

2025-2035

LONG TERM FINANCIAL PLAN

CEO FINANCIAL SUSTAINABILITY STATEMENT

Financial Sustainability (FS) is widely agreed as being where long-term financial performance and position is sustainable through planned long-term service and infrastructure levels and standards being met without unplanned increases or volatile changes in rates or disruptive cuts to services.

Council must also consider the financial effects on future generations. Meeting these expectations has become more difficult in recent years with extreme volatility in annual property valuations, a key ingredient in the determination of rates bills.

Infrastructure Assets

Councils are the custodians of a substantial investment in infrastructure assets. LRC analysis indicates that approximately 60% of total capital and operating outlays are related to this infrastructure. LRC approves a long-term Infrastructure Asset Management Plan (IAMP) to ensure that it is aware of the need to develop and replace its infrastructure assets to meet the service delivery expectations of the community. The IAMP is integrated into the Long-Term Financial Plan (LTFP) and amended annually. Council also monitors relevant Key Performance Indicators (KPI) to keep abreast of its infrastructure developments and ambitions. For example, the required 'Asset Renewal Funding Ratio' is forecast, but also the relationship being depreciation expense (the measure of the annual consumption of assets) and annual asset renewal expenditure are monitored.

Financial sustainability is partially assured if the average long-term expenditure on asset renewal is 100% of the IAMP forecasts.



Growth and other challenges

LRC's financial sustainability is potentially impacted by Local Government boundary reform proposals by the Town of Gawler. If approved the proposal will result in a reduction of rates, grants and other revenue in excess of over \$3 million and costs reduced by approximately \$2 million. This long-term financial plan assumes that the boundary reform proposal does not proceed.

The LRC is experiencing significant growth, especially in the Roseworthy region. This creates a challenge in the assessment of future financial sustainability. Consistent with the previous accounting methodology the infrastructure assets to be handed over to LRC, circa \$174 million over the life of this plan, will be depreciated on a straight-line basis. This is a key driver of a forecast increase in annual depreciation from \$9.4 million to \$18 million over the next decade, which has a direct impact on the forecast operating result. However, based on the average 'decay curve' of new infrastructure assets there will be a minimal requirement for any asset renewal in the life of this plan, and any visible deterioration in service level will only start to be apparent after 20 years.

Another factor is that land is sold and becomes rateable progressively so the revenue being generated doesn't immediately match the asset responsibilities. To provide some insight into the net effect of these impacts the additional depreciation, adjusted for the real rate of decay of the assets, is shown in the long-term financial plan to illustrate the net impact on the operating result.

Greater Adelaide Regional Plan (GARP) released by the State Government has the potential for further massive growth in the region creating expanded revenue opportunities and service delivery responsibilities. Further analysis will be included in future plans as development details emerge.





Funding of Infrastructure Expenditure

Infrastructure funding is a fundamental component of the sustainability equation. Funding comprises of 'internally generated funds' from operations (mainly sourced from Council rate revenue), grants from other governments, capital contributions from other sources (e.g. property developers), asset sales, and borrowing. At least a small surplus shown on Statement of Financial Performance 'budget', and a high level of rates and other debtors' collection, ensures that non-cash depreciation expense provides the funds to replace existing assets. The LTFP contains several funding elements that are carefully monitored to ensure medium and long-term financial sustainability including:

- A small 'operating' surplus, historically and into the future
- High levels of collection of revenue due
- Avoidance of borrowing for operating purposes, except in-year cash flow variability
- Use of long-term borrowing only for the purpose of new community organisation assets, ratepayers fairly share in the costs and benefits of new infrastructure assets (i.e. long-lived assets are not funded in the short term) and ensuring that future generations are not left with borrowing liabilities from immediate asset consumption.

Although the LTFP provides useful information for financial sustainability measurement the LRC also produces a strategic 10-year summary of capital expenditure 'outlays' and funding. This is a useful tool to ensure that capital outlays will be fully funded, effective management of short-term borrowing (cash advance debentures) and it highlights any annual volatility in borrowing needs for intergenerational assets. Refer Annual Business Plan.

Population Growth

Regional growth, especially in the area surrounding Roseworthy, will result in a substantial increase in population in the next decade and beyond. Residential subdivisions bring significant hand-over of infrastructure assets from developers for safekeeping, maintenance, and renewal. To ensure that this growth does not threaten financial sustainability, LRC management has several control mechanisms, including a task team to engage and monitor the developments and the service levels being produced, as well as regular financial forecasting to understand the impact on the LTFP of both operating and renewal expenditure but also understanding rate revenue growth.



Financial Indicators

This LTFP document contains the financial indicator forecast and analysis. Also refer page 17.

A series of financial indicators, explained below have been developed by the Local Government sector to assist in assessing whether a council is financially sustainable, or moving to a position of financial sustainability:

1 Operating Surplus Ratio –

Desired level is between 0% and 5% on average.

Long-term financial sustainability is dependent upon ensuring that, on average over time, its operating income is higher than operating expenses (i.e. an operating surplus). The Operating Surplus Ratio is the operating surplus (or deficit) expressed as a percentage of operating income. A positive ratio indicates the percentage of operating income available to help fund capital expenditure. A negative ratio indicates the percentage increase in operating income or the approximate decrease in operating expenses required to achieve a break-even operating result. Council's Operating Surplus Ratio over the life of the long-term financial plan indicates a continuing sustainable operating result and was confirmed by the 2023 ESCOSA review.

