



Notice of Amendment

Ordinary Council Meeting Agenda

Tuesday, 6 July 2021

Notice is given that the following amendments have been made to **Item 12.1 Yacker Danjoo Ngala Bidi (Working Together Our Way)** and **Item 15.1 Long Term Financial Plan 2021/22 to 2030/31**, listed on the Ordinary Council Meeting agenda for Tuesday, 6 July 2021:

Regarding **Item 12.1**:

1. On page 12 of the Agenda, the Officer's Recommendation has been amended from:

That Council ENDORSES an Agreement between the City of Perth and the Elders Advisory Group titled Yacker Danjoo Ngala Bidi (Working Together Our Way).

To now read:

That Council ENDORSES the Yacker Danjoo Ngala Bidi (Working Together Our Way) between the City of Perth and the Elders Advisory Group.

2. From pages 12 to 17 of the Agenda (inclusive of Attachment 12.1A), the word 'agreement' has been replaced with 'Yacker Danjoo Ngala Bidi', where appropriate.

Regarding **Item 15.1**:

1. The opening position of the LTFP is an estimate and is subject to change over time. Given the time that has elapsed since the original publication of the Agenda, the opening position has been comprehensively reviewed and revised. Therefore, a new, more current version of the LTFP has now been updated into the Agenda. All consequential changes in the Item on page 229 of the Agenda (inclusive of the figures in Tables 1 and 2) and its Attachments 15.1A(1) and 15.1A(2) have been made accordingly.

The amendments will be included in the Minutes of this meeting.

Michelle Reynolds
Chief Executive Officer

12.1 Yacker Danjoo Ngala Bidi (Working Together Our Way)

Responsible Officer	Kylie Johnson - Acting General Manager Community Development
Voting Requirement	Simple Majority
Attachments	Attachment 12.1A – Yacker Danjoo Ngala Bidi (Working Together Our Way)

Purpose

To seek Council's endorsement of the Yacker Danjoo Ngala Bidi (Working Together Our Way) between THE City of Perth and the Elders Advisory Group.

Recommendation

That Council ENDORSES the Yacker Danjoo Ngala Bidi (Working Together Our Way) between the City of Perth and the Elders Advisory Group.

Background

1. In February 2018, the City of Perth (the City) endorsed a Reflect Reconciliation Action Plan (RAP) as a part of its commitment to developing strong relationships with the Aboriginal community and increasing the level of engagement with Traditional Owners and the City.
2. The RAP was developed through extensive consultation with Aboriginal Elders and the Aboriginal and non-Aboriginal community and articulated the vision for reconciliation in the City. The RAP has supported the City to deliver on its commitment towards reconciliation, to develop relationships and partnerships, and working towards creating social and economic opportunities for Aboriginal and Torres Strait Islander people.
3. The City created an Elders Advisory Group called The Bridyas (the bosses) to assist, monitor and track the progress of the RAP. The Bridya's comprise Traditional Owners of Whadjuk Nyoongar Elders and Elders from across Western Australia and are recognised, valued, and honoured by the City as heads of the Aboriginal community. The City's Chief Executive Officer and the Elders meet multiple times a year and have 'boss to boss' conversations to provide updates, to connect back to the wider community, and keep the City accountable for the delivery of the actions in the RAP.
4. The RAP included action 9.1 "Investigate a Treaty between the City and the Whadjuk Nyoongar Community". Through the investigation of this action with the Elders, it was determined the "Treaty" would form the guiding principles which would underpin the desired culture of the City and its Reconciliation Action Plans, both current and future. The "Treaty" outlined the principles for the City in how it would work with the Aboriginal community for the future.
5. Following several engagement sessions between the City and the Elders Advisory Group, a draft "Danjoo-Treaty" was finalised and endorsed by the City's Elders Advisory Group. The draft was presented to Council at its meeting held 28 July 2020. Council determined to defer the item back to the Administration. The reason for this was because the City had received feedback from the State Government that the word "treaty" should not be used as it should only be used by the State Government for agreements relating to land and ownership. The Yacker Danjoo Ngala Bidi does not involve any land use agreement, and therefore a review of the name was required.

Discussion

6. Several additional engagement sessions were held between 2020 and 2021 between the City and the Elders Advisory Group, to review the name of the document.
7. Following the engagement sessions, the Elders Advisory Group endorsed the name Yacker Danjoo Ngala Bidi which translates to "Working Together our Way".
8. The Yacker Danjoo Ngala Bidi outlines the agreed guiding principles and culture to support the delivery of the City's Reconciliation Action Plans and any projects with the Aboriginal community.
9. The Yacker Danjoo Ngala Bidi demonstrates the City's ongoing commitment to reconciliation and dedication to working together with the Aboriginal community now and into the future.
10. The City is currently developing an Innovate Reconciliation Action Plan which will underpin the Yacker Danjoo Ngala Bidi.

Stakeholder Engagement

11. The development of Yacker Danjoo Ngala Bidi was based on the engagement outcomes with the Elders Advisory Group, comprising of 10 Aboriginal Elders, the City's Chief Executive Officer, General Manager Community Development, and the Alliance Manager Community Services.

12. The City's articulated commitment to investigate a Treaty (Action 9.1) in the RAP was based on engagement outcomes with Aboriginal Elders, Aboriginal and non-Aboriginal organisations, and Aboriginal and non-Aboriginal Community.
13. The draft Yacker Danjoo Ngala Bidi has been communicated to Department of the Premier and Cabinet, and Reconciliation WA for their information.

Decision Implications

14. The City has been working with the Elders Advisory Group for over a year on the Yacker Danjoo Ngala Bidi. If it were not to be supported, the relationship between the City and the Aboriginal community is likely to be impacted. This would set the City back in its reconciliation journey and may impact the City's progress towards an Innovate Reconciliation Action Plan.

Strategic, Legislative and Policy Implications

Strategic Community Plan	
Aspiration:	People
Objective:	1.7 Ongoing acknowledgement, recognition, and continuing engagement with the Traditional Owners of city lands, the Whadjuk Nyoongar people.
Issue Specific Strategies and Plans:	Reflect Reconciliation Action Plan - Action 9.1 'Investigate and consider a Treaty between City of Perth and the Whadjuk Nyoongar people.'

Legislation, Delegation of Authority and Policy	
Legislation:	Nil.
Authority of Council/CEO:	The Yacker Danjoo Ngala Bidi is between the City of Perth Council and the Elders Advisory Group.
Policy:	Nil.

Financial Implications

Nil.

Relevant Documents

[Reflect Reconciliation Action Plan](#)

Further Information

Following the Agenda Briefing Session held on 22 June 2021, further information is provided:

15. Following feedback from the State Government that the original terminology of 'Treaty' should not be used, a range of options were discussed with the Elders Advisory Group including 'Statement of Intent', 'Position Statement' or 'Cultural Compact'.
16. The Elders Advisory Group indicated a preference for the word 'Agreement' as they considered it to be more proactive and reflective of action occurring.
17. The word 'Agreement' has been used in all Elders Advisory Group meetings and previous reports and publications. The role of the Agreement is to outline the principles and approach that will underpin existing and future actions with the Aboriginal Community – Our Way of Working Together.
18. Following review of the document it is now proposed to more strongly reflect the title of the document as 'Yacker Danjoo Ngala Bidi' and reinforce this through replacement of the term 'Agreement' with 'Yacker Danjoo Ngala Bidi'.

YACKER DANJOO NGALA BIDI

Working Together Our Way

This Yacker Danjoo Ngala Bidi is made between the City of Perth and Representatives of the Whadjuk Nyoongar City of Perth Aboriginal Elders Group and other Aboriginal people who have a connection to this place.

*Yallor gannow goolbang wer poor-kul cardide gwabbanijow yel Nyoongar moort, babbingur wer wam.
Gwabbanijow ngullark ally mugn Whadjuk Nyoongar burdiyas gadakang boodja. Noonookan karnya wer
wumbudin Whadjuk Nyoongar moort ngulla yeller-wingaween, bardip wyeron wer kattitj il nidja milgebar boodja.*

Dated xxxxxxxx 2021 (date)

Nidja Boorloo nyinning Whadjuk boodja. Boorloo birdiya ngullark naga yeyi kannagil yardie. Gwabbanijow ngullark ally mugn Whadjuk Nyoongar burdiyas gadakang boodja. Boorloo burdiyas nidja karnya Whadjuk Nyoongar kaartadjin boodja kalyakoorl.

Bura kwop wirrin waangkininy kaartadjin

- Nagoluk quadga yacker danjoo djoowak arpacana boordawan ngullark.
- Wyeron ilk at-tidjenih, kartadjin, nih, ang Ngullark wer kattidj ngan-ul-uk kowa.
- Taan doorer catage Nyoongar wallak bardip djinung bura djenna gannow Boorloo.
- Yacker ngulla bura gwabbanijow kalyakoorl ciurcalin wer karr-bung minyt wallakijow.
- Karbung doorer cartage kowa ung Nyoongar quadga katage ngano ngundabut yacker gambarn wer cattack nooyyang kalleep Boorloo.
- Yacker ngulla bura gwabbanijow Boorloo moorditj kalyakoorl ciurcalin wer karr-bung minyt wallakijow Nyoongar wam.
- Kwop wirrin boodjar moorditj ngullark djennabidi nidja boodja.
- Nidja danjoo gwabbanijow quab bimign boorduk kalyakoorl koorliny bura ngullarkin djenna yallow gannow.

Gwabbanijow danjoo koorda djen djinung Boorloo boodja karnya.

Kwop wirrin boodja moorditj ngullarkin djennabidi nidja boodja.

**City of Perth
Seal**

The Common Seal of the City of Perth was affixed by authority of a resolution of the Council in the presence of:

The City of Perth (Boorloo) is situated on Whadjuk Boodjar (Nyoongar Country). This Yacker Danjoo Ngala Bidi is to acknowledge Whadjuk Nyoongars as the Traditional Owners of this land.

The City of Perth respects and honours the Whadjuk Nyoongar and Aboriginal people from other lands, their stories, traditions and living cultures, reflected on this land, which is ever present.

In the spirit of reconciliation and as an important foundation to the City of Perth's Reconciliation Action Plan, this Yacker Danjoo Ngala Bidi aims to:

- Acknowledge past injustices and commit to working in partnership together to build a better future for all.
- Build on trust, understanding, listening and learning from each other and hearing each other's voice.
- Develop protocols of working together in a respectful manner, designed for both parties.
- Develop relationships that recognise and respect the cultural identities of people from other lands to meet their needs, expectations and rights.
- Ensure the history of Aboriginal people is visible within the footprint of the City of Perth.
- Work together in decision-making that guides continuous and innovative change for future generations.
- Ensure a 'real' voice is given to Aboriginal people that live, work and have a connection to this land and a relationship with the City of Perth.
- Work together to ensure Perth is a welcoming and culturally safe environment for Aboriginal people in a spiritual, social and physical sense.

This Yacker Danjoo Ngala Bidi is written in good faith on behalf of all future generations who will follow in our footsteps.

This Yacker Danjoo Ngala Bidi is a responsibility of all parties and an opportunity for us, as partners, to create a better environment within the footprint of the City of Perth that is inclusive and built around principles of mutual respect.

**The spirit of this land will heal
and guide us as we walk together.**

Signature of Lord Mayor

Signature of CEO

Signature of XXXXX

Signature of XXXXX

Signature of XXXXX



City of Perth

15.1 Long Term Financial Plan 2021/22 to 2030/31

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirement	Simple Majority
Attachments	Attachment 15.1A(1) - Long Term Financial Plan 2021/22 - 2030/31 Attachment 15.1A(2) - Long Term Financial Plan Financial Schedules 2021/22 - 2030/31

Purpose

To present the City's Long Term Financial Plan 2021/22 - 2030/31 for adoption.

Recommendation

That Council ADOPTS the Long Term Financial Plan 2021/22 - 2030/31 as detailed in Attachment 15.1A(1) and Attachment 15.1A(2).

Background

1. The Long Term Financial Plan (LTFP) is a rolling ten-year financial blueprint for the City and is used to ensure proper alignment between community aspirations, Council's strategic intent and organisational financial capacity.
2. The LTFP guides the City's approach to achieving best value outcomes when delivering services, projects and infrastructure to the community in a responsible, considered and affordable way.
3. The LTFP supports this objective by projecting the City's financial position forward over a ten year time horizon using a series of realistic, conservative financial assumptions.
4. This financial modelling provides the City with reliable, robust information to assess our capacity to maintain overall financial sustainability into the long term and, most importantly, to ensure that the City has in place the necessary funding arrangements to support proposed capital replacement programs and new capital projects.
5. The LTFP is a critical informing document that allows Council to understand the financial impacts of decisions it makes in relation to operating and capital expenditures - and the funding mix.
6. Adopting this plan also demonstrates Council's commitment to managing its operations in a responsible and sustainable manner.

