoring progress and reviews to identify and adapt to changing circumstances.

1.2 Financial Management Principles

The Financial Plan demonstrates the following financial management principles:

- Revenue, expenses, assets, liabilities, investments, and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- Management of the following financial risks:
 - The financial viability of the Council.
 - The management of current and future liabilities of the Council. The estimated 10 year liabilities are disclosed in section 3.2 Balance Sheet projections.
- Financial policies and strategic plans are designed to provide financial stability and predictability to the community and give comfort re the future sustainability of Council.
- Council maintains accounts and records that explain its financial operations and financial position.

1.3 Engagement with the Community

Council has in place a community engagement policy and is undertaking engagement on the Financial Plan in accordance with that policy and the requirements of the Local Government Act 2020. The following consultation processes have occurred or will occur to ensure the community is provided with the opportunity to provide feedback and due consideration is given to that feedback:

- Community engagement occurred during the budget development process.
- A Community Panel was formed as a deliberative engagement approach with the aim to make recommendations on a question relating to the development of the Financial Plan.
- Financial Plan prepared by management after consultation with Council and consideration of the recommendations from the Community Panel.
- Financial Plan placed on public exhibition following August Council meeting for a period of 28 days and calling for feedback and submissions from the public.
- Community will be informed of the elements of the Financial Plan and encouraged to provide feedback through a broad range of local news outlets, Council's website, drop-in sessions and social media.

- Hearing of submissions to the Financial Plan will be conducted at a Council Briefing Meeting in September.
- The Financial Plan, including any revisions, will be presented to the October Council meeting for adoption.

1.4 Community Panel 2020 - Recommendations

The Community Panel was given the following question to answer:

With limited resources it is getting more expensive to provide and maintain infrastructure. All councils struggle with constantly having to balance the cost of renewing, upgrading and building new infrastructure. What approach should Council use when making decisions around renewing, upgrading, and building new infrastructure?

Recommendation: To achieve our Community Vision, in the next 10 years we would like Council to focus on building new infrastructure. The reasons for this recommendation are as follows:

- Building multipurpose facilities to meet the needs of the community, aligns with the community vision, promotes economic growth and builds Horsham into a destination.
- Building new facilities has low impact on the use of current facilities (while the build is occurring).
- Donating or selling current assets to community groups fosters a positive relationship between them and the Council.
- New buildings and infrastructure will be geared towards a digital future, with an ability to manage our new COVID world.

Council has responded to this recommendation by revising its method for prioritisation of projects in the annual budget process as follows:

- The Long Term Capex Plan (LTCP) identifies a broad range of projects proposed to be undertaken over the next 10 years.
- The sequencing of projects in that Plan over the 10 years is informed by a prioritisation process that is based on principles such as: levels of use, geographic equity, target service level and the ability for assets to be multi-use (where appropriate).
- Each year the LTCP is updated to reflect a rolling 10-year period.
- As part of the next annual review of the LTCP, the existing prioritisation framework will be updated to incorporate the recommendations of the Community Panel process.
- The first review of this will be incorporated in preparation of the 2022-23 budget process.

1.5 Service Levels and Performance

Council services are provided on a community needs and value for money basis. The service performance principles are listed below:

- Council has taken the approach that service levels should not be reduced on any of its services, however, it also acknowledges that there is a need to undertake a detailed review of services delivered on a cyclical or as needs basis.
- 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.
- Services are accessible to the relevant users within the community.
- 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.

- Council is implementing a performance monitoring framework (broader than just the LGPRF) to provide measures for all of its services and to inform continuous improvement in to the future.
- Council has a service delivery framework that considers and responds to community feedback and complaints regards service provision.

1.6 Asset Plan Integration

Integration with 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 through the effective management of Council's assets into the future.

The Asset Plan identifies the strategic and operational 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 Financial Plan by identifying the amount of capital and maintenance expenditure 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.

A key component of the Asset Plan is the Long Term Capex Plan (LTCP) which compiles the range of capital projects proposed for renewal, upgrade and new capital works over the next 10-year period. The LTCP is largely informed by two key drivers, being:

- Detailed modelling of the long-term costs of renewing assets to maintain the service levels the assets provide.
- Service strategies which identify upgrades to existing assets or projects that will create new assets to meet the changing service standards sought by the community.

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 measures that demonstrates Council's financial sustainability in order 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 result greater than 0%	> 0%	-6.7%	-2.0%	18.2%	12.9%	16.2%	10.7%	14.6%	20.2%	20.7%	8.7%	7.8%
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	2.46	2.07	2.01	1.64	1.65	1.61	1.68	1.64	1.75	1.98	2.18
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%	158.7%	116.0%	118.8%	89.6%	78.2%	69.5%	88.2%	93.9%	105.5%	113.9%	131.9%
That council seek to reduce expenditure on salaries and wages as a percentage of General Revenue (Rates plus Grants Commission)	Reduce expenditure on Salaries & Wages as a percentage of General Revenue	< 69.5%	69.5%	64.0%	62.7%	61.4%	61.9%	61.6%	61.4%	60.8%	60.4%	60.1%	59.6%
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 > 90%	> 90%	105.4%	120.4%	160.0%	127.7%	159.0%	119.6%	90.0%	99.2%	91.5%	119.3%	98.6%
Council will actively plan to construct new assets through adequate strategic planning and advocacy and by applying for government grants and setting aside a component of rate revenue for new assets in-line with recommendations from the Community Panel	\$'s allocated to new capital expenditure to remain above 30% of total capital spend.	> 30%	36.2%	31.1%	27.8%	37.9%	36.9%	32.3%	48.3%	55.1%	55.9%	11.6%	20.0%
Council will maintain overall spending on Capital plus Debt Servicing, as a percentage of General Revenue (rates plus Grants Commission)	Capital spend plus Debt Servicing as a percentage of General Revenue will not fall below 21%	> 21%	21.1%	21.3%	21.3%	21.3%	21.3%	21.3%	21.7%	22.7%	22.7%	22.7%	22.7%
That Council applies loan funding to major strategic capital and maintains total borrowings in line with rate income and growth of the municipality.	Total borrowings / rate revenue to remain below 60%	< 60%	14.5%	17.3%	23.0%	30.5%	28.9%	32.3%	32.6%	33.8%	32.8%	27.3%	25.0%
Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for new and renewal capital.	Capital Outlays as a % of Own Source Revenue to remain above 30%	> 30%	54.4%	54.9%	64.4%	59.1%	74.1%	51.5%	50.6%	62.5%	58.4%	37.9%	34.4%

Note: Measures that are shown in red text means it falls below the expected level and green text means it is above the expected level.

2.2 Strategic Actions

This section defines the strategic actions that we will do to achieve the policy statements.

Capital Works Generally

- Capital works to be budgeted so as to include sufficient project management costs to deliver the projects.
- Full lifecycle costs are included in operational budgets for all assets including new items.
- New revenue received as Revenue in Lieu of Rates, from new Energy Projects, will be applied to Capital expenditure.

New Asset Spend

- Maintain an advocacy document and a schedule of advocacy activities for each year.
- Ensure that adequate early stage project planning is allocated within Council's annual budget to provide a constant stream of shovel ready projects for future grant applications.
- Apply for grant opportunities as they arise and when they align with Council's Strategies.

Infrastructure Renewal

- Tag previous rate funding set aside for renewal spending to ensure that these dollars continue to be utilised for capital renewal work.

Reserves

- As a general rule reserve balances are to be held for all significant strategic buildings to assist in renewal and upgrade works.
- Savings from sustainability initiatives will be captured each year to assist in undertaking additional new sustainability initiatives to address climate change.
- Cash surpluses each year will be contributed to the Major Capital Projects Reserve for allocation in future years.
- The purpose for each reserve will be recorded in the Annual Budget and will be reviewed each year during the budget process.

Service Levels

- Maintain service levels at existing levels for the next 2 years to enable sufficient time to complete a full review of all service delivery areas.
- Identify service gaps.
- Over the next 2 years review service delivery costs to ensure that user charges are appropriately covering the cost of delivery for non-public good services.
- Adequate costs for the operation of new assets are to be allowed for when new assets come in to service and factored in to all future years of the financial plan.

Operational Projects

- To be budgeted so as to include sufficient project management costs to deliver the projects.
- Planning allocations for major capital works projects to be allowed for each year.
- Adequate spending on technology projects should be allowed for so as to maintain modern technological infrastructure.

Carry-forwards

- Projects with valid commitments or grant obligations will be carried forward.
- Operational projects not commenced will only be carried forward after review and approval by Executive Management Team.

2.3 Assumptions to the Financial Plan Statements

This section presents information regarding the assumptions to the Comprehensive Income Statement for the 10 years from 2021-2022 to 2030-2031. Each year these assumptions will be assessed for validity and updated accordingly.