2 Asset Renewal Funding Ratio -

Desired level is greater than 90% but less than 110% on average.

Councils are the custodians of significant infrastructure assets that require renewal from time-to-time. The Infrastructure and Asset Management Plan (IAMP) provides a guide on when assets should be renewed. Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets and excludes new capital expenditure on the acquisition of additional assets. This ratio is calculated as capital expenditure on renewal of existing assets divided by renewal expenditure from the IAMP and current budget for those asset classes without a completed IAMP. The ratio in individual financial years can vary significantly from the long-term average due to the volatility of assets being renewed.

3 Net Financial Liabilities Ratio -

Desired level is greater than 0% but no more than 100% on average.

Net Financial Liabilities are defined as total liabilities less non-equity financial assets. Total operating revenue excludes profit on disposal of non-current assets. This ratio is a measure of Council's total indebtedness.

LONG TERM FINANCIAL PLAN

2025-2035

Background

Section 122 (1a) of the *Local Government Act* requires councils to develop and adopt:

- a) a Long-Term Financial Plan (LTFP) for a period of at least 10 years; and
- b) an Infrastructure and Asset Management Plan (IAMP), relating to the management and development of infrastructure and major assets by the council for a period of at least 10 years (and these plans will also be taken to form part of the Council's strategic management plans).

Section 122(4)(a)(i) of the Act requires that the LTFP should be reviewed as soon as practical after the adoption of the ABP. However, Section 122(4)(b) of the Act specifies that the Council must undertake a comprehensive review of its Long-Term Financial Plans within 2 years after each general election of the council.

The purpose of a Council's LTFP is to express, in financial terms, the activities that it proposes to undertake over the medium to longer term to achieve its stated objectives. It is like, but usually less detailed than, the annual budget. Just like the budget, it is a guide for future action although its preparation requires Council to think about not just one year but the longer-term impact of revenue and expenditure proposals. The aggregation of future strategic plans, business initiatives and their intended outlays and anticipated revenues, enables the accumulating overall financial and economic implications to be readily identified and, if warranted, future activities to be revised. The LTFP should specify and take account of:

- Expected expenses and capital outlays for each year of the plan
- Expected revenues for each year and their source
- Any variations in net debt required because of expected cash flow needs
- Performance measures to enable assessment of Council's financial sustainability over the period of the plan.





Long Term Financial Objective

The Long-Term Financial Objective is to be “a Council that delivers on its strategic objectives by managing its financial resources in a sustainable and equitable manner by incremental growth and service cost containment to reduce the operating deficit over time; as opposed to burdening the ratepayers of the Council with short-term excessive increases to their annual Council rate bill”.

Financial sustainability means having a financial position capable of meeting long-term service and infrastructure levels and standards, acceptable to the community, without substantial increases in rates or cuts to services. The Long-Term Financial Plan has been developed based on the following budget principles:

Principle 1: Breakeven Budget

Annual cost of services and programs, including depreciation of assets, are fully funded by the current ratepayers, who are the consumers of those services, programs and assets.

Principle 2: Rate Stability

Annual rate collections are fair and equitable for the ratepayers with the aim to keep rate revenue increases stable over the medium term.

Principle 3: Infrastructure and Asset Management

Maintain Infrastructure and Assets in line with the Council’s Infrastructure Asset Management Plans.