Discussion

7. The attached Long Term Financial Plan (LTFP) presents a \$2.6 Billion financial blueprint for the City for the 2021/22 to 2030/31 period.
8. With its continuing focus on making the City more financially sustainable into the future, this plan drives structural reform of the City's finances.
9. Previously burgeoning operating expenses have been constrained and brought back to sustainable levels, expenditure focus is being shifted from discretionary projects back to core service and there is a heightened commitment to appropriate asset renewal and creation of new or upgraded community infrastructure as part of the City's asset stewardship responsibilities.
10. Fundamental principles underpinning the development of this plan include:
 - a. Critical review of operational expenditures to ensure value for money.
 - b. Engaging with our community in meaningful ways to understand their priorities.
 - c. Emphasising prioritising community priorities at a neighbourhood level.
 - d. Better matching staffing with agreed service levels.
 - e. Scaling back the capital program to levels more aligned to organisational delivery capacity.
11. Combining these approaches with an agile, service based resource allocation model, means that the City now can deliver quality, targeted services that offer a value for money proposition to its ratepayers - whilst ensuring that the capital city is efficiently run and that service levels are responsive to the community's needs.

12. Headline expenditure data from the Long Term Financial Plan 2021/22 - 2030/31 is shown below.

Table 1:

LTFP Expenditure Category 2021/22 - 2030/31	\$ Millions
Core Service Delivery	1,592.626
Discretionary Operating projects	174.782
Abnormal Expenses	8.000
Asset Renewal	293.880
New / Upgraded Community Infrastructure	287.937
Financing Activities - Reserves Funded, Loan Repayments	217.264
Closing Balance (Surplus)	1.624
Total Expenditure	\$2,576.114

13. The LTFP presents a balanced funding model incorporating a responsible mix of funding sources over the ten year period to support the proposed expenditure program as indicated below:

Table 2:

LTFP Funding Category 2021/22 - 2030/31	\$ Millions
Rates	1,229.500
Parking Operations	729.046
Fees & Charges - Other	207.187
Grants - Operating & Capital	84.084
Other Revenues	40.486
Financing Activities - Reserves Used	247.254
Financing Activities - Borrowings	15.000
Opening Balance	23.557
Total Expenditure	\$2,576.114

14. The major changes in this update of the Long Term Financial Plan are detailed below:
- Adjusting the baseline year to reflect contemporary economic conditions.
 - Alignment with Elected Members agreed priorities (not identified when the previous LTFP was developed).
 - Acknowledging recent community input through community forums.
 - Alignment with the proposed new strategic aspirations of Liveable, Sustainable and Prosperous.
 - Incorporating City Deal and other external funding opportunities.
 - Meeting the City's ongoing asset renewal responsibilities.
 - Acknowledging the ACIL Allen independent review of the City's Rates methodology and assessment against the best practice principles of differential rating.
 - Incorporating agreed project and service allocations presented at Elected Member Budget forums over the last five months.

- i. The future impacts of recent resolutions resulting from Elected Member notices of motion and resolutions.
15. The most significant new initiatives in the revised edition of the LTFP are the creation of new cash backed reserves for the following priorities:
 - a. Neighbourhood Initiatives Reserve - \$3.0M in total allocated as notional seed funding towards new minor discretionary initiatives coming forward from the six neighbourhood precincts.
 - b. Heritage Initiative Reserve - \$4.0M notional funding allocated across five years to support innovative re-use and re-invigoration of neglected heritage spaces including the upper levels of CBD malls and arcades.
 - c. Strategic Property Reserve - funding to support the strategic acquisition of properties that have potential to either create discretionary revenue streams for the City, address storage needs or facilitate future development opportunities.
 16. The LTFP funding model acknowledges that other opportunities may arise through extra-ordinary grants from other levels of government or non-government sources or from asset rationalisations. These have not been incorporated into the model due to their uncertainty, however, the financial model can readily be adapted to respond to such opportunities should they arise.
 17. The LTFP also references the financial ratios against industry benchmarks across each of the plan's ten years to identify periods of financial challenge. Whilst a specific indicator may not be met in a given year, the LTFP presents a responsible and realistic plan to ensure that trends and average ratios across the life of the plan meet or exceed preferred industry benchmarks.
 18. Modelling the financial ratios and the Financial Health Indicator (FHI) scores for each of the years covered by the LTFP provides valuable insight to help inform future Council resource allocation decisions and to proactively address future financial challenges.
 19. A meaningful analysis and interpretation of the ten year financial model is presented in the LTFP 2021/22 - 2030/31 Narrative - Attachment 15.1A(1).
 20. The LTFP is to be reviewed annually by the Administration to check alignment with actual performance and to identify any changed or emerging circumstances including strategic or community priorities. It will also be reviewed and updated in accordance with statutory obligations and community feedback on a regular basis to move it towards an industry best practice standard.

Stakeholder Engagement

21. Preparation of the Long Term Financial Plan is informed by the outputs of various community consultation exercises including, but not limited to, the Strategic Community Plan, Corporate Business Plan and community budget workshops. It also incorporates inputs from internally generated documents including the Workforce Plan and Asset Management Plans.

Decision Implications

22. Council's endorsement of the LTFP will mean that the plan is embedded into the City's operations and updated regularly to reflect changing conditions and emerging trends. It is envisaged that the LTFP will be presented to Council annually with the Corporate Business Plan.
23. Should Council resolve not endorse the LTFP, the City would potentially revert back to an annual planning cycle driven by the statutory budget process and lose the benefits of well-considered strategic financial planning.

Strategic, Legislative and Policy Implications

Strategic			
Strategic Aspiration:	Community	Plan	Performance
Strategic Objective:	Community	Plan	5.5 - A financial business model underpinned by a culture of cost management, best value and strategic financial analysis that is subject to ongoing oversight, transparency and accountability.
Issue Specific Strategies and Plans:			Nil.
Legislation, Delegation of Authority and Policy			
Legislation:		Section 5.56 (1) and (2) of the Local Government Act 1995 This section of the Act prescribes the requirement to prepare a plan for the future of the district and to ensure that such plans are in accordance with any regulations made about planning for the future of the district.	
Authority of Council/CEO:		Although the above legislation does not directly prescribe Council adoption of the LTFP, it is considered best practice in terms of transparently disclosing how the City aligns community aspirations and the City's strategic intent with its financial and resource capacity.	
Policy:		Policy 2.3 Strategic Financial Planning & Budgeting Policy 2.4 Cash Backed Reserves Policy 2.5 Use of Debt as a Funding Option	

Financial Implications

24. The fundamental principle underpinning the development of the Long Term Financial Plan (LTFP) is that it should reflect a prudent, sustainable financial blueprint for the future that provides the necessary funding to deliver the services and projects that our community wants.
25. It should also be sufficiently agile in its design and modelling that it can flex to accommodate changing community priorities or economic circumstances and emerging future opportunities.
26. The Long Term Financial Plan 2021/22 - 2030/31 as presented, delivers on those fundamental principles and successfully enunciates the financial implications.

Relevant Documents

[Strategic Community Plan](#)

[Corporate Business Plan](#)

Further Information

Following the Agenda Briefing Session held on 22 June 2021, further information is provided:

27. With regards to the Trafalgar Bridge repairs, the City is confident the timber is repairable, and the works can be accommodated within the budget. As the City continues to oil the affected timber, and remove any sections beyond repair, the issues will decline.
 - a. The small Claisebrook Cove walkway bridge is experiencing rusting which is not related to the Trafalgar Bridge issues. The Claisebrook Cove bridge repairs are also accommodated within the budget.



City of Perth

LONG-TERM 2021/22 - 2030/31 *Financial plan*





“The City's financial approach to managing its operations [is] responsible, transparent and sustainable.”

Introduction

The City of Perth's Long-Term Financial Plan is a high-level strategy that ensures we have the vision and planning in place to sustainably meet the needs of our community now and into the future.

It is an important strategic document that assists us align our community aspirations, strategic intent and organisational capacity from 2021/22 until 2030/31.

This Plan projects our financial position over the coming decade using a series of realistic and conservative financial assumptions. This financial modelling provides the City with reliable and robust information to assess our ability to maintain overall financial sustainability into the Long-Term and, most importantly, to ensure that we have in place the necessary funding arrangements to support proposed capital projects.

The purpose of the Plan is to demonstrate the City's financial approach to managing its operations in a responsible, transparent and sustainable manner for the benefit of our residents, ratepayers and stakeholders.

The Long-Term Financial Plan is consistent with all the requirements of the Department of Local Government, Sport and Cultural Industries' guidelines on the development of Long-Term financial management plans.

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1.0 From the CEO

This 10 Year Financial Plan showcases our vision for the growth and development of our great City, while demonstrating our ability to underpin this with robust financial management.

This Plan presents a \$2.6 billion financial blueprint for the City for the 2021/22 to 2030/31 period. The City of Perth is now responsible for a multi-billion dollar business with a net worth of approximately \$1.4 billion. Over the next decade, this Plan also supports a \$500 million dollar capital program and expenditure of \$2.1 billion on its key programs and services.

The result of delivering this Plan will be a legacy of quality community infrastructure and social capital for the benefit and enjoyment of our community. We are able to achieve this as a result of a critical review of operational expenditure focused on making the City more financially sustainable into the future.

Over the coming decade, we will see this Plan support:

- The delivery of City of Peth initiatives under the Perth City Deal
- Future growth of the City in line with its incoming Local Planning Strategy
- Contemporary infrastructure and places that complement the City's unique neighbourhood precincts

- Continued delivery of services and programs to activate the City and deliver on the evolving needs of its local community.

This Plan is underpinned by the following financial principles:

- Financial sustainability
- Financial accountability
- Responsible stewardship
- Alignment with strategic aspirations.

Our City is in the midst of a positive and exciting evolution towards excellence. This Plan is foundational to the City's future direction, representing planning that is accountable, transparent and aligned with our vision.



Michelle Reynolds
Chief Executive Officer
City of Perth

2.0 Our City

The ability to plan for our short and long-term future is essential to our success in delivering on our vision.

2.1 Aspirations

This Plan was firmly guided by our desire for a City that is liveable, sustainable and prosperous. By developing a clear and strong linkage to these aspirational pillars and reflecting them in how we respond to our community's needs, we can focus on creating meaningful differences in our neighbourhoods and for Perth itself as one of the most liveable cities in the world. This approach reflects a triple bottom line philosophy in all we do.

Liveable

We have an aspiration for our City to be socially cohesive, inclusive, activated and safe. By striving to achieve this, we will ensure that residents, ratepayers and visitors enjoy positive experiences that reflect on Perth as one of the world's most liveable, welcoming and respected cities. Initiatives to achieve this include:

- Engaging with our community in meaningful ways to understand their priorities.
- Placing an emphasis on community priorities at a neighbourhood level.
- An increased commitment to appropriate asset renewal and new or upgraded community infrastructure as part of the City's stewardship responsibilities.

Sustainable

Maintaining a responsible and healthy balance between the City's natural environment, social and economic systems is a key foundation of how

the City does business. From local neighbourhoods to the City as a whole, we make decisions and act to nurture, build capacity and sustain our communities. Initiatives to achieve this include:

- Better matching staffing with agreed service levels and scaling back the capital program to levels more aligned to organisational delivery capacity.
- Structural reform of the City's finances that returned previously burgeoning operating expenses to sustainable levels.
- Expenditure focus being shifted from discretionary projects back to core service.

Prosperous

Our aspiration for Perth is to be a successful, flourishing City that provides opportunities, sustains its economy, and efficiently and effectively delivers services, projects and experiences to our community. Initiatives to achieve this include:

- An agile, service-based resource allocation model meaning that the City now can deliver quality, targeted services that offer a value for money proposition to our residents, ratepayers, businesses and visitors whilst ensuring that our City is efficiently run and that service levels are responsive to our community's needs.



In 2021, the City is home to more than 32,000 residents, has about 14,000 businesses, is the workplace of 134,000 workers and is a destination for more than 230,000 visitors.

