

Long Term Financial Plan

2024/25 – 2038/39



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Abbreviations	
ABS	Australian Bureau of Statistics
CPI (Perth)	Consumer Price Index - Perth, Western Australia
IFPR	Integrated Financial Planning and Reporting Framework
Km	Kilometres
LTFP	Long Term Financial Plan
Shire	Shire of Donnybrook Balingup
WA	Western Australia

1. SHIRE PROFILE

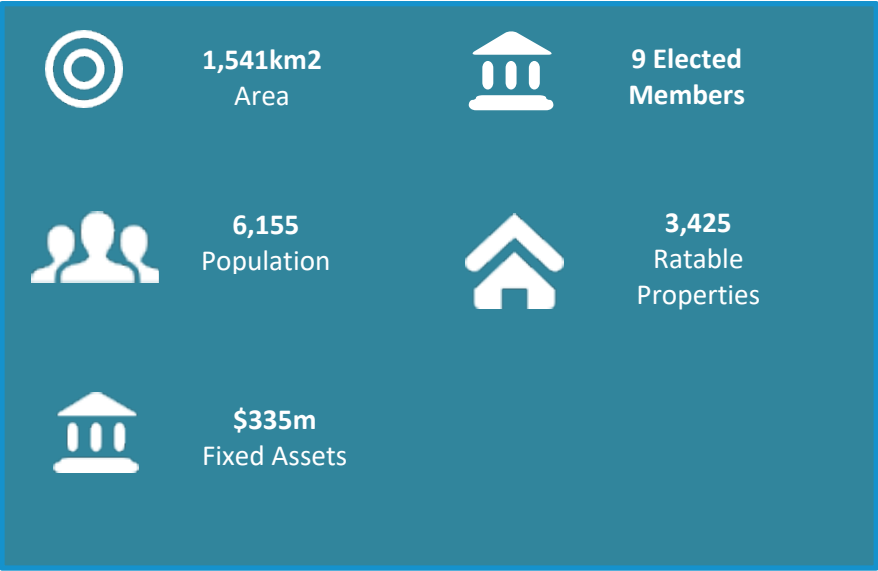
The Donnybrook Balingup region is located among the picturesque Preston and Blackwood Valleys, and is bursting with historic, produce-driven towns and hamlets.

Located 213 kilometres south of Perth and 40 kilometres southeast of Bunbury, the Shire covers 1,541 km² of farmland, forests, mining leases and Crown land. The district includes the towns of Donnybrook, Balingup and Kirup, and the localities of Argyle, Brookhampton, Lowden, Mullalyup, Mumballup, Newlands, Noggerup, Yabberup and many more.

Rich red clay and loam soils provide a fertile environment for fruit orchards and other horticulture and viticulture pursuits as well as livestock farming. A high number of small holdings and hobby farms provide opportunities for couples and families who wish to enjoy a change in lifestyle, with an easy commute to nearby areas for employment, including Bunbury, Busselton, Collie and Greenbushes.



2. KEY STATISTICS



Assets	
<u>Land - Freehold</u>	
Freehold Land Parcels	43 Lots
<u>Buildings</u>	
Buildings	132 Structures
<u>Plant & Equipment</u>	
Vehicles	81 vehicles
<u>Infrastructure</u>	
Roads - Sealed	299.70 km
Roads - Unsealed	356.70 km
Bridges	35 bridges
Drainage - Pipes	23.53 km
Footpaths	27.69 km
Equipment on Parks and Reserves	294 items

3. INTEGRATED FINANCIAL PLANNING

Long Term Financial Planning (LTFP) is an essential plan within the Integrated Financial Planning and Reporting Framework (IFPR). The LTFP is particularly important in Local Government where there is responsibility for a significant amount of long-lived assets and substantial asset management responsibilities. There are long periods with modest levels of asset renewal requirements, and then other periods when very significant outlays are necessary.

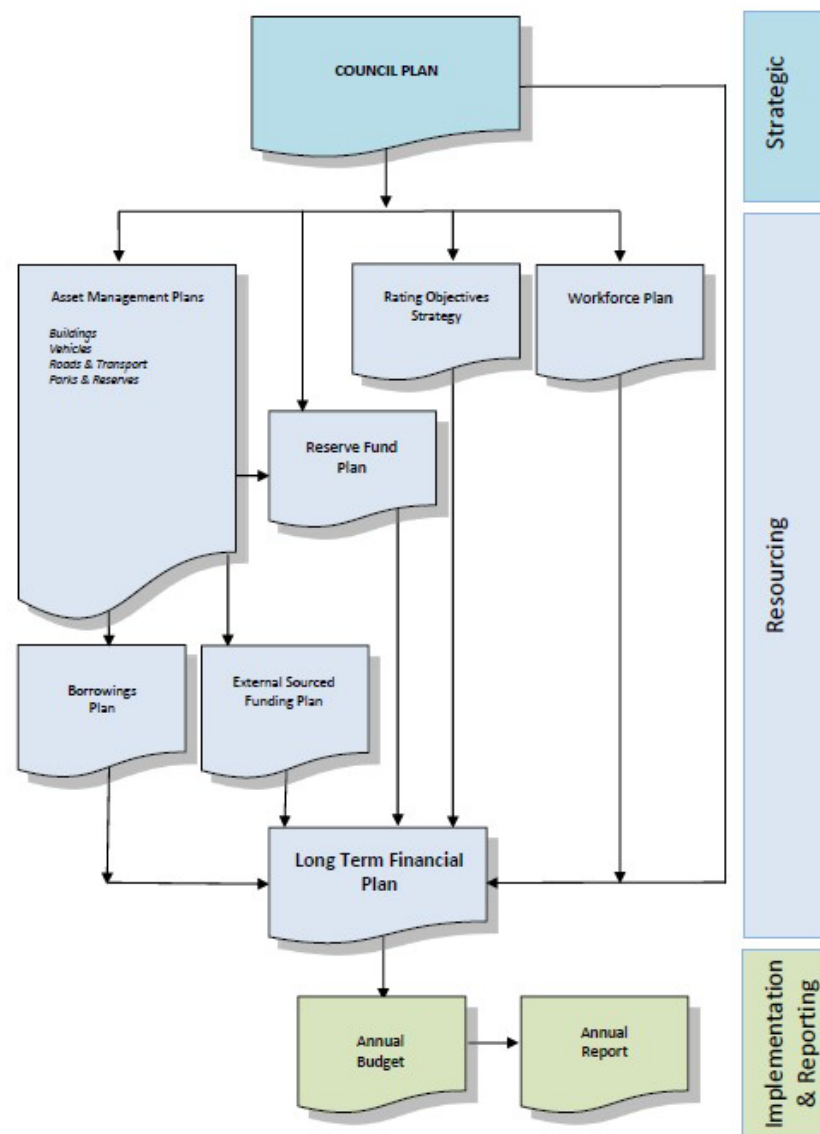
This requires planning to ensure the necessary generation of revenue in a sustainable manner over time to ensure that there is capacity to finance peaks in asset management and other outlays when necessary.

The LTFP consolidates information to guide Council's decisions about the mix and timings of outlays on operating activities and capital expenditure, together with the funding implications of these. Without a soundly based LTFP, Council with its significant asset management responsibilities, is unlikely to have sufficient information to determine sustainable service levels with affordable asset strategies, appropriate revenue targets and reserve fund management.

The LTFP is reviewed annually and provides a financial plan for the next 15 years.

Figure 1 illustrates how the LTFP informs the IFPR Framework.

Figure 1



4. COUNCIL PLAN

The Shire of Donnybrook Balingup Council Plan sets out our vision, aspirations, and objectives for our community. It is the Shire's principal strategy document. This means that it governs all the work that the Shire undertakes, either through direct service delivery, partnership arrangements or advocacy on behalf of our community. The direction set through the Council Plan ensures infrastructure and service provision is focused to meet the requirements of our community, now and into the future.

The Council Plan is a 10 year plan for the future. It combines our Strategic Community Plan and Corporate Business Plan into one succinct document. To keep the Council Plan relevant, Council will undertake a minor review of the actions in this plan on an annual basis. A major review will be undertaken every four years.

Vision

A proud community enjoying our rural lifestyle, cultural heritage and natural environment.

Priorities

People

A healthy, safe and inclusive community.

Planet

Shared commitment to sustainability, leaving each place better than we found it.

Place

A responsibly planned district with a retained sense of community and country charm.

Prosperity

A strong, diverse and resilient economy.

Performance

Open, robust conversations and harmonious outcomes.

5. FINANCIAL SUSTAINABILITY

The LTFP is a planning tool to project a financially sustainable course to meet the Shire's future objectives and obligations. It presents a financial analysis of strategic objectives and goals set out in the IFPR documents over a 15-year period.

It has been prepared based on several objectives and assumptions that are contained in this document. Council priorities, obligations, strategies, together with the future needs of our community are all dynamic influences in relation to developing plans. Combined with future economic uncertainty, the LTFP is therefore reviewed and adjusted annually to reflect material changes.

This plan addresses the operating and capital requirements of the Shire over the next 15 years and illustrates the connection between specific plans and strategies. It enhances the transparency and responsibility of the Shire towards the community by articulating the future sustainable financial requirements necessary for delivering desired community service levels while also meeting future obligations.

This plan represents a financial solution for meeting the demands of services and facilities to the community. There are numerous ways in which the Shire can achieve its objectives. This plan assesses the historical asset renewal funding gap and the necessary funding needs for future asset renewal as well as provision of new community assets.

