

# 2022/23 TO 2032/33





# Acknowledgement of Country

We acknowledge the Wangal Clan of the Eora Nation, the traditional custodians of the lands on which the Burwood Local Government Area is located.

We pay our respects to their elders past, present and emerging. We acknowledge and respect their cultural heritage, beliefs and ongoing relationship with the land.

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# 1. Executive summary

Burwood Council's Long Term Financial Plan (LTFP) contains a set of long-range financial projections based on an informed set of assumptions. It is designed to reflect the financial implications of providing the current service levels and our programs of capital works. The LTFP covers the 10-year time period from 2022/23 to 2032/33. This Plan focuses on **delivering community needs and Council's strategic priorities (including asset renewal)**.

The LTFP indicates that Council will generate sufficient funds and has adequate reserves available to implement its programs and to achieve a balanced budget in each year throughout the ten-year planning period. The LTFP enables all asset backlogs identified in Council's Asset Management Strategy and Asset Management Plan to be addressed while maintaining assets class conditions to a standard that meets community expectations. Service delivery, organisational capability and financial stability will also be maintained.

# 2. Introduction

The LTFP is a core element of Council's corporate planning framework. The Plan addresses the financial resourcing capacity requirements to deliver the Vision of Burwood2036, our Community Strategic Plan. The LTFP enables the community's aspirations and demand for services to be tested against the financial opportunities and limitations likely to be encountered within the next 10 years, it includes financial modelling and the planning assumptions that have been identified as affecting the financial capacity of Council. The LTFP enables the community and Council to set priorities to meet future needs.

The projections contained in the LTFP are subject to change due to a variety of external factors as well as major decisions made by Council. It is necessary to regularly review and monitor a variety of factors, and revising the projections contained in the LTFP where necessary. The LTFP is revised annually as part of Council's annual budget process in keeping with the legislative requirements under the Integrated Planning and Reporting (IP&R) framework.

The Plan has been prepared in an environment of heightened uncertainty given the global and national impacts of the COVID-19 pandemic. Incorporating assumptions on the recovery from the pandemic is essential. Some of the key pandemic macroeconomic assumptions are:

- No further lockdowns take place
- Economic activities return to pre-pandemic levels
- Overseas tourism returns to pre-pandemic levels
- Domestic tourism spending increases with borders opening up.

Despite these challenges Council faces, we are committed to:

- Maintaining current service levels
- Maintaining organisational capability
- Meeting our obligations to our staff
- Prudently managing Council and community's resources and assets
- Reprioritising resource allocations to where they are most needed
- Providing financial assistance to support our community and businesses
- Maintaining our long-term financial sustainability while at the same time building our fiscal resilience to enable Council to respond to unexpected crises.



# 3. Objectives

## Legislated principles

Section 8B of the Local Government Act 1993 states that the following principles of sound financial management apply to councils:

- a) Council spending should be responsible and sustainable, aligning general revenue and expenses
- b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community
- c) Councils should have effective financial and asset management, including sound policies and processes for the following:
  - i. Performance management and reporting
  - ii. Asset maintenance and enhancement
  - iii. Funding decisions
  - iv. Risk management practices.
- d) Councils should have regard to achieving intergenerational equity, including ensuring the following:
  - i. Policy decisions are made after considering their financial effects on future generations,
  - ii. The current generation funds the cost of its services.

The LTFP is developed to give effect to the Community Strategic Plan, deliver Council's program and aspirations over time, and provide strong stewardship for community assets and resources. It contains a set of long-range financial projections based on an informed set of assumptions.

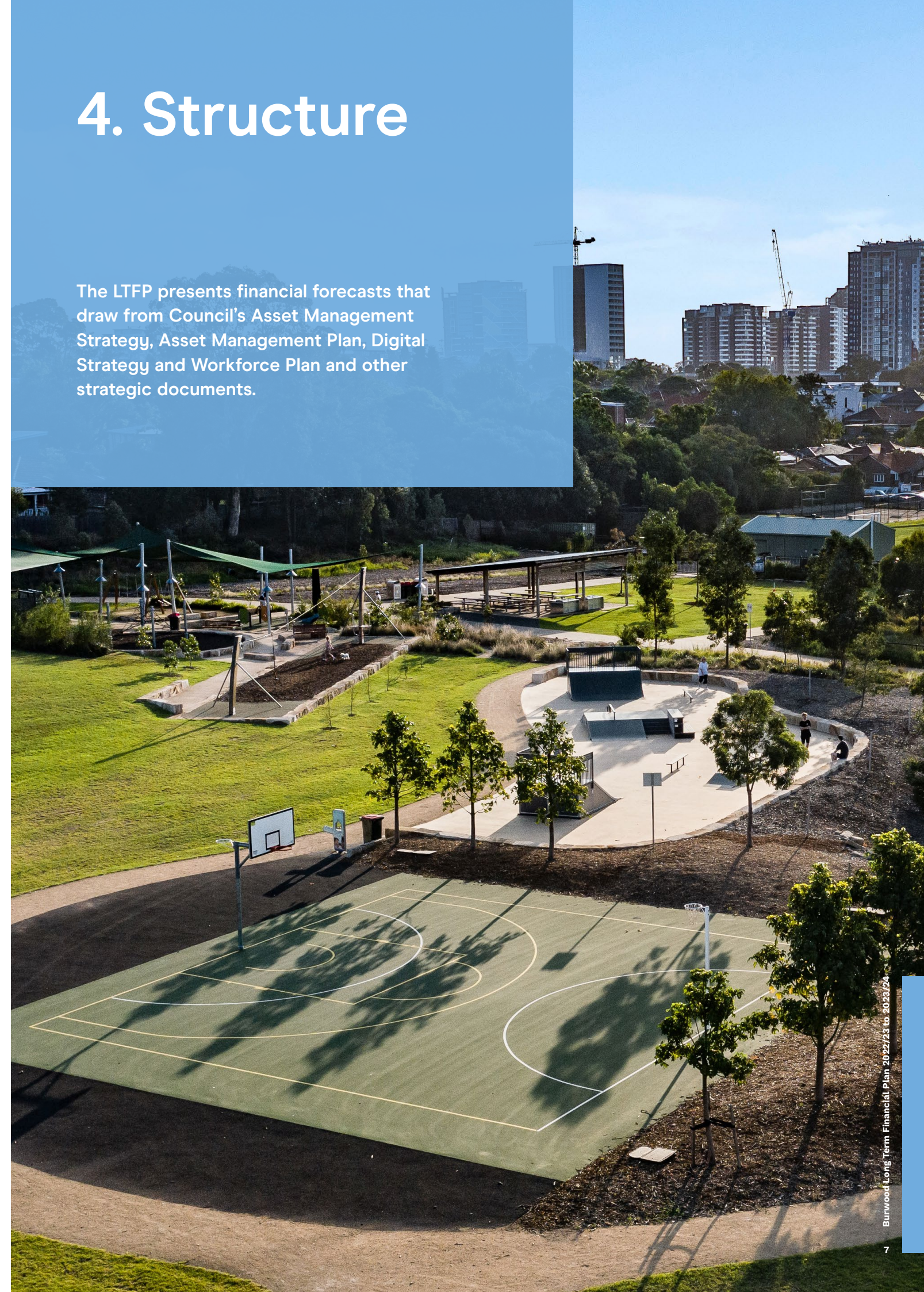
## Council objectives

In addition to the legislated principles of sound financial management, Council has 5 financial objectives that it applies to its financial planning, control and management.

- 1. Ensure financial sustainability** – to generate its own operating revenue and having sufficient assets to serve its liabilities with the aim of achieving all of the “fit for the future” financial sustainability benchmarks
- 2. Deliver a balanced budget** – ensure that each financial year's expenses are funded by identified funding sources.
- 3. Fund existing service levels** – ensure existing service levels that council currently provide continue to be fully funded when preparing budgets and making financial decisions.
- 4. Fund Infrastructure renewals** – the funding allocated to annual capital works programs to ensure all infrastructure assets meets the determined satisfactory condition level.
- 5. Be financially responsible** – ensure costs are well-considered and money is responsibly spent. We have carefully budgeted for a range of new initiatives to ensure Burwood remains affordable and sustainable well into the future.

# 4. Structure

The LTFP presents financial forecasts that draw from Council's Asset Management Strategy, Asset Management Plan, Digital Strategy and Workforce Plan and other strategic documents.





# 5. Current financial position of Council

Burwood Council operates at present from a sound financial position. The 2020-21 audited Annual Financial Statements reported that all but two of Burwood Council's key ratios are performing better than the Industry Benchmarks. Only the Operating Performance Ratio and Infrastructure Backlog Ratio are below the benchmark due to the impact of the pandemic and an outdated asset management system which has now been replaced.

Table 1: Local Government Key Performance Measures

Indicator	Quantitative Measure	Industry Benchmark 2020/2021	2020/2021	2019/2020	2018/2019
<b>Operating Performance Ratio</b>	Measures a Council ability to contain operating expenditure within operating revenue	>0	-8.40%	-9.41%	3.37%
<b>Own Source Operating Revenue Ratio</b>	Measures the level of a Council's fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions	>60%	81.89%	54.93%	77.79%
<b>Unrestricted Current Ratio</b>	The Unrestricted Current Ratio is specific to local government and is designed to represent a Council's ability to meet debt payments as they fall due	>1.5x	3.18x	2.96x	4.66x
<b>Debt Service Cover Ratio</b>	This ratio measures the availability of operating cash to service debt including interest, principal and lease payments	>2x	4.99x	2.95x	10.15x
<b>Rates and Annual Charges Outstanding percentage</b>	This ratio assesses the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts	<5%	4.53%	4.16%	2.90%
<b>Cash Expense Cover Ratio</b>	This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow	>3 months	6.58 months	8.34 months	10.47 months
<b>Building &amp; Infrastructure Asset Renewals Ratio</b>	This ratio compares the proportion spent on infrastructure asset renewals and the asset's deterioration measured by its accounting depreciation.  Asset renewal represents the replacement or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets or the refurbishment of old assets that increase capacity or performance.	>=100%	102.15%	122.55%	152.73%
<b>Infrastructure Backlog Ratio</b>	This ratio shows what proportion the backlog is against total value of a Council's infrastructure	<2%	9.43%	9.63%	6.97%

## Burwood Cares package – our response to the pandemic

Council in 2021/22 developed and implemented a program to assist the LGA to recover from the effects of the pandemic. The Burwood Cares package focused on key areas where Council offered support to the local community and outlined actions to be delivered by Council that supported the community's post pandemic recovery. The package was divided into two parts:

- Community that focuses on social aspects in Burwood
- Business that focuses on the local business community.