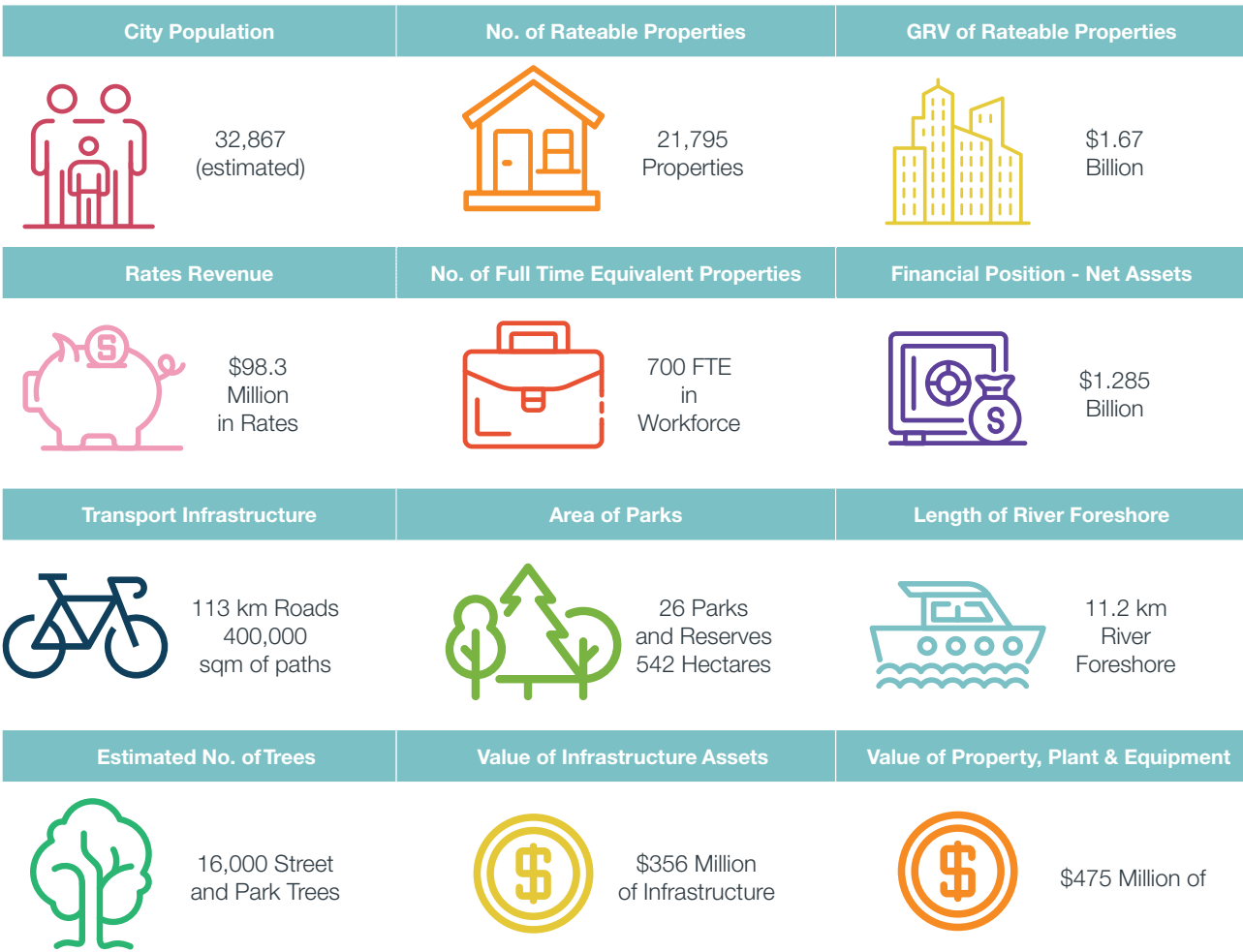
2.2 Snapshot

To effectively plan, the City must understand its current state and anticipated future population growth, economic fluctuations, environmental trends, and social and community needs in the future.

The Long-Term Financial Plan has taken into account the City's anticipated population growth – particularly in the later years of the Plan. This growth will impact servicing costs, infrastructure needs and revenue from rates.

Figure 1 - Key Statistics

As at June 2021



3.0 Financial Plan Snapshot

This Long-Term Financial Plan has been developed considering the current COVID-19 environment and potential for ongoing impacts. The anticipated financial impacts of future lockdowns have been responsibly and conservatively considered in modelling the Plan - especially in the first two years.

Expenditure profile over the ten year period in broad terms is:

Expenditure Type	Amount \$M
Core Service Delivery	1,592.623
Discretionary Operating Projects	174.781
Abnormal Expenses	8.000
Asset Renewal & Community Infrastructure	581.817
Financing Activities Reserve Transfers, Loan Repayments & Closing Balance (Surplus)	218.890
Total Expenditure Allocation	2,576.114

The Long-Term Financial Plan presents a balanced funding model incorporating a responsible mix of funding sources over the ten year period.

Funding sources over the ten year period in broad terms are:

Funding Source	Amount \$M
Rates	1,229.500
Parking Operations	729.047
Fees & Charges	207.188
Grant Funds	84.114
Interest & Other Revenues	40.793
Financing Activities - Cash Reserves & Borrowings	262.254
Opening Balance	23.557
Total Funding	2,576.114

The Long-Term Financial Plan 2021/22 - 2030/31 incorporates known funding arrangements from the Perth City Deal and acknowledges that other opportunities may arise through extra-ordinary grants from other levels of government or non-government sources, or from City's asset rationalisations arising from the property portfolio review.

These are currently not incorporated into the model due to their uncertainty, but the financial model can readily be adapted to respond to such opportunities should they arise.

The Plan also references our financial ratios against industry benchmarks across each of the Plan's ten years to identify periods of financial challenge. Whilst a specific indicator may not be met in a specific year, the Long-Term Financial Plan presents a responsible and realistic plan to ensure that trends and average ratios across the life of the Plan meet or exceed preferred industry benchmarks.



3.1 Our Services

The City has carefully considered the resource and funding requirements necessary to deliver ongoing services and programs, statutory and governance activities, asset network renewal expenditures and opportunities for major discretionary capital expenditure initiatives.

Over the life of the Plan, the range and scope of our services may be re-evaluated, or service levels re-assessed in the light of changing circumstances to ensure that there is alignment between community expectations, financial and organisational capacity, and agreed service levels.

The City provides an extensive range of external-facing services to our community including:

- Strategic leadership
- Economic development
- Community capacity building
- Community support services
- Homelessness response
- Cultural development
- Events and activation
- Library services
- Customer service
- Community safety and amenity
- Public health
- City planning
- Development approvals
- Transport and urban design
- Infrastructure asset strategy and design

- Infrastructure maintenance
- Park maintenance
- Waste and cleaning
- Parking management
- Project delivery
- Advocacy

These services are supported and empowered by internal facing services including:

- Marketing and communications
- Financial management
- ICT services
- Human resource management
- Governance
- Audit and risk management
- Legal services
- Information and records management
- Property management services



4.0 Service-based Resource Allocation

The City uses a service-based resource allocation model designed to emphasise agile and flexible assignment of employee, financial and equipment resources around services rather than organisational structure. Services prioritised through community feedback and agreed community outcomes and service levels determine the allocation of resources each year rather than a traditional incremental increase to the existing service unit budgets.



5.0 Long-Term Financial Plan Modelling

5.1 Context for the Long-Term Financial Plan

This Plan is a significant informing document for the City’s integrated strategic planning and reporting framework as it provides information regarding the resourcing requirements and financial capacity of our local government to achieve its stated objectives and priorities.

This financial modelling provides the City with reliable, robust information to assess our capacity to maintain overall financial sustainability into the Long-Term and, most importantly, to ensure that we have in place the necessary funding arrangements to support proposed capital replacement programs and new capital projects.

The City’s Long-Term Financial Plan is consistent with all the requirements of the Department of Local Government, Sport and Cultural Industries’ guidelines on the development of Long-Term financial management plans.

5.2 Assumptions & Modelling Parameters

As with any long-term financial model, it is important to understand any qualifications and/or limitations that may relate to the outputs of the model.

The Plan is expected to influence the City’s Annual Budget each year - but it is recognised that the Plan is a dynamic and evolving document that responds to changing strategic priorities, service level expectations and economic conditions.

In regularly reviewing the plan, where such changes occur and the impact is significant, the financial modelling will be adjusted to reflect these changes.

This iterative approach reflects responsible business practice.

5.2.1 Qualifications & Limitations

The Plan is a high-level strategic document that is used to assist in planning for the future and aligning our community aspirations, strategic intent and organisational capacity.

It is based on a number of financial assumptions relating to the:

- quantum of and anticipated movements in both revenues and expenditures
- anticipated timeframes for cash flows into and out of the organisation
- expectations of the continuation of (at least), existing funding initiatives.

Included in the financial assumptions are anticipated movements in both the consumer price index, wages growth and interest rates as they relate to investment returns and borrowing costs across the ten-year horizon of the plan. Unanticipated changes in any of these parameters - or indeed in government policy directions are likely to have an impact on the financial modelling.

Indicative funding or cost estimates included in this plan may relate to broad proposals that:

- Have been approved by Council and are in progress.
- Have been considered by Council but have yet to be given final approval to proceed.
- Have only been considered by Council at a strategic or conceptual level.
- Are operational in nature and based on the continued delivery of existing services.
- Are operational in nature and relate to the maintenance of City assets in accordance with management plans and maintenance plans.

Adoption of the Plan by Council does not constitute an irrevocable commitment to any specific project or service referenced in the plan, nor to its timing.

Similarly, it does not preclude the possible subsequent inclusion of further service or capital initiatives in future years if the financial modelling and strategic direction of Council indicate that it aligns with that strategic direction and could be supported without adversely impacting on the City’s financial sustainability.

Any assumptions in relation to either the financial modelling parameters, projects or service proposals are prepared based on the best available information and knowledge at hand.

5.2.2 Future Funding Opportunities

The City is currently undertaking comprehensive reviews of its commercial property portfolio and its carparks on freehold land. The reviews are expected to be completed in the first half of the 2021/22 financial year and the results of those reviews and the recommendations resulting from them will then be considered by Council.

The potential cash flows resulting from the property sales are expected to be significant and should have a noteworthy positive impact on this Plan. As soon as the quantum and timing of the resulting cash flows can be confidently measured and determined with certainty, the Long-Term Financial Plan will be updated to reflect those inflows.

The Plan is designed to be dynamically modified to reflect such changes in future iterations of the Plan. Any assumptions in relation to either the financial modelling parameters, projects or service proposals are prepared based on the best available information and knowledge at hand.

5.2.3 Significant One-Off Considerations That Impact the Long-Term Financial Plan

COVID-19 Impacts

It is acknowledged that there are potential financial and economic impacts arising across the first two years of the plan due to the COVID-19 environment. These include but are not limited to, impacts on the City’s parking business, CBD economy, and capacity of contractors to deliver construction projects.

City Deal - CBD Transport Projects

As part of the Perth City Deal, the City is receiving funding to deliver a range of priority transport projects, including cycleways and other transport infrastructure, over the next five years. These projects include a \$10M contribution towards the \$22.2M Roe Street upgrade and enhancement.

Windfall Government Funding Opportunities

The City acknowledges opportunities for future funding from Commonwealth Government into infrastructure projects that will create jobs and stimulate the economy. The Plan has been designed to be readily adapted to incorporate such opportunities.

Confidential Contract Negotiations

The City is a participant in a regional waste management facility at which some operations will cease in 2021/22. Should this occur, the City will be required to make an ‘exit’ contribution. Although the amount of that contribution is yet to be determined, the City has chosen to make a prudent and conservative allocation of the anticipated cost.

Local Government Inquiry

Notional funding of \$4.3M has been allocated to cover the second and final instalment of the cost of the Inquiry into the City of Perth. Whilst the City is currently advocating for some of that funding to be reinvested into the City, it is necessary to allocate a notional amount for this expense.



5.3 Long-Term Financial Plan

The narrative and analysis provided in Sections 5 and 6 of this document are intended to facilitate a shared understanding of the financial schedules underpinning the 2021/22 - 2030/31 Long-Term Financial Plan.

5.3.1 LTFP Financial Schedules

The published version of the Plan is presented as five summarised Financial Statements. These are:

- Long-Term Financial Plan Summary Statement (FS1)
- Income Statement (FS2)
- Cash Flow Statement (FS3)
- Rate Setting Statement (FS4)
- Statement of Financial Position (FS5)
- Statement of Changes in Equity (FS6)

An explanation of the purpose of each of these statements is provided below. Each statement provided in the plan is accompanied by a table explaining each major line item on the statements.

FS1 - 10 Year Financial Summary Statement

This financial statement is a high level summarised statement that aggregates the estimates of both operating and non-operating revenues and expenditures, as well as incorporating loan proceeds, transfers to or from cash-backed reserves, repayments of loan principal, capital expenditure items and movements in accrual funding that are expected to occur over the ten-year period covered by the plan.

It provides a single consolidated view of all aspects of the Long-Term Financial Plan.

FS2 - Income Statement

This financial statement includes estimates of all revenues and expenditures that are included in the operating (normal day-to-day) activities of the City. This includes non-cash items such as depreciation and interest payments on loans. It excludes repayments of loan principal, proceeds from loan borrowings and capital expenditure items - those are all reflected in the aggregated Financial Summary FS1. It also allows for estimated (book entry) movements in the value of the City's non-current assets.

Information from the Income Statement is used to calculate the Operating Surplus Ratio which is one of the statutory measures of financial sustainability.

FS3 - Cash Flow Statement

This financial statement demonstrates the projected impact on the overall cash position of the City of the planned financial transactions. It is derived from the Operating Position which is then adjusted for the impact of the non-cash transactions and non-operating items.

FS4 - Rate Setting Statement

This is another statutory financial statement. It includes estimates of all operating and non-operating revenues and expenditures as well as repayments of loan principal, proceeds from loan borrowings, capital expenditure items and transfers to or from cash backed reserves. It does, however, exclude all non-cash items.

The purpose of the statement is to demonstrate the calculation of the amount of rates revenue expected to be raised to fund the Budget each year.

FS5 - Statement of Financial Position

This financial statement demonstrates the impact of the proposals in the Long-Term Financial Plan on the assets and liabilities of the City and therefore, shows any improvement or decline in the City's financial position.

FS6 - Statement of Changes in Equity

This financial statement demonstrates the cumulative impact on the City's Net Equity from the proposals in the Long-Term Financial Plan. It also contains a reconciliation back to the Opening Position - which is a critical component in the development of the Rate Setting Statement.

The primary Financial Schedules are supplemented by a series of Supporting Schedules (SS1 to SS6) which provide further details of the Long-Term Financial Plan.