Escalation Factors % or \$'000 movement	Note	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
CPI	2.3.1	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Rate Cap	2.3.2	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Population Growth	2.3.3	0.24%	1.05%	1.04%	1.58%	0.58%	0.90%	1.26%	1.24%	1.23%	0.25%	0.25%
Supplementary Rates	2.3.4	1.50%	33.05%	2.25%	18.82%	-22.47%	14.28%	14.52%	3.00%	3.00%	-25.64%	0.00%
Revenue in Lieu of rates	2.3.5	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	43.80%	71.57%	3.00%	3.00%	0.00%
Investment Interest Rate	2.3.6	0.50%	0.75%	1.25%	1.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Borrowing Interest Rate	2.3.7	3.97%	3.97%	4.50%	4.50%	4.50%	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%
Borrowing term (Years)	2.3.8	10	10	10	10	10	10	10	10	10	10	10
Statutory fees and fines	2.3.9	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
User fees	2.3.10	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Waste Charges	2.3.11	5.45%	7.55%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Grants - Operating	2.3.12	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Grants - Capital (\$'000)	2.3.13	\$2,644	\$8,758	\$13,206	\$6,809	\$9,522	\$6,680	\$11,776	\$16,855	\$16,435	\$7,099	\$5,737
Contributions - monetary (\$'000)	2.3.14	\$340	\$121	\$118	\$1,142	\$3,336	\$1,093	\$121	\$122	\$122	\$123	\$121
Contributions - non-monetary (\$'000)	2.3.15	\$800	\$450	\$950	\$950	\$950	\$950	\$950	\$950	\$950	\$950	\$950
Proceeds from sale of assets (\$'000)	2.3.16	\$2,386	\$2,442	\$2,618	\$2,802	\$1,940	\$1,666	\$1,016	\$1,904	\$1,740	\$1,286	\$1,065
Other income	2.3.17	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Employee costs	2.3.18	2.10%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Materials and services	2.3.19	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Utilities	2.3.20	2.50%	2.75%	3.25%	3.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Insurances	2.3.21	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Depreciation & Amortisation	2.3.22	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Other expenses	2.3.23	1.50%	1.75%	2.25%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

Notes to Assumptions

2.1.1 Consumer Price Index (CPI)

CPI estimates for the next four years are provided by the Victorian Treasury Department and the Reserve Bank of Australia, and these have been utilised. Beyond that the OECD provides estimates for Australia, however, predicting a number such as this is very uncertain. Post the Covid19 Pandemic CPI has begun to rise and is predicted to rise a bit more steeply. As a result some minor increases have been factored in for the future years.

2.1.2 Rate Cap

The Ministerial rate cap for the base year of this plan, 2022-23 is 1.75%. The Rate Cap is calculated on a mix of CPI and wage indexes but is only done each year on assessment for the coming year. Over the recent years the Rate Cap has had a strong alignment with CPI so lacking any other empirical evidence the Rate Cap has been projected out at the same levels as CPI.

2.1.3 Population Growth

Horsham Rural City Council has had very minimal growth over recent years and the Estimated Resident growth rate is forecast at approximately 0.24% per annum for the next 20 years. The growth that has occurred has been from populations moving from surrounding smaller towns in to the larger regional city. The Estimated Resident population growth is seen as the base level and for our forecast perspective we have added in some other growth events over the 10 year period. The first is a small increase each year for farm worker growth given recent trends in farm ownership and employment, mining in 2024-25 and 2027-28 and alternative energy developments in 2025-26 and 2026-27. Population growth forecasts are important as this growth leads to growth in the rate base for Council.

2.1.4 Supplementary Rates

Supplementary rates are the additional rateable property value that gets added in to the rate base each year from "new" development. Horsham has traditionally had growth of around 100 extra homes each year and this remains as the base with some additional growth associated with the population growth from the events as listed above in 2.1.3. The assumption is that for every three additional people in the population this generates one additional rateable property.

2.1.5 Revenue in Lieu of Rates

Revenue in Lieu of rates are paid under the Electricity Generation Act for alternative energy projects such as wind and solar projects. Council has one operator currently within the municipality with two new projects factored in within the 10 year period, one in 2027-28 and one in 2028-29. Council's policy with the existing windfarm was to allocate the revenue in lieu of rates 100% towards capital expenditure. This approach has been continued with these possible future projects.

2.1.6 Investment Interest Rate

In order to maximise income, Council invests unspent capital works and reserve funds into term deposits to earn interest income. Since the COVID-19 pandemic interest rates on investments have declined. Estimated interest rates are predicted at 1.0% below CPI which provides some small anticipated growth over the 10 year period.

2.1.7 Borrowing Interest Rate

Borrowing rates are sought at the time Council intend to take out a new loan and under Council's Loan Borrowing Policy they are locked in at a fixed rate for the period of the loan. Initial forecast rates are based on existing loans in place and their repayment schedules. These loans are significantly paid out from 2025-26, rates beyond that time for new borrowing have then been based on CPI plus 1%.

2.1.8 Borrowing Term (Years)

The borrowing term for all new borrowings is fixed over a 10 year period.

2.1.9 Statutory Fees and Fines

Statutory fees are set by the State Government each year, however, the Financial Plan indexes statutory fees in line with CPI. Historically fees have risen by around 2.15% which is above CPI so using CPI is likely to be a conservative approach.

2.1.10 User Fees

User Fees and Other Revenue annual increases are forecasted to be indexed in line with the state government rate cap / consumer price index.

2.1.11 Waste Charges

Waste charges are increasing on average by 5.45% in 2022-23 compared to 2021-2022 levels in order to cover the total costs of waste management services which are shifting from a two bin system to a 4 bin system from April 2023. 2023-24 charges will have a full year impact so will increase by a slightly higher amount as the costs of the new services are phased in over 2 years. Beyond 2023-24 waste charges are estimated to increase at levels aligned with CPI. Council continues to recover the full costs of providing waste services over the period of the Financial Plan. Key impacts on charges over the life of the plan include:

- The cycle of constructing new landfill cells and rehabilitating old cells as they fill at Council's Doon Landfill.
- Costs associated with the implementation of the new four-bin service model under the Victorian Government's Recycling Policy.
- Significant increases in the landfill levy (19% increase in 2022-23).

2.1.12 Grants – Operating

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). Traditionally other tiers of Government have not indexed grants in accordance with CPI but this is difficult to predict so increases have been factored in based on CPI.

2.1.13 Grants – Capital (\$'000)

Capital grants are extremely difficult to forecast and the numbers depicted in the plan are based on Council's Long-term Capital Plan (LTCP). The possible grant sources have been identified within the LTCP based on the expected political cycle, but as demonstrated recently by Covid and in the past with the Global Financial Crisis external events can drastically change the availability for grant income. The numbers depicted are ambitious in nature but are not unrealistic based on Council's experience in securing significant levels of grant funding for key projects.

A project reliant on grant income will not proceed if the grant is not obtained, unless the scope of the project can be proportionately reduced.

2.1.14 Contributions – Monetary (\$'000)

Monetary contributions are mostly related to contributions received from organisations utilising Council assets under lease and occasionally developers. These contributions represent funds to enable Council to provide the necessary infrastructure and infrastructure improvements to accommodate development growth. The contributions are for specific purposes and often require Council to outlay funds for infrastructure works often before receipt of this income source. These contributions are statutory contributions and are transferred to a restricted reserve until utilised for a specific purpose through the capital works program or delivered as works in kind by developers.

Future projections are based on estimated contributions from within the Long-term Capital Plan.

2.1.15 Contributions – Non-monetary (\$'000)

Non-monetary contributions are assets that form part of new development that are given to Council at handover for ongoing maintenance (e.g. roads, drainage, and open space). Non-monetary contributions are extremely difficult to forecast but has been factored in a \$950,000 for the full 10 years.

2.1.16 Proceeds from sale of assets (\$'000)

Proceeds from sale come from Plant and Equipment sales and industrial land sales. Re Plant and Equipment, Council maintains a detailed plant replacement program for all plant items over their estimated life. These numbers are factored in to the Long-term Capital Plan based on the 10 year plant replacement program. Industrial Land sales are difficult to predict but have been factored in across the next 10 years based on estimates from Council's real estate agent. During 2021-22 Land Sales generally boomed, but estimates at this stage are still somewhat conservative and do not reflect the short term uplift in market turnover.

2.1.17 Other income

Other Income annual increases are forecasted to be indexed in line with the state government rate cap / consumer price index.

2.1.18 Employee costs

The 2022-23 year includes a 2.50% increase for employee costs that reflects the salary increase for all staff in line with the current Enterprise Agreement (EA) even though it expires 1 July 2022, and the changes in the superannuation guarantee levy from 10% to 10.5%. The following years, are unknown but have been aligned loosely around changes in CPI and the EA 3 year cycle and known changes to superannuation levies. Increases in employee costs are also impacted by changes in workforce composition and overall staffing levels.

New positions are excluded from this percentage increase, with new positions being shown separately in the Statement of Human Resources in section 3.6.

2.1.19 Materials and services

Materials and Services includes consultancies and sub-contractors as well as non-salary operating expenses. These deliver on such things as maintenance and repairs of Council buildings, roads, drains and footpaths which are more influenced by market forces. Other associated costs included under this category are external providers for a range of services, including legal services and labour hire.

Over the period of the Financial Plan these costs have been escalated at CPI with specific items for insurances, utilities and fuel being considered separately.

2.1.20 Utilities and Fuel

Utilities include electricity, water, gas, and fuel to run our plant, buildings and services.