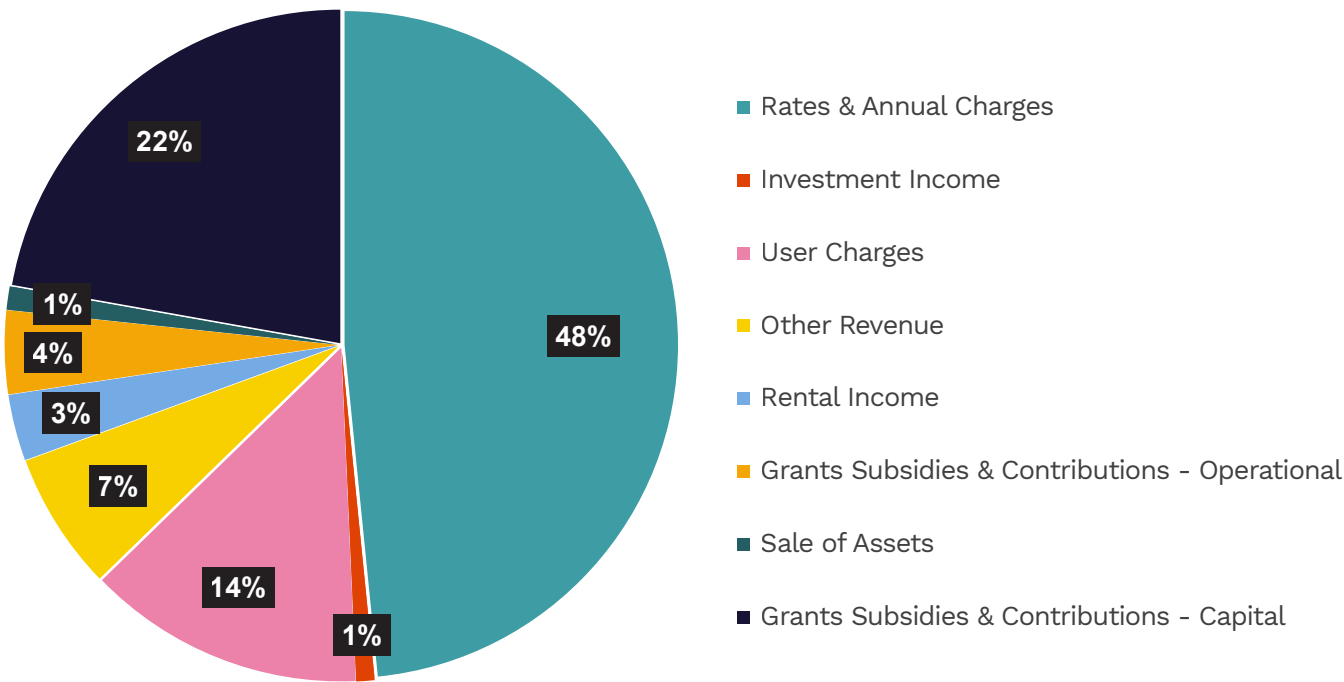
However, during the early part of the financial year Council suffered further from losses in income from the effects of the Omicron strain whilst still maintaining its focus on providing assistance to our community.

The 2022/23 Draft Budget forecasts Council's operating income to recover from the impact of the pandemic to be \$56.091 million, an increase of \$4.41 million compared to the current revised 2021-22 budget. The total income is projected to be \$73.16 million, an increase of \$12.72million compared to the current revised 2021/22 budget.

	Draft 2022/23 Budget	2021-22 Approved Budget	2021-22 Revised Budget	\$ change on 2021-22 Revised Budget	% change on 2021-22 Revised Budget
<b>Income - \$,000</b>					
<b>Operating Income</b>	<b>56,091</b>	<b>54,106</b>	<b>51,676</b>	<b>4,415</b>	<b>7.9%</b>
Rates & Annual Charges	35,414	33,687	33,981	1,433	4.0%
Investment Income	650	650	650	-	0.0%
User Charges	9,828	9,944	7,726	2,102	21.4%
Other Revenue	4,893	4,879	4,423	470	9.6%
Rental Income	2,350	2,347	1,687	663	28.2%
<b>Grants Subsidies &amp; Contributions - Operational</b>	<b>2,956</b>	<b>2,599</b>	<b>3,209</b>	<b>- 253</b>	<b>-8.6%</b>
<b>Capital Income</b>	<b>17,067</b>	<b>6,330</b>	<b>10,061</b>	<b>10,737</b>	<b>62.9%</b>
Sale of Assets	825	550	550	275	33.3%
Grants Subsidies & Contributions - Capital	16,242	5,780	9,511	6,731	41.4%
<b>Total Income</b>	<b>73,158</b>	<b>60,436</b>	<b>61,737</b>	<b>12,722</b>	<b>17.4%</b>

6. Current financial position of Council cont'd

The following chart shows the major categories of revenue for Council in 2022/23.

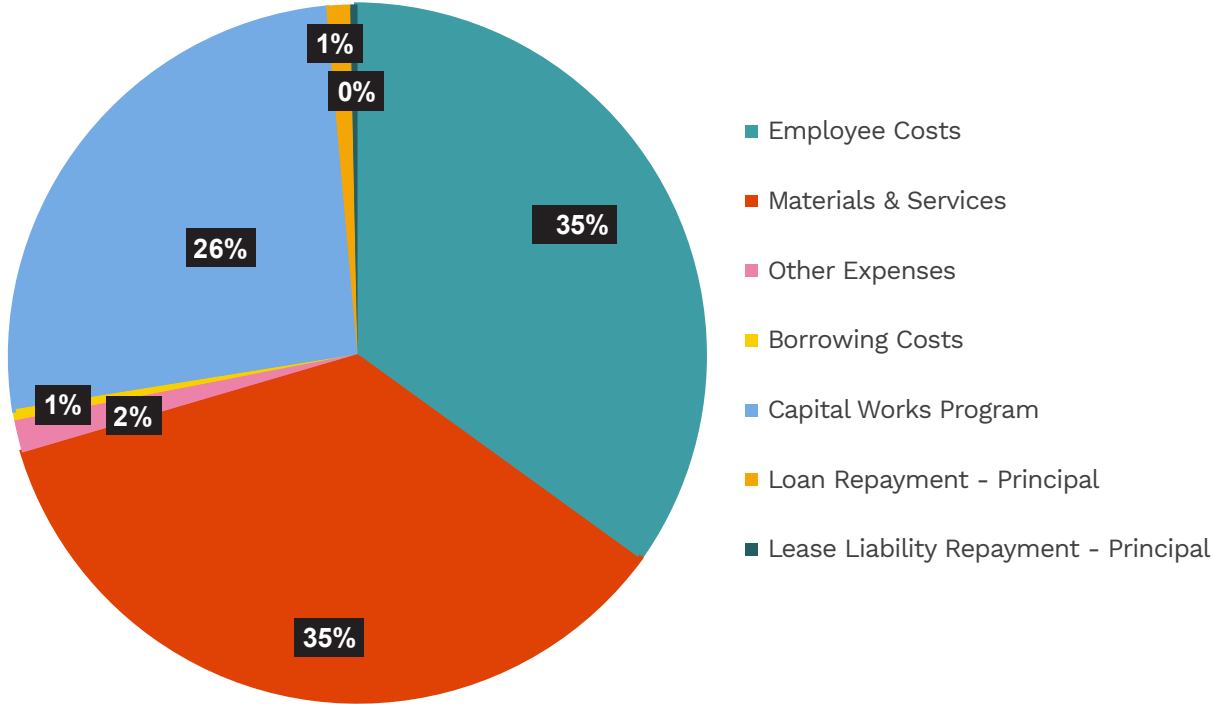


Rates and Annual Charges are 48.41% of our total revenue , effectively the largest category of Council revenue. Each year, the Independent Pricing and Regulatory Tribunal (IPART) sets the maximum allowable increase in rates based on a review of the Local Government Cost Index , which they have developed. The maximum allowable increase for 2022/23 set by IPART is 0.7%. This coincides with the final year of a 4 year Special Rate Variation (SRV) cycle of 4.5%. In effect, this means that Council will be increasing its 2022/23 rating base by 4.5%.

The 2022/23 budget estimates that Council's total expenditure, excluding depreciation expense will be \$66.2 million, including loan and finance lease repayments, as illustrated in the table below.

2022/23 budget estimates

Expense – \$,000	Draft 2022/23 Budget	2021-22 Approved Budget	2021-22 Revised Budget	\$ change on 2021-22 Revised Budget	% change on 2021- 22 Revised Budget
<b>Operating Expense</b>	<b>47,976</b>	<b>48,129</b>	<b>51,166</b>	<b>-3,190</b>	<b>-6.6%</b>
Employee Costs	23,151	22,922	21,674	1,477	6.4%
Materials & Services	23,490	23,825	28,093	-4,603	-19.6%
Other Expenses	1,000	1,042	1,059	-59	-5.9%
Borrowing Costs	335	340	340	-5	-1.5%
<b>Capital Expense</b>	<b>17,281</b>	<b>10,805</b>	<b>21,190</b>	<b>-3,909</b>	<b>-22.6%</b>
Capital Works Program	17,281	10,805	21,190	-3,909	-22.6%
<b>Loan</b>	<b>946</b>	<b>726</b>	<b>938</b>	<b>8</b>	<b>0.8%</b>
Loan Repayment - Principal	729	726	726	3	0.4%
Principal	217	-	212	5	2.3%
<b>Total Expense</b>	<b>66,203</b>	<b>59,660</b>	<b>73,294</b>	<b>-7,091</b>	<b>-10.7%</b>





# 6.LTFP Assumptions

In developing this LTFP, projections on future forecasts have been based on a number of assumptions. These assumptions are explained below.

## Levels of service to the community

The LTFP is based on Council maintaining existing services to the community at the existing service levels as well as incorporating works arising from the Strategic Asset Management Plan and other strategic plans.

## Capital works program

Council’s extensive capital works program aims to deliver much needed renewal of infrastructure assets including roads, community buildings, parks & reserve and transport infrastructure. The total proposed value of works in Council’s 2022/23 capital works program is \$17.28m. The LTFP capital works program 2022/23 to 2031/32 outlines all infrastructure renewal works arising from Council’s Asset Management Strategy, Asset Management Plan and other strategic plans.

The financial projection of future capital works will depend on the nature, timing and funding of specific projects. The majority of infrastructure projects are costed in accordance with current design estimates. Any significant cost revisions in subsequent years will be reflected in the LTFP going forward.

## Debt policy

Council’s level of debt is low, with total outstanding loans of \$5.8 million as at 30 June 2022. An increase in debt will therefore be considered from time to time if it will allow Council to spread the burden of costs more equitably across current and future generations in alignment with benefits and/or reduce the growth in renewal costs that may arise from delay in investment in assets. Assuming Council has capacity to service more debt, the use of debt financing is more likely to increase during the life of this Plan.

Debt is only to be considered by Council as a means of financing capital investments, not operational costs, and where there is a reliable source of income (funding source) for repayment.

## Reserve funding

Council holds limited externally restricted cash reserves, covering Domestic Waste, Stormwater Management Services Charge, Section 7.12 Fixed Developers Contributions and Section 7.4 Planning Agreement Contributions. These funds are only to be used for the purposes for which they were raised. Internally restricted reserves include money held for such items as employees leave entitlements, bond and deposits, plant and vehicle replacement and infrastructure assets. These funds are to be used for the purpose for which they are held.

## Revenue – rates

Rates are a major source of Council’s income, representing approximately 39.17% of the total revenue in the draft 2022/23 budget. This income projection is based on the Independent Pricing and Regulatory Tribunal (IPART) SRV increase of 4.5% approved in May 2019. The rate pegging assumption for the subsequent years are in line with the projected CPI for the life of the LTFP.

The approved annual rate pegging limit since 2004/05 is shown in the table 3 below, along with the actual rate increase adopted by Council. This table shows that over this period the average annual rate pegging limit has been 2.71%, this was higher than the average annual CPI of 2.3%. Council’s average increase of 4.86% is the result of a SRV approved for 2006-08, 2014-18 and 2019-23.

## Allowable increase in Rates and CPI

Year	Rate Pegging limit %	Burwood Council’s increase %	CPI (weighted average all capital cities) %
2004/05	3.5%	3.5%	2.5%
2005/06	3.5%	3.5%	4.0%
2006/07	3.6%	9.9%	2.1%
2007/08	3.4%	9.3%	4.4%
2008/09	3.2%	3.2%	1.4%
2009/10	3.5%	3.5%	3.1%
2010/11	2.6%	2.6%	3.5%
2011/12	2.8%	2.8%	1.2%
2012/13	3.6%	3.6%	2.4%
2013/14	3.4%	3.4%	3.0%
2014/15	2.3%	5.5%	1.5%
2015/16	2.4%	6.5%	1.0%
2016/17	1.8%	7.0%	1.9%
2017/18	1.5%	7.5%	2.1%
2018/19	2.3%	2.3%	1.9%
2019/20	2.7%	4.7%	2.0%
2020/21	2.0%	4.5%	1.5%
2021/22	2.6%	4.5%	
2022/23	0.7%	4.5%	
Total cumulative increase	51.40%	92.30%	39.50%
Average annual increase (19 years - 2004/5 to 2022/23)	2.71%	4.86%	2.08%



Domestic Waste charges

The Domestic Waste Management charge is based on the full cost recovery for the provision of the waste and recyclable collection service. However IPART has for 2022/23 set an increase limit of 1.1%. Council will therefore be using some of the Domestic Waste Reserve to fund the 2022/23 domestic waste management costs. The Reserve is essential to provide for the funding of waste bins, garbage trucks and fleet equipment replacements.