5.3.2 LTFP Supporting Schedules

There are numerous supporting schedules which provide financial inputs for the Long-Term Financial Plan model. A number of these schedules contributing to this plan are simply supporting worksheets that are intended for internal use and are not published in this document.

Supporting Schedules (SS1 to SS6) are included in this document and provide details of major financial parameters and assumptions:

- Key Performance Indicators Calculations (SS1)
- Funding Assumptions - Reserves (SS2)
- Funding Assumptions - Loan Borrowings (SS3)
- Capital Expenditure & Capital Revenues (SS4)
- Modelling Parameters (SS5)
- Explanatory Notes for Financial Statements (SS6)

The remaining worksheets hold the calculations used to derive the model and as such are not published.



5.3.3 Key Financial Indicators

Projected Key Financial Indicators required by the Department of Local Government, Sport and Cultural Industries have been calculated from the data in the Long-Term Financial Plan Financial Statements. An additional indicator for annual rates % Increase has been included although not required by the Advisory Standard.

The Key Financial Indicators calculated are:

- Operating Surplus Ratio
- Own Source Revenue Ratio
- Debt Service Ratio
- Gross Debt to Operating Revenue Ratio
- Current Ratio
- Asset Consumption Ratio
- Asset Sustainability Ratio
- Asset Renewal Funding Ratio

Explanations and commentary on the Key Financial Indicators are provided at Section 6.3 of this Plan. The calculations of the Key Indicators are provided in supporting schedule SS1. That schedule also indicates the source of the calculations by providing the line reference to the Financial Statements. Each indicator is compared to a local government industry benchmark to help inform future financial decisions.

There is no one indicator, or single financial year, that can be used to judge the financial sustainability of the City. Spikes in indicators can occur for a number of reasons. However, indicative financial ratio calculations can help councils identify potential future financial challenges.

In the Key Performance Indicator Schedule (SS1):

- Indicates that the projected indicator exceeds the target.
- Indicates that the projected indicator is an intermediate achievement but is still under the target.
- Indicates that the projected indicator does not meet the target.

5.3.4 Loan Borrowings

The use of borrowings to support the funding of long life capital projects where appropriate is an important part of a balanced local government funding package. Introducing borrowings into the funding mix helps to smooth the spikes in rating from year to year - addressing the challenge of inter-generational equity. This means that those who will benefit from the use of the newly created asset in future years help to pay for the asset through paying rates to service the loan repayments each year.

With local governments able to borrow at fixed interest rates and interest rates at historic lows, the opportunity to embrace borrowings as part of the funding package cannot be overlooked in formulating the Long-Term Financial Plan. In doing so, it is important to ensure that the City's Debt Service Ratios remain within acceptable benchmarks (as this will be assessed before WA Treasury Corporation accepts the City's loan applications).

It is also important that the City ensures that its planned financial model meets its own debt covenants such as ensuring that its Gross Debt to Operating Revenue sits below the threshold of 40% across all ten years covered by the plan.

New borrowings have been included in the City's 2021/22 - 2030/31 Long-Term Financial Plan to support the overall funding package with the City's current loan profile showing that all existing borrowings will be cleared by July 2022.

The Long-Term Financial Plan includes \$15M worth of loan borrowings over years.

Analysis of the City's borrowings profile and commentary on financial ratios relating to the use of debt is provided at Section 6.3 of this document.

5.3.5 Reserve Funds

Cash-backed Reserve Funds are also a vital part of the Long-Term Financial Plan funding package. Funds accumulated in cash backed reserves can be used to smooth fluctuations in rates needing to be raised during years when larger capital programs are being delivered.

The City currently has 20 Cash Reserves classified as:

- Asset Acquisition & Renewal Reserves
- Strategic Reserves
- Parking Related Reserves
- Waste Management Reserves
- Other Purpose Reserves

The 2021/22 - 2030/31 Long-Term Financial Plan makes extensive, but responsible, use of previously accumulated cash reserves. Analysis and commentary on the use of Cash Reserves is provided at Section 6.2 of this document.

6.0 LTFP Analysis & Commentary

6.1 Overall Commentary

The Long-Term Financial Plan represents a financial commitment of around \$2.6 billion dollars over the next ten years. These funds are applied to delivering a program of relevant services to our community whilst maintaining and renewing our infrastructure and creating new community facilities that leave a legacy for our community.

The Long-Term Financial Plan has been presented using a balanced budget philosophy. That is, whatever is proposed to be expended is fully funded by the funding options included in the Plan. The financial modelling in the earlier years of the Plan is necessarily more certain than the later years - but, adequate flexibility has been allowed in the later years of the Plan to cope with new or emerging community priorities or project opportunities.

In addition to continuing to deliver the comprehensive range of customer focused services and maintaining and renewing our community infrastructure, the City is embarking on an ambitious program to create and enhance major community infrastructure and new community facilities. These transactions have been modelled into the Long-Term Financial Plan to ensure that the new community facilities can be funded in a sustainable manner without unreasonable impost on ratepayers.

The Long-Term Financial Plan presents the optimum financial model to meet the City's financial needs over the next ten years in a way that respects and works towards achieving the Key Financial Indicators that have been set as benchmarks for local government to aspire to. Where an indicator may not be attained in a given

year, the Plan presents a responsible strategy to move the City towards the preferred industry benchmark.

The Long-Term Financial Plan is, therefore, a financial blueprint for the City's future.

Chart 1 to the right) indicates the respective contributions of the various funding sources to the total funding mix over the ten-year period covered by the Plan.

The major elements of the funding model are Rates (48%), Fees & Charges (8%), Parking Revenues (24%), Reserves (10%), Fines (4%), Borrowings (1%), Grants (3%), Other Revenues and Opening Balance (1%).

Over the life of the Plan, funds will be applied towards meeting the costs of operational service delivery (premised on the agreed range and scope of services and agreed service levels) as well as expenditure on infrastructure renewals, new community asset creation and debt servicing.

The uses of those funds are shown on the right in Chart 2 titled 10 Year Funding Use by Type.

The proposed expenditure program reflects approximately 69% of funds being applied to operational expenditure, 11% on infrastructure maintenance and renewals and 11% for new asset creation. A further 1% is used for debt servicing. Some 8% of available funds are used for creation of Reserve Funds to support future capital expenditures and the remainder relates to abnormal operating expenses.

Chart 1 - 10 Year Funding Mix by Source

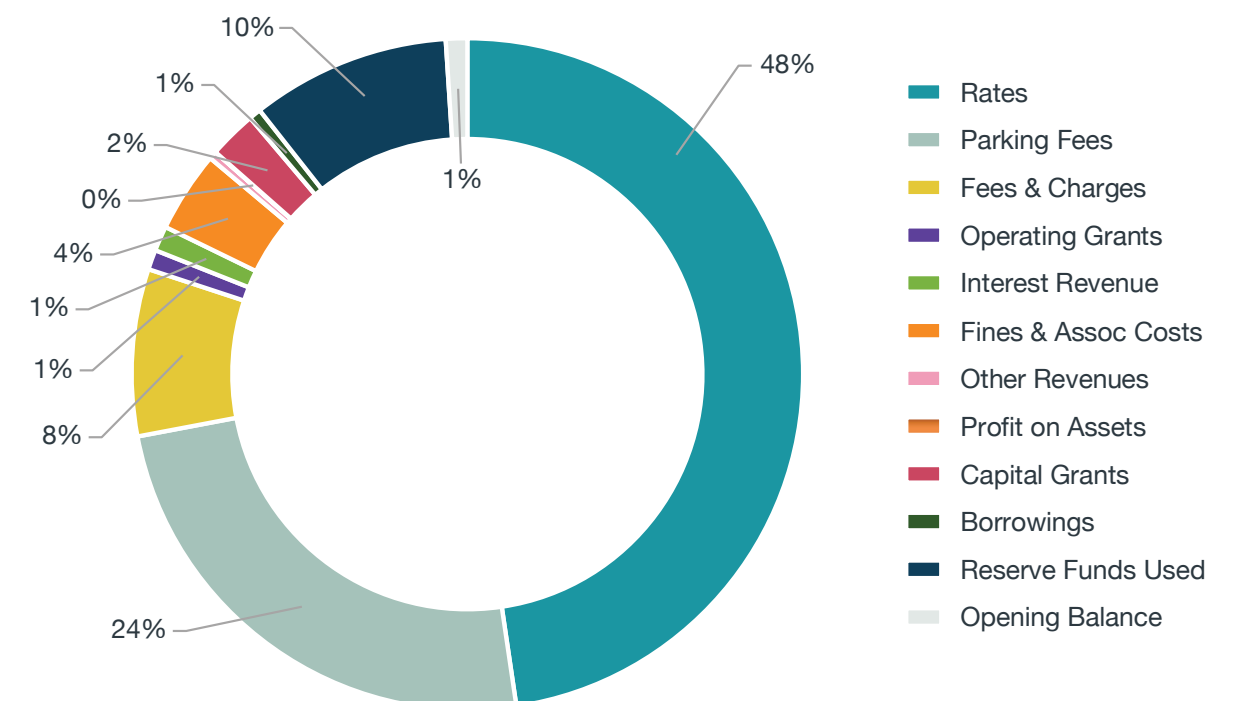
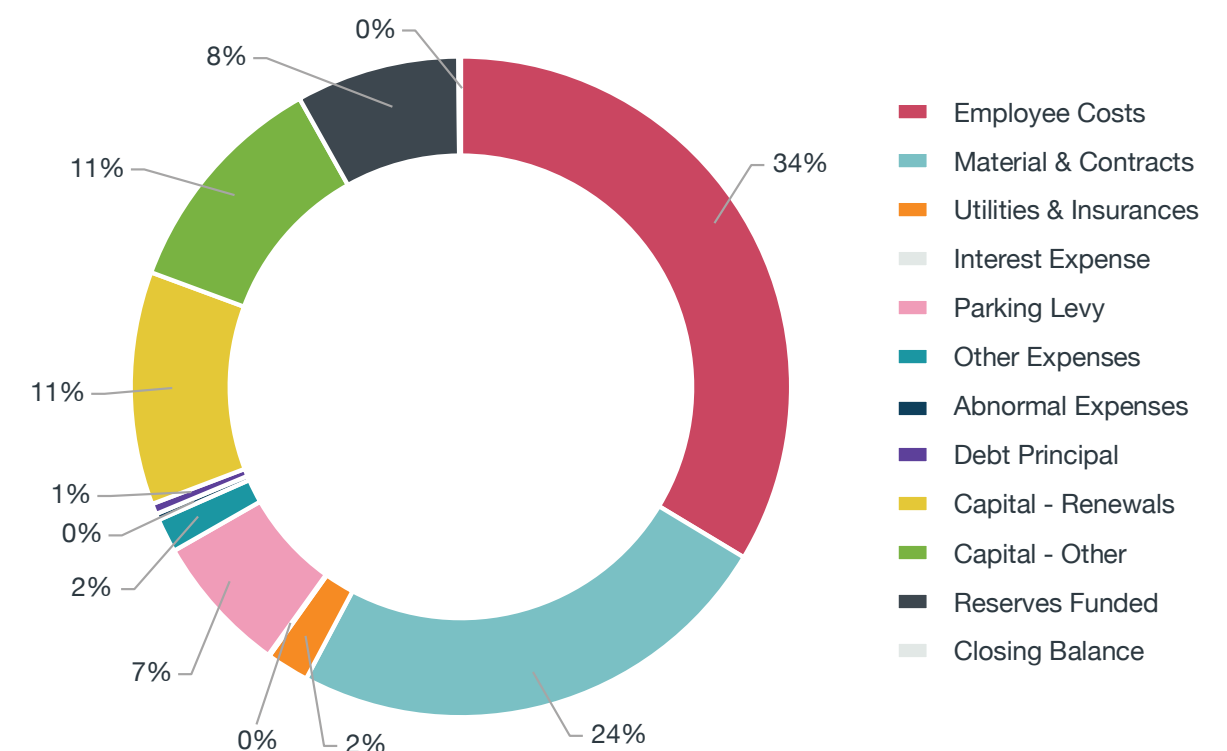


Chart 2 - 10 Year Funding Use by Type



Fund uses described in Chart 2 (above) as Reserves Created reflect the transfer of funds to cash backed reserves, largely relate to providing funding for the Parking Bay Levy payable each year, in advance, to the State Government and funding for future capital opportunities that may be presented to future local governments.

Non-cash operating expenditure items such as depreciation have been excluded from the graph above and book gains such as revaluation increases relating to infrastructure assets, land and buildings are also not included in the LTFP model.

Over the life of the Plan, the City aims to draw down approximately \$52M (net) of Cash Backed Reserves and use Borrowings of \$15.0M in total to supplement the City’s other funding sources. The projected Opening Balance each year of the Plan averages around 2.3% of Operating Revenues and the Closing Balance represents, on average, around 1.7% of Operating Revenues (in line with budget policy targets).

The Long-Term Financial Plan model reflects a responsible, balanced, and sustainable financial strategy for the City. The Plan will of course be subject to ongoing monitoring, review and updating in future years.