It is common for utility and fuel costs to increase greater than CPI which is reflected in projected annual increases of 1.0% higher than CPI. This is due to both cost escalation and the increasing number of assets owned and operated by Council.

2.1.21 Insurances

There are many factors that can influence insurance premiums including, but not limited to, level of coverage, level of risk, history of claims, and therefore insurances do not necessarily increase by CPI.

The assumption of a 5.00% annual increase used within the Financial Plan is based on historical increases and potentially reflects the increasing risk of climate change influenced events.

2.1.22 Depreciation and Amortisation

Depreciation is an accounting measure which attempts to allocate the value of assets over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains.

Depreciation estimates have been based on the projected capital spending and assets on hand that are contained within the Financial Plan.

2.1.23 Other Expenses

Other Expenses annual increases are forecasted to be indexed in line with the state government rate cap / consumer price index.

3. Financial Statements

This section presents information regarding the Financial Statements and Statement of Human Resources for the years 2022-2023 to 2031-2032.

This section includes the following financial statements in accordance with the *Local Government Act 2020* and the Local Government Model Financial Plan:

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

3.1 Comprehensive Income Statement

For the 10 years ending 30 June 2032

	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
Income											
Rates and charges	29,633	30,666	31,845	32,979	34,261	35,591	37,125	38,893	40,436	41,956	43,473
Statutory fees and fines	426	498	509	522	538	554	570	588	605	623	642
User fees	5,950	5,569	5,806	5,951	6,129	6,313	6,503	6,698	6,899	7,106	7,319
Grants - Operating	10,362	11,502	11,938	9,439	9,545	9,803	9,970	10,192	10,470	10,757	11,052
Grants - Capital	8,897	8,757	13,206	6,809	9,522	6,681	11,775	16,855	16,434	7,100	5,737
Contributions - monetary	340	121	118	1,142	3,336	1,093	121	122	122	123	121
Contributions - non-monetary	800	450	950	950	950	950	950	950	950	950	950
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(899)	(132)	1,942	1,231	60	237	(245)	486	314	(63)	71
Fair value adjustments for investment property	10	20	20	20	20	20	20	20	20	20	20
Share of net profits/(losses) of associates and joint ventures	30	30	30	30	30	30	30	30	30	30	30
Other income	2,350	2,156	2,260	2,323	2,350	2,354	2,476	2,575	2,679	2,778	2,845
Total income	57,899	59,637	68,624	61,396	66,741	63,627	69,295	77,408	78,959	71,379	72,259
Expenses											
Employee costs	19,667	20,354	19,900	20,839	21,443	22,130	22,822	23,685	24,447	25,062	25,676
Materials and services	20,127	21,649	22,147	18,308	19,812	19,413	20,383	21,759	21,470	22,868	23,282
Depreciation	12,315	12,188	12,320	12,365	12,762	13,130	13,503	13,926	14,319	14,710	15,160
Amortisation - intangible assets	244	260	280	280	280	278	600	600	600	600	600
Amortisation - right of use assets	55	55	55	55	55	55	12	-	-	-	-
Bad and doubtful debts	93	88	88	88	88	88	88	88	88	88	88
Borrowing costs	175	171	203	293	264	433	483	497	527	522	448
Finance Costs - leases	10	10	10	10	10	10	10	10	-	-	-
Other expenses	321	365	373	383	394	406	418	431	443	457	470
Total expenses	53,006	55,140	55,376	52,621	55,108	55,943	58,318	60,995	61,895	64,308	65,725
Surplus/(deficit) for the year	4,893	4,497	13,248	8,775	11,633	7,684	10,977	16,413	17,064	7,072	6,535
Other comprehensive income											
Items that will not be reclassified to surplus or deficit in future periods:											
Net asset revaluation increment /(decrement)	5,000	7,700	2,700	5,000	2,700	5,200	7,500	7,700	4,700	7,000	5,000
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	-	-	-
Items that may be reclassified to surplus or deficit in future periods (detail as appropriate)	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive result	9,893	12,197	15,948	13,775	14,333	12,884	18,477	24,113	21,764	14,072	11,535

3.2 Budgeted Balance Sheet

For the 10 years ending 30 June 2032

	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
Assets											
Current assets											
Cash and cash equivalents	4,189	3,040	4,626	5,000	866	4,000	6,500	8,300	11,000	12,000	14,650
Trade and other receivables	1,700	1,717	1,414	1,309	1,288	1,217	1,250	1,278	1,263	1,178	1,143
Other financial assets	34,000	27,630	27,630	23,340	23,340	18,198	20,702	22,286	21,929	18,679	18,679
Inventories	389	258	267	199	226	219	236	261	256	282	289
Non-current assets classified as held for sale	350	350	350	350	350	350	350	350	350	350	350
Other assets	800	1,200	805	769	802	809	841	878	894	931	955
Total current assets	41,429	34,195	35,092	30,967	26,872	24,793	29,880	33,353	35,693	33,420	36,067
Non-current assets											
Trade and other receivables	380	750	428	429	429	430	432	434	436	438	440
Investments in associates, joint arrangement and subsidiaries	1,610	1,730	1,760	1,790	1,820	1,850	1,880	1,910	1,940	1,970	2,000
Property, infrastructure, plant & equipment	543,369	562,366	581,445	599,076	618,948	631,200	645,442	664,938	682,120	691,653	699,984
Right-of-use assets	288	232	177	122	67	12	-	-	-	-	-
Investment property	2,550	2,640	2,660	2,680	2,700	2,720	2,740	2,760	2,780	2,800	2,820
Intangible assets	1,378	1,118	838	558	278	3,034	2,434	1,834	1,234	634	34
Total non-current assets	549,575	568,836	587,308	604,655	624,243	639,245	652,928	671,876	688,510	697,496	705,278
Total assets	591,004	603,031	622,400	635,622	651,115	664,038	682,808	705,229	724,203	730,915	741,345
Liabilities											
Current liabilities											
Trade and other payables	3,398	3,449	3,743	3,106	3,358	3,294	3,457	3,688	3,642	3,876	3,947
Trust funds and deposits	402	600	600	600	600	-	-	-	-	-	-
Unearned Income	5,201	4,200	5,354	2,761	3,861	2,709	4,774	6,834	6,663	2,878	2,326
Provisions	7,784	8,184	7,513	7,513	7,513	8,229	8,229	8,229	8,229	8,229	8,229
Interest-bearing liabilities	-	66	238	4,795	890	1,139	1,338	1,597	1,809	1,884	2,068
Lease liabilities	46	48	49	52	54	56	36	-	-	-	-
Total current liabilities	16,831	16,547	17,497	18,827	16,276	15,426	17,834	20,347	20,343	16,867	16,570
Non-current liabilities											
Provisions	5,647	4,884	5,555	5,555	5,555	7,873	7,873	7,873	7,873	7,873	7,873
Interest-bearing liabilities	4,305	5,239	7,079	5,249	9,013	10,340	10,762	11,557	11,471	9,587	8,779
Lease liabilities	295	239	198	146	92	36	-	-	-	-	-
Total non-current liabilities	10,247	10,361	12,832	10,949	14,660	18,249	18,635	19,430	19,344	17,460	16,652
Total liabilities	27,078	26,909	30,329	29,777	30,936	33,675	36,469	39,777	39,687	34,327	33,222
Net assets	563,926	576,123	592,071	605,846	620,179	630,363	646,340	665,452	684,516	696,588	708,123
Equity											
Accumulated surplus	246,914	253,471	265,991	274,488	291,081	298,730	307,198	321,886	336,077	342,027	345,276
Reserves - Asset Replacement	301,343	309,043	311,743	316,743	319,443	321,943	326,943	329,643	331,643	336,643	341,643
Reserves - Asset Revaluation	15,669	13,608	14,336	14,614	9,655	9,690	12,199	13,923	16,796	17,918	21,204
Total equity	563,926	576,123	592,071	605,846	620,179	630,363	646,340	665,452	684,516	696,588	708,123

3.3 Statement of Changes in Equity

For the 10 years ending 30 June 2032

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2021/22 Forecast Actual				
Balance at beginning of the financial year	554,033	239,537	296,343	18,153
Surplus/(deficit) for the year	4,893	4,893	-	-
Net asset revaluation increment/(decrement)	5,000	-	5,000	-
Transfers to other reserves	-	(5,092)	-	(7,576)
Transfers from other reserves	-	7,576	-	5,092
Balance at end of the financial year	563,926	246,914	301,343	15,669
2022/23 Budget				
Balance at beginning of the financial year	563,926	246,914	301,343	15,669
Surplus/(deficit) for the year	4,497	4,497	-	-
Net asset revaluation increment/(decrement)	7,700	-	7,700	-
Transfers to other reserves	-	(5,748)	-	(7,808)
Transfers from other reserves	-	7,808	-	5,748
Balance at end of the financial year	576,123	253,471	309,043	13,609
2023/24				
Balance at beginning of the financial year	576,123	253,471	309,043	13,608
Surplus/(deficit) for the year	13,248	13,248	-	-
Net asset revaluation increment/(decrement)	2,700	-	2,700	-
Transfers to other reserves	-	(6,718)	-	(5,990)
Transfers from other reserves	-	5,990	-	6,718
Balance at end of the financial year	592,071	265,991	311,743	14,336
2024/25				
Balance at beginning of the financial year	592,071	265,991	311,743	14,336
Surplus/(deficit) for the year	8,775	8,775	-	-
Net asset revaluation increment/(decrement)	5,000	-	5,000	-
Transfers to other reserves	-	(7,689)	-	(7,411)
Transfers from other reserves	-	7,411	-	7,689
Balance at end of the financial year	605,846	274,488	316,743	14,614