This LTFP set out the following sustainable objectives.

- A balanced budget for each financial year, shown in the Statement of Financial Activity (page 19).
- Positive annual net cash flows provided from operating activities that is necessary to fund own source obligations for meeting borrowings (Financing Activities) and capital works (Investing Activities) in the Statement of Cash Flows (page 18).
- Meeting asset renewal obligations as identified in the Shire's Asset Management Plans.

- Provision of identified new assets to meet future community needs.
- Meeting reserve fund transfers that meet future financial obligations as identified in the Shire's Reserve Fund Plan.
- Meeting future planned borrowings as identified in the Shire's Borrowings Plan.

Based on the stated assumptions, objectives and known revenue sources, the plan identifies that existing rating yield is approximately 25% (Table 1) below the levels necessary to meet long term objectives and responsibilities of the Shire.

Rates has been used as the metric to measure the sustainable funding gap. The identified funding gap can be mitigated with measures such as (but not limited to).

- Rationalising assets to reduce future asset renewal obligations.
- Reducing existing service levels.
- Increasing cost recovery from user fees.
- Continued efforts to source grants and contributions for capital projects.

The LTFP comprises underlying assumptions and forecast estimates. These do not commit the Shire to the financial details of the LTFP rather it is intended to act as a guide towards structurally steering the Annual Budget towards the financially sustainable foundation necessary to meet identified community service levels and future obligations of the Shire.

Table 1

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2023/24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
Rate Revenue	7,115,460	8,929,458	9,468,396	9,772,982	10,102,550	10,716,387	11,121,756	11,624,720	12,057,980	12,568,066	13,111,243	13,552,267	14,012,752	14,586,113	15,126,500	15,890,890
Change (\$)		1,813,998	538,938	304,586	329,568	613,837	405,369	502,964	433,260	510,086	543,177	441,024	460,485	573,361	540,387	764,390
Change (%)		25.49%	6.04%	3.22%	3.37%	6.08%	3.78%	4.52%	3.73%	4.23%	4.32%	3.36%	3.40%	4.09%	3.70%	5.05%
Operating Revenue		15,648,291	16,483,442	17,034,202	17,636,327	18,498,001	19,157,023	19,978,529	20,663,684	21,437,321	22,229,287	22,954,111	23,744,030	24,652,389	25,543,525	26,535,947

Figure 2

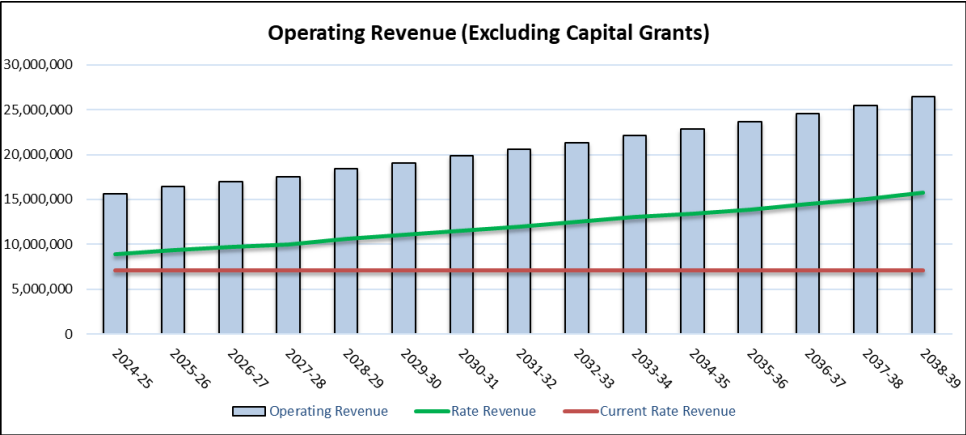
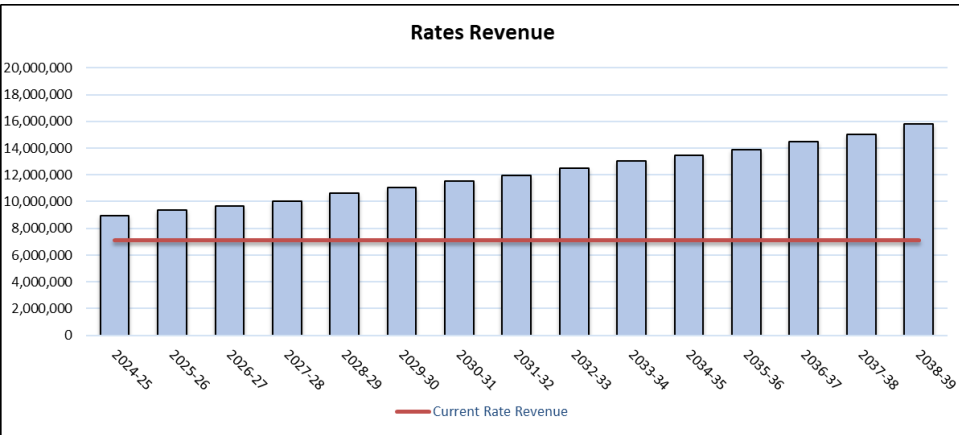


Figure 3



6. ASSET MANAGEMENT

Council possesses a substantial portfolio of physical assets to meet the service needs of the community. These assets are categorised into the following major classes:

- Land - Freehold
- Buildings
- Furniture and Equipment
- Plant and Equipment
- Vehicles
- Infrastructure – Roads
- Infrastructure – Bridges
- Infrastructure – Drainage
- Infrastructure – Footpaths
- Infrastructure – Parks & Reserves

By their nature, constructed or built forms deteriorate over the passage of time. These assets (or their components) require renewal or replacement at the end of their economic useful life to sustain a level of service that maintains an appropriate level of.

- a) Asset Safety
- b) Asset Quality
- c) Asset Functionality

A suite of Asset Management Plans has been developed for major asset classes. These are reviewed and updated annually, to identify and forecast,

- a) What works are required
- b) When the works are required
- c) Cost of the works
- d) Funding sources of the works

This information is incorporated into the LTFP to inform Council of the long-term cost of delivering facilities and services to the community.

Identifying sufficient funding for the maintenance and renewal of assets is an essential part of the LTFP. Historical levels of financial allocations have not been sufficient to achieve this, which leaves the Shire with a shortfall in funding. This position cannot be rectified quickly, but over the life of the LTFP allocations have been made that increases own source funded allocation into asset management reserves to ensure future identified works are able to be sustainably funded.

If this does not occur, the Shire may be faced with future financial challenges. The LTFP enables Council to understand its future financial obligations beyond immediate budget considerations. The LTFP helps Council assess the need for early intervention to reduce future risks and associated revenue raising requirements of future generations.



7. REVENUE

The suite of plans that forms the Shire's IFPR framework identifies a factual cost of managing the Shire's asset portfolio.

Improving the Shire's revenue is a mainstay of being able to deliver sufficient funding for the initiatives in the LTFP.

Rates

The generation of 'own source' revenue through property rates is the mainstay of income for all local governments. The LTFP identifies the level of rate revenue yield necessary to sustainably meet the identified long-term cost of meetings the Shire's future service obligations.

The development of robust asset management and longer-term financial planning is enabling a greater level of informed decision making. This information is reporting that historical rating levels are not sufficient to meet the Shire's future obligations, particularly to funds identified future asset renewal.

Fees and Charges

Fees and charges endeavour to provide either full cost recovery (where applicable) or deliver an equitable contribution to the cost of the service. However, there is a considerable range in the type of services where fees can apply and the level of discretion available to the Shire to set a fee for services.

- a) Fees for statutory services (e.g. town planning, building, health) are predominantly prescribed under legislation. The Shire has limited capability to reflect the cost of providing the service into the fee. Annual indexation of a statutory fee by the State Government may not match indexation of costs of delivering the service.

- b) For some fees the Shire has full discretion to set fees for full cost recovery, however, certain fees for community facilities and programs (building leases, hire of sports facilities etc.) have been set to allow for a social element to pricing and may not achieve full cost recovery.
- c) Existing fees and charges are reviewed annually with consideration of statutory limits, inflation, and Wage Price Index. Each fee category is reviewed annually, and a schedule of fees and charges are published as part of the Annual Budget.
- d) Where revenue from fees is lower than the cost of providing a service the funding gap is funded from general revenue sources. This is predominantly by property rates.

Grants and Contributions

Except for the Financial Assistance Grants (FAG) provided by the Commonwealth, grants are project or program specific. Where planned for in respective asset management plans, grants available for the development or construction of asset are included in the LTFP.

The Shire continues to advocate for grants from State and/or Federal government and seek contributions from private companies, developers, and other sources towards specific projects.

The Shire explores and maximises grant and contribution funding from sources such as government departments or Lotterywest where a project or program meets their grant funding guidelines.

8. FORWARD ESTIMATES

Consideration has been given to the economic drivers that will influence the estimated future cost of providing infrastructure, facilities, and services for the period of the LTFP. This plan is set against future periods of economic uncertainty with the values reported representing estimated future prices and costs.

This plan will be reviewed every 12 months to reflect the prevailing economic conditions together with changing community needs.