Principle 4: Prudent Debt Management

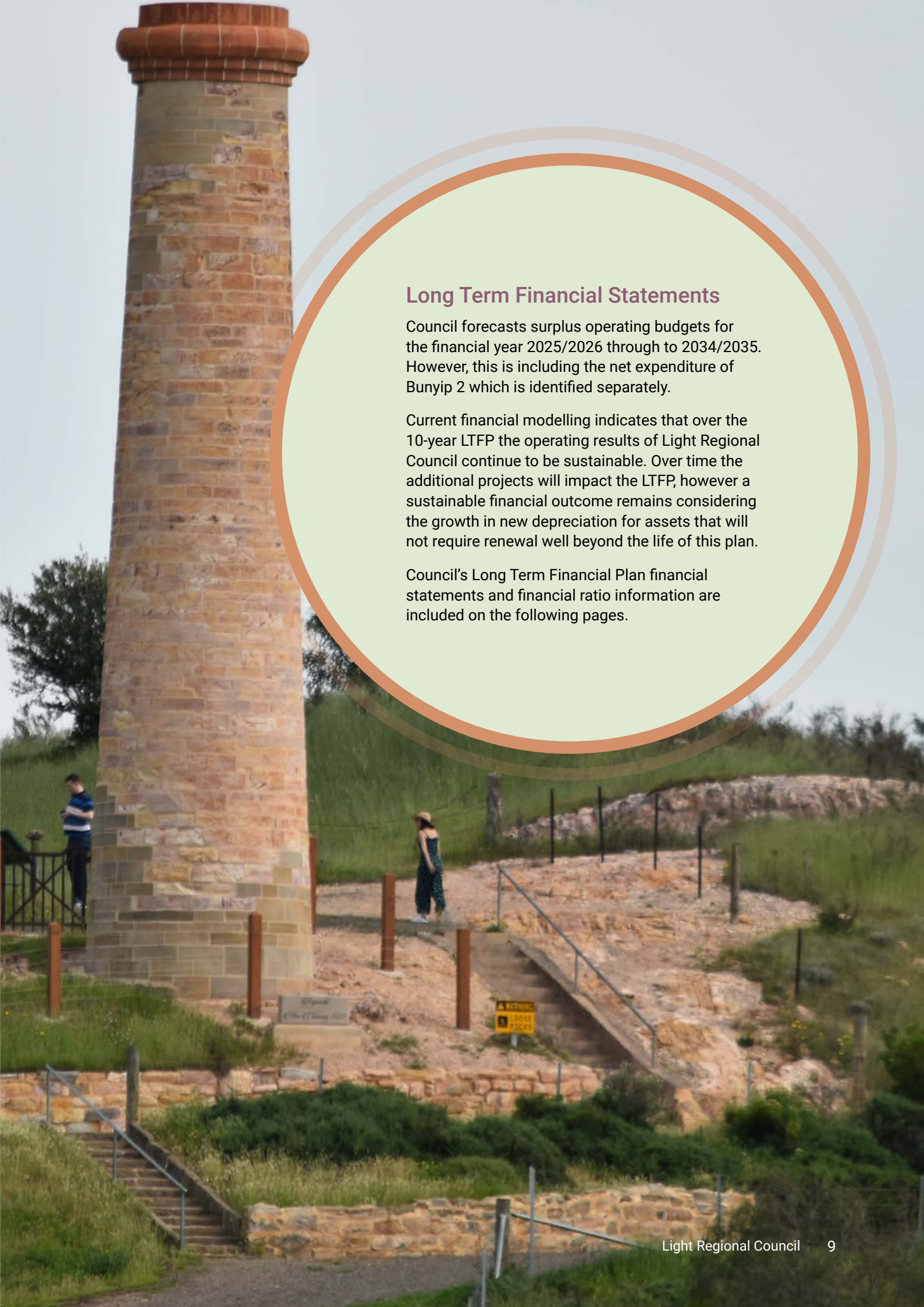
Prudent use of debt to invest in new, long-term assets to ensure intergenerational equity between current and future users.

Assumptions used in the preparation of Long-Term Financial Plan 2025/2026 to 2034/2035

The LTFP provides the financial projections and budget framework to guide the development of the detailed annual budget and provide a level of assurance to elected members and the community on the sustainability of operations. A 10-year LTFP summarises the financial impacts of strategic directions and provides an indication of the sustainability of those plans. By evaluating financial strategies over a planning horizon of 10 years Council can determine how decisions made now and for the 2025/2026 budget will impact on the future and ensure the impact of rates is spread equitably across generations of ratepayers, so that planned service standards over the long term and infrastructure levels can be met without unplanned increases in rates or cuts to services. The LTFP is prospective information. Actual results are likely to vary from the information presented. Consequently, the information presented is prepared based on best estimate assumptions as to future events that Council expects are likely to take place. These estimates arise from information known as of 24 May 2025 (property valuation week 47).

Assumptions used in preparation of the 2025/2026 Budget & 10-year LTFP

Description	Assumptions
General Rates	2025/2026 rates revenue increases are based upon a 3% rise, plus real growth in new properties and construction. Differential rates by land use have been varied taking into consideration the property valuation change for each land use category (refer table in Annual Business Plan), a minimum rate at \$995 (from \$965 in 2024/2025), and growth provided by 150 new assessments. For years 2026/2027 to 2034/2035 the rating increase assumptions are based on a CPI forecast of between 2.4% & 2.8% plus an increase of between 2.1% & 2.5% to deliver infrastructure upgrades to give an average increase over the period of 4.9%. Growth forecasts are in addition to this.
CWMS Charge	\$650 per CWMS unit from 2024/2025 at \$630. (subject to full-cost estimate)
Refuse Collection Charges	3% per annum (p.a.) average over the LTFP (and assume ratio of 3-bin and 2-bin 'service' level remains the same). Hard waste service availability the same as 2024/25. 3-bin at \$390 and 2-bin at \$260. (subject to full-cost estimate)
Landscape Levy	4% p.a. average over the LTFP
Minimum Rates	See General Rates section
Statutory Charges	3% p.a. average over the LTFP (where set by Council)
User Charges	3% p.a. average over the LTFP
Grants, Subsidies & Contributions	Based on confirmed grant funding for 2025/2026 and conservatively estimated over the LTFP
Investment Income	Nominal average over the LTFP based on minimal invested funds. Surplus cash used to minimise cash advance debenture balances or invested in a LGFA investment account
Reimbursements/Other income	3% p.a. average over the LTFP
Employee Costs	95% of full cost (due to staff turnover) the first year and forecast wage-price index over the remaining nine years
Materials, Contracts & Other Expenses	3% p.a. average over the LTFP (greater than Reserve Bank forecast). Known increases in 2025/26, i.e. electricity and diesel fuel
Depreciation, Amortisation & Impairment	As per LTFP model based on capital expenditure and useful lives by asset category
Finance Costs	Actual interest payable on existing loans and the estimated cost of cash advance debenture utilisation. Estimated interest for a proposed loan (refer Loans section in Annual Business Plan)



Long Term Financial Statements

Council forecasts surplus operating budgets for the financial year 2025/2026 through to 2034/2035. However, this is including the net expenditure of Bunyip 2 which is identified separately.