3.3 Statement of Changes in Equity (Cont.)

For the 10 years ending 30 June 2032

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2025/26				
Balance at beginning of the financial year	605,846	274,488	316,743	14,614
Surplus/(deficit) for the year	11,633	11,633	-	-
Net asset revaluation increment/(decrement)	2,700	-	2,700	-
Transfers to other reserves	-	(6,586)	-	(11,545)
Transfers from other reserves	-	11,545	-	6,586
Balance at end of the financial year	620,179	291,080	319,443	9,655
2026/27				
Balance at beginning of the financial year	620,179	291,081	319,443	9,655
Surplus/(deficit) for the year	7,684	7,684	-	-
Net asset revaluation increment/(decrement)	2,500	-	2,500	-
Transfers to other reserves	-	(6,300)	-	(6,264)
Transfers from other reserves	-	6,264	-	6,300
Balance at end of the financial year	630,363	298,729	321,943	9,691
2027/28				
Balance at beginning of the financial year	630,363	298,730	321,943	9,690
Surplus/(deficit) for the year	10,977	10,977	-	-
Net asset revaluation increment/(decrement)	5,000	-	5,000	-
Transfers to other reserves	-	(5,801)	-	(3,293)
Transfers from other reserves	-	3,293	-	5,801
Balance at end of the financial year	646,340	307,199	326,943	12,198
2028/29				
Balance at beginning of the financial year	646,340	307,198	326,943	12,199
Surplus/(deficit) for the year	16,413	16,413	-	-
Net asset revaluation increment/(decrement)	2,700	-	2,700	-
Transfers to other reserves	-	(6,782)	-	(5,057)
Transfers from other reserves	-	5,057	-	6,782
Balance at end of the financial year	665,453	321,886	329,643	13,924

3.3 Statement of Changes in Equity (Cont.)

For the 10 years ending 30 June 2032

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2029/30				
Balance at beginning of the financial year	665,452	321,886	329,643	13,923
Surplus/(deficit) for the year	17,064	17,064	-	-
Net asset revaluation increment/(decrement)	2,000	-	2,000	-
Transfers to other reserves	-	(6,770)	-	(3,897)
Transfers from other reserves	-	3,897	-	6,770
Balance at end of the financial year	684,516	336,077	331,643	16,796
2030/31				
Balance at beginning of the financial year	684,516	336,077	331,643	16,796
Surplus/(deficit) for the year	7,072	7,072	-	-
Net asset revaluation increment/(decrement)	5,000	-	5,000	-
Transfers to other reserves	-	(6,486)	-	(5,364)
Transfers from other reserves	-	5,364	-	6,486
Balance at end of the financial year	696,588	342,027	336,643	17,918
2031/32				
Balance at beginning of the financial year	696,588	342,027	336,643	17,918
Surplus/(deficit) for the year	6,535	6,535	-	-
Net asset revaluation increment/(decrement)	5,000	-	5,000	-
Transfers to other reserves	-	(6,457)	-	(3,171)
Transfers from other reserves	-	3,171	-	6,457
Balance at end of the financial year	708,123	345,276	341,643	21,204

3.4 Statement of Cash Flows

For the 10 years ending 30 June 2032

	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
	Inflow s										
	(Outflow s)										
Cash flows from operating activities											
Rates and charges	29,492	30,657	31,836	32,970	34,251	35,580	37,112	38,879	40,423	41,943	43,460
Statutory fees and fines	469	424	500	511	524	540	556	573	590	608	626
User fees	5,950	5,569	5,806	5,951	6,129	6,313	6,503	6,698	6,899	7,106	7,319
Grants - operating	7,428	10,557	11,289	9,439	9,545	9,803	9,970	10,192	10,470	10,757	11,052
Grants - capital	8,696	8,701	15,009	4,216	10,622	5,529	13,841	18,915	16,264	3,315	5,184
Contributions - monetary	340	121	(482)	1,142	3,336	1,093	121	122	122	123	121
Interest received	617	345	408	426	397	344	407	444	486	520	520
Other receipts	2,008	1,039	2,810	1,920	1,897	2,007	1,953	2,024	2,126	2,262	2,280
Employee costs	(17,030)	(20,717)	(19,900)	(20,839)	(21,443)	(22,130)	(22,822)	(23,685)	(24,447)	(25,062)	(25,676)
Materials and services	(20,136)	(21,646)	(21,869)	(18,827)	(19,607)	(19,465)	(20,250)	(21,571)	(21,508)	(22,677)	(23,224)
Other payments	(321)	(767)	(373)	(383)	(394)	(406)	(418)	(431)	(443)	(457)	(470)
Net cash provided by/(used in) operating activities	17,331	14,883	25,633	16,525	25,257	18,608	26,972	32,158	30,981	18,438	21,192
Cash flows from investing activities											
Payments for Property, Infrastructure, Plant & Equipment	(20,361)	(21,296)	(27,288)	(25,417)	(32,133)	(23,185)	(23,504)	(30,767)	(29,737)	(19,851)	(18,685)
Proceeds from Sale of Property, Infrastructure, Plant & Equipment	533	1,605	1,489	2,603	3,208	1,490	1,463	1,482	1,499	1,495	1,215
Proceeds from Sale of Investments	1,647	2,886	-	4,289	-	-	-	-	357	3,250	-
Net cash provided by/ (used in) investing activities	(18,181)	(16,805)	(25,799)	(18,525)	(28,925)	(16,553)	(24,544)	(30,869)	(27,881)	(15,106)	(17,470)
Cash flows from financing activities											
Finance Costs	(175)	(171)	(203)	(293)	(264)	(433)	(483)	(497)	(527)	(522)	(448)
Interest paid - lease liability	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	-	-	-
Proceeds from Borrowings	-	1,000	2,079	2,965	4,655	2,466	1,760	2,391	1,723	-	1,260
Repayments of Borrowings	(128)	-	(66)	(238)	(4,795)	(890)	(1,139)	(1,338)	(1,597)	(1,809)	(1,884)
Repayment of Lease Liabilities	(45)	(46)	(48)	(49)	(52)	(54)	(56)	(52)	-	-	-
Net cash provided by/(used in) financing activities	(358)	773	1,752	2,374	(465)	1,078	73	495	(400)	(2,332)	(1,072)
Net increase/(decrease) in cash & cash equivalents	(1,208)	(1,149)	1,586	374	(4,134)	3,134	2,500	1,784	2,700	1,000	2,650
Cash and cash equivalents at the beginning of the financial year	5,392	4,189	3,040	4,626	5,000	866	4,000	6,500	8,284	10,984	11,984
Cash and cash equivalents at the end of the financial year	4,184	3,040	4,626	5,000	866	4,000	6,500	8,284	10,984	11,984	14,634

3.5 Statement of Capital Works

For the 10 years ending 30 June 2032

	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
Property											
Land	-	-	816	-	-	-	-	-	-	-	-
Buildings	2,468	5,371	10,941	3,969	7,612	7,110	10,828	15,860	1,939	5,011	4,302
Total property	2,468	5,371	11,757	3,969	7,612	7,110	10,828	15,860	1,939	5,011	4,302
Plant and equipment											
Plant, machinery and equipment	2,516	2,158	1,935	1,673	2,013	1,929	1,748	1,876	1,995	1,970	1,959
Other Plant & Equipment	282	383	143	345	119	194	125	286	150	135	164
Total plant and equipment	2,798	2,541	2,078	2,018	2,132	2,123	1,873	2,161	2,144	2,105	2,123
Infrastructure											
Roads	6,345	8,527	5,881	5,416	5,486	5,838	7,042	7,055	7,384	7,675	7,530
Bridges	455	105	102	105	108	222	841	1,341	1,496	1,412	1,398
Footpaths and cycleways	293	584	541	533	410	310	313	1,546	898	553	567
Drainage	390	142	138	141	146	150	153	157	162	166	170
Recreational, leisure and community facilities	3,461	1,991	4,984	5,750	5,346	776	742	-	11,849	-	1,324
Waste management	575	-	-	1,565	-	3,362	-	-	-	737	504
Parks, open space and streetscapes	2,917	403	884	1,395	1,080	559	495	1,246	790	459	426
Aerodromes	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	330	288	-	-	-	-	-	-	-	-	-
Other infrastructure	330	1,344	923	4,523	9,812	2,736	1,215	1,400	3,076	1,734	340
Total infrastructure	15,095	13,384	13,453	19,430	22,389	13,952	10,803	12,745	25,654	12,735	12,260
Total capital works expenditure	20,361	21,296	27,288	25,417	32,133	23,185	23,504	30,767	29,737	19,851	18,685
Represented by:											
New asset expenditure	7,379	6,623	7,574	9,624	11,842	7,485	11,352	16,958	16,634	2,296	3,734
Asset renewal expenditure	9,972	11,119	13,532	10,644	10,034	11,691	8,686	9,436	9,927	10,457	10,848
Asset expansion expenditure	-	-	-	-	-	-	-	-	-	-	-
Asset upgrade expenditure	3,010	3,554	6,182	5,150	10,257	4,008	3,466	4,374	3,176	7,098	4,103
Total capital works expenditure	20,361	21,296	27,288	25,417	32,133	23,185	23,504	30,767	29,737	19,851	18,685
Funding sources represented by:											
Grants	2,644	8,758	13,206	6,809	9,522	6,680	11,776	16,855	16,435	7,099	5,737
Contributions	895	435	667	2,238	5,453	1,396	288	307	325	323	322
Council cash	12,502	11,103	11,336	13,405	12,503	12,643	9,680	11,214	11,254	12,429	11,366
Borrowings	-	1,000	2,079	2,965	4,655	2,466	1,760	2,391	1,723	-	1,260
Total capital works expenditure	16,041	21,296	27,288	25,417	32,133	23,185	23,504	30,767	29,737	19,851	18,685