Stormwater Management Service Charges

The Stormwater Management Service Charge (SMSC) is intended as a mechanism for New South Wales (NSW) councils to raise income to invest in improving the stormwater systems in urban areas, under the Local Government Amendment (Stormwater) Act 2005 No70. The revenue raised from SMSC will be allocated to projects/activities in relation to capacity and water quality as well as works that arise from Catchment Flood Studies.

User charges and fees

Council provides a wide range of facilities and services for which it receives revenue from user fees and charges. Council sets its fees and charges in accordance with the provisions of the Local Government Act,1993 using the seven guiding principles defined in the Pricing Policy. Fees and Charges are updated annually. Some of the fees are classified as statutory fees which are fixed by regulations, legislation or a State/Federal Authority. Where Council has the legislative authority to vary fees and charges the Consumer Price Index (CPI) has generally been applied, where considered appropriate.

Often, the fee received does not fully offset the costs associated with the service or facility as they are aimed at providing a broad community benefit and if higher fees were charged many residents may be unable to enjoy the use of the facility and service. Revenue growth in these areas is limited due to Council seeking to provide services accessible to the wider community. Historically the revenue received from the majority of this group of fees and charges have increased in line with CPI. Accordingly, the LTFP model includes a projected increase for this income group in line with the projected CPI growth.

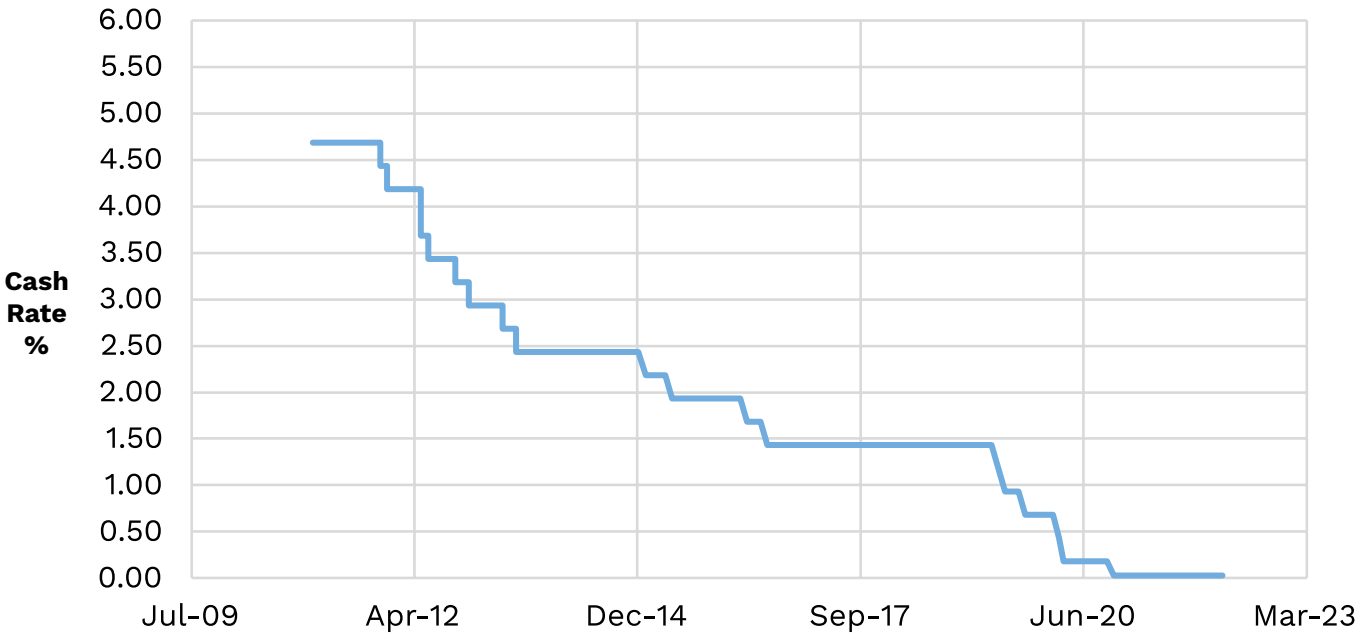
Interest and investment revenue

All cash investments made by councils in NSW are subject to Section 625 of the Local Government Act and associated regulations and circulars. All such investments must also be in accordance with the Council’s Investment Policy. Investment reports are submitted to Council on a monthly basis.

- Burwood’s Investment Policy limits the proportion of investments Council can make in various types of facilities by limiting:
- the overall credit exposure of the portfolio
  - the credit rating of individual financial institutions
  - the term to maturity of the overall portfolio.

Council’s investments yielded positive returns overall and exceeded the benchmark return on an annual basis. The level of interest revenue earned varies with regard to total funds held in Council’s investment portfolio. Interest revenue is also subject to external factors such as monetary policy decision and economic and investment market conditions. Over the longer term, economic conditions can vary considerably, which in turn can affect the interest rate. The graph below depicts movements in the official Australian cash rate.

Trend analysis of RBA Cash Rate



Other Revenues

Other revenue increases have been projected to increase in line with estimated CPI growth.

Grants and contributions

Council receives grants from the State and Federal Governments. These are either for discretionary or non-discretionary purposes. The majority of grants provided to Council are for specific purposes, such as infrastructure maintenance & upgrade, provision of community services and environmental programs. Grants and contributions in general are not subject to indexation, however Council has allowed an estimated CPI growth.

Section 1.12 developer contributions

Section 7.12 of the Environmental Planning and Assessment Act 1979 enables councils to levy contributions for public amenities and services required as a consequence of development. Developer contributions are essential to providing key facilities and services for local residents. The s7.12 contributions are held as an externally restricted asset and they are allocated to fund the capital works program projects.

The level and timing of contributions fluctuate according to a variety of factors including

economic growth and the level of development activity. In the LTFP, it is assumed that economic growth and development activities are relatively static throughout the life of the 10 years, recognising that there will be market fluctuations from time-to-time.

Section 7.4 Planning Agreements developer contributions

Section 7.4 of the Environmental Planning and Assessment Act 1979 enables councils to seek contributions for public amenities and services required as a consequence of development. Planning Agreements can take a number of formats, including dedication of land free of cost, payment of a monetary contribution, or provision of any other material public benefit, or any combination of them, to be used for or applied towards a public purpose. The Burwood Planning Agreement Policy outlines a value sharing approach in which Council seeks a share of value uplift generated from new development which exceeds current floor space ratio controls.

Planning Agreements are a form of developer contributions, which are essential to providing key facilities and services for local residents. The Planning Agreement contributions are held as an externally restricted asset and allocated to fund projects in our capital works program.



The level and timing of Planning Agreement contributions for the LTFP fluctuate according to a variety of factors including economic growth and the level of development activity. There is a delay between when a contribution is agreed and when it is paid, given that contributions are not required to be paid until an Occupation Certificate is issued. In addition, Planning Agreements are voluntary in nature which adds another level of uncertainty for the stability of this income stream. In the LTFP, it is assumed that economic growth and development activities are relatively static throughout the life of the 10 years, recognising that there will be market related fluctuations from time-to-time.

### Expenditure – employee costs

Employee costs include the payment of salary and wages, leave, superannuation, training and workers compensation expenses. Overall employee costs comprise around 48.26% of Council's operating expenditure excluding depreciation. The LTFP projection includes the Award increase of 2.0% for 2022/23 and 2023/24, and thereafter it is assumed the award rate will be in line with CPI growth.

For Council employees in the accumulation scheme, Council is required to make compulsory employer superannuation contributions in accordance with the compulsory employer superannuation contribution limits. As a result of legislative changes, this contribution will progressively increase from its current level of 10% to 12% in 2025/26. The current rate of 10% will be increased by 0.5% from 2022/23 until it reaches 12%. For workers compensation, the budget provision is based on Council's provider insurance company's estimates for 2022/23. Thereafter it will increase in line with the forecast salary increase.

### Materials and contracts

Expenditure on materials and contracts has generally been indexed below estimated CPI growth in the LTFP.

### Loan borrowing costs

Whilst inflation remains low, interest rates are forecast to remain low. The LTFP includes an average rate of 4.5% for loans with a 10 year term. This is conservative as it is above the forecast borrowing rates for 2022/23. The conservative position is considered appropriate in light of the current economic climate.

### Depreciation

Depreciation for Council's assets is a non-cash expense that reflects the utilisation of Council's assets and the degradation of their capacity to provide functionality over time. Depreciation expense is an indicator used by the Office of Local Government to determine the level of asset renewals that councils should be undertaking. Council uses a straight line method of depreciation which is commonly applied to Local Government infrastructure.

### Other expenses

Increases in the range of levies imposed by the State Government are hard to predict. Levies such as the State Emergency Levy, Fire Brigade Levy and Sydney Regional Development Fund contribution have grown steadily and have been forecast to continue.

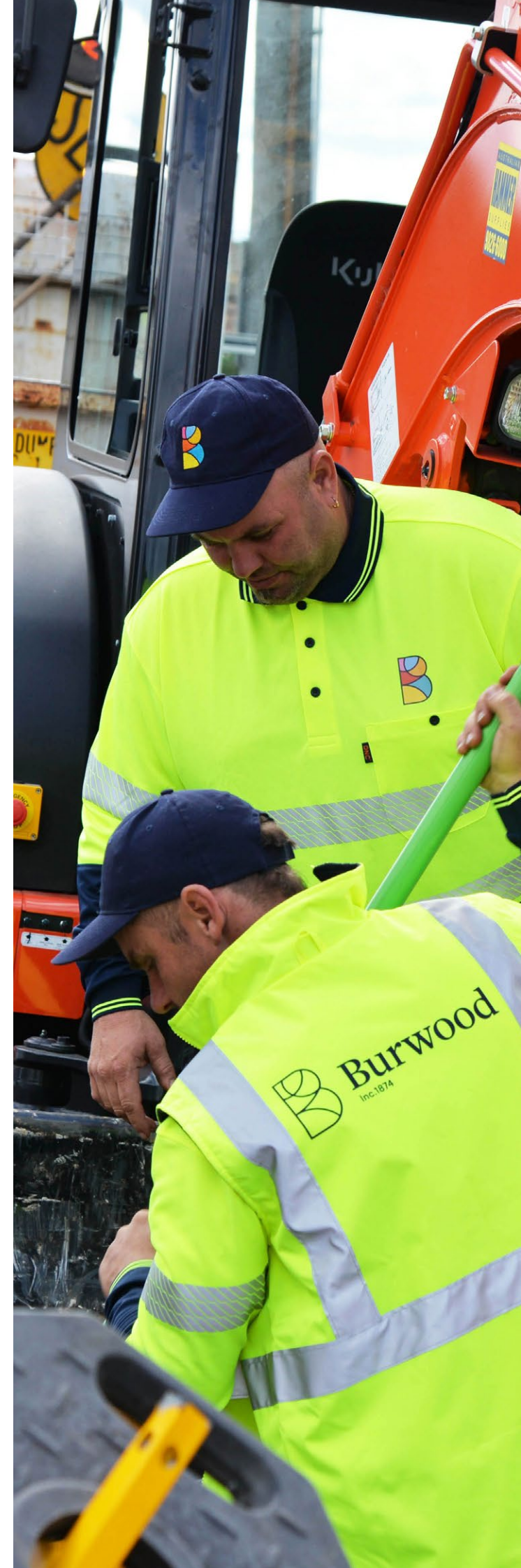
## 7. Financial results

The LTFP forecasts that Council will successfully manage the financial sustainability challenges while sustaining Council's current level of operations and capital program up to 2031/32. Internal restricted reserves are forecasted to be responsibly utilised to fund Council's spending and balance the budget in a manner consistent with the purpose for which they were raised. The annual review of the LTFP allows Council to vary our approach to sustainable financial management as we progress through the planning period.

Like all councils, we access funds through a variety of sources including:

- Rates and other levies/charges
- Fees and Charges
- Loans
- Grants
- Council also has the ability to apply reserves.

Council also continuously reviews its operations with the aim to achieve cost efficiency improvements.