Current financial modelling indicates that over the 10-year LTFP the operating results of Light Regional Council continue to be sustainable. Over time the additional projects will impact the LTFP, however a sustainable financial outcome remains considering the growth in new depreciation for assets that will not require renewal well beyond the life of this plan.

Council's Long Term Financial Plan financial statements and financial ratio information are included on the following pages.

Statement of Comprehensive Income Financial Plan for the Years ending 30 June 2035 - Summary

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Summary & variable input										
Interest rates - cash advance debentures - %	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Interest rates - 15 year fixed interest debentures - %	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%
CPI - Centre for Economic Studies forecast for SALG	3.0%	2.8%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
General rate revenue increases - % > CPI	0.0%	2.1%	2.4%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
General rate revenue increases - % (exclude growth)	3.0%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Comprehensive income										
General rates - excluding Roseworthy and other growth	21,426	23,381	25,235	27,307	29,445	31,600	33,803	36,136	38,605	41,218
General rates - Roseworthy & other real new annual growth	850	660	781	746	663	608	628	649	670	696
Other income - user/statutory charges/other	11,468	11,740	12,018	12,268	12,472	20,423	11,793	12,079	12,364	12,623
Total Income	33,744	35,781	38,034	40,321	42,580	52,631	46,224	48,864	51,639	54,537
Employee Costs	12,044	12,653	12,859	13,245	13,643	14,052	14,474	14,908	15,354	15,815
Materials, Contracts & Other Expenses	11,481	11,805	12,493	13,074	13,467	13,967	14,516	15,122	15,727	16,371
Depreciation, Amortisation & Impairment	9,387	10,094	10,933	11,781	12,723	13,661	14,637	15,691	17,034	17,992
Amortisation - office accommodation lease	-	-	-	-	-	64	116	172	231	295
Finance Costs - general	342	683	543	525	464	540	456	427	273	290
Finance Costs - Bunyip 2 water scheme	350	360	370	400	400	0	-	-	-	-
Finance Costs - RTE accommodation finance lease	-	-	-	-	-	1,218	1,166	1,110	1,051	987
Finance Costs - Future projects roadmap	0	0	182	277	367	348	328	306	284	260
Total Expenses	33,604	35,595	37,380	39,302	41,064	43,850	45,693	47,736	49,954	52,010
Operating Surplus / (Deficit)	140	186	654	1,019	1,516	8,781	531	1,128	1,685	2,527
RTE/Kidman infrastructure depreciation adjustment (1)	(153)	(396)	(748)	(1,132)	(1,601)	(1,955)	(2,390)	(2,906)	(3,722)	(4,071)
Operating Surplus / (Deficit) - excluding (1)	293	582	1,402	2,151	3,117	10,736	2,921	4,034	5,407	6,598

(1) Difference between straight line depreciation and condition-based over next 10 years for new developments infrastructure

Statement of Comprehensive Income Financial Plan for the Years ending 30 June 2035

	Budget 2024/25 \$	Projected Years 2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$	2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
Income											
Rates	25,638,338	28,427,641	30,217,700	32,316,000	34,480,300	36,659,600	38,891,900	40,344,200	42,838,500	45,463,800	48,250,100
Statutory Charges	737,000	758,000	777,000	796,000	816,000	836,000	857,000	878,000	900,000	923,000	923,000
User Charges	537,000	552,000	566,000	580,000	594,000	608,000	623,000	638,000	653,000	669,000	669,000
Grants, Subsidies and Contributions - Operating	2,849,000	3,342,320	3,546,267	3,657,649	3,728,649	3,756,967	3,524,000	3,611,000	3,701,000	3,794,000	3,888,000
Investment Income	31,000	15,500	7,750	1,000	2,000	2,000	1,000	2,000	1,000	-	18,000
Reimbursements	256,000	263,000	270,000	277,000	284,000	291,000	298,000	305,000	313,000	321,000	321,000
Other Income	375,000	386,000	396,000	406,000	416,000	426,000	8436,000	446,000	457,000	468,000	468,000
Net gain - equity accounted Council businesses	-	-	-	-	-	-	-	-	-	-	-
Total Income	30,423,338	33,744,461	35,780,717	38,033,649	40,320,949	42,579,567	52,630,900	46,224,200	48,863,500	51,638,800	54,537,100
Expenses											
Employee Costs	10,564,340	12,044,000	12,653,000	12,859,000	13,245,000	13,643,000	14,052,000	14,474,000	14,908,000	15,354,000	15,815,000
Materials, Contracts & Other Expenses	10,585,136	11,480,516	11,804,650	12,492,950	13,074,250	13,466,550	13,966,850	14,516,250	15,121,650	15,727,050	16,371,450
Depreciation, Amortisation & Impairment	8,704,231	9,386,955	10,094,380	10,933,180	11,780,530	12,723,480	13,661,480	14,637,480	15,691,480	17,034,480	17,992,480
Finance Costs - general	204,900	341,829	682,805	542,802	525,289	463,552	539,969	456,469	427,332	273,026	289,815
Finance Costs - Bunyip 2 water scheme	344,000	350,000	360,000	370,000	400,000	400,000	-	-	-	-	-
Finance Costs - RTE accommodation finance lease	-	-	-	-	-	-	1,218,000	1,166,000	1,110,000	1,051,000	987,000
Finance Costs - Future projects roadmap	-	-	-	181,699	277,107	367,247	348,016	327,762	306,432	283,968	260,307
Net loss - Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	30,402,607	33,603,300	35,594,835	37,379,631	39,302,176	41,063,829	43,849,975	45,693,621	47,736,554	49,954,184	52,010,712
Operating Surplus / (Deficit)	20,731	141,161	185,882	654,018	1,018,773	1,515,738	8,780,925	530,579	1,126,946	1,684,616	2,526,388
Net impact of Bunyip 2 (contribs, opex & interest)	201,000	(693,000)	(683,000)	(673,000)	(643,000)	(643,000)	(9,479,000)	-	-	-	-
Operating Surplus / (Deficit) excluding Bunyip 2	221,731	(551,839)	(497,118)	(18,982)	375,773	872,738	(698,075)	530,579	1,126,946	1,684,616	2,526,388
Asset Disposal & Fair Value Adjustments	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(1,500,000)	-	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	3,888,000	2,726,000	3,593,000	2,240,000	2,760,000	3,338,000	5,560,000	3,660,000	2,860,000	2,060,000	3,310,000
Physical Resources Received Free of Charge (developments)	2,170,347	6,617,000	10,840,000	15,816,000	17,873,000	21,855,000	17,683,000	20,966,000	24,246,000	37,035,000	19,204,000
Net Surplus / (Deficit)	4,079,078	7,484,161	12,618,882	16,710,018	20,151,773	26,708,738	32,023,925	25,156,579	28,232,946	40,779,616	25,040,388