6.2 Commentary on Reserve Funds

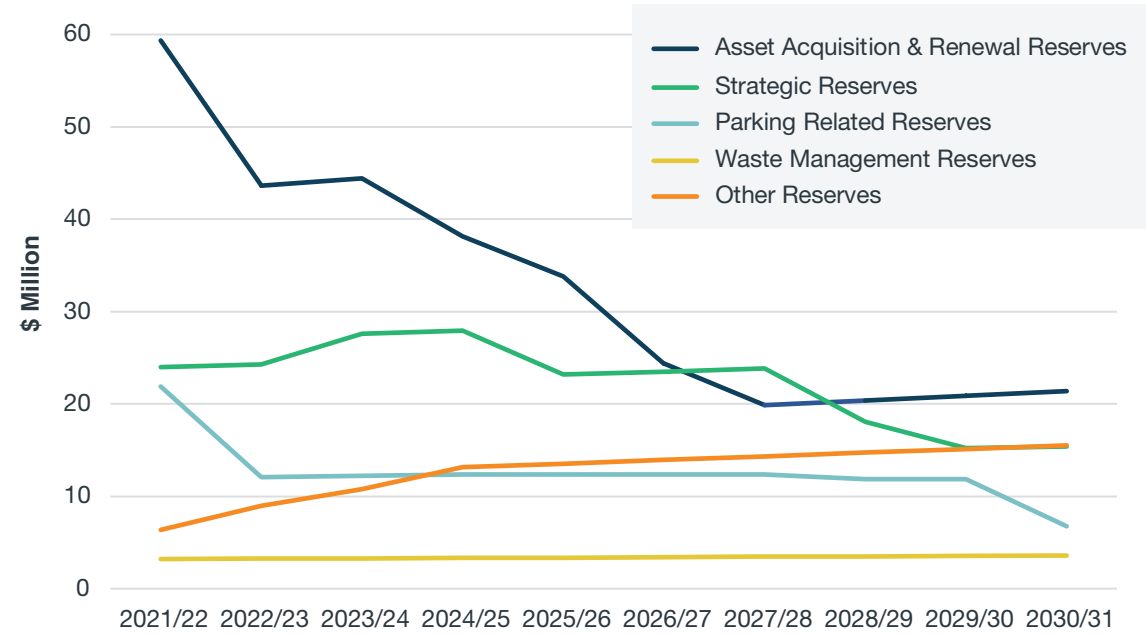
Reserve funds are strategic in nature and, informed by future cash requirements identified in the Long-Term Financial Plan, are generally accumulated to provide funding for identified future major community infrastructure projects. Discretionary reserves may also be funded from municipal funds to provide for future replacements of items including plant and equipment, technology, or reticulation systems.

Over the life of the Plan, the City will draw down a net \$52M of Cash Backed Reserves (including interest earned). The composition and balances of the City’s Reserve Funds is shown in Charts 3 and 4 below and to the right.

Chart 3 - Projected Reserve Fund Balances



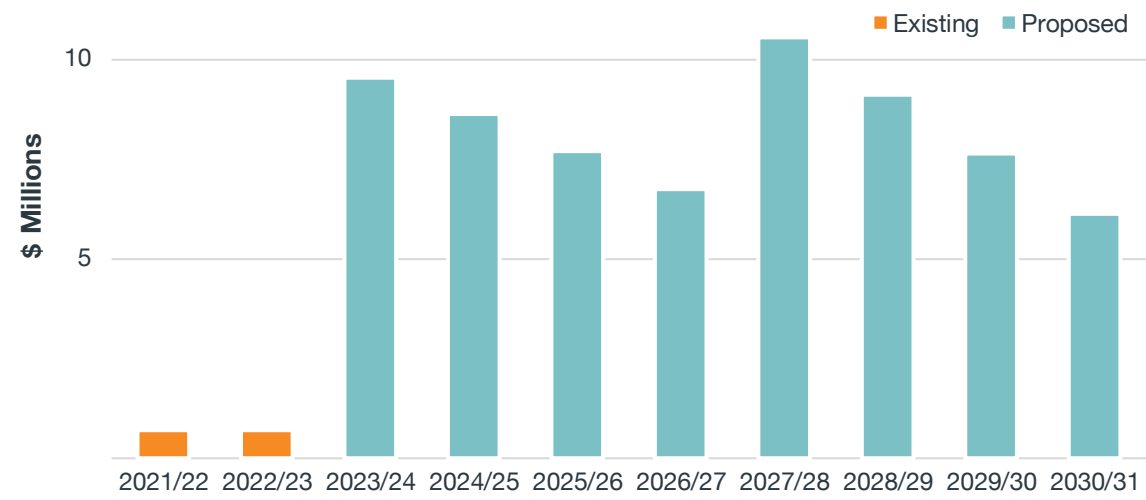
Chart 4 - Projected Reserve Fund Categories 10 Year Average



6.3 Commentary on Loan Borrowings

The Long-Term Financial Plan uses a responsible funding mix to support investment in asset renewals and new community infrastructure. Proposed borrowings of \$15M over the life of the Plan are detailed in Schedule SS3 - Borrowings. The City has the capacity to use a greater proportion of borrowings in its funding mix should Council choose to support future capital projects funded in this way.

Chart 5 - 10 Year Projected Loan Balances Outstanding



Debt Service Ratio

This indicator shows how much of the City’s annual surplus (before interest and depreciation) is being applied to service debt obligations. It demonstrates that the City has sufficient operating surplus to service repayments of principal and interest on borrowings. The industry benchmark for the Debt Service Ratio is 5.0 times coverage

Table 1 - Projected Debt Service Ratio

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> 3.8	<div><div></div></div> 40.6	<div><div></div></div> 55.6	<div><div></div></div> 28.6	<div><div></div></div> 39.6	<div><div></div></div> 38.0	<div><div></div></div> 30.2	<div><div></div></div> 25.4	<div><div></div></div> 27.6	<div><div></div></div> 27.2

The ten year average for the Debt Service Ratio is 31.9 which comfortably exceeds the industry benchmark of 5.0 times. The City does not meet the standard of more than 5.0 times coverage in the first year of the Plan due to its \$8.0M abnormal expense obligation but it betters the advanced standard of 5.0 times very comfortably in the remaining years, indicating that future borrowing is a legitimate funding option if required.

Gross Debt to Operating Revenue Ratio

This indicator shows the relationship between outstanding debt and the annual operating revenue (less operating and capital grants). The preferred benchmark for the Gross Debt to Operating Revenue Ratio is less than 20%.

Table 2 - Projected Gross Debt to Operating Revenue Ratio

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> 0.4%	<div><div></div></div> 0.0%	<div><div></div></div> 4.9%	<div><div></div></div> 4.3%	<div><div></div></div> 3.6%	<div><div></div></div> 3.1%	<div><div></div></div> 4.7%	<div><div></div></div> 4.0%	<div><div></div></div> 3.2%	<div><div></div></div> 2.6%

The ten year average for the this is 3.1% which is comfortably within the upper bound of 20%. The City comfortably meets the standard of less than 20% in all ten years covered by the Plan.

6.4 Commentary on the Financial Statements

The financial statements contained within the Long-Term Financial Plan 2021/22 - 2030/31 present a responsible and sustainable financial blueprint for the City’s future. These statements indicate a steady improvement in the City’s financial position over the life of the Plan with the annual net funding requirement before Reserves & Borrowings reaching an almost neutral position by year ten of the Plan. This shows a positively-correlated relationship between revenues and expenses and a well-balanced mix of funding options. The Plan also demonstrates consistent progression towards equaling or bettering industry benchmarks for all Key Financial Indicators.

The overall Long-Term Financial Plan Summary (FS1) reflects a single integrated view of the Long-Term Financial Plan. It shows the City moving from its challenging COVID-19 impacted 2019/20 position to a sound and sustainable operating result across the full ten years covered by this Plan - out to 2030/31. The

Closing Position remains within the City’s Strategic Financial Planning policy targets and preferred industry benchmarks of approximately 1% to 3% of Operating Revenue over all ten years of the Plan. It averages a very sound \$2.9M or 1.3% of Operating Revenue over the life of the Plan.

The Operating Surplus Ratio is negative for the first two years. This is attributable to two abnormal expenditures relating to the provision for contract expenses and meeting the \$4.3M second installment of the cost of the Inquiry into the City of Perth. Without these two extra-ordinary expenditures, the operating surplus would have been positive and within the industry benchmark range. This demonstrates the successful efforts of City leadership over the 2019/20 and 2020/21 years to reign in operating expenditures and bring them back within financially sustainable parameters.

The Long-Term Financial Plan is relatively robust in the first half of the Plan - but is necessarily less rigid in the later years, so additional funding allocations have been provided to allow for new or emerging projects that arise during the later years of the Plan. These future opportunity funding allocations are included in the Long-Term Financial Plan Summary.

Because of this responsible financial modelling approach, the Long-Term Financial Plan sees the City move to a sustainable financial position over the ten year life of the Plan without unreasonable impost on the City’s ratepayers.

The Income Statement (FS2) focuses on revenues and operating expenses only and reflects a negative operating result in the first year due to the previously noted abnormal expenses - but this is offset by responsibly planned use of cash reserves. All items shown on the Income Statement reflect growth in line with agreed financial indexing parameters (refer Supporting Schedule SS5) with the exception of grants for the acquisition of assets which are modelled on realistic expectations for external contributions towards specifically identified major capital initiatives. Results reflected on this financial statement are considered to be realistically modelled and are sustainable into the future.

The Cash Flow Statement (FS3) indicates sound cash flows from operating activities over the life of the Plan. Projected cash generated from operations each year provides the cash flows that support the financing and investing activities in all years in conjunction with the contribution from previously accumulated cash reserves.

Over the life of the Plan, net municipal cash held remains very consistent - with an average balance of around \$30.0M, although around 35% of this relates to restricted cash that is backing statutory employee entitlements. Over the life of the Plan, Reserve Fund cash reduces by around \$52M to support major capital expenditures - unless the City takes the opportunity to rationalise some of its land holdings, in which case the funds released would be quarantined back into Reserves until re-deployed to support future infrastructure expenditure.

The Rate Setting Statement (FS4) demonstrates the calculation of the amount required to be raised from rates each year (after considering the contribution from all other funding sources excluding rates) - and confirms that the proposed rates increases are both appropriate and sustainable over the life of the Plan.

The Long-Term Financial Plan endeavours to keep rate increases (excluding interim rates from growth and GRV revaluations) to within a self-imposed parameter of no more than CPI each year. The rate setting model used in this preparing the Plan represents an average annual rate increase of 1.63% excluding interims and rates growth. This is the level required to ensure that the balance between the City’s operational expenditures and its operational revenue generating capacity is maintained at a sustainable level - as reflected in the Operating Surplus Ratio. For eight of the ten years covered by the Plan, this is achieved. Two of the ten years are outside the target range, but it is considered that the slightly out of range increases reflect a business reality in those years.

The Statement of Financial Position demonstrates the cumulative impact of the financial modelling in this Plan on the City’s assets and liabilities. The Long-Term Financial Plan shows a generally positive trend in the Net Asset Position each year off the Plan. The Current Ratio calculated from the Balance Sheet exceeds the preferred industry benchmarks in all years covered by the Plan. The City acknowledges that it would be preferable to have a greater buffer between the industry benchmark and its calculated ratio in some years, but its ratios arguably reflect a tightly controlled and responsible financial model that tries to mitigate the financial imposts on the City of Perth community.

The Opening Position shown on the Long-Term Financial Plan Summary is reconciled to the Net Asset Position calculated in accordance with Department of Local Government, Sport and Cultural Industries guidelines using data from the Balance Sheet. This reconciliation is shown on the Statement of Changes in Equity. As noted above, the Closing Position remains within preferred benchmarks of approximately 1% to 3% of Operating Revenue over all ten years of the Plan and averages a very sound \$2.9M or 1.3% over the life of the Plan.

6.5 Commentary on Rates Yield

The indicative rates yield to support this Long-Term Financial Plan model includes projections of the baseline rates revenue - reflecting the yield achieved from the existing ratable land database as well as interim rates growth resulting from the addition of new ratable properties created through either redevelopment or new property developments.

Table 3 - Projected Rates Yield Increase

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Baseline Incremental Rates Increase (Target < 2%)									
<div><div></div></div> 0.0%	<div><div></div></div> 1.19%	<div><div></div></div> 1.62%	<div><div></div></div> 1.64%	<div><div></div></div> 1.73%	<div><div></div></div> 1.97%	<div><div></div></div> 1.97%	<div><div></div></div> 1.97%	<div><div></div></div> 2.17%	<div><div></div></div> 2.00%
Incremental Rates Effort from Interim Rates									
0.4%	3.00%	5.67%	5.60%	1.03%	0.98%	0.95%	0.92%	2.65%	0.0%
Total Incremental Rates Effort including Interim Rates									
0.4%	4.2%	7.29%	7.24%	2.76%	2.95%	2.92%	2.9%	4.82%	2.0%

Individual ratepayers would only be impacted by the Baseline Incremental Rates Increase from year to year. The Incremental Rates Effort from Interim Rates relates to the creation of new ratable properties.

Should a lesser rates increase be proposed, the financial model would need to be rebalanced by either establishing another discretionary revenue stream or funding source, or alternatively, reducing either the scope or level of service of some service offerings or by scaling down the capital projects program.