3.6 Statement of Human Resources

For the 10 years ending 30 June 2032

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	FTE									
Communities and Place										
Permanent - Full time										
Female	17.4	17.4	17.4	16.9	16.9	16.9	16.9	16.9	16.9	16.9
Male	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4
Permanent - Part time										
Female	17.9	16.2	18.2	18.2	18.2	19.2	19.2	20.2	20.2	20.2
Male	6.9	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
Communities and Place Total	51.6	49.4	51.4	50.9	50.9	51.9	51.9	52.9	52.9	52.9
Corporate Services										
Permanent - Full time										
Female	17.5	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Male	14.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Permanent - Part time										
Female	10.4	11.4	12.4	12.4	13.4	13.4	14.4	14.4	14.4	14.4
Male	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Corporate Services Total	42.7	40.2	41.2	41.2	42.2	42.2	43.2	43.2	43.2	43.2
Infrastructure										
Permanent - Full time										
Female	13.8	14.8	16.8	17.8	17.8	17.8	18.8	18.8	18.8	18.8
Male	96.0	92.0	91.0	91.0	91.0	91.0	91.0	91.0	91.0	91.0
Permanent - Part time										
Female	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Male	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Infrastructure Total	111.7	108.7	109.7	110.7	110.7	110.7	111.7	111.7	111.7	111.7
Casuals, temporary and other expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total staff FTE	206.0	198.3	202.3	202.8	203.8	204.8	206.8	207.8	207.8	207.8

3.6 Statement of Human Resources (Cont.)

For the 10 years ending 30 June 2032

	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
Communities and Place										
Permanent - Full time										
Female	2,060	2,106	2,152	2,162	2,216	2,270	2,329	2,389	2,448	2,507
Male	1,261	1,290	1,318	1,352	1,386	1,420	1,457	1,494	1,531	1,568
Permanent - Part time										
Female	1,916	1,800	2,103	2,157	2,211	2,408	2,471	2,683	2,749	2,816
Male	640	589	602	617	633	648	665	682	699	716
Communities and Place Total	5,878	5,786	6,174	6,288	6,446	6,746	6,922	7,248	7,427	7,607
Corporate Services										
Permanent - Full time										
Female	1,924	1,911	1,952	2,002	2,053	2,103	2,158	2,213	2,268	2,323
Male	1,982	1,588	1,622	1,664	1,706	1,748	1,793	1,839	1,884	1,930
Permanent - Part time										
Female	1,204	1,360	1,521	1,560	1,738	1,781	1,973	2,023	2,073	2,123
Male	93	95	97	100	102	105	107	110	113	115
Corporate Services Total	5,202	4,954	5,192	5,326	5,599	5,736	6,031	6,185	6,338	6,491
Infrastructure										
Permanent - Full time										
Female	1,488	1,619	1,854	2,005	2,055	2,106	2,272	2,329	2,387	2,445
Male	9,901	9,805	9,930	10,186	10,441	10,697	10,976	11,255	11,534	11,813
Permanent - Part time										
Female	112	115	117	120	123	126	130	133	136	140
Male	67	69	70	72	74	76	78	80	82	83
Infrastructure Total	11,569	11,608	11,972	12,383	12,694	13,005	13,455	13,797	14,139	14,481
Casuals, temporary and other expenditure	0	0	0	0	0	0	0	0	0	0
Total Staff FTE	22,649	22,348	23,338	23,997	24,739	25,487	26,409	27,230	27,905	28,580

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	Acceptable Range (LGPRF)	Forecast											Trend
				Actual 2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
Operating position															
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	4.1	> 0%	-6.68%	-1.98%	18.17%	12.95%	16.24%	10.74%	14.62%	20.22%	20.66%	8.68%	7.83%	+
Liquidity															
Working Capital	Current assets / current liabilities	4.2	> 100%	246.14%	206.65%	200.56%	164.48%	165.10%	160.72%	167.55%	163.92%	175.45%	198.13%	217.66%	o
Unrestricted cash	Unrestricted cash (Incl Current Financial Assets) / current liabilities	4.3	10% - 300%	158.74%	116.02%	118.79%	89.60%	78.25%	69.54%	88.21%	93.94%	105.48%	113.88%	131.92%	o
Obligations															
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4.4	< 60%	14.53%	17.30%	22.98%	30.45%	28.91%	32.25%	32.59%	33.82%	32.84%	27.34%	24.95%	o
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue	4.5	< 10%	1.02%	0.56%	0.84%	1.61%	14.76%	3.72%	4.37%	4.72%	5.25%	5.56%	5.36%	-
Indebtedness	Non-current liabilities / own source revenue	4.6	< 70%	26.68%	26.61%	30.25%	25.43%	33.79%	40.46%	39.88%	39.42%	37.94%	33.25%	30.61%	o
Asset renewal	Asset renewal and upgrade expense / Asset depreciation	4.7	> 90%	105.42%	120.39%	160.01%	127.73%	158.99%	119.57%	90.00%	99.17%	91.51%	119.34%	98.62%	o
Stability															
Rates concentration	Rate revenue / adjusted underlying revenue	4.8	< 0.80	0.50	0.49	0.40	0.47	0.45	0.49	0.46	0.43	0.44	0.51	0.52	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality	4.9	< 0.60%	0.48%	0.38%	0.38%	0.37%	0.37%	0.37%	0.36%	0.36%	0.36%	0.35%	0.35%	+
Efficiency															
Expenditure level	Total expenses/ no. of property assessments	4.10	< \$5,000	\$4,264	\$4,335	\$4,299	\$4,038	\$4,192	\$4,215	\$4,366	\$4,500	\$4,519	\$4,665	\$4,728	-
Revenue level	Total rate revenue / no. of property assessments	4.11	< \$2,500	\$2,016	\$2,064	\$2,112	\$2,165	\$2,233	\$2,301	\$2,371	\$2,443	\$2,518	\$2,597	\$2,675	-

Note : Red text indicators are below the acceptable range/targets and green text indicators are within the acceptable range/target.
Trend Legend: “+” Positive, “0” Neutral, “-” Negative

Notes to indicators

4.1 Adjusted Underlying Result

This measures Council's ability to generate surplus in the ordinary course of business—excluding non-recurrent capital grants, non-monetary asset contributions, and other contributions to fund capital expenditure from the net result. A surplus or increasing % surplus suggests an improvement in the operating position.

Council's financial performance is improving over the ten year period. The negative results for the first 2 years of the plan reflect a high reliance on capital grants in a large part brought about by extra funding received during and post the Covid Pandemic.

4.2 Working Capital

This measures Council's ability to pay existing liabilities in the next 12 months. A ratio greater than 1.0 means there are more cash and liquid assets than short-term liabilities.

Working Capital declines in 2024-25 due to the repayment of a significant interest only loan of \$4.3m for the Horsham Town Hall and Performing Arts Centre. Council has been accumulating these funds in a loan repayment reserve in preparation for the repayment. Over the 3 years from 2023-24 through to 2025-26 \$8.4m is planned for expenditure on the CAD Activation Project of which 35% is expected to come from the CBD Reserve, however, the balance is forecast to be insufficient in that reserve at that time to meet the full amount, so the reserve will become negative – essentially borrowing from our other strong cash backed reserves.

4.3 Unrestricted Cash

Is cash, cash equivalents and financial assets that are not available for use other than for the purpose for which it is restricted, it includes cash that will be used to fund carry forward capital works from the previous financial year. Items which are considered to be restricted under the definition are: trust funds and deposits, statutory or non-discretionary reserves, cash held to fund carry forward capital works and conditional grants unspent. Term deposits with an original maturity of greater than 90 days (i.e. other financial assets) are not included as restricted for the purposes of calculating this measure.

Unrestricted cash ratio is declining over the five years to 2026-27 where upon it again commences to improve. The decline is explained by the spending as mentioned above in note 4.2.

4.4 Loans and Borrowings (*Interest Bearing Loans / Rate Revenue*)

Measures whether the level of debt and other long term obligations is appropriate to the size and nature of the Council's activities. This measure is over-stated due to interest only loans that were entered in to, in 2015-16, through the MAV Funding Vehicle arrangements. For these loans principal repayments are being provided for internally by way of a reserve account. This reserve account does not directly offset against this measure.