Note – assumption that Bunyip2 'take-out' occurs in 2030/31, 6 years after operational

Statement of Financial Position Financial Plan for the Years ending 30 June 2035

	Budget 2024/25 \$	Projected Years					2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
		2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$					
Assets											
Current Assets											
Cash & Cash Equivalents	-	37,116	21,278	80,758	58,577	23,064	71,453	886	23,035	973,133	3,468,065
Trade & Other Receivables (Note 1)	3,037,000	3,074,000	3,105,000	3,182,000	3,259,000	3,337,000	11,418,000	3,469,000	3,519,000	3,603,000	3,662,000
Inventories	26,000	27,000	28,000	29,000	30,000	31,000	32,000	33,000	34,000	35,000	36,000
Other Current Assets											
Non-current Assets classified as "Held for Sale"											
Total Current Assets	3,063,000	3,138,116	3,154,278	3,291,758	3,347,577	3,391,064	11,521,453	3,502,886	3,576,035	4,611,133	7,166,065
Non-Current Assets											
Financial Assets	541,000	557,000	573,000	587,000	601,000	615,000	630,000	645,000	660,000	676,000	692,000
Financial Assets - Bunyip 2	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	-	-	-	-	-
Equity Accounted Investments in Council Businesses	2,291,000	2,355,000	2,414,000	2,472,000	2,531,000	2,592,000	2,654,000	2,718,000	2,783,000	2,850,000	2,850,000
Infrastructure, Property, Plant & Equipment	280,591,347	292,014,045	306,232,720	322,261,237	340,433,961	364,883,520	385,429,520	405,680,520	427,795,520	460,720,520	477,282,520
Other Non-Current Assets - including WIP	4,504,000	4,644,000	4,760,000	4,874,000	4,991,000	5,111,000	5,234,000	5,360,000	5,489,000	5,621,000	5,621,000
Total Non-Current Assets	295,927,347	307,570,045	321,979,720	338,194,237	356,556,961	381,201,520	393,947,520	414,403,520	436,727,520	469,867,520	486,445,520
Total Assets	298,990,347	310,708,161	325,133,998	341,485,995	359,904,538	384,592,584	405,468,973	417,906,406	440,303,555	474,478,653	493,611,585
Liabilities											
Current Liabilities											
Trade & Other Payables	3,297,000	3,389,000	3,474,000	3,557,000	3,642,000	3,729,000	3,818,000	3,910,000	4,004,000	4,100,000	4,100,000
Borrowings - CF debenture (loans)	137,000	142,000	148,000	153,000	159,000	165,000	139,000	112,000	117,000	122,000	127,000
Borrowings - Cash advance debentures	-	-	-	-	-	-	-	-	-	-	-
Borrowings - Lease liabilities	96,500	230,000	236,000	242,000	248,000	254,000	260,000	266,000	272,000	279,000	286,000
Provisions	2,337,000	2,479,000	2,526,000	2,572,000	2,621,000	2,700,000	2,781,000	2,865,000	2,951,000	3,039,000	3,039,000
Total Current Liabilities	5,867,500	6,240,000	6,384,000	6,524,000	6,670,000	6,848,000	6,998,000	7,153,000	7,344,000	7,540,000	7,552,000
Non-Current Liabilities											
Trade & Other Payables	-	-	-	-	-	-	-	-	-	-	-
Borrowings - CF debenture (loans)	1,928,000	1,786,000	1,638,000	1,485,000	1,326,000	1,161,000	1,022,000	910,000	793,000	671,000	544,000
Borrowings - FRP loans	-	-	3,500,000	5,341,699	7,084,406	6,722,853	6,236,260	5,941,031	5,518,663	5,073,831	4,605,338
Borrowings - CAD replacement loan	-	8,500,000	8,115,266	7,710,068	7,283,318	6,833,870	6,360,516	5,861,985	5,336,937	4,783,963	4,201,576
Borrowings - Cash advance debentures	16,731,970	12,331,970	10,631,970	9,831,970	9,238,970	9,738,970	2,588,970	2,588,970	1,488,970	-	-
Borrowings - Lease liabilities - office accommodation	-	-	-	-	-	-	18,415,604	17,577,427	16,683,512	15,730,152	14,713,393
Provisions	307,000	347,000	353,000	364,000	375,000	386,000	398,000	410,000	422,000	435,000	448,000
Other Non-Current Liabilities - Bunyip 2	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	-	-	-	-
Total Non Current Liabilities	26,966,970	30,964,970	32,238,236	32,732,737	33,307,694	32,842,693	43,021,350	33,289,413	30,243,082	26,693,946	24,512,307
Total Liabilities	32,834,470	37,204,970	38,622,236	39,256,737	39,977,694	39,690,693	50,019,350	40,442,413	37,587,082	34,233,946	32,064,307
Net Assets	266,155,877	273,503,191	286,511,762	302,229,258	319,926,844	344,901,891	355,449,623	377,463,993	402,716,473	440,244,707	461,547,278
Equity											
Accumulated Surplus	44,524,226	44,782,262	50,957,938	60,363,313	71,840,928	90,459,888	94,506,612	109,872,549	128,337,542	158,927,842	173,137,658
Asset Revaluation Reserves	219,600,000	226,188,000	232,521,000	238,334,000	244,054,000	249,911,000	255,909,000	262,051,000	268,340,000	274,780,000	281,375,000
Other Reserves	2,031,651	2,532,929	3,032,824	3,531,945	4,031,916	4,531,003	5,034,011	5,540,444	6,038,931	6,536,865	7,034,620
Total Equity	266,155,877	273,503,191	286,511,762	302,229,258	319,926,844	344,901,891	355,449,623	377,463,993	402,716,473	440,244,707	461,547,278