6.6 Commentary on Key Financial Indicators

There are a number of statutory financial indicators that a local government must calculate and disclose in both their financial planning and financial reporting documents. The calculation of each indicator - and the specific inclusions in both the denominator and numerator used in the calculation are strictly prescribed in the Local Government Financial Management Regulations (LGFMR). This ensures that financial indicators published by different local governments are comparable.

However, it must be appreciated that there is no single indicator that demonstrates a local government’s financial sustainability, nor does it necessarily mean that it is fatal if the City falls short of the benchmark for a specific indicator in a given year. The circumstances leading to the calculation of an indicator value must be understood to ensure that it is interpreted in context.

The calculation of each of the Key Financial Indicators and detail of the industry benchmarks is provided in Supporting Schedule SS1.

The City’s Key Financial Indicators infer a ten-year Financial Health Indicator (FHI) score of 81 versus the industry sound financial management benchmark of greater than 70.

6.7 Commentary on the Financial Health Indicator Score

The seven key financial ratios required to be calculated by local governments are used to calculated a Financial Health Indicator (FHI) using a methodology developed by WA Treasury Corporation. Essentially, each of the ratios is ‘weighted’ to develop a standardized score which allows for comparison of different local governments to assess their financial management efforts.

Table 4 - Projected Financial Health Indicator Score (FHI)

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> 67	<div><div></div></div> 71	<div><div></div></div> 84	<div><div></div></div> 86	<div><div></div></div> 85	<div><div></div></div> 85	<div><div></div></div> 85	<div><div></div></div> 84	<div><div></div></div> 83	<div><div></div></div> 83

A score of 70 or more reflects sound financial management. The City exceeds this target in nine of the ten years covered by the Plan with only the abnormal expense item in 2021/22 impacting that year’s score.

Operating Surplus Ratio

This indicator is used as a measure of capacity to meet operational expenses from revenues and the extent to which surpluses are generated to fund capital projects. The preferred ratio for this indicator is a positive value in the range between 0% and 15%. Any ratio over 2% meets the basic industry benchmark.

Table 5 - Projected Operating Surplus Ratio

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> (6.5%)	<div><div></div></div> (1.2%)	<div><div></div></div> 0.9%	<div><div></div></div> 2.6%	<div><div></div></div> 2.3%	<div><div></div></div> 1.9%	<div><div></div></div> 1.6%	<div><div></div></div> 1.5%	<div><div></div></div> 2.9%	<div><div></div></div> 2.4%

The ten-year average for the Operating Surplus Ratio is 1.0% which is below the preferred industry benchmark of 2% -5.0%. During the first year, the City falls well short of the standard, but this is largely due to the \$8.0M abnormal operating expense noted previously in this narrative. Excluding that expense, the 2021/22 ratio is (2.2%) reflecting the zero percent rates increase for that year and the use of Reserve Funds to meet the cost of abnormal expenses referenced earlier in this report.

Own Source Revenue Ratio

This ratio is used to indicate how much of the City’s operating expenditure is covered by revenues directly generated by the City. That is, how financially autonomous is the City without reliance on external funding sources? Revenue used in this calculation does not include external funding such a grants and subsidies.

Table 6 - Projected Own Source Revenue Ratio

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> 90.0%	<div><div></div></div> 94.0%	<div><div></div></div> 94.9%	<div><div></div></div> 95.1%	<div><div></div></div> 100.6%	<div><div></div></div> 99.5%	<div><div></div></div> 99.2%	<div><div></div></div> 99.2%	<div><div></div></div> 100.6%	<div><div></div></div> 100.0%

The ten-year average for the Own Source Revenue Ratio is 97.3% which is comfortably in excess of the preferred industry benchmark of 90.0%. The 2021/22 ratio is adversely impacted by the \$8.0M abnormal expense noted earlier in this narrative.

Current Ratio

This indicator is a broadly used ratio in both the public and private sectors to focus on the liquidity (available working capital) of a business at a given point in time. This ratio indicates capacity to meet short term (current) financial obligations as calculated at a given point in time (generally at year end).

The preferred ratio for this indicator is a number greater than 1.00 to 1. This ratio is sometimes disclosed as a percentage value where the preferred value is greater than 100%.

Table 7 - Projected Current Ratio

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> <div>1.12</div>	<div><div></div></div> <div>1.09</div>	<div><div></div></div> <div>1.02</div>	<div><div></div></div> <div>1.05</div>	<div><div></div></div> <div>1.03</div>	<div><div></div></div> <div>1.06</div>	<div><div></div></div> <div>1.07</div>	<div><div></div></div> <div>1.08</div>	<div><div></div></div> <div>1.02</div>	<div><div></div></div> <div>1.00</div>

Projections for the Current Ratio range from a low of 1.00 in 2030/31 to a high of 1.12 in 2021/22. Over the life of the Plan, the average value is 1.10. The ratio exceeds the benchmark in all the ten years. The ratio is balanced over the life of the Plan to avoid excessive accumulation of cash whilst ensuring adequate ongoing investment in community infrastructure and services.

Asset Consumption Ratio

This ratio measures the condition of a local government's physical assets, by comparing their age with their replacement cost. The ratio highlights the aged condition of a local government's stock of physical assets. The benchmark standard for this ratio is between 50% and 75%.

Table 8 - Projected Asset Consumption Ratio

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> <div>73.3%</div>	<div><div></div></div> <div>74.0%</div>	<div><div></div></div> <div>74.4%</div>	<div><div></div></div> <div>74.9%</div>	<div><div></div></div> <div>75.3%</div>	<div><div></div></div> <div>75.6%</div>	<div><div></div></div> <div>75.9%</div>	<div><div></div></div> <div>76.1%</div>	<div><div></div></div> <div>76.4%</div>	<div><div></div></div> <div>76.7%</div>

The indicated ratios in the Plan suggest that the City's physical depreciable assets are being maintained to a level that is consistent with industry benchmarks. The proportions of upgrade versus renewal expenditures on major capital initiatives can cause some inconsistency in individual years - but the average of 76.2% across the ten years is a healthy indicator.

Asset Sustainability Ratio

This ratio indicates the extent to which the City's assets are being replaced as they reach the end of their economic life. The industry benchmark standard for this ratio is between 90% and 110%. This is an area for further focus as the City is generally close to; but does not exceed the industry standard.

Table 9 - Projected Asset Sustainability Ratio

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> <div>90.3%</div>	<div><div></div></div> <div>99.8%</div>	<div><div></div></div> <div>91.9%</div>	<div><div></div></div> <div>97.4%</div>	<div><div></div></div> <div>96.2%</div>	<div><div></div></div> <div>94.4%</div>	<div><div></div></div> <div>93.9%</div>	<div><div></div></div> <div>88.0%</div>	<div><div></div></div> <div>85.8%</div>	<div><div></div></div> <div>86.2%</div>

Projected ratios for the Asset Sustainability Ratio range between 85.7% and 99.8% over the life of the Plan and average 92.4%. The industry standard is a value of 90%. The ratio should not exceed 110% as a value greater than that upper limit suggests that assets may be being replaced too early. This Plan indicates that the City will need to monitor the renewal spend in the later years – although some of the future capital project opportunities should have a small renewal component that will increase the calculated ratio.

Asset Renewal Funding Ratio

This ratio indicates the capacity of a local government to fund asset renewals as required to continue to deliver the existing service levels.

Table 10 - Projected Asset Renewal Funding Ratio

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>	<div><div></div></div> <div>100.0%</div>

Projected ratios for the Asset Renewal Funding Ratio range show as 100% as the Asset Management Plan projections are setting the funding level for this Plan. The basic standard for this indicator is a value of between 75% and 95%. The advanced standard for this indicator is a value of between 95% and 105%.

Based on this standard, the City is meeting the standard benchmark in all of the ten years covered by this Long-Term Financial Plan if the LTFP is fully delivered as proposed.

6.8 Exclusions

The Long-Term Financial Plan is built from known or anticipated financial and resourcing requirements informed by the Strategic Community Plan, Workforce Plan, Asset Management Plans and other informing strategies and financial models. As such, the Plan represents realistic modelling of the likely funding opportunities and anticipated financial commitments.

However, the Plan excludes possible extra-ordinary funding opportunities such as additional financial stimulus funding from the Commonwealth Government via The Department of Infrastructure, Transport, Regional Development and Communications or the proceeds of any future property transactions should the City take opportunities to rationalise its property portfolio. As the realisation of such opportunities cannot be pre-emptively assumed or modelled with confidence, they have not been included in the Plan. In the event that such an opportunity does arise in future, the Long-Term Financial Plan model can readily incorporate such inputs and re-model the outcomes accordingly.

7.0 Risk Analysis

Financial sustainability is recognised as a key strategic risk for the City of Perth. A major transformation initiative commenced in 2019/20 and is continuing to reposition our capital City's finances for a sustainable future. Ensuring the City's Long-Term financial sustainability is the primary objective of this Long-Term Financial Plan. To support the attainment of that objective, a risk analysis was undertaken as part of the financial modelling to support the development this Long-Term Financial Plan.

Risks that may impact on a successful outcome have been classified into themes and are detailed below.

Risk Category: LTFP Model Fundamentals	Effectiveness
Risk Description: 1. Model assumptions and indexation factors may not be accurate. 2. Population growth and Rates growth projections may not be realised.	Risk Rating: 1. Low 2. Medium

Risk Mitigation Treatment:

- Modelling parameters are guided by principles of prudence and conservatism and informed by known or reasonably expected index changes, Reserve Bank, WA Treasury Corporation, State Government and industry indicators. They represent the best available information at the time of modelling. The Plan is subject to ongoing review and modification to respond to changing economic conditions.
- Population growth is aligned to projections supporting the Strategic Community Plan and rates growth is based on conservatively deflated rates returns from major commercial, residential buildings known to be the subject of active or proposed development applications or future development opportunity. Whilst certainty is greater in the first half of the ten year Plan time horizon, the model is sufficiently fluid as to be able to be updated and remodelled as is appropriate.

Risk Category: Funding Uncertainty & Cash Flow Management	Effectiveness
Risk Description: 3. Capital grant targets may not be achieved. 4. Parking revenue targets may not be fully realised. 5. Investment rates or borrowing rates may change. 6. Cash inflows may be slower than historical patterns in early years - Post Covid 19.	Risk Rating: 3. Low 4. Medium 5. Low 6. Medium

Risk Mitigation Treatment:

- The capital grant targets are conservatively modelled and with a good strategy, a Community Infrastructure Plan (CIP), ‘shovel ready projects’ - and good relationships with government and other funding partners, the City should be able to secure the current targets. In the event that an external funding target was not met, the delivery program would be adjusted accordingly. All major CIP projects over a nominated threshold value, will have an individual funding Plan.
- Proactive and agile management of parking business assets and parking operations in line with the City of Perth Parking Business Plan, should ensure that the business meets profitability expectations whilst balancing community and business imperatives.
- Investment rates are already at historical lows so there is little potential downside to investment returns. With borrowing rates also at historical lows, and the City able to undertake fixed rate borrowings through the WA Treasury Corporation, use of debt at this time is safe and entirely appropriate.
- A detailed cash flow risk analysis reveals that the nature of local government rates (secured against the property), property rental income, and most other revenues payable at time of transaction means that the revenue streams are essentially not at risk. Recent experience suggests that the timing of the cash inflows is unchanged from past years. The LTFP contains a comprehensive ten year Cash Flow Model that indicates that, with regular monitoring and proactive management, any deferred cashflow impacts continue to be manageable.

Risk Category: Changing Community Priorities or Government Direction	Effectiveness
Risk Description: 7. Council strategic direction changes. 8. Community priorities shift. 9. State Government policy direction changes	Risk Rating: 7. Medium 8. Medium 9. Medium

Risk Mitigation Treatment:

- The Long-Term Financial Plan is a dynamic document and can be periodically reviewed and modified to respond to changing Council strategic priorities.
- The Long-Term Financial Plan recognises the likelihood of shifts in community priorities over the lifetime of the model. It is designed to be sufficiently fluid as to be able to be updated and remodelled as is appropriate when new or changed community priorities emerge.
- It is also acknowledged that local government is subject to the impacts of state government policy changes and, hence, the financial model is created with an expectation of the need to review and adapt to respond to such policy changes.

Risk Category: Organisational Capacity	Effectiveness
Risk Description: 10. Inability to successfully deliver the proposed capital program. 11. Inability to deliver the proposed breadth of services to the community	Risk Rating: 10. Medium 11. Low

Risk Mitigation Treatment:

- The longer planning horizon of the Long-Term Financial Plan provides greater certainty to proactively develop concepts and designs, consult the community and undertake other critical precursor activities and procurement activities, thereby maximising the project delivery and construction window. It also offers the opportunity for the City to be more scalable in responding to its programs by changing the balance between in-house and external delivery approaches.
- Through the financial parameters of the Long-Term Financial Plan persuasively influencing Service Plans and Workforce Plans, the City can adapt to changing service expectations by adjusting the scope and service levels of its service offerings. The Long-Term Financial Plan can itself also adapt to changes coming via the Community Service Plan through regular review and updating as appropriate. This will provide timely visibility of potential future financial challenges.

Overall, it is the capacity of the Long-Term Financial Plan to be reviewed and dynamically adapted to respond to changing community expectations, policy or community priorities that gives it value as an integrated planning tool.