Table 2

Assumptions	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/25	2035/36	2036/37	2037/38	2038/39
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Population Growth (Shire) ¹	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
CPI (Perth) ²	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Wage Price Index (WA) ³	3.75%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Utilities - Electricity ⁴	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Utilities - Water ⁵	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%
Utilities - Sewer ⁶	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Insurance (General) ⁷	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	9.00%	8.80%	8.80%	8.80%
Interest Earnings (Public Bank Account)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

¹ Management estimates (Mid-range of estimated future population growth of 0.50%pa - 1.00%pa)

² Key Budget Assumptions - WA State Budget 2024/25 Economic and Fiscal Outlook, Budget Paper No.3

³ Key Budget Assumptions - WA State Budget 2024/25 Economic and Fiscal Outlook, Budget Paper No.3

⁴ Historical Average (5 preceding years) – Shire of Donnybrook Balingup

⁵ Historical Average (5 preceding years) – Shire of Donnybrook Balingup

⁶ Historical Average (5 preceding years) – Shire of Donnybrook Balingup

⁷ Historical Average (5 preceding years) – Shire of Donnybrook Balingup

Informing Plans

Forward estimates used in developing the LTFP include referencing the following endorsed Council plans.

Integrated Planning Framework Documents

- Council Plan
- Asset Management Plans
- Reserve Fund Plan
- Borrowings Plan
- 2022/23 Annual Financial Report
- 2023/24 Annual Budget
- 2023/24 Budget Review



9. PRINCIPLES

The LTFP is underpinned by the following principles:

- a) The Shire seeks to maintain, and where possible, improve future service levels.
- b) Closing the asset renewal funding gap by meeting future asset management financial commitments through the planned annual setting aside of funds into reserves from own source funds.
- c) Careful use of borrowings planned through the Shire's asset management planning process.
- d) Increasing funding for asset maintenance and renewal in accordance with endorsed Asset Management Plans.
- e) Sourcing external grant funds to develop and upgrade intergenerational community assets.
- f) The development of a rating level that sustainably reflects the cost of meeting,
 - a. community service levels
 - b. statutory obligations of the Shire
- g) Rates have been used as the metric to identify the sustainable funding gap.



10. FINANCIAL STATEMENTS

The following Financial Statements have been prepared for the 15 years covered in this plan. These estimates have been prepared based on the assumptions shown previously in this document.

There are 4 key financial statements contained in the LTFP used for reporting the Shire's financial performance over a specific accounting period.

- a) Statement of Comprehensive Income
- b) Statement of Financial Position
- c) Statement of Cash Flow
- d) Statement of Financial Activity

Statement of Comprehensive Income

The Statement of Comprehensive Income (once known as a Profit and Loss Statement) reports the Shire's day to day operating revenues and expenditures over a specified period. For the LTFP this is for the financial year 1st July to 30th June.

It reports aggregated transactions that are only utilised or consumed within the financial year. As such, does not include expenditure that is capital in nature that gives rise to future economic benefits across more than one financial year. For example.

- a) Expenditure incurred for the development and construction of assets.
- b) Borrowing principal repayments

Statement of Financial Position

The Statement of Financial Position (once known as a Balance Sheet) provides an overview of the Shire's;

- a) Assets
- b) Liabilities
- c) Equity

as a snapshot in time. The date at the top of the Statement of Financial Position tells the reader when the snapshot was taken. It reports what the Shire owns and owes at a single point in time. For the LTFP, this is on 30th June.

Statement of Cash Flows

A Statement of Cash Flows is a financial statement that provides aggregate data regarding all cash inflows the Shire receives from its ongoing operations and external investment sources. It also includes all cash outflows that pay for the Shire's activities and investments during a given period.

The Statement of Cash Flows is the most intuitive of all the financial statements because it follows the cash made by the Shire in three main ways

- a) Operating activities
- b) Investing activities
- c) Financing activities

The sum of these three activities reports the Shire's net cash flow in a reporting period.

Cash Flows From Operating Activities

The first section of the Statement of Cash Flows covers cash flows from day-to-day operating activities. The cash flows from the operations section begins with net income (Operating Income less Operating Expenditure), then reconciles all non-cash items to cash items involving operational activities. In other words, it is the Shire's net income, but in a cash version. This section reports cash inflows and outflows that stem directly from the Shire's day to day business activities.

The Statement of Cash Flows excludes transactions such as unpaid debtor and creditor transactions, depreciation, accrued and prepaid transactions bought to account as revenue or expenses, but with no associated cash flow during the reporting period.

Cash Flows From Investing Activities

This section includes cash spent on acquisition and development of infrastructure, property, plant, and equipment. This section is where the reader would look to find capital expenditures (capex).

When capex increases, it generally means there is a cash outflow. This is not necessarily an adverse situation, as it indicates investment in asset renewal and future development of new community assets. Entities with high capex tend to be those that are growing and renewing assets.

While positive cash flows within this section can be considered good, it is preferable that entities generate recurring sustainable net cash inflow from operating activities in conjunction with investing and financing activities. Cash inflow within this section is generated by selling equipment or property.

Cash Flows From Financing

Cash flows from financing activities is the last section of the Statement of Cash Flows. The section provides an overview of net cash used in capital financing activities. The reader can determine how much cash the Shire has obtained or paid out due to capital fundraising, such as borrowings and annual principal repayments.

Statement of Financial Activity

The Statement of Financial Activity reports all revenue and expenditure (capital and operating) that has occurred during a financial period. It further reports.

- a) opening funds for the financial period
- b) the total amount of the general rates imposed
- c) any deficit or surplus (net current assets) remaining after the imposition of the general rates

The format is similar to the Statement of Cash Flows in so far that it reports transactions made by the entity in three main ways.

- a) Operating activities
- b) Capital activities
- c) Financing activities

Unlike the Statement of Cash Flows, all cash and non-cash transactions are included, however, non-cash transactions are eliminated as an aggregated single line item within the report.

The Statement of Financial Activity reports the opening and closing net current assets (surplus or deficit) for the reporting period after the imposition of rates (as opposed to the reporting the balance of total cash in the Statement of Cash Flows).

Forecast Statement of Comprehensive Income - by Nature or Type

Table 3

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues															
Rates	8,929,458	9,468,396	9,772,982	10,102,550	10,716,387	11,121,756	11,624,720	12,057,980	12,568,066	13,111,243	13,552,267	14,012,752	14,586,113	15,126,500	15,890,890
Grants, subsidies and contributions	3,883,045	4,028,663	4,159,593	4,294,779	4,434,365	4,578,483	4,727,281	4,880,915	5,039,546	5,203,334	5,372,441	5,547,043	5,727,319	5,913,458	6,105,645
Fees and charges	2,453,267	2,722,465	2,813,147	2,906,776	3,007,848	3,112,336	3,220,352	3,332,016	3,447,450	3,566,777	3,690,131	3,817,643	3,949,452	4,085,694	4,226,522
Interest revenue	382,081	263,461	288,008	331,735	338,898	343,929	405,640	392,220	381,688	347,343	338,663	365,963	388,856	417,203	312,198 ¹
Other revenue	440	457	472	487	503	519	536	553	571	590	609	629	649	670	692
	15,648,291	16,483,442	17,034,202	17,636,327	18,498,001	19,157,023	19,978,529	20,663,684	21,437,321	22,229,287	22,954,111	23,744,030	24,652,389	25,543,525	26,535,947
Expenses															
Employee costs	(6,758,556)	(7,079,586)	(7,345,070)	(7,620,511)	(7,906,281)	(8,202,767)	(8,510,375)	(9,029,512)	(9,368,128)	(9,719,433)	(10,083,914)	(10,462,064)	(10,854,399)	(11,261,437)	(11,683,745)
Materials and contracts	(4,710,394)	(5,002,030)	(5,164,607)	(5,332,460)	(5,505,776)	(5,684,718)	(5,869,469)	(6,060,224)	(6,257,188)	(6,460,555)	(6,670,517)	(6,887,309)	(7,111,139)	(7,342,251)	(7,580,883)
Utility charges	(538,050)	(591,293)	(619,379)	(648,801)	(679,615)	(711,899)	(745,715)	(781,132)	(818,238)	(857,098)	(897,808)	(940,456)	(985,125)	(1,031,924)	(1,080,947)
Depreciation	(7,608,018)	(7,841,053)	(8,037,079)	(8,262,297)	(8,388,345)	(8,600,279)	(8,861,794)	(9,083,009)	(9,312,419)	(9,544,890)	(9,783,172)	(10,027,406)	(10,277,743)	(10,534,335)	(10,797,340)
Finance costs	(149,683)	(142,867)	(136,683)	(130,834)	(226,227)	(217,117)	(253,898)	(242,756)	(231,099)	(218,898)	(206,127)	(192,760)	(202,570)	(209,886)	(192,027)
Insurance	(532,452)	(589,971)	(641,885)	(698,370)	(759,827)	(826,690)	(899,436)	(978,589)	(1,064,704)	(1,158,397)	(1,260,338)	(1,371,250)	(1,491,918)	(1,623,202)	(1,766,042)
Other expenditure	(317,299)	(330,787)	(341,537)	(352,637)	(364,095)	(375,929)	(388,147)	(400,761)	(413,786)	(427,234)	(441,118)	(455,456)	(470,260)	(485,543)	(501,325)
	(20,614,452)	(21,577,587)	(22,286,240)	(23,045,910)	(23,830,166)	(24,619,399)	(25,528,834)	(26,575,983)	(27,465,562)	(28,386,505)	(29,342,994)	(30,336,701)	(31,393,154)	(32,488,578)	(33,602,309)
	(4,966,161)	(5,094,145)	(5,252,038)	(5,409,583)	(5,332,165)	(5,462,376)	(5,550,305)	(5,912,299)	(6,028,241)	(6,157,218)	(6,388,883)	(6,592,671)	(6,740,765)	(6,945,053)	(7,066,362)
Capital grants, subsidies and contributions	9,070,020	3,479,228	3,324,049	3,907,469	3,550,825	3,632,278	8,128,629	3,853,484	3,969,088	4,088,161	4,210,806	4,390,638	4,467,244	4,616,690	4,739,299
NET RESULT	4,103,859	(1,614,917)	(1,927,989)	(1,502,114)	(1,781,340)	(1,830,098)	2,578,324	(2,058,815)	(2,059,153)	(2,069,057)	(2,178,077)	(2,202,033)	(2,273,521)	(2,328,363)	(2,327,063)
Other comprehensive income	7,701,000	6,991,214	5,943,105	6,052,894	6,211,642	6,290,179	6,443,337	6,666,424	6,791,661	6,919,153	7,022,730	7,130,313	7,269,008	7,441,339	7,563,219
TOTAL COMPREHENSIVE INCOME	11,804,859	5,376,297	4,015,116	4,550,780	4,430,302	4,460,081	9,021,661	4,607,609	4,732,508	4,850,096	4,844,653	4,928,280	4,995,487	5,112,976	5,236,156