Council has not undertaken any significant external borrowing since \$3.47m was borrowed for the Horsham Town Hall and Performing Arts project in 2015-16. Since that time further borrowings of \$0.9m for the Horsham North Children's Hub and \$1.5m for the Livestock Exchange Roof have been funded from internal unrestricted cash reserves so are not formally recorded as borrowings, but are treated as no interest loans from an internal accounting perspective.

Future years borrowings are planned for a number of projects (as depicted in note 5.2 below) with total borrowings over the ten year period of \$19.7m which when factored in with current repayments schedules of existing loans sees a peak in this measure in 2028-29 of 33.82%, when borrowings outstanding reach \$11.53m.

4.5 Loans and Borrowings (*Interest and Principal Repayments / Rate Revenue*)

This measure is an assessment of whether Council's level of repayments on interest-bearing loans and borrowings are appropriate to the size and nature of Council's activities.

This measure is under-stated due to interest only loans that were entered in to, in 2015-16, through the MAV Funding Vehicle arrangements. For these loans principal repayments are being provided for internally by way of a reserve account and are not therefore included in this measure except when they are repaid as occurs in 2025-26 when \$4.3m is repaid for the interest only loans taken out in 2015-16. Following this repayment in 2025-26 the measure more accurately reflects the situation as all loans are forecast to be taken out on a principal plus interest repayment basis.

This measure post 2025-26 climbs to 5.36% in 2031-32 in line with the new borrowings as depicted in note 5.2 below. This measure is still well within the prudential limits.

4.6 Indebtedness (*Non-current Liabilities / Own Source Revenue*)

This measure is an assessment of whether Council long term liabilities are appropriate to the size and nature of Council activities. Lower proportion of non-current liabilities suggests greater capacity to meet long-term obligations. It assesses Council's ability to pay principal and interest on borrowings, as and when they fall due, from the funds it generates. The lower the ratio, the less revenue the entity is required to use to repay its total debt. Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.

This measure is more stable as it is not impacted by interest only loans as is the case with the former two indicators depicted in notes 4.4 and 4.5 above. The measure does increase over the ten year period as more borrowings are taken out as depicted in note 5.2 below. It remains well under the acceptable level of 70%.

4.7 Asset Renewal

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

Prior to the implementation of rate capping, in 2016-17 Council set aside a percentage of the rate increase specifically for infrastructure renewal. This continued for the three years post that, but it is no longer possible to continue with this policy, due to the tightening budget position that has been imposed through rate capping.

Each year there is a need to balance Council's spend between new and renewal/upgrade of assets, with new assets largely being funded from grants but also requiring some co-investment. It is a fine line to ensure that assets are renewed as well as new assets constructed in line with the recommendations from the Community Panel (see notes 1.3 and 1.4 above).

4.8 Rates Concentration

This measure is an assessment of whether Council can generate revenue from a range of sources to fund services and activities. Lower proportion of rate to underlying revenue suggests greater stability. This measure remains relatively stable across the ten years which reflect a similar level of reliance on rates to fund Council's operations.

4.9 Rates Effort

This measure is an assessment of whether councils set rates at an appropriate level (Rate Revenue per property values). A lower proportion of rate revenue as a percentage of property value suggests a reduced rate burden on the community. Over the ten year term the rate effort is improving very slightly due to property values rising in a higher proportion than rate increases.

4.10 Expenditure Level

Assessment of whether resources are being used efficiently to deliver services. Lower proportion of expenses relative to the number of assessments suggests an improved capacity to provide services.

This measure is greatly impacted by economies of scale in operation and the services that are required and expected of a regional city. As such Council's measure in 2021-22 of \$4,264 is higher than the state-wide average in 2020-21 of \$3,509 and higher than its regional city counter parts \$3,846.

It does fluctuate over the ten year period as it is impacted by expected estimates of growth which have been factored in (see notes 2.3.3 and 2.3.4). Some modest growth has been estimated in FTE over this period to deliver on expanded service requirements (see the Statement of Human Resources section 3.6 above), although this is not to the same extent as growth in the rate base. Hence the position does trend downwards over time but is extremely sensitive to these growth assumptions.

4.11 Revenue Level

Assessment of whether resources are being used efficiently to deliver services. Lower proportion of revenue relative to the number of assessments suggests an improved capacity to provide services.

This measure is greatly impacted by economies of scale in operation and the services that are required and expected of a regional city. As such Council's measure in 2021-22 of \$2,016 is higher than the state-wide average in 2020-21 of \$1,799 and also higher than its regional city counter parts \$1,902.

It does increase steadily over the ten year period as it is essentially indexed by the annual growth in the rate base by the rate cap. It is also impacted by anticipated growth levels in new developments as depicted in (notes 2.3.3 and 2.3.4 above).

5. Strategies and Plans

This section describes the strategies and plans that support the 10 year financial projections included to the Financial Plan.

5.1 General Strategies and Plans

The following table lists current Plans and Strategies that are in place and have influenced the numbers contained within the Long-term Capital Works and the Financial Plan. A detailed summary of the Objectives and Priorities for each of these plans is provided:

Age Friendly Communities Implementation Plan (2019-23)	Horsham Urban Transport Plan (2020)
Arts and Cultural Plan (2014-18)	HRCC Tourism Master Plan (2016-20)
Asset Management Improvement Strategy (2020-21)	Innovate (Indigenous) Reconciliation Action Plan (2018-20)
Asset Plan 2021-2031	Investment Attraction Strategy and Implementation Plan (2022)
Aquatic Centre Masterplan	Internal Audit Program/Plan (2020-22)
Audit and Risk Committee Charter (2020)	Municipal Early Years Plan (2020)
Bicycle and Shared Path Plan (2012-16)	Municipal Emergency Management Plan (2017-20)
Business Continuity Plan (2018)	Municipal Fire Management Plan (2017-20)
CAD (Central Activity District) Revitalisation (2019)	Horsham Municipal parking Strategy (2017) supported by the Parking Management Plan (2021)
CAD (Central Activity District) Urban Renewal City to River Master Plan (2020)	Natimuk Economic and Social Plan (draft 2022)
Community Engagement Framework/Policy (2021)	Occupational Health and Safety Plan (2020)
Community Inclusion Plan (2019-22)	Open Space Strategy (2019)
Community Vision 2040	Planning Scheme Review (2021)
Council Plan (2021-25)	Public Arts Implementation Plan (2017)
Council Property Strategy (2019)	Revenue and Rating Plan (2021)
Customer Commitment Charter (2020)	Road Management Plan (2017)
Domestic Animal Management Plan (2017-21)	Rural Road Network Plan (2022)
Early Years Plan (2019-23)	Roadside Weeds and Pests Program (2013)
Greening Greater Horsham – A Municipal Tree Strategy (2021-31)	Social Infrastructure Framework (2020)
Heritage Study Stage 2 Implementation	Sport and Recreation Strategy (Draft) (2013)
Horsham North Local Area Plan (draft 2022)	Strategic Risk Management Framework (2021)
Horsham Rail Corridor Master Plan (2016)	Wartook Valley Strategy (2017)
Horsham South Drainage Strategy (2013)	Wimmera Intermodal Freight Terminal Master Plan (2015)
Horsham South Structure Plan (2021)	Zero Net Emissions Action Plan (2021)

5.2 Borrowings Strategy

Councils approach to borrowings is informed by the Loan Borrowings Policy which sets the parameters for Council’s borrowing limits and the purposes for which borrowings will be utilised. Current interest rates are at all-time lows so make borrowing a cheaper option than it has been in past years, although interest rates are expected to climb again in the short to medium term (see assumptions section 2.3.7).

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

Year	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32
Loan Balance Calculations										
Current Debt at beginning of Year	6,012,500	6,400,013	7,766,447	9,810,585	13,464,754	10,365,488	10,719,354	11,528,243	11,430,109	9,436,200
Current Repayments	-612,500	-612,500	-612,500	-396,479	-190,000	-90,000	-90,000	-90,000	-90,000	-90,000
New Borrowings from LTCP List	1,000,013	2,078,935	2,964,533	4,654,996	2,465,582	1,760,272	2,391,322	1,723,431	0	1,259,871
Future Repayments	0	-100,001	-307,895	-604,348	-1,069,848	-1,316,406	-1,492,433	-1,731,565	-1,903,908	-1,903,908
New Loan Term (Yrs)	10	10	10	10	10	10	10	10	10	10
Closing Balance	6,400,013	7,766,447	9,810,585	13,464,754	10,365,488	10,719,354	11,528,243	11,430,109	9,436,200	8,702,163
New Loan Int Rate	3.97%	4.50%	4.50%	4.50%	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%
Int payments for the Year	-238,696	-288,001	-349,490	-441,476	-484,731	-373,158	-385,897	-415,017	-411,484	-339,703
Loan KPI's										
Principal & Int as a % of Rates	3.20%	3.64%	4.46%	4.87%	5.66%	5.52%	5.82%	6.35%	6.57%	6.15%
Council Policy Max	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
LGPRF Max	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Total Borrowings/Rate Revenue	24.1%	28.3%	34.4%	45.4%	33.6%	33.3%	34.1%	32.4%	25.8%	22.9%
Max target	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%