# 8. Productivity and efficiencies

**In preparing the 2022/23 Budget, Council has committed to undertake a review of Council services in order to improve the productivity and efficiency of our operation, as well as containing costs and exploring additional revenue streams to deliver existing and improved service levels. These operational efficiencies will be built into the 2023/24 budget once they have been undertaken. Council Staff are currently working through several initiatives that will assist in managing financial sustainability.**

These include:

- Council wide service reviews
- Employee leave management strategies
- Review of the Domestic Waste Charge and its application
- Digital Strategy and resulting process and productivity efficiencies
- A Workplace Health & Safety improvement program to reduce workplace injuries.

It is estimated that the benefits of these programs will provide financial benefits across future LTFPs. These productivity efficiencies will assist in offset rising costs over the life of this LTFP.

# 9. Opportunities and threats

**In projecting Council’s future financial position, a number of anticipated future challenges that may have an adverse impact on Council have been considered. These are summarised below.**

## Rate pegging

NSW councils are subjected to rate pegging. Rate pegging is the maximum percentage limit by which NSW councils may increase the total income they receive from rates. The rate pegging percentage is set each year by IPART. A general observation that rate pegging has constrained the capacity of NSW councils to raise total revenue so that they can keep pace with cost increase and service expansions to meet community expectations. Decisions on rate pegging and rate variations above the peg can therefore pose a significant threat to the modelled financial outcomes. Burwood’s experience is that rates revenue generates approximately 40.29% of the total revenue.

## Non-rates revenue

The Council is heavily dependent on variable non-rates sources of revenue, these represents over 14.26% of the total revenue. Many of these income items are volatile to economic conditions, such as the building construction and property rental markets.

## Parking income

Income from parking fees and fines account for approximately 10.13% of our total income. Market conditions and Council policies on public parking will have significant implications our long-term financial outlook.

## Cost shifting from Federal and State Governments

Cost shifting is a challenge confronting Local Government. Cost shifting occurs when there is a transfer of services from the Federal or State Government to Local Government without the provision of adequate funding required to provide the service. The LTFP assumes the current cost will increase annually by CPI, but no growth in cost shifting in the life of the LTFP.

## Developer contributions

In 2005 the Environmental Planning and Assessment Act was amended to introduce, among other things, a system for the negotiation of planning agreements between developers and planning authorities. The increased use of planning agreements, as well as changes in the application of Section 7.12 (formerly S94A) contributions, have positively impacted on the Council’s long term financial outlook. These contributions can be significantly affected by construction market conditions.





Direct labour costs

All councils in NSW, except the City of Sydney, are covered by the Local Government State Award which is centrally negotiated and largely beyond Council’s control. Direct employee costs (namely salaries/wages, superannuation, leave and overtime) represent over 46.72% Council’s operating expenditure (when depreciation is excluded). Salary/wage rates struck under the Award negotiations can have a significant impact on financial outcomes, especially when the Award increase is above the rate peg. This has the potential to significantly affect the reliability of the funding model.

Workers’ compensation costs

Variations in workforce safety performance pose a significant risk to the budget. In 2022/23 budget year, the workers compensation premium is estimated to be \$0.739 million. Council is undertaking a program of improvements in WH&S in an effort to improve workplace safety. This improvement will result in premium reductions in the medium term. The LTFP assumes that our workers compensation premiums will be increased in the next two years by 25% from the 2022/23 level. However, threats to this may arise, due to Council’s ageing workforce and our high exposure to manual handling areas such as civil works, waste cleansing and open space operations.



10. Sensitivity analysis

Council’s LTFP covers a 10-year period based on assumptions regarding future financial trends. These assumptions include future rate variation limits (i.e.rate pegging), increase in CPI and employment costs. Many of these factors can fluctuate over time as they are influenced by a variety of circumstances, such as government policies, economic conditions and changing community expectations. As it is not possible to accurately predict movements in these factors in individual years over the long term, they have been projected on the basis of recent trends or forecasted CPI based on available information in the time when the plan is prepared. A full list of the assumptions underlying the projections in the LTFP is contained in Appendix 1.

Over a 10 year period, these assumptions may be subject to change outside the parameters used in developing the assumptions for the LTFP. Any major change in these assumptions will have an impact on the financial projections contained therein. The level of impact depends not only on the level of change but also on the nature of the assumption.

A minor variance in some of the assumptions will have a relatively small impact on the projections contained in the LTFP. For example, increases in the level of grant income received for specific purposes would result in a corresponding increase in expenditure. Conversely, a change in the annual rate pegging limit or employee award rate will have a significant impact on future financial projections. Sensitivity analysis has been undertaken to assess the impact of changes in the factors which have been used to project future revenue and expenditure.



Sensitivity analysis involves developing different scenarios by varying the critical assumptions, such as the items described in the Opportunities and Threats section above. The different scenarios demonstrate the impact of these changes on Council's financial projections.

## Financial projection scenarios

Council's LTFP contains long term projections based on specific assumptions. As it is difficult to accurately predict all future trends, alternative scenarios have been modelled to help provide an indication of Council's future financial position under a variety of circumstances. These alternative scenarios are summarised below:

All scenarios use the 2022/23 budget as base with the exception of Scenario Three.

### SCENARIO ONE:

#### Base

This scenario includes the last of the four-year SRV of 4.5% in accordance with IPART approval to address Council's drainage Infrastructure backlog and deliver current services to the community.

### SCENARIO TWO:

#### Domestic Waste Management Charge (SRV)

The same basis as for Scenario One and includes a forecast of 10% SRV for Domestic Waste Management Charge (DWMC) in 2023/24 financial year to address the shortfall in IPART's recommended DWMC increase of 1.1% in 2022/23. For the 2022/23 financial year a transfer from the Domestic Waste Management reserve has been used to balance the cost of the service.

### SCENARIO THREE:

#### Base with a drawn out pandemic recovery

The same basis as for Scenario One but includes a six months reduction in specific income categories which have been affected by the Pandemic lockdowns. These categories include Parking Income, Enfield Aquatic Centre (EAC), Commercial Rental, Residential Rentals, Community Facilities hire, Commercial Rebates (Health Inspections and Outdoor Eating License). In addition there is a saving allowance in Employee costs resulted from savings in casual wages due to EAC shutdown.

### SCENARIO FOUR:

#### Pessimistic assumption

This scenario shows the impact in operating deficits before capital revenue increasing over the LTFP due to a an number of factors, lower than expected projected in the (IPART) Rate Peg of 0.5%, a declined by IPART of an increase in the Domestic Waste Management (SRV) application of 10%, higher than expected NSW Local Government State Award increase of 0.5% increase than originally budgeted and increases in Workers Compensation Premiums by 15% in 2023/2034 and a further increase of 10% in 2024/2025.

**Please see Appendix B for a detailed breakdown of each scenario.**



# 11. Monitoring financial performance

**It is important that Council regularly assesses its financial performance and position against the projections contained in the LTFP. The planned model has been developed so that its implementation will over the life of the LTFP meet a set of financial indicators:**

- Balanced Budget
- Operating Performance Ratio
- Own Source Operating Revenue Ratio
- Unrestricted Current Ratio
- Debt Service Cover Ratio
- Cash Expense Cover Ratio
- Infrastructure Backlog Ratio.

The annual budgets are set to maintain service delivery, organisational capability and financial stability and responses which may follow the pandemic. Budget control and monitoring is paramount for Council achieving the outcomes of this Plan. Budgets are monitored internally on an on-going basis. Monthly financial reports are reported to the Executive Leadership Team and Managers and Quarterly Budget Reviews are reported to Council and illustrate the progress against the adopted budgets.



# 12. Conclusion

Council has a strong record in responsible financial management and a clear plan for continuing this track record to achieve the productivity and efficiency targets set in this LTFP through a thorough review of Council’s services.

# Appendix A

## Assumptions

General Assumptions		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Operating Income											
Rates - Ordinary		4.50%	2.25%	2.25%	2.25%	2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
Annual Charges - Domestic Waste		1.10%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
User Charges - Specific 1		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
Fees & Charges - Statutory & Regulatory 1		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Fees & Charges		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other Revenues		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Operating Grants - General Purpose (Untied) 1		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Operating Grants - Specific Purpose 1		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Operating Contributions - General Purpose (Untied) 1		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Operating Contributions - Specific - Other Contributions 1		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest & Investment Revenues - o/s		6.00%	6.00%	6.00%	6.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Rates & Annual Charges											
Interest & Investment Revenues - Investments		2.00%	2.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Rental Income - Investment Property		2.00%	2.00%	2.25%	2.25%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%
Rental Income - Other		2.00%	2.00%	2.25%	2.25%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%
Operating Expenditure											
Employee Costs - Salaries & Wages		2.00%	2.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Employee Costs - Casual Wages		2.00%	2.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Employee Costs - Superannuation		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Employee Costs - Workers Comp		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Employee Costs - Other 1		2.00%	2.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Materials & Contracts - Raw Materials & Consumables		1.00%	1.00%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Contracts		1.00%	1.00%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Legal Expenses		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Materials		1.00%	1.00%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Utilities		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Insurance		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Other Expenses		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Depreciation - IPP&E		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Depreciation - ROU		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Other Expenses - Government Levies		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other Expenses - Donations & Gifts		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other Expenses - Impairment		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Capital Income											
Capital Contributions - Developer Contributions		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Depreciation (non-cash) contra Income		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%



# Appendix B

## SCENARIO ONE:

## Base Case

### Income Statement

	Budget 2022-23	Budget 2023-24	Budget 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations										
Rates & Annual Charges	35,414,334	36,732,056	38,389,495	39,766,018	41,259,998	42,725,490	43,989,331	45,825,372	47,361,505	48,948,884
User Charges & Fees	9,827,851	10,057,701	10,297,981	10,533,819	10,780,349	11,032,705	11,291,028	11,555,458	11,826,143	12,103,230
Interest & Investment Revenue	650,000	701,000	900,000	1,252,000	1,353,000	1,354,000	1,390,000	1,425,000	1,460,000	1,495,000
Other Revenues	4,893,342	4,991,209	5,091,033	5,192,854	5,296,711	5,402,645	5,510,698	5,620,912	5,733,330	5,847,997
Rental Revenue	2,349,582	2,396,574	2,505,497	3,028,294	3,094,955	3,163,119	3,232,819	3,304,089	3,376,965	3,451,483
Grants & Contributions provided for Operating Purposes	2,955,723	2,670,889	2,559,425	2,619,255	2,680,497	2,743,185	2,807,353	2,873,038	2,940,275	3,009,101
Grants & Contributions provided for Capital Purposes	13,900,500	10,816,520	10,853,406	10,890,660	11,444,732	11,494,310	6,544,935	6,600,717	6,660,564	6,721,027
Total Income From Continuing Operations	69,991,332	68,365,949	70,596,837	73,282,899	75,910,241	77,915,454	74,766,163	77,204,586	79,358,781	81,576,722
Expenses From Continuing Operations										
Employee Benefits & On-Costs	(23,150,870)	(23,843,362)	(24,616,525)	(25,239,343)	(25,988,640)	(26,727,333)	(27,486,427)	(28,302,654)	(29,143,200)	(30,008,793)
Borrowing Costs	(335,191)	(313,582)	(345,797)	(361,611)	(388,254)	(366,075)	(418,035)	(418,194)	(393,247)	(362,212)
Materials & Contracts	(23,490,465)	(23,274,897)	(24,182,823)	(25,144,416)	(26,364,807)	(28,587,639)	(28,151,481)	(29,103,961)	(30,336,858)	(31,098,720)
Depreciation & Amortisation	(10,412,886)	(10,517,015)	(10,622,185)	(10,728,407)	(10,835,691)	(10,944,048)	(11,053,488)	(11,164,023)	(11,275,663)	(11,388,420)
Other Expenses	(999,625)	(1,019,318)	(1,039,404)	(1,059,892)	(1,080,790)	(1,102,106)	(1,123,848)	(1,146,025)	(1,168,645)	(1,191,718)
Total Expenses From Continuing Operations	(58,389,037)	(58,968,173)	(60,806,734)	(62,533,668)	(64,658,181)	(67,727,200)	(68,233,278)	(70,134,856)	(72,317,614)	(74,049,862)
Operating Result from Continuing Operations	11,602,295	9,397,776	9,790,103	10,749,231	11,252,060	10,188,254	6,532,885	7,069,729	7,041,167	7,526,860
Net Operating Result before Capital Items	(2,298,205)	(1,418,744)	(1,063,303)	(141,429)	(192,672)	(1,306,056)	(12,050)	469,012	380,604	805,833
Capital Expenditure										
Capital Works Program	(17,281,225)	(25,800,623)	(29,382,017)	(11,075,612)	(11,188,926)	(11,349,916)	(13,294,051)	(11,739,065)	(11,889,540)	(12,207,160)
Loan Principal Repayments	(728,701)	(734,301)	(694,173)	(676,422)	(702,117)	(728,794)	(724,832)	(704,333)	(734,063)	(705,331)
Lease Liability Principal Repayments	(217,145)	(219,824)	(225,833)	(232,006)	(115,988)	(119,516)	(123,151)	(126,897)	(130,756)	(134,734)
Transfer to Reserves	(11,045,000)	(11,312,305)	(11,814,983)	(12,153,038)	(12,471,473)	(12,525,323)	(7,930,323)	(7,750,323)	(7,900,323)	(7,900,323)
Source of Capital Funds										
Sale of Assets	825,000	840,000	855,000	885,000	885,000	900,000	915,000	925,000	925,000	925,000
Loan Borrowing	0	1,000,000	2,000,000	-			2,000,000			
Transfer from Reserves	6,436,767	16,342,444	18,877,682	1,811,330	1,535,000	2,770,000	1,650,000	1,220,000	1,470,000	1,220,000
Depreciation & Amortisation Expense (Contra)	10,412,886	10,517,015	10,622,185	10,728,407	10,835,691	10,944,048	11,053,488	11,164,023	11,275,663	11,388,420
Net Budget Result Surplus/(Deficit)	4,877	30,182	27,964	36,889	29,247	78,753	79,017	58,135	57,148	112,732