Statement of Cash Flows Financial Plan for the Years ending 30 June 2035

		Budget 2024/25 \$	Projected Years 2025/26 \$										2034/35 \$
			2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$	2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$		
Cash Flows from Operating Activities													
Receipts													
	Rate Receipts	25,159,338	28,769,641	30,277,700	32,374,000	34,533,300	36,711,600	40,399,200	42,894,500	45,520,800	48,309,100		
	Statutory Charges	737,000	758,000	777,000	796,000	816,000	836,000	878,000	900,000	923,000	923,000		
	User Charges	537,000	552,000	566,000	580,000	594,000	608,000	638,000	653,000	669,000	669,000		
	Grants, Subsidies and Contributions (operating purpose)	2,849,000	3,342,320	3,546,267	3,657,649	3,728,649	3,756,967	3,611,000	3,701,000	3,794,000	3,888,000		
	Investment Receipts	31,000	15,500	7,750	1,000	2,000	2,000	2,000	1,000	0	18,000		
	Reimbursements	256,000	263,000	270,000	277,000	284,000	291,000	305,000	313,000	321,000	321,000		
	Other Revenue	375,000	380,000	390,000	401,000	411,000	421,000	440,000	451,000	462,000	462,000		
Payments													
	Payments to Employees	(10,564,340)	(11,959,000)	(12,561,000)	(12,767,000)	(13,151,000)	(13,546,000)	(14,371,000)	(14,802,000)	(15,245,000)	(15,702,000)		
	Payments for Materials, Contracts & Other Expenses	(10,585,136)	(11,350,516)	(11,679,650)	(12,377,950)	(12,961,250)	(13,350,550)	(14,395,250)	(14,997,650)	(15,600,050)	(16,241,450)		
	Finance Payments (includes Bunyip2)	(548,900)	(691,829)	(1,484,071)	(1,333,604)	(1,324,539)	(1,240,104)	(783,938)	(728,284)	(546,052)	(533,428)		
	Finance Payments - office accommodation lease												
	Finance Payments - FPR		-	-	(181,699)	(277,107)	(367,247)	(327,762)	(306,432)	(1,051,000)	(987,000)		
	Net Cash provided (or used in) Operating Activities	8,245,962	10,079,116	10,109,996	11,426,396	12,655,053	14,122,666	15,229,250	16,969,134	18,963,730	20,865,915		
Cash Flows from Investing Activities													
Receipts													
	Amounts Received Specifically for New/Upgraded Assets	3,888,000	2,666,000	3,333,000	480,000	0	2,778,000	-	-	-	-		
	Sale of Replaced Assets	-	-	-	-	-	-	-	-	-	-		
	Funding major growth projects/strategic initiatives	-	60,000	260,000	1,760,000	2,760,000	560,000	3,660,000	2,860,000	2,060,000	3,310,000		
	Sale of Surplus Assets	-											
	Sale of Investment Property	-	-	-	-	-	-	4,000,000	-	-	-		
	Sale of Non Current Assets "Held for Sale"	-	-	-	-	-	-	-	-	-	-		
	Net Disposal of Investment Securities	-	-	-	-	-	-	-	-	-	-		
	Sale of Real Estate Developments	-	-	-	-	-	-	-	-	-	-		
	Sale of Intangible Assets	-	-	-	-	-	-	-	-	-	-		
	Repayments of Loans by Community Groups	50,000	52,000	54,000	56,000	58,000	60,000	62,000	32,000	-	-		
	Sale of Interests in Joint Ventures & Associates	-	-	-	-	-	-	-	-	-	-		
	Distributions Received from Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-		
	Other Investing Activity Receipts	-	-	-	-	-	-	-	-	-	-		
Payments													
	Expenditure on Renewal/Replacement of Assets	(12,623,000)	(7,863,000)	(7,943,100)	(8,135,417)	(8,910,491)	(10,468,000)	(11,272,000)	(11,510,000)	(11,874,000)	(13,000,000)		
	Expenditure on New/Upgraded Assets	(1,000,000)	-	-	-	-	-	-	-	-	-		
	Expenditure on New/Upgraded Assets (grant funded)	(6,444,000)	(6,330,000)	(5,280,000)	(1,260,000)	(620,000)	(4,000,000)	-	-	-	-		
	Expenditure on major growth projects (FPR excl LRC roads)	-	(170,000)	(370,000)	(3,370,000)	(4,570,000)	(1,170,000)	(4,370,000)	(3,770,000)	(3,170,000)	(5,170,000)		
	Expenditure on other assets	(1,454,000)	(1,184,000)	(1,211,000)	(1,138,000)	(1,166,000)	(1,194,000)	(1,252,000)	(1,282,000)	(1,313,000)	(1,320,000)		
	Net Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-		
	Development of Real Estate for Sale	-	-	-	-	-	-	-	-	-	-		
	Expenditure on Intangible Assets	-	-	-	-	-	-	-	-	-	-		
	Loans Made to Community Groups	-	-	-	-	-	-	-	-	-	-		