Forecast Statement of Financial Position

Table 4

	1 30 June 25 \$	2 30 June 26 \$	3 30 June 27 \$	4 30 June 28 \$	5 30 June 29 \$	6 30 June 30 \$	7 30 June 31 \$	8 30 June 32 \$	9 30 June 33 \$	10 30 June 34 \$	11 30 June 35 \$	12 30 June 36 \$	13 30 June 37 \$	14 30 June 38 \$	15 30 June 39 \$
CURRENT ASSETS															
Unrestricted cash and cash equivalents	2,235,716	2,235,716	2,235,716	2,235,716	2,235,716	2,235,716	2,235,715	2,235,716	2,235,715	2,235,716	2,235,715	2,235,715	2,235,715	2,235,716	2,235,715
Restricted cash and cash equivalent	3,026,260	3,522,966	4,398,993	4,542,253	4,642,872	5,877,046	5,608,698	5,398,030	4,711,161	4,537,558	5,083,573	5,541,422	6,108,349	4,008,256	4,088,674
Financial assets	23,536	18,406	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059
Trade and other receivables	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614	1,035,614
Inventories	165,054	165,054	165,054	165,054	165,054	165,054	165,054	165,054	165,054	165,054	165,054	165,054	165,054	165,054	165,054
Other assets	1,799	1,799	1,799	1,799	1,799	1,799	1,799	1,799	1,799	1,799	1,799	1,799	1,799	1,799	1,799
TOTAL CURRENT ASSETS	6,487,979	6,979,555	7,850,235	7,993,495	8,094,114	9,328,288	9,059,939	8,849,272	8,162,402	7,988,800	8,534,814	8,992,663	9,559,590	7,459,498	7,539,915
NON-CURRENT ASSETS															
Financial assets	218,734	213,387	213,387	213,387	213,387	213,387	213,387	213,387	213,387	213,387	213,387	213,387	213,387	213,387	213,387
Other receivables	151,093	151,093	151,093	151,093	151,093	151,093	151,093	151,093	151,093	151,093	151,093	151,093	151,093	151,093	151,093
Inventories	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669	1,943,669
Other assets	616,647	616,647	616,647	616,647	616,647	616,647	616,647	616,647	616,647	616,647	616,647	616,647	616,647	616,647	616,647
Property plant and equipment	71,389,580	73,024,920	73,287,376	77,220,833	77,920,485	79,487,676	85,073,093	86,550,383	87,015,110	88,364,261	89,364,326	90,021,580	90,310,545	93,281,515	94,376,152
Infrastructure	161,774,810	164,877,774	167,608,441	170,212,732	173,634,043	176,406,347	179,868,337	182,955,581	187,644,832	191,041,778	194,049,979	197,559,414	202,706,536	206,544,696	210,184,002
Intangible assets	435,201	435,201	435,201	435,201	435,201	435,201	435,201	435,201	435,201	435,201	435,201	435,201	435,201	435,201	435,201
TOTAL NON-CURRENT ASSETS	236,529,734	241,262,691	244,255,814	250,793,562	254,914,525	259,254,020	268,301,427	272,865,961	278,019,939	282,766,036	286,774,302	290,940,991	296,377,078	303,186,208	307,920,151
TOTAL ASSETS	243,017,713	248,242,246	252,106,049	258,787,057	263,008,639	268,582,308	277,361,366	281,715,233	286,182,341	290,754,836	295,309,116	299,933,654	305,936,668	310,645,706	315,460,066
CURRENT LIABILITIES															
Trade and other payables	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144	1,536,144
Contract liabilities	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098	1,915,098
Lease liabilities	20,281	19,870	0	0	0	0	0	0	0	0	0	0	0	0	0
Current portion of long-term liabilities	131,483	131,443	131,426	208,720	217,830	242,603	253,742	265,400	277,601	290,373	303,742	352,594	403,938	421,796	440,457
Provisions	904,887	904,887	904,887	904,887	904,887	904,887	904,887	904,887	904,887	904,887	904,887	904,887	904,887	904,887	904,887
TOTAL CURRENT LIABILITIES	4,507,893	4,507,442	4,487,555	4,564,849	4,573,959	4,598,732	4,609,871	4,621,529	4,633,730	4,646,502	4,659,871	4,708,723	4,760,067	4,777,925	4,796,586
NON-CURRENT LIABILITIES															
Lease liabilities	19,870	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-current liabilities	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000
Long-term borrowings	2,848,260	2,716,817	2,585,391	4,638,325	4,420,495	5,509,310	5,255,568	4,990,168	4,712,567	4,422,194	4,118,452	3,765,858	4,722,041	4,300,245	3,859,788
Provisions	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303	2,142,303
TOTAL NON-CURRENT LIABILITIES	8,816,433	8,665,120	8,533,694	10,586,628	10,368,798	11,457,613	11,203,871	10,938,471	10,660,870	10,370,497	10,066,755	9,714,161	10,670,344	10,248,548	9,808,091
TOTAL LIABILITIES	13,324,326	13,172,562	13,021,249	15,151,477	14,942,757	16,056,345	15,813,742	15,560,000	15,294,600	15,016,999	14,726,626	14,422,884	15,430,411	15,026,473	14,604,677
NET ASSETS	229,693,387	235,069,684	239,084,800	243,635,580	248,065,882	252,525,963	261,547,624	266,155,233	270,887,741	275,737,837	280,582,490	285,510,770	290,506,257	295,619,233	300,855,389
EQUITY															
Retained surplus	46,042,236	43,930,613	41,126,597	39,481,223	37,599,264	34,534,992	37,381,665	35,533,517	34,161,234	32,265,779	29,541,688	26,881,806	24,041,358	23,813,087	21,405,607
Reserves - cash backed	3,026,260	3,522,966	4,398,993	4,542,253	4,642,872	5,877,046	5,608,697	5,398,030	4,711,160	4,537,558	5,083,572	5,541,421	6,108,348	4,008,256	4,088,673
Asset revaluation surplus	180,624,891	187,616,105	193,559,210	199,612,104	205,823,746	212,113,925	218,557,262	225,223,686	232,015,347	238,934,500	245,957,230	253,087,543	260,356,551	267,797,890	275,361,109
TOTAL EQUITY	229,693,387	235,069,684	239,084,800	243,635,580	248,065,882	252,525,963	261,547,624	266,155,233	270,887,741	275,737,837	280,582,490	285,510,770	290,506,257	295,619,233	300,855,389