New Borrowings from the Long-term Capital Plan are forecast as follows:

	22-23 Loans	23-24 Loans	24-25 Loans	25-26 Loans	26-27 Loans	27-28 Loans	28-29 Loans	29-30 Loans	30-31 Loans	31-32 Loans	Total Loans
Buildings											
Wimmera Regional Sports Stadium						1,347,272	2,099,697				3,446,969
City Oval Netball Court Clubrooms	320,532	343,008									663,540
City Oval/Sawyer Park Cons Stage 1 Community Centre/Changerooms/Toilets	679,481										679,481
City Oval/Sawyer Park Cons Stage 1 Event Stage Broadcast Box and Storage		400,000									400,000
City Oval Stage 2 - Grandstand					2,271,660						2,271,660
Community Building for Seniors (USA, Senior Cits & Others)									1,259,871		1,259,871
Depot relocation including Furniture, demolition etc. and land purch		561,000	1,443,321	2,970,125							4,974,446
Buildings Total	1,000,013	1,304,008	1,443,321	2,970,125	2,271,660	1,347,272	2,099,697			1,259,871	13,695,967
Other Infrastructure											
Various projects from Aerodrome Master Plan				432,018		227,388		239,365			898,771
Other Infrastructure Total				432,018		227,388		239,365			898,771
Parks, open space and streetscapes											
Victrack Land development South of Mill Street		102,000	104,551	172,807							379,358
Parks, open space and streetscapes Total		102,000	104,551	172,807							379,358
Recreational, leisure and community facilities											
Balance of Riverfront Activation Works- rowing clubroom building			392,065	405,017							797,082
CAD Activation Construction- Street renovation and Horsham Square		306,000	470,478	486,021							1,262,499
City Oval/ Sawyer Park (Construction Drawings)			188,191								188,191
Outdoor precinct, fields playing grounds around indoor stadium								1,184,859			1,184,859
Aquatic Centre- splash park and outdoor playground				189,008	193,922	185,612					568,542
Aquatic Centre - hydrotherapy pool, spa, steam and sauna rooms		366,927	365,927								732,854
Recreational, leisure and community facilities Total		672,927	1,416,661	1,080,046	193,922	185,612		1,184,859			4,734,027
Grand Total	1,000,013	2,078,935	2,964,533	4,654,996	2,465,582	1,760,272	2,099,697	1,424,224		1,259,871	19,708,123

Note - many of the borrowings factored in are reliant on co-funding from grant revenue. If grant revenue is not received the borrowings will be not drawn down.

5.3 Reserve Strategy

The table below discloses the balance and annual movement for each reserve over the 10-year period of the Financial Plan. Total amount of reserves, for each year, align with the Statement of Changes in Equity.

	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32
Aerodrome										
Opening Balance	611,000	657,000	652,920	648,620	535,837	530,933	469,055	463,894	398,756	393,323
Transfer to reserve	46,000	46,920	47,976	49,223	50,503	51,816	53,163	54,545	55,964	57,419
Transfer from Reserve	0	51,000	52,275	162,007	55,406	113,694	58,325	119,683	61,397	62,994
Closing Balance	657,000	652,920	648,620	535,837	530,933	469,055	463,894	398,756	393,323	387,748
Purpose of this Discretionary Reserve:	To provide for the large resealing program at the aerodrome and for general development works on site.									
Aquatic Centre										
Opening Balance	9,000	53,000	48,200	44,435	42,448	41,632	42,078	42,718	44,789	48,400
Transfer to reserve	44,000	46,200	48,510	50,936	53,482	56,156	58,964	61,912	65,008	68,258
Transfer from Reserve	0	51,000	52,275	52,922	54,298	55,710	58,325	59,841	61,397	62,994
Closing Balance	53,000	48,200	44,435	42,448	41,632	42,078	42,718	44,789	48,400	53,664
Purpose of this Discretionary Reserve:	To set aside funds to meet future asset renewal requirements at the Centre in accordance with its Business Plan.									
Business Centre										
Opening Balance	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000
Transfer to reserve		0	0	0	0	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0	0	0	0	0	0
Closing Balance	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000
Purpose of this Discretionary Reserve:	To offset any future Wimmera Business Centre operational deficits or applied to works that benefit the Centre's operations as approved by their Committee of Management.									
CBD										
Opening Balance	1,059,886	710,559	196,559	-696,723	-1,620,953	-1,405,681	-1,184,812	-958,200	-725,696	-487,147
Transfer to reserve	89,993	200,000	204,500	209,817	215,272	220,869	226,612	232,504	238,549	244,751
Transfer from Reserve	439,320	714,000	1,097,782	1,134,048	0	0	0	0	0	0
Closing Balance	710,559	196,559	-696,723	-1,620,953	-1,405,681	-1,184,812	-958,200	-725,696	-487,147	-242,396
Purpose of this Discretionary Reserve:	To develop car parking in the CBD; to purchase new and replacement meters; and to generally develop the CBD area with major road works and improvements. The rationale for the reserve is that the shopping public who contribute through the parking meters see their contributions going to improve the CBD area where they have an interest, regardless of whether they are residents of Horsham.									
Commercial Firebrace St										
Opening Balance	625,568	541,336	468,475	398,883	331,999	268,917	209,879	155,139	104,960	59,616
Transfer to reserve	53,568	54,639	55,869	57,321	58,812	60,341	61,910	63,519	65,171	66,865
Transfer from Reserve	137,800	127,500	125,461	124,205	121,894	119,378	116,650	113,699	110,515	113,388
Closing Balance	541,336	468,475	398,883	331,999	268,917	209,879	155,139	104,960	59,616	13,093
Purpose of this Discretionary Reserve:	This reserve is to build up sufficient funds to make significant improvements to Council's commercial properties in Firebrace Street									

	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32
Contingency										
Opening Balance	414,658	472,658	628,718	788,289	812,010	979,986	932,331	1,109,156	1,140,579	1,326,719
Transfer to reserve	153,000	156,060	159,571	163,720	167,977	172,344	176,825	181,423	186,140	190,979
Transfer from Reserve	95,000	0	0	140,000	0	220,000	0	150,000	0	0
Closing Balance	472,658	628,718	788,289	812,010	979,986	932,331	1,109,156	1,140,579	1,326,719	1,517,698
Purpose of this Discretionary Reserve:	To accumulate funds for council elections held every 4 years and road asset revaluations that are carried out every 5 years.									
Drainage Headworks										
Opening Balance	502,000	562,000	623,200	685,777	749,981	815,854	883,440	952,784	1,023,930	1,096,926
Transfer to reserve	60,000	61,200	62,577	64,204	65,873	67,586	69,343	71,146	72,996	74,894
Transfer from Reserve	0	0	0	0	0	0	0	0	0	0
Closing Balance	562,000	623,200	685,777	749,981	815,854	883,440	952,784	1,023,930	1,096,926	1,171,820
Purpose of this Discretionary Reserve:	Funded by developer contributions in consideration of the amount of drainage run off land that they cause as a result of development, this contributes to the existing and future stormwater drainage head-works of the municipality.									
HRLE										
Opening Balance	414,425	555,549	503,549	452,148	401,016	350,894	301,808	253,787	206,857	161,047
Transfer to reserve	251,124	140,000	143,150	146,872	150,691	154,609	158,628	162,753	166,984	171,326
Transfer from Reserve	110,000	192,000	194,551	198,005	200,813	203,694	206,650	209,683	212,794	215,987
Closing Balance	555,549	503,549	452,148	401,016	350,894	301,808	253,787	206,857	161,047	116,385
Purpose of this Discretionary Reserve:	To accumulate funds towards the redevelopment of the saleyards.									
HTH										
Opening Balance	0	50,000	500	24,260	28,139	55,670	85,376	24,066	58,516	95,551
Transfer to reserve	50,000	52,500	55,125	57,881	60,775	63,814	67,005	70,355	73,873	77,566
Transfer from Reserve	0	102,000	31,365	54,002	33,244	34,108	128,315	35,905	36,838	138,586
Closing Balance	50,000	500	24,260	28,139	55,670	85,376	24,066	58,516	95,551	34,531
Purpose of this Discretionary Reserve:	To accumulate funds for technical equipment replacement and major refurbishment of the Performing Arts Centre, Town Hall & Art Gallery.									
ICT										
Opening Balance	450,750	260,756	363,876	244,428	357,407	401,425	520,619	485,564	593,348	722,483
Transfer to reserve	191,000	194,820	199,203	204,383	209,697	215,149	220,743	226,482	232,371	238,412
Transfer from Reserve	380,994	91,700	318,652	91,404	165,678	95,955	255,797	118,699	103,236	130,987
Closing Balance	260,756	363,876	244,428	357,407	401,425	520,619	485,564	593,348	722,483	829,908
Purpose of this Discretionary Reserve:	To allow purchasing of computer related hardware items, related software, and IT Initiatives. Any under expenditure in the computer area annually is placed in this reserve and is held to be expended on forecast or unexpected expenditure in the IT area during any particular year.									