Continued from previous page

	Budget 2024/25 \$	Projected Years 2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$	2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
Purchase of Interests in Equity Accounted Council Businesses											
Capital Contributed to Equity Accounted Council Businesses											
Other Investing Activity Payments (Bunyip 2 advances)	-	(1,000,000)	-	-	(500,000)	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities (Bunyip 2 advances)	(17,583,000)	(13,769,000)	(11,157,100)	(11,607,417)	(12,948,491)	(13,434,000)	(13,245,000)	(13,202,000)	(13,702,000)	(14,297,000)	(16,180,000)
Cash Flows from Financing Activities											
Receipts											
Proceeds from CAD - general	8,253,638	3,100,000	-	-	-	500,000	850,000	-	-	-	-
Proceeds from CAD - Bunyip 2		1,000,000	200,000	200,000	607,000	-	-	-	-	-	-
Proceeds from Borrowings - New FPR1		8,500,000	-	-	-	-	-	-	-	-	-
Proceeds from Borrowings - New FPR2			3,500,000								
Proceeds from Borrowings - New FPR3				2,000,000							
Proceeds from Borrowings - New FPR4					2,000,000						
Payments											
Repayments of CAD/excess into Reserve funds	(296,600)	(8,500,000)	(1,900,000)	(1,000,000)	(1,200,000)		(8,000,000)		(1,100,000)	(1,488,970)	0
Repayments of Borrowings (Debentures principal)	(212,000)	(137,000)	(142,000)	(148,000)	(153,000)	(159,000)	(165,000)	(139,000)	(112,000)	(117,000)	-
Repayments of Borrowings (FRP Debentures principal)		0	(384,734)	(563,499)	(728,743)	(805,179)	(842,030)	(886,817)	(933,986)	(983,662)	(1,035,983)
Repayment of Finance Lease Liabilities - office accom.							(702,000)	(800,000)	(820,000)	(841,000)	(862,000)
Repayment of Finance Lease Liabilities - other	(86,000)	(236,000)	(242,000)	(248,000)	(254,000)	(260,000)	(266,000)	(272,000)	(279,000)	(286,000)	(293,000)
Net Cash Flows provided (or used in) Financing Activities	7,659,038	3,727,000	1,031,266	240,501	271,257	(724,179)	(9,125,030)	(2,097,817)	(3,244,986)	(3,716,632)	(2,190,983)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,678,000)	37,116	(15,838)	59,480	(22,181)	(35,513)	48,389	(70,567)	22,148	950,098	2,494,932
plus Cash & Cash Equivalents - beginning of year	1,678,000	-	37,116	21,278	80,758	58,577	23,064	71,453	886	23,035	973,133
Cash & Cash Equivalents - end of the year	-	37,116	21,278	80,758	58,577	23,064	71,453	886	23,035	973,133	3,468,065

Uniform Presentation of Finances - General Fund
Financial Plan for the Years ending 30 June 2035