Forecast Statement of Cashflows

Table 5

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
Cash flows from operating activities															
Receipts															
Rates	8,929,458	9,468,396	9,772,982	10,102,550	10,716,387	11,121,756	11,624,720	12,057,980	12,568,066	13,111,243	13,552,267	14,012,752	14,586,113	15,126,500	15,890,890
Grants, subsidies and contributions	3,883,045	4,028,663	4,159,593	4,294,779	4,434,365	4,578,483	4,727,281	4,880,915	5,039,546	5,203,334	5,372,441	5,547,043	5,727,319	5,913,458	6,105,645
Fees and charges	2,453,267	2,722,465	2,813,147	2,906,776	3,007,848	3,112,336	3,220,352	3,332,016	3,447,450	3,566,777	3,690,131	3,817,643	3,949,452	4,085,694	4,226,522
Interest revenue	382,081	263,461	288,008	331,735	338,898	343,929	405,640	392,220	381,688	347,343	338,663	365,963	388,856	417,203	312,198
Other revenue	440	457	472	487	503	519	536	553	571	590	609	629	649	670	692
	15,648,291	16,483,442	17,034,202	17,636,327	18,498,001	19,157,023	19,978,529	20,663,684	21,437,321	22,229,287	22,954,111	23,744,030	24,652,389	25,543,525	26,535,947
Payments															
Employee costs	(6,758,556)	(7,079,586)	(7,345,070)	(7,620,511)	(7,906,281)	(8,202,767)	(8,510,375)	(9,029,512)	(9,368,128)	(9,719,433)	(10,083,914)	(10,462,064)	(10,854,399)	(11,261,437)	(11,683,745)
Materials and contracts	(4,710,394)	(5,002,030)	(5,164,607)	(5,332,460)	(5,505,776)	(5,684,718)	(5,869,469)	(6,060,224)	(6,257,188)	(6,460,555)	(6,670,517)	(6,887,309)	(7,111,139)	(7,342,251)	(7,580,883)
Utility charges	(538,050)	(591,293)	(619,379)	(648,801)	(679,615)	(711,899)	(745,715)	(781,132)	(818,238)	(857,098)	(897,808)	(940,456)	(985,125)	(1,031,924)	(1,080,947)
Finance costs	(149,683)	(142,867)	(136,683)	(130,834)	(126,227)	(121,117)	(125,898)	(142,756)	(231,099)	(218,898)	(206,127)	(192,760)	(202,570)	(209,886)	(192,027)
Insurance	(532,452)	(589,971)	(641,885)	(698,370)	(759,827)	(826,690)	(899,436)	(978,589)	(1,064,704)	(1,158,397)	(1,260,338)	(1,371,250)	(1,491,918)	(1,623,202)	(1,766,042)
Other expenditure	(317,299)	(330,787)	(341,537)	(352,637)	(364,095)	(375,929)	(388,147)	(400,761)	(413,786)	(427,234)	(441,118)	(455,456)	(470,260)	(485,543)	(501,325)
	(13,006,434)	(13,736,534)	(14,249,161)	(14,783,613)	(15,441,821)	(16,019,120)	(16,667,040)	(17,492,974)	(18,153,143)	(18,841,615)	(19,559,822)	(20,309,295)	(21,115,411)	(21,954,243)	(22,804,969)
Net cash provided by (used in) operating activities	2,641,857	2,746,908	2,785,041	2,852,714	3,056,180	3,137,903	3,311,489	3,170,710	3,284,178	3,387,672	3,394,289	3,434,735	3,536,978	3,589,282	3,730,978
Cash flows from investing activities															
Payments for purchase of property, plant & equipment	(9,132,383)	(1,837,479)	(530,480)	(4,518,338)	(1,190,663)	(1,877,119)	(5,996,065)	(2,036,235)	(717,386)	(1,989,150)	(1,493,226)	(1,202,573)	(755,579)	(3,755,786)	(1,818,279)
Payments for construction of infrastructure	(5,003,793)	(4,094,395)	(4,610,161)	(4,569,455)	(5,455,944)	(4,896,060)	(5,661,967)	(5,376,600)	(7,033,027)	(5,830,880)	(5,546,100)	(6,143,509)	(7,841,970)	(6,630,369)	(6,538,499)
Proceeds from capital grants, subsidies and contributions	9,070,020	3,479,228	3,324,049	3,907,469	3,550,825	3,632,278	8,128,629	3,853,484	3,969,088	4,088,161	4,210,806	4,390,638	4,467,244	4,616,690	4,739,299
Proceeds from self supporting loans	10,195	10,477	5,347	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of plant & equipment	213,710	343,731	53,544	340,642	348,941	123,584	192,168	431,716	75,677	448,196	270,618	282,300	152,727	484,029	388,714
Net cash provided by (used in) investing activities	(4,842,251)	(2,098,438)	(1,757,701)	(4,839,682)	(2,746,841)	(3,017,317)	(3,337,235)	(3,127,635)	(3,705,648)	(3,283,673)	(2,557,902)	(2,673,144)	(3,977,578)	(5,285,436)	(3,228,765)
Cash flows from financing activities															
Repayment of debentures	(141,055)	(131,483)	(131,443)	(131,426)	(208,720)	(217,830)	(242,603)	(253,742)	(265,400)	(277,601)	(290,373)	(303,742)	(352,594)	(403,938)	(421,796)
Repayment of leases	(25,347)	(20,281)	(19,870)	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from new debentures	0	0	0	2,261,654	0	1,331,418	0	0	0	0	0	0	1,360,121	0	0
Net cash provided by (used in) financing activities	(166,402)	(151,764)	(151,313)	2,130,228	(208,720)	1,113,588	(242,603)	(253,742)	(265,400)	(277,601)	(290,373)	(303,742)	1,007,527	(403,938)	(421,796)
Net increase (decrease) in cash held	(2,366,796)	496,706	876,027	143,260	100,619	1,234,174	(268,349)	(210,667)	(686,870)	(173,602)	546,014	457,849	566,927	(2,100,092)	80,417
Cash at beginning of year	7,628,772	5,261,976	5,758,682	6,634,709	6,777,969	6,878,588	8,112,762	7,844,413	7,633,746	6,946,876	6,773,274	7,319,288	7,777,137	8,344,064	6,243,972
Cash and cash equivalents at the end of year	5,261,976	5,758,682	6,634,709	6,777,969	6,878,588	8,112,762	7,844,413	7,633,746	6,946,876	6,773,274	7,319,288	7,777,137	8,344,064	6,243,972	6,324,389

Forecast Statement of Financial Activity

Table 6

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
FUNDING FROM OPERATIONAL ACTIVITIES															
Revenues															
Rates	8,929,458	9,468,396	9,772,982	10,102,550	10,716,387	11,121,756	11,624,720	12,057,980	12,568,066	13,111,243	13,552,267	14,012,752	14,586,113	15,126,500	15,890,890
Grants, subsidies and contributions	3,883,045	4,028,663	4,159,593	4,294,779	4,434,365	4,578,483	4,727,281	4,880,915	5,039,546	5,203,334	5,372,441	5,547,043	5,727,319	5,913,458	6,105,645
Fees and charges	2,453,267	2,722,465	2,813,147	2,906,776	3,007,848	3,112,336	3,220,352	3,332,016	3,447,450	3,566,777	3,690,131	3,817,643	3,949,452	4,085,694	4,226,522
Interest revenue	382,081	263,461	288,008	331,735	338,898	343,929	405,640	392,220	381,688	347,343	338,663	365,963	388,856	417,203	312,198
Other revenue	440	457	472	487	503	519	536	553	571	590	609	629	649	670	692
	15,648,291	16,483,442	17,034,202	17,636,327	18,498,001	19,157,023	19,978,529	20,663,684	21,437,321	22,229,287	22,954,111	23,744,030	24,652,389	25,543,525	26,535,947
Expenses															
Employee costs	(6,758,556)	(7,079,586)	(7,345,070)	(7,620,511)	(7,906,281)	(8,202,767)	(8,510,375)	(9,029,512)	(9,368,128)	(9,719,433)	(10,083,914)	(10,462,064)	(10,854,399)	(11,261,437)	(11,683,745)
Materials and contracts	(4,710,394)	(5,002,030)	(5,164,607)	(5,332,460)	(5,505,776)	(5,684,718)	(5,869,469)	(6,060,224)	(6,257,188)	(6,460,555)	(6,670,517)	(6,887,309)	(7,111,139)	(7,342,251)	(7,580,883)
Utility charges	(538,050)	(591,293)	(619,379)	(648,801)	(679,615)	(711,899)	(745,715)	(781,132)	(818,238)	(857,098)	(897,808)	(940,456)	(985,125)	(1,031,924)	(1,080,947)
Depreciation	(7,608,018)	(7,841,053)	(8,037,079)	(8,262,297)	(8,388,345)	(8,600,279)	(8,861,794)	(9,083,009)	(9,312,419)	(9,544,890)	(9,783,172)	(10,027,406)	(10,277,743)	(10,534,335)	(10,797,340)
Finance costs	(149,683)	(142,867)	(136,683)	(130,834)	(126,227)	(121,117)	(123,898)	(124,756)	(123,099)	(121,898)	(120,127)	(119,760)	(118,570)	(117,886)	(117,027)
Insurance	(532,452)	(589,971)	(641,885)	(698,370)	(759,827)	(826,690)	(899,436)	(978,589)	(1,064,704)	(1,158,397)	(1,260,338)	(1,371,250)	(1,491,918)	(1,623,202)	(1,766,042)
Other expenditure	(317,299)	(330,787)	(341,537)	(352,637)	(364,095)	(375,929)	(388,147)	(400,761)	(413,786)	(427,234)	(441,118)	(455,456)	(470,260)	(485,543)	(501,325)
	(20,614,452)	(21,577,587)	(22,286,240)	(23,045,910)	(23,830,166)	(24,619,399)	(25,528,834)	(26,575,983)	(27,465,562)	(28,386,505)	(29,342,994)	(30,336,701)	(31,393,154)	(32,488,578)	(33,602,309)
	(4,966,161)	(5,094,145)	(5,252,038)	(5,409,583)	(5,332,165)	(5,462,376)	(5,550,305)	(5,912,299)	(6,028,241)	(6,157,218)	(6,388,883)	(6,592,671)	(6,740,765)	(6,945,053)	(7,066,362)
Funding position adjustments															
Depreciation	7,608,018	7,841,053	8,037,079	8,262,297	8,388,345	8,600,279	8,861,794	9,083,009	9,312,419	9,544,890	9,783,172	10,027,406	10,277,743	10,534,335	10,797,340
Net funding from operational activities	2,641,857	2,746,908	2,785,041	2,852,714	3,056,180	3,137,903	3,311,489	3,170,710	3,284,178	3,387,672	3,394,289	3,434,735	3,536,978	3,589,282	3,730,978
FUNDING FROM CAPITAL ACTIVITIES															
Inflows															
Proceeds on disposal	213,710	343,731	53,544	340,642	348,941	123,584	192,168	431,716	75,677	448,196	270,618	282,300	152,727	484,029	388,714
Capital grants, subsidies and contributions	9,070,020	3,479,228	3,324,049	3,907,469	3,550,825	3,632,278	8,128,629	3,853,484	3,969,088	4,088,161	4,210,806	4,390,638	4,467,244	4,616,690	4,739,299
Outflows															
Purchase of property plant and equipment	(9,132,383)	(1,837,479)	(530,480)	(4,518,338)	(1,190,663)	(1,877,119)	(5,996,065)	(2,036,235)	(717,386)	(1,989,150)	(1,493,226)	(1,202,573)	(755,579)	(3,755,786)	(1,818,279)
Purchase of infrastructure	(5,003,793)	(4,094,395)	(4,610,161)	(4,569,455)	(5,455,944)	(4,896,060)	(5,661,967)	(5,376,600)	(7,033,027)	(5,830,880)	(5,546,100)	(6,143,509)	(7,841,970)	(6,630,369)	(6,538,499)
Net funding from capital activities	(4,852,446)	(2,108,915)	(1,763,048)	(4,839,682)	(2,746,841)	(3,017,317)	(3,337,235)	(3,127,635)	(3,705,648)	(3,283,673)	(2,557,902)	(2,673,144)	(3,977,578)	(5,285,436)	(3,228,765)
FUNDING FROM FINANCING ACTIVITIES															
Inflows															
Transfer from reserves	4,076,196	1,283,894	980,775	1,784,746	1,903,593	837,246	2,410,979	2,374,510	2,876,791	2,213,876	1,515,478	1,624,864	1,542,010	4,230,254	2,055,972
New borrowings	0	0	0	2,261,654	0	1,331,418	0	0	0	0	0	0	1,360,121	0	0
Self supporting loan	10,195	10,477	5,347	0	0	0	0	0	0	0	0	0	0	0	0
Outflows															
Transfer to reserves	(1,709,400)	(1,780,600)	(1,856,802)	(1,928,006)	(2,004,212)	(2,071,420)	(2,142,630)	(2,163,843)	(2,189,921)	(2,040,274)	(2,061,492)	(2,082,713)	(2,108,937)	(2,130,162)	(2,136,389)
Repayment of borrowings	(141,055)	(131,483)	(131,443)	(131,426)	(208,720)	(217,830)	(242,603)	(253,742)	(265,400)	(277,601)	(290,373)	(303,742)	(352,594)	(403,938)	(421,796)
Principal elements of finance lease payments	(25,347)	(20,281)	(19,870)	0	0	0	0	0	0	0	0	0	0	0	0
Net funding from financing activities	2,210,589	(637,993)	(1,021,993)	1,986,968	(309,339)	(120,586)	25,746	(43,075)	421,470	(103,999)	(836,387)	(761,591)	440,600	1,696,154	(502,213)
Estimated surplus/deficit July 1 B/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Estimated surplus/deficit June 30 C/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