	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32
Industrial Estates										
Opening Balance	3,159,296	2,418,736	3,565,668	4,977,752	5,414,332	6,889,572	7,708,572	8,356,170	8,822,525	8,491,458
Transfer to reserve	1,169,328	2,472,933	2,704,748	1,749,970	1,475,240	819,000	1,732,500	1,543,500	1,071,000	840,000
Transfer from Reserve	1,909,888	1,326,000	1,292,664	1,313,389	0	0	1,084,902	1,077,145	1,402,068	0
Closing Balance	2,418,736	3,565,668	4,977,752	5,414,332	6,889,572	7,708,572	8,356,170	8,822,525	8,491,458	9,331,458
Purpose of this Discretionary Reserve:	This reserve comprises cash, debtors and the value of both undeveloped and developed land. All costs in relation to purchase of undeveloped land and the development of land into industrial lots are paid from this reserve and the proceeds of the sale or lease of this land to developers is returned to the reserve, together with any government grants, which may be attracted for development of industrial estates.									
Infrastructure Gap										
Opening Balance	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Transfer to reserve	0	0	0	0	0	0	0	0	0	0
Transfer from Reserve	0	0	0	0	0	0	0	0	0	0
Closing Balance	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Purpose of this Discretionary Reserve:	Targeted rate rises for Infrastructure Renewal from previous years are placed in this reserve for the sole purpose of infrastructure renewal. The aim is to spend each years allocation within the year but if not the balance is carried forward in this reserve.									
Library Assets										
Opening Balance	9,500	18,500	27,680	37,067	46,697	56,578	66,716	77,118	87,789	98,739
Transfer to reserve	9,000	9,180	9,387	9,631	9,881	10,138	10,401	10,672	10,949	11,234
Transfer from Reserve	0	0	0	0	0	0	0	0	0	0
Closing Balance	18,500	27,680	37,067	46,697	56,578	66,716	77,118	87,789	98,739	109,973
Purpose of this Discretionary Reserve:	This reserve is to provide for future asset replacements for major library assets.									
Loans Repayments										
Opening Balance	2,876,000	3,298,500	3,721,000	4,143,500	0	0	0	0	0	0
Transfer to reserve	422,500	422,500	422,500	161,500	0	0	0	0	0	0
Transfer from Reserve	0	0	0	4,305,000	0	0	0	0	0	0
Closing Balance	3,298,500	3,721,000	4,143,500	0	0	0	0	0	0	0
Purpose of this Discretionary Reserve:	This reserve is to accumulate principle repayments for councils interest only borrowings.									
Loans Internal Funded										
Opening Balance	-2,562,143	-2,072,143	-1,882,143	-1,692,143	-1,502,143	-1,312,143	-1,122,143	-1,032,143	-942,143	-852,143
Transfer to reserve	490,000	190,000	190,000	190,000	190,000	190,000	90,000	90,000	90,000	90,000
Transfer from Reserve	0	0	0	0	0	0	0	0	0	0
Closing Balance	-2,072,143	-1,882,143	-1,692,143	-1,502,143	-1,312,143	-1,122,143	-1,032,143	-942,143	-852,143	-762,143
Purpose of this Discretionary Reserve:	This reserve is to fund borrowings internally for capital projects from other reserve balances rather than taking out more costly external loans.									

	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32
Major Capital Projects										
Opening Balance	955,541	955,541	871,061	569,012	-11,944	56,871	83,980	593,857	1,116,990	1,653,726
Transfer to reserve		450,000	460,125	472,088	484,363	496,956	509,877	523,134	536,735	550,690
Transfer from Reserve	0	534,480	762,174	1,053,044	415,548	469,847	0	0	0	0
Closing Balance	955,541	871,061	569,012	-11,944	56,871	83,980	593,857	1,116,990	1,653,726	2,204,416
Purpose of this Discretionary Reserve:	This reserve is to provide for future asset replacements for major strategic projects.									
Open Spaces										
Opening Balance	438,380	229,380	234,480	239,695	245,045	250,535	256,167	261,945	267,874	273,957
Transfer to reserve	5,000	5,100	5,215	5,350	5,489	5,632	5,779	5,929	6,083	6,241
Transfer from Reserve	214,000	0	0	0	0	0	0	0	0	0
Closing Balance	229,380	234,480	239,695	245,045	250,535	256,167	261,945	267,874	273,957	280,198
Purpose of this Restricted Reserve:	Is comprised mainly of developer contributions in lieu of land, when subdividing residential areas. There is a statutory requirement that any developers contributions to this fund be spent on capital works in relation to purchase of recreation land or development of recreation land.									
Plant										
Opening Balance	1,923,570	1,128,942	823,358	789,684	512,616	358,821	412,665	410,683	362,132	392,539
Transfer to reserve	1,265,742	1,310,043	1,355,894	1,403,351	1,452,468	1,503,304	1,555,920	1,610,377	1,666,741	1,725,076
Transfer from Reserve	2,060,370	1,615,627	1,389,569	1,680,419	1,606,263	1,449,461	1,557,902	1,658,928	1,636,333	1,625,234
Closing Balance	1,128,942	823,358	789,684	512,616	358,821	412,665	410,683	362,132	392,539	492,381
Purpose of this Discretionary Reserve:	To fund the purchase of replacement plant and equipment, the rationale is that often the purchases of plant equipment are unevenly spread across a number of years, and by maintaining this reserve, allows Council to ensure that there is always a sum of money available to purchase plant when required and that the uneven spread of expenditure has no effect on the annual budget.									
Quarry Rd Rehab										
Opening Balance	176,650	172,300	167,963	163,641	159,336	155,050	150,782	146,533	142,304	138,095
Transfer to reserve	650	663	678	696	714	732	751	771	791	811
Transfer from Reserve	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Closing Balance	172,300	167,963	163,641	159,336	155,050	150,782	146,533	142,304	138,095	133,906
Purpose of this Discretionary Reserve:	To meet the costs of rehabilitation works of land and roads surrounding councils quarries.									
Road Construction										
Opening Balance	31,979	32,479	32,989	33,510	34,046	34,594	35,158	35,736	36,328	36,937
Transfer to reserve	500	510	521	535	549	563	578	593	608	624
Transfer from Reserve	0	0	0	0	0	0	0	0	0	0
Closing Balance	32,479	32,989	33,510	34,046	34,594	35,158	35,736	36,328	36,937	37,561
Purpose of this Discretionary Reserve:	Is maintained with contributions from developers of rural residential subdivisions, the intention of the reserve is that monies contributed by developers will be expended on roads adjoining the rural residential subdivision.									

	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32
Sustainability										
Opening Balance	379,939	285,439	204,439	134,013	75,686	33,883	12,642	16,826	52,293	126,090
Transfer to reserve	60,000	72,000	86,400	103,680	124,416	149,299	179,159	214,991	257,989	309,587
Transfer from Reserve	154,500	153,000	156,826	162,007	166,219	170,541	174,975	179,524	184,192	188,981
Closing Balance	285,439	204,439	134,013	75,686	33,883	12,642	16,826	52,293	126,090	246,696
Purpose of this Discretionary Reserve:	Is to provide some initial funding for projects of a sustainability nature such as alternative energy projects, solar panels and LED Lighting, where there are expected to be pay backs and ongoing savings in operational costs.									
Waste										
Opening Balance	1,872,435	798,038	614,752	140,451	567,527	-1,336,376	-116,446	89,918	1,579,790	1,731,342
Transfer to reserve	1,261,909	772,373	1,385,187	1,421,202	1,458,153	1,496,065	1,534,963	1,574,872	1,615,818	1,657,830
Transfer from Reserve	2,336,306	955,659	1,859,488	994,126	3,362,057	276,135	1,328,598	85,000	1,464,267	538,949
Closing Balance	798,038	614,752	140,451	567,527	-1,336,376	-116,446	89,918	1,579,790	1,731,342	2,850,223
Purpose of this Discretionary Reserve:	Is created utilised to provide a sum of money to rehabilitate landfills at the end of their useful life and to provide funds for other major capital expenditure in the waste management area.									
WALHub										
Opening Balance	882,000	911,400	900,588	889,354	877,313	864,958	852,283	839,278	825,934	812,244
Transfer to reserve	59,400	60,588	61,951	63,562	65,215	66,910	68,650	70,435	72,266	74,145
Transfer from Reserve	30,000	71,400	73,185	75,603	77,569	79,586	81,655	83,778	85,956	88,191
Closing Balance	911,400	900,588	889,354	877,313	864,958	852,283	839,278	825,934	812,244	798,198
Purpose of this Discretionary Reserve:	To meet programmed asset renewal commitments as approved by the Committee of Management for the WIFT									
Total All Reserves										
Opening Balance	14,408,434	12,217,970	12,945,833	13,193,653	8,234,393	8,269,974	10,778,150	12,502,828	15,375,856	16,497,898
Transfer to reserve	5,682,714	6,718,229	7,659,087	6,585,921	6,299,569	5,801,285	6,781,771	6,769,912	6,486,035	6,456,710
Transfer from Reserve	7,873,178	5,990,366	7,411,267	11,545,181	6,263,988	3,293,108	5,057,093	3,896,884	5,363,993	3,171,290
Closing Balance	12,217,970	12,945,833	13,193,653	8,234,393	8,269,974	10,778,150	12,502,828	15,375,856	16,497,898	19,783,318