As a bespoke creation tailored to the City of Perth’s requirements, it provides an effective mechanism to respond to the potential risk issues acknowledged above.

8.0 Scenario Modelling

The development of this Long-Term Financial Plan was an iterative process. Having established key variables, parameters and assumptions that have remained relatively constant across the various models; discretionary funding elements such as Reserve funds and borrowings have then been differentially modelled to create the optimum financial model. Proposed discretionary expenditures such as non-asset renewal capital projects or discretionary operating projects have been included within the specific years where there is capacity to accommodate them in a financially sustainable way. Where this has not been possible, the program is scaled up or down in different iterations of the model accordingly - and then certain projects were rescheduled for a different year.

In developing this financial model, the City has remained cognisant of how its proposed financial model impacts on the local government statutory Key Financial Indicators. By calculating draft financial ratios for each of these indicators across the ten years of the Plan, we then proactively identified and responded to years where the proposed financial model indicated an adverse trend or specific financial challenge.

Brief comment on the modelling scenarios is provided below.

8.1 Preferred Scenario

The Long-Term Financial Plan as presented represents what is considered to be the optimal model to deliver a responsible and sustainable financial blueprint for the City for the next ten years. The modelling parameters used are considered to realistically reflect current and anticipated economic conditions and the funding mix is considered to be the most appropriate with respect to community funding capacity, external funding opportunities and responsible use of cash reserves and borrowings. Reliance on rates as a funding source is modelled to remain as close as possible to an annual increment of no more than CPI - excluding growth from interim property growth.

8.2 Other Scenarios Modelled

The Long-Term Financial Plan recognises that the City is currently finalising three significant and potentially transformational pieces of work that will impact the City's financial sustainability into the future. Expert independent consultants are working collaboratively with the City on a:

- Property Portfolio Review
- Parking Service Review
- Rates Methodology Review

As the findings of these reviews are received and considered by Council, the model will be revised and updated again to incorporate the anticipated financial impacts of the reviews. The primary Long-Term Financial Plan model reflecting the 2021/22 proposed budget as the base-year, realistically indexed and modified across the ten-year time horizon for known or anticipated factors, was then used as the basis for scenario modelling.

Sensitivity analysis was undertaken on that primary model to identify the impact of lesser revenue assumptions. This analysis resulted in an identified need to either significantly reduce discretionary operating projects, capital expenditures and / or asset renewal expenditures to produce a balanced budget model - or alternatively to consider reducing core service levels.

Without making such adjustments, the cumulative impact on the closing position (surplus) was a significant deficit over the ten years period covered by the Plan. Informed by the alternative model scenarios, the focus then moved to the best potential outcome that would meet the City's strategic objectives in a sustainable way.

Accordingly, this Long-Term Financial Plan has been selected as the preferred model for City operations moving forward.

9.0 Conclusion

The 2021/22 revision of the Long-Term Financial Plan represents an important step in the City's financial transformation project and will play an essential role in re-positioning our capital City's finances for a sustainable future. It will be subject to continual refinement and will be regularly updated to reflect changing economic conditions and community priorities.

The Long-Term Financial Plan is subject to a continuous improvement approach. That is, feedback regarding the challenges and successes in accessing supporting information, compiling the model, reviewing the options and preparing the final Long-Term Financial Plan will help to refine the process and allow the City to deliver even greater sophistication in its plans in future.

As certain information gaps identified in previous iterations of the Plan, particularly in relation to some asset classes and the determination of renewal versus new and upgrade expenditure, are being addressed, the robustness of the Long-Term Financial Plan is increased.

The City now has a more detailed understanding of our core service delivery and the relationship between resourcing levels, service levels and service scope - resulting from the improved ability to identify the true cost of services through the new financial system and chart of accounts. This enables us to re-balance the resource requirement versus community outcome equation, thereby ensuring that the community enjoys maximum value for money from our service delivery efforts.

The Long-Term Financial Plan is to be reviewed annually by the administration to check alignment with actual performance and to identify any changed or emerging circumstances including strategic or community priorities. It will also be reviewed and updated in accordance with statutory obligations and community input and feedback to move it towards an industry best practice standard.

The financial schedules detailing the City's financial blueprint are presented in the attached document - the City of Perth Long-Term Financial Plan 2021/22 - 2030/31.



City of Perth



Strategic Financial Projections - Financial Summary

Financial
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Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Operating Revenues Category												
Rates	N01	98,332,904	102,639,958	110,712,046	119,352,795	122,735,365	126,466,861	130,276,249	134,165,146	140,970,613	143,847,746	1,229,499,681
Parking Revenues	N02	61,785,590	62,403,446	62,403,446	62,403,446	63,027,480	63,027,480	63,027,480	63,027,480	63,657,755	63,657,755	628,421,359
Fees & Charges - Waste	N02	10,220,125	10,398,977	10,580,959	10,792,578	11,008,430	11,228,599	11,481,242	11,739,570	12,003,710	12,273,794	111,727,985
Fees & Charges - Other	N02	8,732,000	8,884,810	9,040,294	9,221,100	9,405,522	9,593,633	9,809,489	10,030,203	10,255,882	10,486,640	95,459,573
Operating Grant / Contributions - Services	N03	1,719,333	1,740,825	1,762,585	1,784,617	1,806,925	1,834,029	1,861,539	1,889,462	1,917,804	1,946,571	18,263,691
Operating Grant / Contributions - Projects	N03	1,148,378	500,000	500,000	500,000	500,000	500,000	500,000	750,000	750,000	750,000	6,398,378
Interest Revenue	N04	2,859,146	3,074,134	3,187,640	3,185,745	3,119,438	3,052,603	3,049,526	3,028,029	3,050,388	3,048,410	30,655,059
Fines & Associated Costs	N05	9,067,200	9,633,900	9,754,324	9,876,253	9,999,706	10,149,702	10,301,947	10,456,476	10,613,323	10,772,523	100,625,354
Other Revenues	N06	900,996	912,258	923,662	935,207	946,898	961,101	975,518	990,150	1,005,003	1,020,078	9,570,870
Profit on Disposal of Assets	N07	259,891	-	-	-	-	-	-	-	-	-	259,891
Sub Total - Operating Revenue		195,025,563	200,188,308	208,864,956	218,051,742	222,549,763	226,814,006	231,282,991	236,076,516	244,224,479	247,803,517	2,230,881,841
Operating Expenditure Category												
Employee Costs - Services	N08	(74,651,300)	(76,330,954)	(77,494,866)	(79,999,611)	(82,581,158)	(85,241,784)	(87,585,933)	(89,994,546)	(92,469,396)	(95,012,304)	(841,361,852)
Employee Costs - Projects (Est)	N08	(2,308,803)	(2,360,751)	(2,396,748)	(2,474,215)	(2,554,056)	(2,636,344)	(2,708,843)	(2,783,336)	(2,859,878)	(2,938,525)	(26,021,501)
Material & Contracts - Services	N09	(38,605,019)	(40,160,607)	(40,863,417)	(41,680,686)	(42,514,300)	(43,364,586)	(44,340,289)	(45,337,945)	(46,358,049)	(47,401,105)	(430,626,002)
Material & Contracts - Projects	N09	(16,410,998)	(16,575,108)	(16,782,297)	(17,034,031)	(17,289,542)	(17,548,885)	(17,812,118)	(18,079,300)	(18,440,886)	(18,809,704)	(174,782,868)
Utilities - Power & Water	N10	(3,562,146)	(3,624,484)	(3,706,034)	(3,798,685)	(3,893,652)	(3,990,994)	(4,100,746)	(4,213,517)	(4,329,388)	(4,448,446)	(39,668,093)
Insurances	N11	(1,264,278)	(1,286,403)	(1,315,347)	(1,348,231)	(1,381,936)	(1,416,485)	(1,455,438)	(1,495,463)	(1,536,588)	(1,578,844)	(14,079,012)
Interest Expense	N12	(226,587)	(6,402)	(112,727)	(210,036)	(189,084)	(167,650)	(220,659)	(263,269)	(226,793)	(189,375)	(1,812,582)
Other Expenses	N13	(3,682,958)	(3,747,410)	(3,812,989)	(4,264,249)	(4,342,034)	(4,421,375)	(4,512,418)	(4,605,510)	(4,700,697)	(4,798,025)	(42,887,666)
Non Cash - Depreciation	N14	(37,480,212)	(38,619,285)	(39,340,090)	(40,170,293)	(40,820,004)	(41,427,819)	(42,013,485)	(42,486,711)	(43,052,011)	(43,596,712)	(409,006,622)
Non Cash - Loss on Disposal		(2,269,425)	0	0	0	0	0	0	0	0	0	(2,269,425)
Parking Levy	N15	(17,485,756)	(17,485,756)	(17,485,756)	(17,485,756)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(175,906,705)
Provision for Abnormal Expenses	N23	(8,000,000)	0	0	0	0	0	0	0	0	0	(8,000,000)
Adjustment to Service Levels		0	0	(1,500,000)	(2,000,000)	(2,000,000)	(2,500,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(20,000,000)
Sub Total - Operating Expenditure		(205,947,482)	(200,197,159)	(204,810,272)	(210,465,793)	(215,226,380)	(220,376,534)	(225,410,543)	(229,920,210)	(234,634,300)	(239,433,654)	(2,186,422,328)
Add back Non Cash Items	N19	39,489,746	38,619,285	39,340,090	40,170,293	40,820,004	41,427,819	42,013,485	42,486,711	43,052,011	43,596,712	411,016,156
Total Cash Operating Expenditure		(166,457,736)	(161,577,874)	(165,470,183)	(170,295,499)	(174,406,376)	(178,948,715)	(183,397,058)	(187,433,500)	(191,582,289)	(195,836,942)	(1,775,406,171)
Capital Expenditure												
Asset Renewal - Infrastructure	SS4	(15,571,146)	(15,612,000)	(19,336,000)	(14,966,600)	(19,861,000)	(16,500,000)	(16,500,000)	(16,500,000)	(15,500,000)	(15,500,000)	(165,846,746)
Asset Renewal - Non Infrastructure	SS4	(9,446,500)	(15,537,000)	(11,664,000)	(15,533,400)	(8,852,500)	(12,000,000)	(13,500,000)	(13,500,000)	(14,000,000)	(14,000,000)	(128,033,400)
Major New / Upgrade Capital Projects	SS4	(23,380,000)	(36,983,000)	(27,110,000)	(30,443,000)	(27,550,000)	(28,250,000)	(25,000,000)	(22,500,000)	(22,500,000)	(25,000,000)	(268,716,000)
Discretionary Capital Expenditure	SS4	(230,000)	(535,000)	(290,000)	(1,180,000)	(1,736,500)	(750,000)	(2,500,000)	(2,500,000)	(6,000,000)	(3,500,000)	(19,221,500)
Total Capital Expenditure		(48,627,646)	(68,667,000)	(58,400,000)	(62,123,000)	(58,000,000)	(57,500,000)	(57,500,000)	(55,000,000)	(58,000,000)	(58,000,000)	(581,817,646)
Total Capital Grants & Contributions												
Grants for Acquisition of Assets	SS4	2,827,340	1,758,335	292,000	1,553,075	1,450,000	2,875,000	2,875,000	2,750,000	2,900,000	2,900,000	22,180,750
Non Operating Contributions	SS4	10,000,000	5,718,000	9,700,000	11,823,000	0	0	0	0	0	0	37,241,000
Sub Total - Capital Grants & Contributions		12,827,340	7,476,335	9,992,000	13,376,075	1,450,000	2,875,000	2,875,000	2,750,000	2,900,000	2,900,000	59,421,750
Net Funding Requirement (Before Reserves & Borrowings)		(7,232,479)	(22,580,231)	(5,013,227)	(990,682)	(8,406,613)	(6,759,708)	(6,739,067)	(3,606,983)	(2,457,810)	(3,133,425)	(66,920,226)



Strategic Financial Projections - Financial Summary

Financial
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Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Adjust for Financing Transactions												
Movement in Cash Backed Reserves												
Transfers from Reserves	SS2	30,333,114	33,985,756	18,485,756	24,485,756	27,660,614	27,660,614	22,660,614	23,660,614	20,660,614	17,660,614	247,254,063
Transfers to Reserves	SS3 *	(39,039,146)	(11,350,259)	(24,676,691)	(21,135,327)	(19,028,761)	(18,920,863)	(18,874,116)	(18,308,035)	(18,784,878)	(13,736,431)	(203,854,508)
Net Reserve Transfers		(8,706,032)	22,635,497	(6,190,935)	3,350,429	8,631,852	8,739,751	3,786,497	5,352,579	1,875,736	3,924,183	43,399,556
Borrowing Activities												
Repayment of Borrowings	SS3	(3,840,500)	(705,434)	(447,854)	(911,128)	(932,080)	(953,513)	(1,191,228)	(1,439,341)	(1,475,817)	(1,513,235)	(13,410,129)
New Loan Funding	SS3	0	0	10,000,000	0	0	0	5,000,000	0	0	0	15,000,000
Net Borrowing Activities		(3,840,500)	(705,434)	9,552,146	(911,128)	(932,080)	(953,513)	3,808,772	(1,439,341)	(1,475,817)	(1,513,235)	1,589,871
Opening Balance		23,556,923	3,777,912	3,127,743	1,475,727	2,924,346	2,217,506	3,244,035	4,100,237	4,406,492	2,348,602	23,556,923
Projected Closing Balance	N21	3,777,912	3,127,743	1,475,727	2,924,346	2,217,506	3,244,035	4,100,237	4,406,492	2,348,602	1,626,124	1,626,124
Statistical Information												
Projected Reserves Balance		114,756,500	92,121,004	98,311,938	94,961,510	86,329,657	77,589,907	73,803,409	68,450,831	66,575,095	62,650,912	62,650,912
Projected Loan Borrowing Balance		(705,794)	(0)	(9,552,146)	(8,641,018)	(7,708,939)	(6,755,425)	(10,564,198)	(9,124,857)	(7,649,040)	(6,135,806)	(6,136,166)
Reserves less Loans Outstanding		114,050,706	92,121,003	88,759,792	86,320,491	78,620,719	70,834,481	63,239,212	59,325,974	58,926,054	56,515,107	56,514,747
Closing Balance as % of Operating Revenue		1.94%	1.56%	0.71%	1.34%	1.00%	1.43%	1.77%	1.87%	0.96%	0.66%	1.32%