11. CAPITAL WORKS PROGRAM

The capital works program aims to meet infrastructure service requirements of the Shire. Renewal or upgrade of existing infrastructure and the creation of new assets identified in the Shire’s asset management plans have been included in developing this plan.

Providing sufficient funding for the maintenance and renewal of assets is an essential part of the LTFP. The development and continued maturing of the Shire’s asset management planning framework has identified that historical funding levels have not been sufficient to meet future asset renewal obligations. Unless this is addressed, it leaves the Shire with a shortfall of sustainable own source funding to adequately maintain its asset portfolio, and to develop new assets to remain responsive to evolving community expectations.

This position cannot be regained quickly, the LTFP identifies a long-term strategy to inform the formulation of future Annual Budgets.

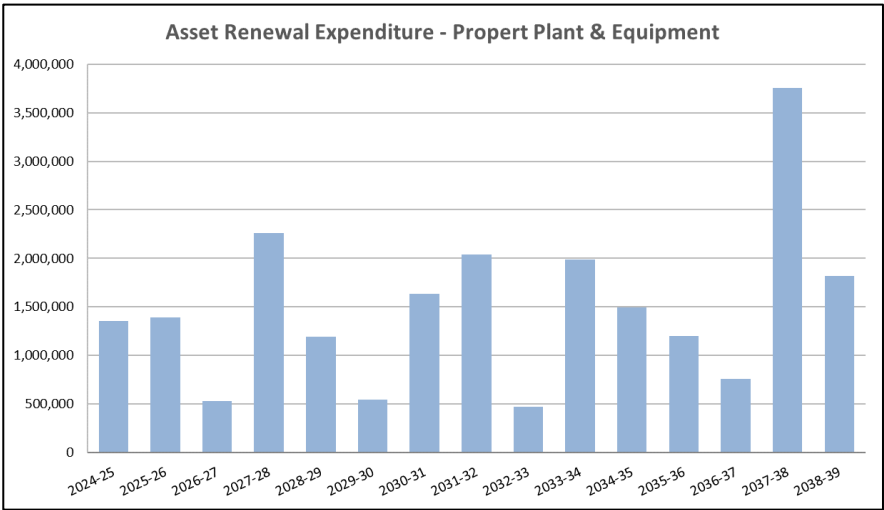


Figure 4

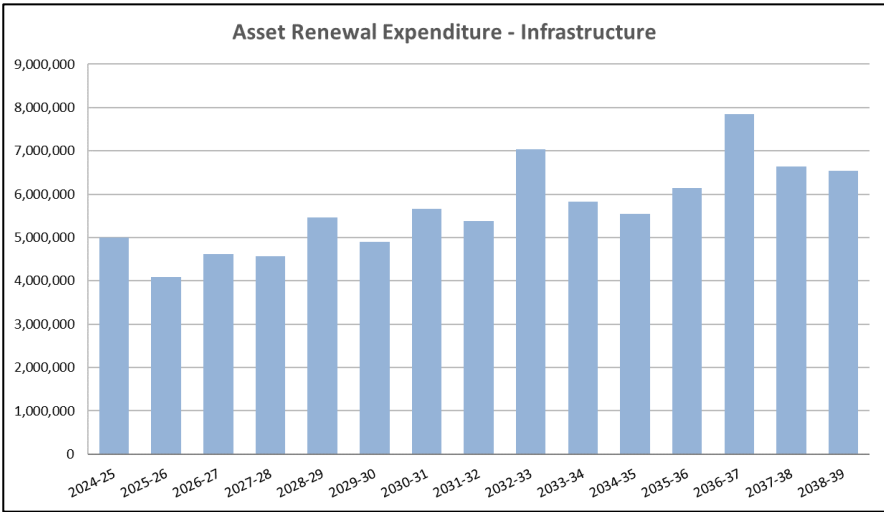


Figure 5

Forecast Statement of Movements in Fixed Assets

Table 7

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
CAPITAL WORKS - INFRASTRUCTURE															
Infrastructure - roads	3,487,330	3,591,950	3,699,708	3,810,700	3,925,021	4,042,771	4,164,054	4,288,976	4,417,645	4,550,175	4,686,680	4,827,280	4,972,099	5,121,262	5,274,900
Infrastructure - other	1,070,558	43,163	437,393	271,502	1,029,053	336,363	965,479	539,217	2,050,523	698,900	260,161	698,992	2,234,117	854,280	589,128
Infrastructure - footpaths	91,502	94,247	97,074	99,987	102,986	106,076	109,258	112,536	115,912	119,389	122,971	126,660	130,460	134,374	138,405
Infrastructure - drainage	354,403	365,035	375,986	387,266	398,884	410,850	423,176	435,871	448,947	462,416	476,288	490,577	505,294	520,453	536,066
Total capital works - infrastructure	5,003,793	4,094,395	4,610,161	4,569,455	5,455,944	4,896,060	5,661,967	5,376,600	7,033,027	5,830,880	5,546,100	6,143,509	7,841,970	6,630,369	6,538,499
Represented by:															
Additions - renewal	5,003,793	4,094,395	4,610,161	4,569,455	5,455,944	4,896,060	5,661,967	5,376,600	7,033,027	5,830,880	5,546,100	6,143,509	7,841,970	6,630,369	6,538,499
Total Capital Works - Infrastructure	5,003,793	4,094,395	4,610,161	4,569,455	5,455,944	4,896,060	5,661,967	5,376,600	7,033,027	5,830,880	5,546,100	6,143,509	7,841,970	6,630,369	6,538,499
Asset movement reconciliation															
Total capital works infrastructure	5,003,793	4,094,395	4,610,161	4,569,455	5,455,944	4,896,060	5,661,967	5,376,600	7,033,027	5,830,880	5,546,100	6,143,509	7,841,970	6,630,369	6,538,499
Depreciation infrastructure	(5,793,696)	(5,967,506)	(6,116,693)	(6,269,611)	(6,426,351)	(6,587,010)	(6,751,685)	(6,920,479)	(7,093,490)	(7,270,826)	(7,452,597)	(7,638,912)	(7,829,884)	(8,025,631)	(8,226,273)
Revaluation of infrastructure assets (inflation)	5,666,567	4,976,075	4,237,199	4,304,447	4,391,718	4,463,254	4,551,708	4,631,123	4,749,714	4,836,892	4,914,698	5,004,838	5,135,036	5,233,422	5,327,080
Net movement in infrastructure assets	4,876,664	3,102,964	2,730,667	2,604,291	3,421,311	2,772,304	3,461,990	3,087,244	4,689,251	3,396,946	3,008,201	3,509,435	5,147,122	3,838,160	3,639,306
CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT															
Buildings - non-specialised	8,384,588	694,744	326,500	3,291,691	275,117	1,516,142	5,202,334	362,266	457,054	551,017	526,068	385,908	294,319	2,038,988	607,549
Furniture and equipment	40,700	41,521	42,256	43,006	43,772	44,554	45,353	46,169	47,001	47,852	48,719	49,606	50,512	51,436	52,380
Plant and equipment	707,095	1,101,214	161,724	1,183,641	871,774	316,423	748,378	1,627,800	213,331	1,390,281	918,439	767,059	410,748	1,665,362	1,158,350
Total capital works property, plant and equipment	9,132,383	1,837,479	530,480	4,518,338	1,190,663	1,877,119	5,996,065	2,036,235	717,386	1,989,150	1,493,226	1,202,573	755,579	3,755,786	1,818,279
Represented by:															
Additions - expansion, upgrades and new	7,777,221	446,461	0	2,261,654	0	1,331,418	4,360,856	0	248,625	0	0	0	0	0	0
Additions - renewal	1,355,162	1,391,018	530,480	2,256,684	1,190,663	545,701	1,635,209	2,036,235	468,761	1,989,150	1,493,226	1,202,573	755,579	3,755,786	1,818,279
Total capital works property, plant and equipment	9,132,383	1,837,479	530,480	4,518,338	1,190,663	1,877,119	5,996,065	2,036,235	717,386	1,989,150	1,493,226	1,202,573	755,579	3,755,786	1,818,279
Asset movement reconciliation															
Total capital works property, plant and equipment	9,132,383	1,837,479	530,480	4,518,338	1,190,663	1,877,119	5,996,065	2,036,235	717,386	1,989,150	1,493,226	1,202,573	755,579	3,755,786	1,818,279
Depreciation property, plant and equipment	(1,814,322)	(1,873,547)	(1,920,386)	(1,992,686)	(1,961,994)	(2,013,269)	(2,110,109)	(2,162,530)	(2,218,929)	(2,274,064)	(2,330,575)	(2,388,494)	(2,447,859)	(2,508,704)	(2,571,067)
Net book value of disposed/written off assets	(213,710)	(343,731)	(53,544)	(340,642)	(348,941)	(123,584)	(192,168)	(431,716)	(75,677)	(448,196)	(270,618)	(282,300)	(152,727)	(484,029)	(388,714)
Revaluation of property, plant and equipment (inflation)	2,034,433	2,015,139	1,705,906	1,748,447	1,819,924	1,826,925	1,891,629	2,035,301	2,041,947	2,082,261	2,108,032	2,125,475	2,133,972	2,207,917	2,236,139
Net movement in property, plant and equipment	9,138,784	1,635,340	262,456	3,933,457	699,652	1,567,191	5,585,417	1,477,290	464,727	1,349,151	1,000,065	657,254	288,965	2,970,970	1,094,637