	Budget 2024/25 \$	Projected Years										2034/35 \$
		2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$	2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$		
Operating Activities												
Income	30,423,338	33,744,461	35,780,717	38,033,649	40,320,949	42,579,567	52,630,900	46,224,200	48,863,500	51,638,800	54,537,100	
less Expenses	(30,402,607)	(33,603,300)	(35,594,835)	(37,379,631)	(39,302,176)	(41,063,829)	(43,849,975)	(45,693,621)	(47,736,554)	(49,954,184)	(52,010,712)	
Operating Surplus / (Deficit)	20,731	141,161	185,882	654,018	1,018,773	1,515,738	8,780,925	530,579	1,126,946	1,684,616	2,526,388	
Capital Activities												
less (Net Outlays) on Existing Assets												
Capital Expenditure on Renewal and Replacement of Existing Assets	(8,124,000)	(7,863,000)	(7,943,100)	(8,469,000)	(9,577,491)	(10,468,000)	(10,924,000)	(11,272,000)	(11,510,000)	(11,874,000)	(11,874,000)	
add back Depreciation, Amortisation and Impairment	8,704,231	9,386,955	10,094,380	10,933,180	11,780,530	12,723,480	13,661,480	14,637,480	15,691,480	17,034,480	17,992,480	
add back Proceeds from Sale of Replaced Assets	-	-	-	-	-	-	-	-	-	-	-	
(Net Outlays) on Existing Assets	580,231	1,523,955	2,151,280	2,464,180	2,203,039	2,255,480	2,737,480	3,365,480	4,181,480	5,160,480	6,118,480	
less (Net Outlays) on New and Upgraded Assets												
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(8,509,000)	(6,330,000)	(5,280,000)	(1,260,000)	(1,953,000)	(4,000,000)	-	-	-	-	-	
add back Amounts Received Specifically for New and Upgraded Assets	3,888,000	2,726,000	3,593,000	2,240,000	2,760,000	3,338,000	5,560,000	3,660,000	2,860,000	2,060,000	3,310,000	
add back Proceeds from Sale of Surplus Assets	-	-	-	-	-	4,000,000	-	-	-	-	-	
(Net Outlays) on New and Upgraded Assets	(4,621,000)	(3,604,000)	(1,687,000)	980,000	807,000	3,338,000	5,560,000	3,660,000	2,860,000	2,060,000	3,310,000	
Net Lending / Borrowing for Financial Year	(4,020,038)	(1,938,884)	650,162	4,098,198	4,028,812	7,109,218	17,078,405	7,556,059	8,168,426	8,905,096	11,954,868	



LONG TERM FINANCIAL RATIOS

The following amounts show the long-term financial ratios as recommended by *Local Government Financial Management Regulation 2011* over the LTFP life.

Operating result as a % of total revenue (Base case as at 2/4/2025)

Financial Sustainability Information Paper 9 of the LGA recommended an Operating Surplus Ratio of between 0% and 5% on average over long term. Council's estimate of operating results for the long term does not include the likelihood of future new initiatives and programs impacting future returns. Council's LTFP forecasts sustainable operating results from years 1 to 10. Reduction in 2030 relates to the end of the Bunyip 2 separate rate.

Asset renewal funding ratio

Financial Sustainability Information Paper 9 of the LGA recommended an Asset Renewal Funding Ratio of greater than 90% but less than 110% on average over long term. Information contained in its Infrastructure and Asset Management Plan (IAMP) has been used to inform and calculate the asset renewal funding ratio, for the term of the current IAMP. Beyond the horizon of the current IAMP (2031), future annual depreciation estimates are used to calculate the asset renewal funding ratio. Estimates of Asset Sustainability beyond year 5 of the LTFP fall outside of the current IAMP and these will be updated in the future revision of the LTFP accordance with a review and update of the IAMP.





Net financial liabilities (Total Liabilities - financial assets/revenue)

Financial Sustainability Information Paper 9 of the LGA recommended a Net Financial Liabilities Ratio of greater than zero but no more than 100% of total operating revenue on average over long term.

Other measures

Other measures have been included to support analysis of LTFP trends.

Description	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
Operating result as a % of total revenue	0.10%	0.4%	0.5%	1.7%	2.5%	3.6%	16.7%	1.1%	2.3%	3.3%	4.6%
Net financial liabilities (Total liabs. - fin assets)/ Operating revenue)	69.9%	75.7%	75.2%	72.1%	69.6%	65.1%	72.0%	78.6%	68.3%	56.1%	44.5%
Additional borrowing capacity (to 100% of total revenue) - \$000	12,000	11,000	12,000	13,000	15,000	18,000	18,000	13,000	19,000	25,000	30,000
Borrowing as a % of total revenue	62%	68%	68%	65%	63%	58%	67%	72%	62%	52%	45%
Asset renewal funding ratio	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Working capital ratio	0.62	0.59	0.59	0.60	0.59	0.59	1.74	0.58	0.58	0.70	0.95
Staff - full-time equivalent FTE (paid)	96	99	100	101	102	103	104	105	106	107	108
Simple productivity - total revenue/number of employees (\$000)	357	368	394	399	422	446	483	475	488	502	536
Materials contracts/ employee costs ratio (operating productivity)	100%	95%	93%	97%	99%	99%	99%	100%	101%	102%	104%
GHG Emissions - tonnes	3,870	2,950	2,931	2,912	2,893	2,874	2,856	2,838	2,820	2,802	2,802
GHG Emissions - % reduction since 2024 audit	11.0%	32.2%	32.6%	33.1%	33.5%	33.9%	34.3%	34.8%	35.2%	35.6%	36.0%

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