SCENARIO ONE:

Base Case

Balance Sheet

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026		Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	22,154,201	31,593,998	42,671,366	51,693,144		62,697,182	72,645,909	79,019,765	85,475,154	92,040,776	98,901,038
Investments	25,633,880	25,633,880	25,633,880	25,633,880		25,633,880	25,633,880	25,633,879	25,633,880	25,633,880	25,633,880
Receivables	4,333,869	4,549,463	5,181,581	4,456,132		4,611,994	4,756,844	4,510,956	4,653,633	4,784,880	4,920,827
Other	1,250,525	1,245,415	1,269,626	1,295,247		1,327,631	1,386,178	1,375,367	1,400,794	1,433,549	1,454,027
Non-current assets classified as “held for sale”	-	-	-								
Total Current Assets	53,372,476	63,022,756	74,756,453	83,078,403		94,270,686	104,422,811	110,539,967	117,163,461	123,893,085	130,909,771
Non-Current Assets											
Investments	1,717,120	1,717,120	1,717,120	1,717,120		1,717,120	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120
Receivables	-	-	-								
Infrastructure, Property, Plant & Equipment	520,761,916	526,780,383	540,144,004	539,830,697		539,525,665	539,260,533	540,817,386	540,701,032	540,625,847	540,757,886
Investment Property	4,700,000	4,700,000	4,700,000	4,700,000		4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
Intangible Assets	379,000	379,000	379,000	379,000		379,000	379,000	379,000	379,000	379,000	379,000
Right of Use assets	642,228	422,163	199,898	1,625,409		1,398,676	1,169,676	938,386	704,782	468,843	230,544
Total Non-Current Assets	528,200,264	533,998,666	547,140,021	548,252,226		547,720,461	547,226,330	548,551,892	548,201,934	547,890,811	547,784,551
TOTAL ASSETS	581,572,740	597,021,422	621,896,474	631,330,630		641,991,147	651,649,141	659,091,860	665,365,395	671,783,895	678,694,322
LIABILITIES											
Current Liabilities											
Payables	10,658,758	10,952,818	11,938,399	10,589,242		10,778,330	11,057,398	11,308,083	11,301,864	11,501,495	11,681,684
Contract Liabilities	2,945,868	3,105,439	3,840,607	2,621,786		2,659,261	2,698,241	2,205,373	2,246,627	2,289,149	2,332,591
Lease Liabilities	219,824	225,833	232,006	115,988		119,516	123,151	126,897	130,756	134,734	138,832
Borrowings	693,185	611,942	676,422	702,117		728,794	606,840	704,333	734,063	705,331	531,129
Provisions	7,247,125	7,247,125	7,247,125	7,247,125		7,247,125	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125
Total Current Liabilities	21,764,760	22,143,156	23,934,559	21,276,258		21,533,025	21,732,756	21,591,810	21,660,435	21,877,833	21,931,361
Non-Current Liabilities											
Payables	-	-	-	-		-	-	-	-	-	-
Contract Liabilities	-	-	-	-							
Lease Liabilities	457,839	232,006	-	1,534,012		1,414,496	1,291,345	1,164,448	1,033,692	898,958	760,127
Borrowings	4,339,144	4,686,087	5,927,434	5,225,317		4,496,523	3,889,683	5,067,359	4,333,296	3,627,966	3,096,835
Provisions	153,875	153,875	153,875	153,875		153,875	153,875	153,875	153,875	153,875	153,875
Total Non-Current Liabilities	4,950,858	5,071,968	6,081,309	6,913,204		6,064,894	5,334,903	6,385,682	5,520,863	4,680,799	4,010,837
TOTAL LIABILITIES	26,715,618	27,215,124	30,015,868	28,189,462		27,597,919	27,067,659	27,977,492	27,181,298	26,558,632	25,942,198
Net Assets	554,857,122	569,806,298	591,880,606	603,141,167		614,393,229	624,581,482	631,114,367	638,184,097	645,225,264	652,752,124
EQUITY											
Accumulated Surplus	269,403,122	284,352,298	306,426,606	317,687,167		328,939,229	339,127,482	345,660,367	352,730,097	359,771,264	367,298,124
Revaluation Reserves	285,454,000	285,454,000	285,454,000	285,454,000		285,454,000	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000
Total Equity	554,857,122	569,806,298	591,880,606	603,141,167		614,393,229	624,581,482	631,114,367	638,184,097	645,225,264	652,752,124



SCENARIO ONE:  
Base Case

Cashflow

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026		Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	35,400,583	36,720,347	38,374,767	39,753,786		41,246,722	42,712,468	43,978,100	45,809,056	47,347,855	48,934,779
User Charges & Fees	9,953,022	10,067,426	10,308,349	10,543,913		10,791,102	11,043,818	11,302,509	11,567,316	11,838,386	12,115,868
Interest & Investment Revenue Received	600,900	643,715	828,476	1,203,560		1,279,645	1,292,070	1,351,664	1,380,074	1,417,588	1,450,636
Grants & Contributions	17,858,058	19,113,086	26,087,481	13,336,566		14,131,326	14,244,078	9,065,816	9,480,878	9,608,291	9,737,709
Other	7,054,268	7,334,674	7,411,429	8,482,422		8,365,383	8,538,763	8,837,670	8,896,709	9,081,315	9,269,883
	70,866,832	73,879,248	83,010,502	73,320,248		75,814,179	77,831,197	74,535,759	77,134,033	79,293,435	81,508,876
Payments											
Employee Benefits & On-Costs	23,088,981	23,816,989	24,587,280	25,216,157		25,960,121	26,699,401	27,457,727	28,271,580	29,111,195	29,975,827
Materials & Contracts	23,724,186	23,284,963	24,135,130	25,093,945		26,301,014	28,472,307	28,172,778	29,053,871	30,272,334	31,058,380
Borrowing Costs	326,478	312,588	340,915	364,140		390,878	368,799	413,268	420,827	395,992	364,849
Other	1,011,566	999,809	1,009,679	1,030,977		1,048,600	1,061,499	1,105,596	1,115,508	1,135,535	1,162,377
	48,151,211	48,414,349	50,073,004	51,705,219		53,700,613	56,602,006	57,149,369	58,861,786	60,915,056	62,561,433
Net Cash provided (or used in) Operating Activities	22,715,621	25,464,899	32,937,498	21,615,029		22,113,566	21,229,191	17,386,390	18,272,247	18,378,379	18,947,443
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	825,000	840,000	855,000	885,000		885,000	900,000	915,000	925,000	925,000	925,000
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	15,629,491	16,910,977	23,795,123	12,569,823		11,176,424	11,332,154	13,079,552	11,910,629	11,872,938	12,172,117
Net Cash provided (or used in) Investing Activities	(14,804,491)	(16,070,977)	(22,940,123)	(11,684,823)		(10,291,424)	(10,432,154)	(12,164,552)	(10,985,629)	(10,947,938)	(11,247,117)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	1,000,000	2,000,000	-		-	-	2,000,000.00	-	-	-
Payments											
Repayment of Borrowings & Advances	728,701	734,301	694,173	676,422		702,117	728,794	724,832	704,333	734,063	705,331
Repayment of lease liabilities (principal repayments)	217,145	219,824	225,833	232,006		115,988	119,516	123,151	126,897	130,756	134,734
Net Cash Flow provided (used in) Financing Activities	(945,846)	45,875	1,079,994	(908,428)		(818,105)	(848,310)	1,152,017	(831,230)	(864,819)	(840,065)
Net Increase / (Decrease) in Cash & Cash Equivalents	6,965,284	9,439,797	11,077,369	9,021,778		11,004,037	9,948,727	6,373,855	6,455,388	6,565,622	6,860,261
Cash at the beginning of the wreporting period	15,188,916	22,154,200	31,593,997	42,671,366		51,693,143	62,697,180	72,645,908	79,019,762	85,475,151	92,040,773
Cash & Cash Equivalents - end of the year	22,154,200	31,593,997	42,671,366	51,693,143		62,697,180	72,645,908	79,019,762	85,475,151	92,040,773	98,901,034



SCENARIO TWO:

# Domestic Waste Management Charge (SRV)

Income Statement

	Budget 2022-23	Budget 2023-24	Budget 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations										
Rates & Annual Charges	35,414,334	37,205,145	38,876,776	40,267,917	41,776,955	43,257,955	44,537,770	46,390,264	47,943,344	49,548,179
User Charges & Fees	9,827,851	10,057,701	10,297,981	10,533,819	10,780,349	11,032,705	11,291,028	11,555,458	11,826,143	12,103,230
Interest & Investment Revenue	650,000	701,000	900,000	1,252,000	1,353,000	1,354,000	1,390,000	1,425,000	1,460,000	1,495,000
Other Revenues	4,893,342	4,991,209	5,091,033	5,192,854	5,296,711	5,402,645	5,510,698	5,620,912	5,733,330	5,847,997
Rental Revenue	2,349,582	2,396,574	2,505,497	3,028,294	3,094,955	3,163,119	3,232,819	3,304,089	3,376,965	3,451,483
Grants & Contributions provided for Operating Purposes	2,955,723	2,670,889	2,559,425	2,619,255	2,680,497	2,743,185	2,807,353	2,873,038	2,940,275	3,009,101
Grants & Contributions provided for Capital Purposes	13,900,500	10,816,520	10,853,406	10,890,660	11,444,732	11,494,310	6,544,935	6,600,717	6,660,564	6,721,027
Total Income From Continuing Operations	69,991,332	68,839,037	71,084,118	73,784,798	76,427,198	78,447,919	75,314,602	77,769,478	79,940,620	82,176,016
Expenses From Continuing Operations										
Employee Benefits & On-Costs	(23,150,870)	(23,843,362)	(24,616,525)	(25,239,343)	(25,988,640)	(26,727,333)	(27,486,427)	(28,302,654)	(29,143,200)	(30,008,793)
Borrowing Costs	(335,191)	(313,582)	(345,797)	(361,611)	(388,254)	(366,075)	(418,035)	(418,194)	(393,247)	(362,212)
Materials & Contracts	(23,490,465)	(23,297,147)	(24,570,104)	(25,546,316)	(26,781,763)	(29,020,104)	(28,599,920)	(29,568,854)	(30,818,698)	(31,598,014)
Depreciation & Amortisation	(10,412,886)	(10,517,015)	(10,622,185)	(10,728,407)	(10,835,691)	(10,944,048)	(11,053,488)	(11,164,023)	(11,275,663)	(11,388,420)
Other Expenses	(999,625)	(1,019,318)	(1,039,404)	(1,059,892)	(1,080,790)	(1,102,106)	(1,123,848)	(1,146,025)	(1,168,645)	(1,191,718)
Total Expenses From Continuing Operations	(58,389,037)	(58,990,423)	(61,194,015)	(62,935,568)	(65,075,138)	(68,159,665)	(68,681,717)	(70,599,749)	(72,799,454)	(74,549,157)
Operating Result from Continuing Operations	11,602,295	9,848,615	9,890,103	10,849,230	11,352,060	10,288,254	6,632,885	7,169,729	7,141,166	7,626,859
Net Operating Result before Capital Items	(2,298,205)	(967,905)	(963,303)	(41,430)	(92,672)	(1,206,055)	87,950	569,012	480,603	905,833
Capital Expenditure										
Capital Works Program	(17,281,225)	(25,800,623)	(29,382,017)	(11,075,612)	(11,188,926)	(11,349,916)	(13,294,051)	(11,739,065)	(11,889,540)	(12,207,160)
Loan Principal Repayments	(728,701)	(734,301)	(694,173)	(676,422)	(702,117)	(728,794)	(724,832)	(704,333)	(734,063)	(705,331)
Lease Liability Principal Repayments	(217,145)	(219,824)	(225,833)	(232,006)	(115,988)	(119,516)	(123,151)	(126,897)	(130,756)	(134,734)
Transfer to Reserves	(11,045,000)	(11,312,305)	(11,914,983)	(12,253,038)	(12,571,473)	(12,625,323)	(8,030,323)	(7,850,323)	(8,000,323)	(8,000,323)
Source of Capital Funds										
Sale of Assets	825,000	840,000	855,000	885,000	885,000	900,000	915,000	925,000	925,000	925,000
Loan Borrowing	0	1,000,000	2,000,000	-			2,000,000			
Transfer from Reserves	6,436,767	15,891,606	18,877,682	1,811,330	1,535,000	2,770,000	1,650,000	1,220,000	1,470,000	1,220,000
Depreciation & Amortisation Expense (Contra)	10,412,886	10,517,015	10,622,185	10,728,407	10,835,691	10,944,048	11,053,488	11,164,023	11,275,663	11,388,420
Net Budget Result Surplus/(Deficit)	4,877	30,182	27,964	36,889	29,247	78,753	79,017	58,134	57,148	112,732



SCENARIO TWO:

# Domestic Waste Management Charge (SRV)

Balance Sheet

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026		Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	22,154,201	32,037,959	43,236,420	52,358,320		63,462,500	73,511,393	79,985,435	86,541,033	93,206,888	100,167,407
Investments	25,633,880	25,633,880	25,633,880	25,633,880		25,633,880	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880
Receivables	4,333,869	4,569,492	5,202,725	4,478,395		4,635,391	4,781,393	4,536,674	4,680,538	4,812,989	4,950,159
Other	1,250,525	1,245,996	1,279,730	1,305,732		1,338,509	1,397,461	1,387,066	1,412,923	1,446,120	1,467,053
Non-current assets classified as “held for sale”	-	-	-								
Total Current Assets	53,372,476	63,487,327	75,352,755	83,776,327		95,070,280	105,324,127	111,543,056	118,268,374	125,099,877	132,218,499
Non-Current Assets											
Investments	1,717,120	1,717,120	1,717,120	1,717,120		1,717,120	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120
Receivables	-	-	-								
Infrastructure, Property, Plant & Equipment	520,761,916	526,780,383	540,144,004	539,830,697		539,525,665	539,260,533	540,817,386	540,701,032	540,625,847	540,757,886
Investment Property	4,700,000	4,700,000	4,700,000	4,700,000		4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
Intangible Assets	379,000	379,000	379,000	379,000		379,000	379,000	379,000	379,000	379,000	379,000
Right of Use assets	642,228	422,163	199,898	1,625,409		1,398,676	1,169,676	938,386	704,782	468,843	230,544
Total Non-Current Assets	528,200,264	533,998,666	547,140,021	548,252,226		547,720,461	547,226,330	548,551,892	548,201,934	547,890,811	547,784,551
TOTAL ASSETS	581,572,740	597,485,993	622,492,776	632,028,553		642,790,742	652,550,457	660,094,948	666,470,308	672,990,687	680,003,050
LIABILITIES											
Current Liabilities											
Payables	10,658,758	10,966,550	11,983,862	10,636,328		10,827,086	11,107,875	11,360,331	11,355,938	11,557,449	11,739,574
Contract Liabilities	2,945,868	3,105,439	3,840,607	2,621,786		2,659,261	2,698,241	2,205,373	2,246,627	2,289,149	2,332,591
Lease Liabilities	219,824	225,833	232,006	115,988		119,516	123,151	126,897	130,756	134,734	138,832
Borrowings	693,185	611,942	676,422	702,117		728,794	606,840	704,333	734,063	705,331	531,129
Provisions	7,247,125	7,247,125	7,247,125	7,247,125		7,247,125	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125
Total Current Liabilities	21,764,760	22,156,888	23,980,022	21,323,344		21,581,780	21,783,232	21,644,059	21,714,509	21,933,787	21,989,251
Non-Current Liabilities											
Payables	-	-	-	-		-	-	-	-	-	-
Contract Liabilities	-	-	-	-							
Lease Liabilities	457,839	232,006	-	1,534,012		1,414,496	1,291,345	1,164,448	1,033,692	898,958	760,127
Borrowings	4,339,144	4,686,087	5,927,434	5,225,317		4,496,523	3,889,683	5,067,359	4,333,296	3,627,966	3,096,835
Provisions	153,875	153,875	153,875	153,875		153,875	153,875	153,875	153,875	153,875	153,875
Total Non-Current Liabilities	4,950,858	5,071,968	6,081,309	6,913,204		6,064,894	5,334,903	6,385,682	5,520,863	4,680,799	4,010,837
TOTAL LIABILITIES	26,715,618	27,228,856	30,061,331	28,236,548		27,646,674	27,118,135	28,029,741	27,235,372	26,614,586	26,000,088
Net Assets	554,857,122	570,257,137	592,431,445	603,792,005		615,144,067	625,432,321	632,065,207	639,234,936	646,376,102	654,002,962
EQUITY											
Accumulated Surplus	269,403,122	284,803,137	306,977,445	318,338,005		329,690,067	339,978,321	346,611,207	353,780,936	360,922,102	368,548,962
Revaluation Reserves	285,454,000	285,454,000	285,454,000	285,454,000		285,454,000	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000
Total Equity	554,857,122	570,257,137	592,431,445	603,792,005		615,144,067	625,432,321	632,065,207	639,234,936	646,376,102	654,002,962



SCENARIO TWO:

# Domestic Waste Management Charge (SRV)

Cashflow

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026		Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	35,400,583	37,189,231	38,861,922	40,255,555		41,763,545	43,244,795	44,526,397	46,373,803	47,929,543	49,533,918
User Charges & Fees	9,953,022	10,067,426	10,308,349	10,543,913		10,791,102	11,043,818	11,302,509	11,567,316	11,838,386	12,115,868
Interest & Investment Revenue Received	600,900	639,710	827,842	1,202,937		1,279,020	1,291,444	1,351,037	1,379,445	1,416,957	1,450,004
Grants & Contributions	17,858,058	19,113,086	26,087,481	13,336,566		14,131,326	14,244,078	9,065,816	9,480,878	9,608,291	9,737,709
Other	7,054,268	7,334,674	7,411,429	8,482,422		8,365,383	8,538,763	8,837,670	8,896,709	9,081,315	9,269,883
	70,866,832	74,344,127	83,497,022	73,821,394		76,330,377	78,362,898	75,083,428	77,698,150	79,874,493	82,107,383
Payments											
Employee Benefits & On-Costs	23,088,981	23,816,989	24,587,280	25,216,157		25,960,121	26,699,401	27,457,727	28,271,580	29,111,195	29,975,827
Materials & Contracts	23,724,186	23,306,070	24,503,651	25,495,093		26,717,197	28,903,975	28,620,396	29,517,918	30,753,303	31,556,778
Borrowing Costs	326,478	312,588	340,915	364,140		390,878	368,799	413,268	420,827	395,992	364,849
Other	1,011,566	999,620	1,006,586	1,030,854		1,048,472	1,061,368	1,105,460	1,115,369	1,135,391	1,162,230
	48,151,211	48,435,267	50,438,432	52,106,244		54,116,668	57,033,543	57,596,851	59,325,694	61,395,881	63,059,684
Net Cash provided (or used in) Operating Activities	22,715,621	25,908,860	33,058,590	21,715,150		22,213,709	21,329,355	17,486,577	18,372,456	18,478,612	19,047,699
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	825,000	840,000	855,000	885,000		885,000	900,000	915,000	925,000	925,000	925,000
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	15,629,491	16,910,977	23,795,123	12,569,823		11,176,424	11,332,154	13,079,552	11,910,629	11,872,938	12,172,117
Net Cash provided (or used in) Investing Activities	(14,804,491)	(16,070,977)	(22,940,123)	(11,684,823)		(10,291,424)	(10,432,154)	(12,164,552)	(10,985,629)	(10,947,938)	(11,247,117)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	1,000,000	2,000,000	-		-	-	2,000,000.00	-	-	-
Payments											
Repayment of Borrowings & Advances	728,701	734,301	694,173	676,422		702,117	728,794	724,832	704,333	734,063	705,331
Repayment of lease liabilities (principal repayments)	217,145	219,824	225,833	232,006		115,988	119,516	123,151	126,897	130,756	134,734
Net Cash Flow provided (used in) Financing Activities	(945,846)	45,875	1,079,994	(908,428)		(818,105)	(848,310)	1,152,017	(831,230)	(864,819)	(840,065)
Net Increase / (Decrease) in Cash & Cash Equivalents	6,965,284	9,883,758	11,198,461	9,121,899		11,104,180	10,048,891	6,474,042	6,555,597	6,665,855	6,960,517
Cash at the beginning of the wreporting period	15,188,916	22,154,200	32,037,958	43,236,419		52,358,318	63,462,498	73,511,389	79,985,431	86,541,029	93,206,883
Cash & Cash Equivalents - end of the year	22,154,200	32,037,958	43,236,419	52,358,318		63,462,498	73,511,389	79,985,431	86,541,029	93,206,883	100,167,400



SCENARIO THREE:

Base case with Drawn out Pandemic Recovery

Income Statement

	Budget 2022-23	Budget 2023-24	Budget 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations										
Rates & Annual Charges	35,414,334	37,205,145	38,876,776	40,267,917	41,776,955	43,257,955	44,537,770	46,390,264	47,943,344	49,548,179
User Charges & Fees	7,615,351	10,057,701	10,297,981	10,533,819	10,780,349	11,032,705	11,291,028	11,555,458	11,826,143	12,103,230
Interest & Investment Revenue	650,000	701,000	900,000	1,252,000	1,353,000	1,354,000	1,390,000	1,425,000	1,460,000	1,495,000
Other Revenues	4,333,342	4,991,209	5,091,033	5,192,854	5,296,711	5,402,645	5,510,698	5,620,912	5,733,330	5,847,997
Rental Revenue	1,691,147	2,396,574	2,505,497	3,028,294	3,094,955	3,163,119	3,232,819	3,304,089	3,376,965	3,451,483
Grants & Contributions provided for Operating Purposes	2,955,723	2,670,889	2,559,425	2,619,255	2,680,497	2,743,185	2,807,353	2,873,038	2,940,275	3,009,101
Grants & Contributions provided for Capital Purposes	13,900,500	10,816,520	10,853,406	10,890,660	11,444,732	11,494,310	6,544,935	6,600,717	6,660,564	6,721,027
Total Income From Continuing Operations	66,560,397	68,839,037	71,084,118	73,784,798	76,427,198	78,447,919	75,314,602	77,769,478	79,940,620	82,176,016
Expenses From Continuing Operations										
Employee Benefits & On-Costs	(22,730,300)	(23,843,362)	(24,616,525)	(25,239,343)	(25,988,640)	(26,727,333)	(27,486,427)	(28,302,654)	(29,143,200)	(30,008,793)
Borrowing Costs	(335,191)	(313,582)	(345,797)	(361,611)	(388,254)	(366,075)	(418,035)	(418,194)	(393,247)	(362,212)
Materials & Contracts	(23,490,465)	(23,297,147)	(24,570,104)	(25,546,316)	(26,781,763)	(29,020,104)	(28,599,920)	(29,568,854)	(30,818,698)	(31,598,014)
Depreciation & Amortisation	(10,412,886)	(10,517,015)	(10,622,185)	(10,728,407)	(10,835,691)	(10,944,048)	(11,053,488)	(11,164,023)	(11,275,663)	(11,388,420)
Other Expenses	(999,625)	(1,019,318)	(1,039,404)	(1,059,892)	(1,080,790)	(1,102,106)	(1,123,848)	(1,146,025)	(1,168,645)	(1,191,718)
Total Expenses From Continuing Operations	(57,968,467)	(58,990,423)	(61,194,015)	(62,935,568)	(65,075,138)	(68,159,665)	(68,681,717)	(70,599,749)	(72,799,454)	(74,549,157)
Operating Result from Continuing Operations	8,591,930	9,848,615	9,890,103	10,849,230	11,352,060	10,288,254	6,632,885	7,169,729	7,141,166	7,626,859
Net Operating Result before Capital Items	(5,308,570)	(967,905)	(963,303)	(41,430)	(92,672)	(1,206,055)	87,950	569,012	480,603	905,833
Capital Expenditure										
Capital Works Program	(17,281,225)	(25,800,623)	(29,382,017)	(11,075,612)	(11,188,926)	(11,349,916)	(13,294,051)	(11,739,065)	(11,889,540)	(12,207,160)
Loan Principal Repayments	(728,701)	(734,301)	(694,173)	(676,422)	(702,117)	(728,794)	(724,832)	(704,333)	(734,063)	(705,331)
Lease Liability Principal Repayments	(217,145)	(219,824)	(225,833)	(232,006)	(115,988)	(119,516)	(123,151)	(126,897)	(130,756)	(134,734)
Transfer to Reserves	(11,045,000)	(11,312,305)	(11,914,983)	(12,253,038)	(12,571,473)	(12,625,323)	(8,030,323)	(7,850,323)	(8,000,323)	(8,000,323)
Source of Capital Funds										
Sale of Assets	825,000	840,000	855,000	885,000	885,000	900,000	915,000	925,000	925,000	925,000
Loan Borrowing	0	1,000,000	2,000,000	-			2,000,000			
Transfer from Reserves	6,436,767	15,891,606	18,877,682	1,811,330	1,535,000	2,770,000	1,650,000	1,220,000	1,470,000	1,220,000
Depreciation & Amortisation Expense (Contra)	10,412,886	10,517,015	10,622,185	10,728,407	10,835,691	10,944,048	11,053,488	11,164,023	11,275,663	11,388,420
Net Budget Result Surplus/(Deficit)	(3,005,488)	30,182	27,964	36,889	29,247	78,753	79,017	58,134	57,148	112,732



SCENARIO THREE:

Base case with Drawn out Pandemic Recovery

Balance Sheet

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026		Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	19,173,175	29,043,453	40,243,501	49,365,392		60,469,572	70,518,464	76,992,507	83,548,105	90,213,959	97,174,479
Investments	25,633,880	25,633,880	25,633,880	25,633,880		25,633,880	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880
Receivables	4,045,661	4,553,633	5,185,279	4,460,958		4,617,955	4,763,957	4,519,238	4,663,101	4,795,552	4,932,723
Other	1,250,525	1,245,996	1,279,730	1,305,732		1,338,509	1,397,461	1,387,066	1,412,923	1,446,120	1,467,053
Non-current assets classified as “held for sale”	-	-	-								
Total Current Assets	50,103,241	60,476,962	72,342,390	80,765,962		92,059,915	102,313,762	108,532,691	115,258,009	122,089,512	129,208,134
Non-Current Assets											
Investments	1,717,120	1,717,120	1,717,120	1,717,120		1,717,120	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120
Receivables	-	-	-								
Infrastructure, Property, Plant & Equipment	520,761,916	526,780,383	540,144,004	539,830,697		539,525,665	539,260,533	540,817,386	540,701,032	540,625,847	540,757,886
Investment Property	4,700,000	4,700,000	4,700,000	4,700,000		4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
Intangible Assets	379,000	379,000	379,000	379,000		379,000	379,000	379,000	379,000	379,000	379,000
Right of Use assets	642,228	422,163	199,898	1,625,409		1,398,676	1,169,676	938,386	704,782	468,843	230,544
Total Non-Current Assets	528,200,264	533,998,666	547,140,021	548,252,226		547,720,461	547,226,330	548,551,892	548,201,934	547,890,811	547,784,551
TOTAL ASSETS	578,303,505	594,475,628	619,482,411	629,018,188		639,780,377	649,540,092	657,084,583	663,459,943	669,980,322	676,992,685
LIABILITIES											
Current Liabilities											
Payables	10,636,770	10,966,550	11,983,862	10,636,328		10,827,086	11,107,875	11,360,331	11,355,938	11,557,449	11,739,574
Contract Liabilities	2,708,987	3,105,439	3,840,607	2,621,786		2,659,261	2,698,241	2,205,373	2,246,627	2,289,149	2,332,591
Lease Liabilities	219,824	225,833	232,006	115,988		119,516	123,151	126,897	130,756	134,734	138,832
Borrowings	693,185	611,942	676,422	702,117		728,794	606,840	704,333	734,063	705,331	531,129
Provisions	7,247,125	7,247,125	7,247,125	7,247,125		7,247,125	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125
Total Current Liabilities	21,505,891	22,156,888	23,980,022	21,323,344		21,581,780	21,783,232	21,644,059	21,714,509	21,933,787	21,989,251
Non-Current Liabilities											
Payables	-	-	-	-		-	-	-	-	-	-
Contract Liabilities	-	-	-	-							
Lease Liabilities	457,839	232,006	-	1,534,012		1,414,496	1,291,345	1,164,448	1,033,692	898,958	760,127
Borrowings	4,339,144	4,686,087	5,927,434	5,225,317		4,496,523	3,889,683	5,067,359	4,333,296	3,627,966	3,096,835
Provisions	153,875	153,875	153,875	153,875		153,875	153,875	153,875	153,875	153,875	153,875
Total Non-Current Liabilities	4,950,858	5,071,968	6,081,309	6,913,204		6,064,894	5,334,903	6,385,682	5,520,863	4,680,799	4,010,837
TOTAL LIABILITIES	26,456,749	27,228,856	30,061,331	28,236,548		27,646,674	27,118,135	28,029,741	27,235,372	26,614,586	26,000,088
Net Assets	551,846,756	567,246,772	589,421,080	600,781,640		612,133,702	622,421,956	629,054,842	636,224,571	643,365,737	650,992,597
EQUITY											
Accumulated Surplus	266,392,756	281,792,772	303,967,080	315,327,640		326,679,702	336,967,956	343,600,842	350,770,571	357,911,737	365,538,597
Revaluation Reserves	285,454,000	285,454,000	285,454,000	285,454,000		285,454,000	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000
Total Equity	551,846,756	567,246,772	589,421,080	600,781,640		612,133,702	622,421,956	629,054,842	636,224,571	643,365,737	650,992,597



SCENARIO THREE:

Base case with Drawn out Pandemic Recovery

Cashflow

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026		Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	35,400,583	37,189,231	38,861,922	40,255,555		41,763,545	43,244,795	44,526,397	46,373,803	47,929,543	49,533,918
User Charges & Fees	7,604,051	10,203,897	10,308,349	10,543,913		10,791,102	11,043,818	11,302,509	11,567,316	11,838,386	12,115,868
Interest & Investment Revenue Received	619,946	636,523	829,428	1,202,928		1,279,020	1,291,444	1,351,037	1,379,445	1,416,957	1,450,004
Grants & Contributions	17,858,058	19,113,086	26,087,481	13,336,566		14,131,326	14,244,078	9,065,816	9,480,878	9,608,291	9,737,709
Other	6,004,585	7,165,923	7,411,429	8,482,422		8,365,383	8,538,763	8,837,670	8,896,709	9,081,315	9,269,883
	67,487,224	74,308,659	83,498,609	73,821,384		76,330,377	78,362,898	75,083,428	77,698,150	79,874,493	82,107,383
Payments											
Employee Benefits & On-Costs	22,686,835	23,798,566	24,587,280	25,216,157		25,960,121	26,699,401	27,457,727	28,271,580	29,111,195	29,975,827
Materials & Contracts	23,724,186	23,306,070	24,503,651	25,495,093		26,717,197	28,903,975	28,620,396	29,517,918	30,753,303	31,556,778
Borrowing Costs	326,478	312,588	340,915	364,140		390,878	368,799	413,268	420,827	395,992	364,849
Other	1,015,131	996,056	1,006,586	1,030,854		1,048,472	1,061,368	1,105,460	1,115,369	1,135,391	1,162,230
	47,752,630	48,413,280	50,438,432	52,106,244		54,116,668	57,033,543	57,596,851	59,325,694	61,395,881	63,059,684
Net Cash provided (or used in) Operating Activities	19,734,594	25,895,379	33,060,177	21,715,140		22,213,709	21,329,355	17,486,577	18,372,456	18,478,612	19,047,699
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	825,000	840,000	855,000	885,000		885,000	900,000	915,000	925,000	925,000	925,000
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	15,629,491	16,910,977	23,795,123	12,569,823		11,176,424	11,332,154	13,079,552	11,910,629	11,872,938	12,172,117
Net Cash provided (or used in) Investing Activities	(14,804,491)	(16,070,977)	(22,940,123)	(11,684,823)		(10,291,424)	(10,432,154)	(12,164,552)	(10,985,629)	(10,947,938)	(11,247,117)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	1,000,000	2,000,000	-		-	-	2,000,000.00	-	-	-
Payments											
Repayment of Borrowings & Advances	728,701	734,301	694,173	676,422		702,117	728,794	724,832	704,333	734,063	705,331
Repayment of lease liabilities (principal repayments)	217,145	219,824	225,833	232,006		115,988	119,516	123,151	126,897	130,756	134,734
Net Cash Flow provided (used in) Financing Activities	(945,846)	45,875	1,079,994	(908,428)		(818,105)	(848,310)	1,152,017	(831,230)	(864,819)	(840,065)
Net Increase / (Decrease) in Cash & Cash Equivalents	3,984,257	9,870,277	11,200,048	9,121,889		11,104,180	10,048,891	6,474,042	6,555,597	6,665,855	6,960,517
Cash at the beginning of the wreporting period	15,188,916	19,173,173	29,043,451	40,243,498		49,365,388	60,469,568	70,518,459	76,992,501	83,548,099	90,213,953
Cash & Cash Equivalents - end of the year	19,173,173	29,043,451	40,243,498	49,365,388		60,469,568	70,518,459	76,992,501	83,548,099	90,213,953	97,174,470



SCENARIO FOUR:

Pessimistic Assumption

Income Statement

	Budget 2022-23	Budget 2023-24	Budget 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations										
Rates & Annual Charges	35,414,334	36,522,673	38,031,846	39,344,803	40,789,382	42,241,898	43,492,402	45,313,535	46,834,313	48,405,877
User Charges & Fees	9,827,851	10,057,701	10,297,981	10,533,819	10,780,349	11,032,705	11,291,028	11,555,458	11,826,143	12,103,230
Interest & Investment Revenue	650,000	701,000	900,000	1,252,000	1,353,000	1,354,000	1,390,000	1,425,000	1,460,000	1,495,000
Other Revenues	4,893,342	4,991,209	5,091,033	5,192,854	5,296,711	5,402,645	5,510,698	5,620,912	5,733,330	5,847,997
Rental Revenue	2,349,582	2,396,574	2,505,497	3,028,294	3,094,955	3,163,119	3,232,819	3,304,089	3,376,965	3,451,483
Grants & Contributions provided for Operating Purposes	2,955,723	2,670,889	2,559,425	2,619,255	2,680,497	2,743,185	2,807,353	2,873,038	2,940,275	3,009,101
Grants & Contributions provided for Capital Purposes	13,900,500	10,816,520	10,853,406	10,890,660	11,444,732	11,494,310	6,544,935	6,600,717	6,660,564	6,721,027
Total Income From Continuing Operations	69,991,332	68,156,566	70,239,188	72,861,684	75,439,626	77,431,862	74,269,235	76,692,749	78,831,589	81,033,715
Expenses From Continuing Operations										
Employee Benefits & On-Costs	(23,150,870)	(24,038,886)	(24,884,755)	(25,518,143)	(26,278,874)	(27,029,383)	(27,800,683)	(28,629,520)	(29,483,093)	(30,362,141)
Borrowing Costs	(335,191)	(313,582)	(345,797)	(361,611)	(388,254)	(366,075)	(418,035)	(418,194)	(393,247)	(362,212)
Materials & Contracts	(23,490,465)	(23,297,147)	(24,570,104)	(25,546,316)	(26,781,763)	(29,020,104)	(28,599,920)	(29,568,854)	(30,818,698)	(31,598,014)
Depreciation & Amortisation	(10,412,886)	(10,517,015)	(10,622,185)	(10,728,407)	(10,835,691)	(10,944,048)	(11,053,488)	(11,164,023)	(11,275,663)	(11,388,420)
Other Expenses	(999,625)	(1,019,318)	(1,039,404)	(1,059,892)	(1,080,790)	(1,102,106)	(1,123,848)	(1,146,025)	(1,168,645)	(1,191,718)
Total Expenses From Continuing Operations	(58,389,037)	(59,185,947)	(61,462,245)	(63,214,368)	(65,365,372)	(68,461,715)	(68,995,974)	(70,926,615)	(73,139,346)	(74,902,505)
Operating Result from Continuing Operations	11,602,295	8,970,619	8,776,943	9,647,316	10,074,254	8,970,148	5,273,261	5,766,134	5,692,243	6,131,209
Net Operating Result before Capital Items	(2,298,205)	(1,845,901)	(2,076,463)	(1,243,344)	(1,370,478)	(2,524,162)	(1,271,674)	(834,583)	(968,321)	(589,817)
Capital Expenditure										
Capital Works Program	(17,281,225)	(25,800,623)	(29,382,017)	(11,075,612)	(11,188,926)	(11,349,916)	(13,294,051)	(11,739,065)	(11,889,540)	(12,207,160)
Loan Principal Repayments	(728,701)	(734,301)	(694,173)	(676,422)	(702,117)	(728,794)	(724,832)	(704,333)	(734,063)	(705,331)
Lease Liability Principal Repayments	(217,145)	(219,824)	(225,833)	(232,006)	(115,988)	(119,516)	(123,151)	(126,897)	(130,756)	(134,734)
Transfer to Reserves	(11,045,000)	(11,312,305)	(11,914,983)	(12,253,038)	(12,571,473)	(12,625,323)	(8,030,323)	(7,850,323)	(8,000,323)	(8,000,323)
Source of Capital Funds										
Sale of Assets	825,000	840,000	855,000	885,000	885,000	900,000	915,000	925,000	925,000	925,000
Loan Borrowing	0	1,000,000	2,000,000	-			2,000,000			
Transfer from Reserves	6,436,767	15,891,606	18,877,682	1,811,330	1,535,000	2,770,000	1,650,000	1,220,000	1,470,000	1,220,000
Depreciation & Amortisation Expense (Contra)	10,412,886	10,517,015	10,622,185	10,728,407	10,835,691	10,944,048	11,053,488	11,164,023	11,275,663	11,388,420
Net Budget Result Surplus/(Deficit)	4,877	(847,813)	(1,085,196)	(1,165,025)	(1,248,559)	(1,239,354)	(1,280,608)	(1,345,461)	(1,391,776)	(1,382,919)



SCENARIO FOUR:

Pessimistic Assumption

Balance Sheet

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026		Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	22,154,201	31,179,103	41,273,348	49,201,386		59,036,139	67,775,123	72,898,006	78,058,758	83,284,721	88,758,912
Investments	25,633,880	25,633,880	25,633,880	25,633,880		25,633,880	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880
Receivables	4,333,869	4,539,319	5,160,273	4,426,139		4,573,380	4,710,714	4,457,048	4,591,635	4,714,512	4,841,803
Other	1,250,525	1,245,996	1,279,730	1,305,732		1,338,509	1,397,461	1,387,066	1,412,923	1,446,120	1,467,053
Non-current assets classified as “held for sale”	-	-	-								
Total Current Assets	53,372,476	62,598,297	73,347,231	80,567,137		90,581,907	99,517,178	104,375,999	109,697,196	115,079,233	120,701,648
Non-Current Assets											
Investments	1,717,120	1,717,120	1,717,120	1,717,120		1,717,120	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120
Receivables	-	-	-								
Infrastructure, Property, Plant & Equipment	520,761,916	526,780,383	540,144,004	539,830,697		539,525,665	539,260,533	540,817,386	540,701,032	540,625,847	540,757,886
Investment Property	4,700,000	4,700,000	4,700,000	4,700,000		4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
Intangible Assets	379,000	379,000	379,000	379,000		379,000	379,000	379,000	379,000	379,000	379,000
Right of Use assets	642,228	422,163	199,898	1,625,409		1,398,676	1,169,676	938,386	704,782	468,843	230,544
Total Non-Current Assets	528,200,264	533,998,666	547,140,021	548,252,226		547,720,461	547,226,330	548,551,892	548,201,934	547,890,811	547,784,551
TOTAL ASSETS	581,572,740	596,596,963	620,487,253	628,819,363		638,302,369	646,743,507	652,927,892	657,899,130	662,970,044	668,486,199
LIABILITIES											
Current Liabilities											
Payables	10,658,758	10,955,516	11,969,494	10,620,208		10,809,590	11,089,909	11,341,882	11,336,962	11,537,931	11,719,499
Contract Liabilities	2,945,868	3,105,439	3,840,607	2,621,786		2,659,261	2,698,241	2,205,373	2,246,627	2,289,149	2,332,591
Lease Liabilities	219,824	225,833	232,006	115,988		119,516	123,151	126,897	130,756	134,734	138,832
Borrowings	693,185	611,942	676,422	702,117		728,794	606,840	704,333	734,063	705,331	531,129
Provisions	7,247,125	7,247,125	7,247,125	7,247,125		7,247,125	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125
Total Current Liabilities	21,764,760	22,145,854	23,965,654	21,307,224		21,564,284	21,765,266	21,625,610	21,695,534	21,914,269	21,969,176
Non-Current Liabilities											
Payables	-	-	-	-		-	-	-	-	-	-
Contract Liabilities	-	-	-	-							
Lease Liabilities	457,839	232,006	-	1,534,012		1,414,496	1,291,345	1,164,448	1,033,692	898,958	760,127
Borrowings	4,339,144	4,686,087	5,927,434	5,225,317		4,496,523	3,889,683	5,067,359	4,333,296	3,627,966	3,096,835
Provisions	153,875	153,875	153,875	153,875		153,875	153,875	153,875	153,875	153,875	153,875
Total Non-Current Liabilities	4,950,858	5,071,968	6,081,309	6,913,204		6,064,894	5,334,903	6,385,682	5,520,863	4,680,799	4,010,837
TOTAL LIABILITIES	26,715,618	27,217,822	30,046,963	28,220,428		27,629,179	27,100,169	28,011,292	27,216,397	26,595,068	25,980,013
Net Assets	554,857,122	569,379,141	590,440,289	600,598,935		610,673,190	619,643,338	624,916,600	630,682,733	636,374,975	642,506,186
EQUITY											
Accumulated Surplus	269,403,122	283,925,141	304,986,289	315,144,935		325,219,190	334,189,338	339,462,600	345,228,733	350,920,975	357,052,186
Revaluation Reserves	285,454,000	285,454,000	285,454,000	285,454,000		285,454,000	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000
Total Equity	554,857,122	569,379,141	590,440,289	600,598,935		610,673,190	619,643,338	624,916,600	630,682,733	636,374,975	642,506,186



SCENARIO FOUR:

Pessimistic Assumption

Cashflow

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026		Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$		\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	35,400,583	36,512,825	38,018,435	39,333,136		40,776,546	42,228,991	43,481,290	45,297,352	46,820,799	48,391,912
User Charges & Fees	9,953,022	10,067,426	10,308,349	10,543,913		10,791,102	11,043,818	11,302,509	11,567,316	11,838,386	12,115,868
Interest & Investment Revenue Received	600,900	646,768	834,618	1,210,093		1,286,593	1,299,147	1,358,991	1,387,659	1,425,436	1,458,757
Grants & Contributions	17,858,058	19,113,086	26,087,481	13,336,566		14,131,326	14,244,078	9,065,816	9,480,878	9,608,291	9,737,709
Other	7,054,268	7,334,674	7,411,429	8,482,422		8,365,383	8,538,763	8,837,670	8,896,709	9,081,315	9,269,883
	70,866,832	73,674,778	82,660,312	72,906,130		75,350,950	77,354,798	74,046,275	76,629,915	78,774,228	80,974,129
Payments											
Employee Benefits & On-Costs	23,088,981	24,008,154	24,855,401	25,494,845		26,250,218	27,001,309	27,771,837	28,598,297	29,450,933	30,329,016
Materials & Contracts	23,724,186	23,306,070	24,503,651	25,495,093		26,717,197	28,903,975	28,620,396	29,517,918	30,753,303	31,556,778
Borrowing Costs	326,478	312,588	340,915	364,140		390,878	368,799	413,268	420,827	395,992	364,849
Other	1,011,566	997,963	1,005,969	1,030,764		1,048,375	1,061,268	1,105,357	115,262	1,135,281	1,162,115
	48,151,211	48,624,775	50,705,936	52,384,842		54,406,668	57,335,351	57,910,858	58,652,304	61,735,509	63,412,758
Net Cash provided (or used in) Operating Activities	22,715,621	25,050,003	31,954,376	20,521,288		20,944,282	20,019,447	16,135,417	17,977,611	17,038,719	17,561,371
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	825,000	840,000	855,000	885,000		885,000	900,000	915,000	925,000	925,000	925,000
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	15,629,491	16,910,977	23,795,123	12,569,823		11,176,424	11,332,154	13,079,552	11,910,629	11,872,938	12,172,117
Net Cash provided (or used in) Investing Activities	(14,804,491)	(16,070,977)	(22,940,123)	(11,684,823)		(10,291,424)	(10,432,154)	(12,164,552)	(10,985,629)	(10,947,938)	(11,247,117)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	1,000,000	2,000,000	-		-	-	2,000,000.00	-	-	-
Payments											
Repayment of Borrowings & Advances	728,701	734,301	694,173	676,422		702,117	728,794	724,832	704,333	734,063	705,331
Repayment of lease liabilities (principal repayments)	217,145	219,824	225,833	232,006		115,988	119,516	123,151	126,897	130,756	134,734
Net Cash Flow provided (used in) Financing Activities	(945,846)	45,875	1,079,994	(908,428)		(818,105)	(848,310)	1,152,017	(831,230)	(864,819)	(840,065)
Net Increase / (Decrease) in Cash & Cash Equivalents	6,965,284	9,024,901	10,094,247	7,928,037		9,834,753	8,738,983	5,122,882	6,160,752	5,225,962	5,474,189
Cash at the beginning of the wreporting period	15,188,916	22,154,200	31,179,101	41,273,348		49,201,385	59,036,139	67,775,122	72,898,003	79,058,755	84,284,717
Cash & Cash Equivalents - end of the year	22,154,200	31,179,101	41,273,348	49,201,385		59,036,139	67,775,122	72,898,003	79,058,755	84,284,717	89,758,906





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2 Conder St, Burwood NSW 2134  
PO Box 240 Burwood NSW 1805

**P** 02 9911 9911  
**E** [council@burwood.nsw.gov.au](mailto:council@burwood.nsw.gov.au)



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