Forecast Statement of Movements in Fixed Assets (cont.)

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
PLANNED CAPITAL EXPENDITURE															
Expansion, Upgrades and New	7,777,221	446,461	0	2,261,654	0	1,331,418	4,360,856	0	248,625	0	0	0	0	0	0
Renewal	6,358,955	5,485,413	5,140,641	6,826,139	6,646,607	5,441,761	7,297,176	7,412,835	7,501,788	7,820,030	7,039,326	7,346,082	8,597,549	10,386,155	8,356,778
TOTAL CAPITAL EXPENDITURE	14,136,176	5,931,874	5,140,641	9,087,793	6,646,607	6,773,179	11,658,032	7,412,835	7,750,413	7,820,030	7,039,326	7,346,082	8,597,549	10,386,155	8,356,778
Capital works															
Total capital works infrastructure	5,003,793	4,094,395	4,610,161	4,569,455	5,455,944	4,896,060	5,661,967	5,376,600	7,033,027	5,830,880	5,546,100	6,143,509	7,841,970	6,630,369	6,538,499
Total capital works property, plant and equipment	9,132,383	1,837,479	530,480	4,518,338	1,190,663	1,877,119	5,996,065	2,036,235	717,386	1,989,150	1,493,226	1,202,573	755,579	3,755,786	1,818,279
Total capital works right of use assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total capital works	14,136,176	5,931,874	5,140,641	9,087,793	6,646,607	6,773,179	11,658,032	7,412,835	7,750,413	7,820,030	7,039,326	7,346,082	8,597,549	10,386,155	8,356,778

12. BORROWINGS

The majority of the Shire’s assets are long life assets, and the future benefit of these assets are used for future generations. Therefore, borrowings are considered as a funding source to support the provision of these intergenerational projects and distribute the development cost across future periods to those who benefit from the asset.

The LTFP provides for borrowings for the following over the period of the plan.

Table 8

Year	Project	Amount
2027/28	Administration Centre – Upgrade / Extensions	\$2,261,654
2029/30	Transfer Station Development – Donnybrook Waste Management Facility	\$1,331,418
2036/37	Apple Funpark – Renewal of Equipment	\$1,360,121

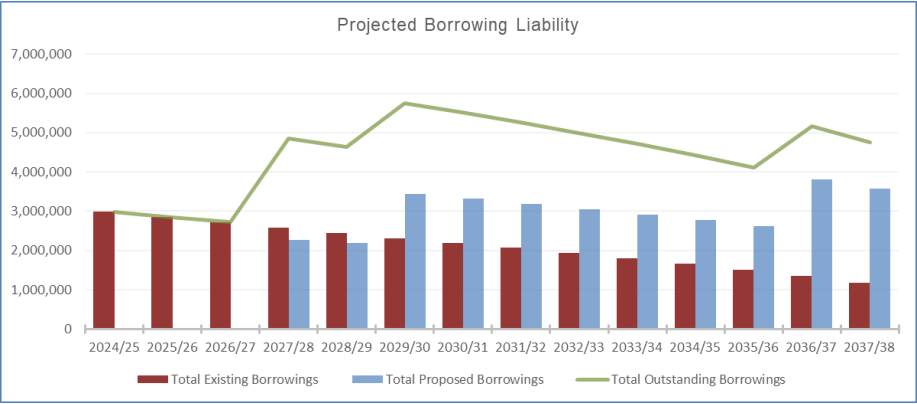


Figure 7

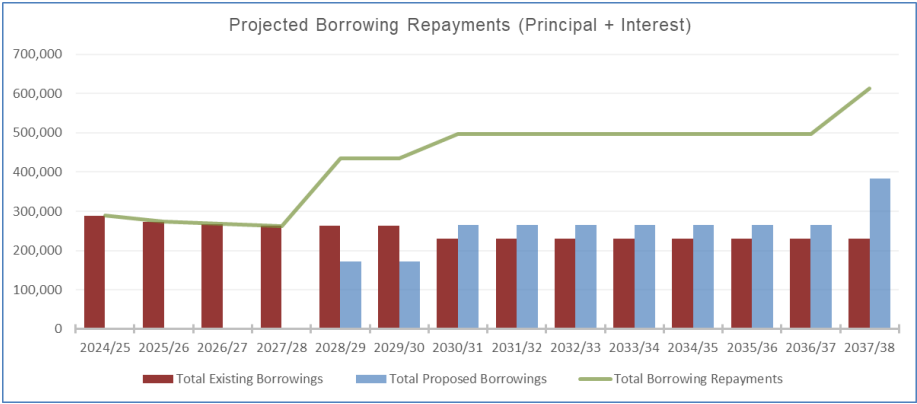


Figure 6

13. CASH RESERVES

The Shire maintains cash reserves for a variety of purposes.

- a) to set aside funds to meet obligations in future financial periods.
- b) to provide funds for future asset renewal / development.
- c) to reduce the reliance on borrowings by accumulating funds for specific projects.

Where relevant, reserves are supported by comprehensive plans that detail future funding requirements and the necessary annual allocations to reserves.

Information Technology Reserve

Purpose - To accumulate funds for the acquisition and replacement of Information Technology equipment and software.

Funding - Per adopted Annual Budget allocation.

Recreation Centre Equipment Reserve

Purpose - To accumulate funds for the acquisition and replacement of fitness equipment at the Recreation Centre.

Funding - Per adopted Annual Budget allocation.

Vehicle Reserve

Purpose - To accumulate funds for the acquisition and replacement of Council's vehicle fleet.

Funding - Per adopted Annual Budget allocation.

Building Reserve

Purpose - To accumulate funds for the construction, renewal and major maintenance of Council buildings.

Funding - Per adopted Annual Budget allocation.

Pathways Reserve

Purpose - To accumulate funds for the construction, renewal and major maintenance of pathways.

Funding - Per adopted Annual Budget allocation.

Small Plant & Equipment (Works) Reserve

Purpose - Established to accumulate funds for the acquisition and replacement of Council's small works plant & equipment.

Funding - Per adopted Annual Budget allocation.

Drainage & Storm Water Reserve

Purpose - Established to accumulate funds for the construction, renewal and major maintenance of drainage infrastructure.

Funding - Per adopted Annual Budget allocation.

Parks & Reserves Reserve

Purpose - Established to accumulate funds for the construction, renewal and major maintenance of parks & reserves infrastructure.

Funding - Per adopted Annual Budget allocation.

Roadworks Reserve

Purpose - Established to accumulate funds for the construction, renewal and major maintenance of road infrastructure.

Funding - Per adopted Annual Budget allocation.

Employee Entitlements Reserve

Purpose - Established to provide for the payment of annual leave, long service leave, personal leave, and grandfathered gratuity scheme entitlements.

Funding - Per adopted Annual Budget allocation.

27 Pay Periods

Purpose - Established to provide funds for the additional cash outlay in each eleventh year when 27 pay fortnights occur instead of the normal 26.

Funding - Per adopted Annual Budget allocation.

Revaluation Reserve

Purpose - Established to accumulate funds for;

- a) Asset Revaluations
- b) Rates Gross Rental Valuation - General Revaluation

Funding - Per adopted Annual Budget allocation.

Strategic Planning Studies Reserve

Purpose - Established to accumulate funds for engaging strategic studies / reports.

Funding - Per adopted Annual Budget allocation.

Council Elections Reserve

Purpose - Established to accumulate funds for Council postal elections

Funding - Per adopted Annual Budget allocation.

Waste Management Reserve

Purpose - To receive funds collected from Council's Waste Management Levy for the purpose of providing waste management facilities.

Funding - Per adopted Annual Budget allocation.

Arbuthnott Scholarship Reserve

Purpose - To fund the payment of the Arbuthnott Scholarship

Funding - Actual investment interest revenue from funds held in the Arbuthnott Scholarship Reserve account.

Land Development Reserve

Purpose - To fund the purchase of land for future community purposes

Funding - Net surplus from land development activities undertaken by the Shire.

Preston Village Exit Deferred Management Fee Reserve

Purpose - Established to accumulate Preston Village Exit Deferred Management Fees as contribution towards funding the lease liability.

Funding - Net surplus from land development activities undertaken by the Shire.

Preston Village Reserve Fund Contribution Reserve

Purpose - To accumulate the Preston Village Reserve Fund Contribution for purposes prescribed within the Residence Contract.

Funding - Actual Reserve Fund Contribution paid by the resident under the Retirement Villages Regulations 1992 and Residence Contract.

Minninup Cottages 1-4 Surplus Reserve

Purpose - To accumulate surplus income of units 1-4 for the purposes of unit maintenance, renewal and upgrades.

Funding - Actual annual operating surplus of Minninup Cottages 1-4.

Minninup Cottages 5-8 Surplus Reserve

Purpose - To accumulate surplus income of units 5-8 for the purposes of unit maintenance, renewal and upgrades.

Funding - Actual annual operating surplus of Minninup Cottages 5-8.

Minninup Cottages 9-12 Surplus Reserve

Purpose - To accumulate surplus income of units 9-12 for the purposes of unit maintenance, renewal and upgrades.

Funding - Actual annual operating surplus of Minninup Cottages 9-12.

Langley Villas 1-6 Surplus Reserve

Purpose - To accumulate surplus income of units 1-6 for purposes prescribed in the Joint Venture Agreement.

Funding - Actual annual operating surplus of Langley Villas 1-6.

Langley Villas 7-9 Surplus Reserve

Purpose - To accumulate surplus income of units 7-9 for purposes prescribed in the Joint Venture Agreement.

Funding - Actual annual operating surplus of Langley Villas 7-9.

Minninup Cottages 5-8 Long Term Maintenance Reserve

Purpose - To accumulate funds for units 5-8 prescribed under the Joint Venture Agreement for the purposes of property maintenance.

Funding - Annual Budget allocation per prescribed amount in Joint Venture Agreement for units 5-8.

Minninup Cottages 9-12 Long Term Maintenance Reserve

Purpose - To accumulate funds for units 9-12 prescribed under the Joint Venture Agreement for the purposes of property maintenance.

Funding - Annual Budget allocation per prescribed amount in Joint Venture Agreement for units 9-12.

Langley Villas 1-6 Long Term Maintenance Reserve

Purpose - To accumulate funds for units 1-6 prescribed under the Joint Venture Agreement for the purposes of property maintenance.

Funding - Annual Budget allocation per prescribed amount in Joint Venture Agreement for units 1-6.

Langley Villas 7-9 Long Term Maintenance Reserve

Purpose - To accumulate funds for units 7-9 prescribed under the Joint Venture Agreement for the purposes of property maintenance.

Funding - Annual Budget allocation per prescribed amount in Joint Venture Agreement for units 7-9.

POS – Donnybrook

Purpose - To hold payments in lieu of public open space for the general locality of the Donnybrook townsite in accordance with the Planning and Development Act 2005.

Funding - Payments received in lieu of public open space for the general locality of the Donnybrook townsite in accordance with the Planning and Development Act 2005.

POS – Balingup

Purpose - To hold payments in lieu of public open space for the general locality of the Balingup townsite in accordance with the Planning and Development Act 2005.

Funding - Payments received in lieu of public open space for the general locality of the Balingup townsite in accordance with the Planning and Development Act 2005.

POS – Kirup

Purpose - To hold payments in lieu of public open space for the general locality of the Kirup townsite in accordance with the Planning and Development Act 2005.

Funding - Payments received in lieu of public open space for the general locality of the Kirup townsite in accordance with the Planning and Development Act 2005.

COVID-19 Reserve

Purpose - To fund initiatives and activities associated with the Shire's response and recovery from the COVID-19 pandemic.

Funding - Per adopted Annual Budget allocation. (Annual Budget informed by the Source Plan).

Carried Forward Projects Reserve

Purpose - Established to accumulate funds from projects carried into future financial years.

Funding - Unspent project funds carried forward into future financial year.

Figure 8

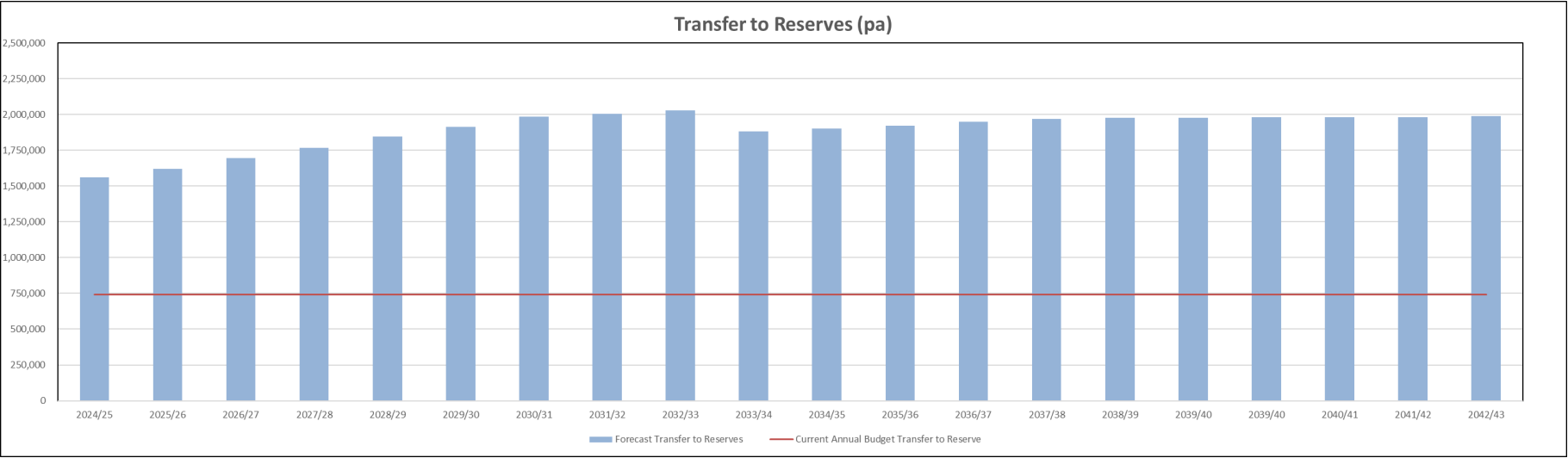
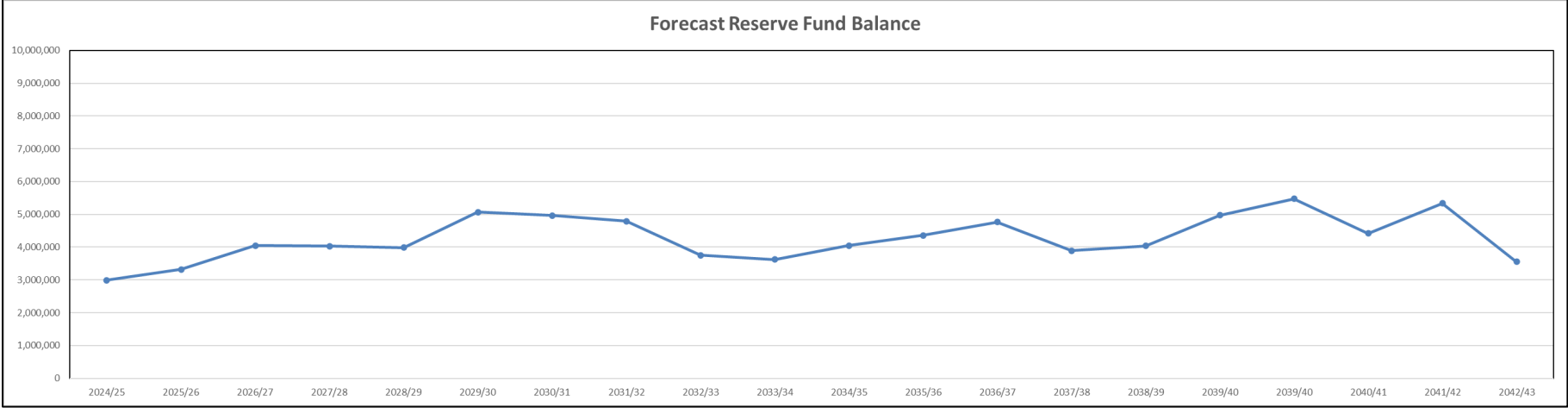


Figure 9





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