Strategic Financial Projections - Income Statement

Financial
Statement FS2

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Operating Revenues Category												
Rates	N01	98,332,904	102,639,958	110,712,046	119,352,795	122,735,365	126,466,861	130,276,249	134,165,146	140,970,613	143,847,746	1,229,499,681
Parking Revenues	N02	61,785,590	62,403,446	62,403,446	62,403,446	63,027,480	63,027,480	63,027,480	63,027,480	63,657,755	63,657,755	628,421,359
Fees & Charges - Waste	N02	10,220,125	10,398,977	10,580,959	10,792,578	11,008,430	11,228,599	11,481,242	11,739,570	12,003,710	12,273,794	111,727,985
Fees & Charges - Other	N02	8,732,000	8,884,810	9,040,294	9,221,100	9,405,522	9,593,633	9,809,489	10,030,203	10,255,882	10,486,640	95,459,573
Operating Grant / Contributions - Services	N03	1,719,333	1,740,825	1,762,585	1,784,617	1,806,925	1,834,029	1,861,539	1,889,462	1,917,804	1,946,571	18,263,691
Operating Grant / Contributions - Projects	N03	1,148,378	500,000	500,000	500,000	500,000	500,000	500,000	750,000	750,000	750,000	6,398,378
Interest Revenue	N04	2,859,146	3,074,134	3,187,640	3,185,745	3,119,438	3,052,603	3,049,526	3,028,029	3,050,388	3,048,410	30,655,059
Fines & Associated Costs	N05	9,067,200	9,633,900	9,754,324	9,876,253	9,999,706	10,149,702	10,301,947	10,456,476	10,613,323	10,772,523	100,625,354
Other Revenues	N06	900,996	912,258	923,662	935,207	946,898	961,101	975,518	990,150	1,005,003	1,020,078	9,570,870
Profit on Disposal of Assets	N07	259,891	-	-	-	-	-	-	-	-	-	259,891
Sub Total - Operating Revenue		195,025,563	200,188,308	208,864,956	218,051,742	222,549,763	226,814,006	231,282,991	236,076,516	244,224,479	247,803,517	2,230,881,841
Operating Expenditure Category												
Employee Costs - Services	N08	(74,651,300)	(76,330,954)	(77,494,866)	(79,999,611)	(82,581,158)	(85,241,784)	(87,585,933)	(89,994,546)	(92,469,396)	(95,012,304)	(841,361,852)
Employee Costs - Projects	N08	(2,308,803)	(2,360,751)	(2,396,748)	(2,474,215)	(2,554,056)	(2,636,344)	(2,708,843)	(2,783,336)	(2,859,878)	(2,938,525)	(26,021,501)
Employee Costs - New		0	0	0	0	0	0	0	0	0	0	0
Material & Contracts - Services	N09	(38,605,019)	(40,160,607)	(40,863,417)	(41,680,686)	(42,514,300)	(43,364,586)	(44,340,289)	(45,337,945)	(46,358,049)	(47,401,105)	(430,626,002)
Material & Contracts - Projects	N09	(16,410,998)	(16,575,108)	(16,782,297)	(17,034,031)	(17,289,542)	(17,548,885)	(17,812,118)	(18,079,300)	(18,440,886)	(18,809,704)	(174,782,868)
Utilities - Power & Water	N10	(3,562,146)	(3,624,484)	(3,706,034)	(3,798,685)	(3,893,652)	(3,990,994)	(4,100,746)	(4,213,517)	(4,329,388)	(4,448,446)	(39,668,093)
Insurances	N11	(1,264,278)	(1,286,403)	(1,315,347)	(1,348,231)	(1,381,936)	(1,416,485)	(1,455,438)	(1,495,463)	(1,536,588)	(1,578,844)	(14,079,012)
Interest Expense	N12	(226,587)	(6,402)	(112,727)	(210,036)	(189,084)	(167,650)	(220,659)	(263,269)	(226,793)	(189,375)	(1,812,582)
Other Expenses	N13	(3,682,958)	(3,747,410)	(3,812,989)	(4,264,249)	(4,342,034)	(4,421,375)	(4,512,418)	(4,605,510)	(4,700,697)	(4,798,025)	(42,887,666)
Non Cash - Depreciation	N14	(37,480,212)	(38,619,285)	(39,340,090)	(40,170,293)	(40,820,004)	(41,427,819)	(42,013,485)	(42,486,711)	(43,052,011)	(43,596,712)	(409,006,622)
Non Cash - Loss on Disposal		(2,269,425)	0	0	0	0	0	0	0	0	0	(2,269,425)
Parking Levy	N15	(17,485,756)	(17,485,756)	(17,485,756)	(17,485,756)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(175,906,705)
Provision for Abnormal Expenses	N23	(8,000,000)	0	0	0	0	0	0	0	0	0	(8,000,000)
Adjustment to Service Levels		0	0	(1,500,000)	(2,000,000)	(2,000,000)	(2,500,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(20,000,000)
Sub Total - Operating Expenditure		(205,947,482)	(200,197,159)	(204,810,272)	(210,465,793)	(215,226,380)	(220,376,534)	(225,410,543)	(229,920,210)	(234,634,300)	(239,433,654)	(2,186,422,328)
Net Operating Result		(10,921,919)	(8,851)	4,054,684	7,585,949	7,323,383	6,437,473	5,872,448	6,156,306	9,590,179	8,369,862	44,459,514
Non Operating Items												
Grants for Acquisition of Assets	SS4	2,827,340	1,758,335	292,000	1,553,075	1,450,000	2,875,000	2,875,000	2,750,000	2,900,000	2,900,000	22,180,750
Capital Contributions	SS4	10,000,000	5,718,000	9,700,000	11,823,000	0	0	0	0	0	0	37,241,000
Sub Total		12,827,340	7,476,335	9,992,000	13,376,075	1,450,000	2,875,000	2,875,000	2,750,000	2,900,000	2,900,000	59,421,750
Net Result		1,905,421	7,467,484	14,046,684	20,962,024	8,773,383	9,312,473	8,747,448	8,906,306	12,490,179	11,269,862	103,881,264



Strategic Financial Projections - Cash Flow Statement

Financial
Statement FS3

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Cash Inflows from Operating Activities												
Rates	N01	98,082,904	102,914,958	110,562,046	119,552,795	122,785,365	126,291,861	130,401,249	134,240,146	140,895,613	143,772,746	1,229,499,681
Parking Revenues	N02	61,785,590	62,403,446	62,403,446	62,403,446	63,027,480	63,027,480	63,027,480	63,027,480	63,657,755	63,657,755	628,421,359
Fees & Charges	N02	18,552,125	19,483,787	19,671,253	20,088,679	20,388,952	20,872,231	21,325,731	21,749,773	22,294,593	22,760,434	207,187,558
Operating Grant / Contributions	N02	2,817,711	2,340,825	2,187,585	2,309,617	2,306,925	2,384,029	2,336,539	2,739,462	2,667,804	2,571,571	24,662,069
Interest Revenue	N03	3,109,146	2,864,134	3,237,640	3,210,745	3,064,438	3,022,603	3,024,526	3,028,029	3,085,388	3,008,410	30,655,059
Fines & Associated Costs	N03	8,867,200	9,733,900	9,704,324	9,926,253	9,949,706	10,174,702	10,376,947	10,456,476	10,658,323	10,777,523	100,625,354
Other Revenues	N04	850,996	887,258	948,662	910,207	966,898	941,101	1,010,518	1,010,150	980,003	1,065,078	9,570,870
Sub Total		194,065,672	200,628,308	208,714,956	218,401,742	222,489,763	226,714,006	231,502,991	236,251,516	244,239,479	247,613,517	2,230,621,950
Cash Outflows from Operating Activities												
Employee Costs	N08	(77,510,103)	(78,291,705)	(80,091,614)	(82,073,825)	(84,985,215)	(88,153,128)	(90,269,776)	(92,877,882)	(95,354,274)	(97,775,829)	(867,383,352)
Material & Contracts	N09	(54,366,017)	(57,160,715)	(57,445,714)	(58,889,717)	(59,853,841)	(60,688,470)	(62,267,407)	(63,472,245)	(64,913,935)	(66,350,809)	(605,408,870)
Utilities - Power & Water	N10	(3,747,146)	(3,599,484)	(3,811,034)	(3,733,685)	(3,838,652)	(4,040,994)	(4,025,746)	(4,153,517)	(4,294,388)	(4,423,446)	(39,668,093)
Insurances	N11	(1,264,278)	(1,286,403)	(1,315,347)	(1,348,231)	(1,381,936)	(1,416,485)	(1,455,438)	(1,495,463)	(1,536,588)	(1,578,844)	(14,079,012)
Interest Expense	N12	(226,587)	(6,402)	(112,727)	(210,036)	(189,084)	(167,650)	(220,659)	(263,269)	(226,793)	(189,375)	(1,812,582)
Other Expenses	N13	(3,707,958)	(3,722,410)	(3,837,989)	(4,229,249)	(4,352,034)	(4,446,375)	(4,522,418)	(4,570,510)	(4,680,697)	(4,818,025)	(42,887,666)
Parking Levy	N15	(17,485,756)	(17,485,756)	(17,485,756)	(17,485,756)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(175,906,705)
Provision for Abnormal Expenses	N23	(8,000,000)	0	0	0	0	0	0	0	0	0	(8,000,000)
LG Inquiry	N24	(4,275,000)	0	0	0	0	0	0	0	0	0	(4,275,000)
Adjustment to Service Levels		0	0	(1,500,000)	(2,000,000)	(2,000,000)	(2,500,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(20,000,000)
Sub Total		(170,582,845)	(161,552,874)	(165,600,183)	(169,970,499)	(174,261,376)	(179,073,715)	(183,422,058)	(187,493,500)	(191,667,289)	(195,796,942)	(1,779,421,280)
Net Cash Provided by Operating Activities		23,482,827	39,075,434	43,114,773	48,431,243	48,228,387	47,640,292	48,080,933	48,758,017	52,572,190	51,816,575	451,200,670
Cash Flows from Investing Activities												
Grants for Acquisition of Assets	SS4	2,827,340	1,758,335	292,000	1,553,075	1,450,000	2,875,000	2,875,000	2,750,000	2,900,000	2,900,000	22,180,750
Non Operating Contributions	SS4	10,000,000	5,718,000	9,700,000	11,823,000	-	-	-	-	-	-	37,241,000
Asset Renewal - Infrastructure	SS4	(15,571,146)	(15,612,000)	(19,336,000)	(14,966,600)	(19,861,000)	(16,500,000)	(16,500,000)	(16,500,000)	(15,500,000)	(15,500,000)	(165,846,746)
Asset Renewal - Non Infrastructure	SS4	(9,446,500)	(15,537,000)	(11,664,000)	(15,533,400)	(8,852,500)	(12,000,000)	(13,500,000)	(13,500,000)	(14,000,000)	(14,000,000)	(128,033,400)
Major New / Upgrade Capital Projects	SS4	(23,380,000)	(36,983,000)	(27,110,000)	(30,443,000)	(27,550,000)	(28,250,000)	(25,000,000)	(22,500,000)	(22,500,000)	(25,000,000)	(268,716,000)
Discretionary Capital Expenditure	SS4	(230,000)	(535,000)	(290,000)	(1,180,000)	(1,736,500)	(750,000)	(2,500,000)	(2,500,000)	(6,000,000)	(3,500,000)	(19,221,500)
Proceeds on Disposal of Assets	SS4	879,063										879,063
Net Cash from Investing Activities		(34,921,243)	(61,190,665)	(48,408,000)	(48,746,925)	(56,550,000)	(54,625,000)	(54,625,000)	(52,250,000)	(55,100,000)	(55,100,000)	(521,516,833)
Cash Flows from Financing Activities												
Transfers from Reserves	SS2	30,333,114	33,985,756	18,485,756	24,485,756	27,660,614	27,660,614	22,660,614	23,660,614	20,660,614	17,660,614	247,254,063
Transfers to Reserves	SS2	(39,039,146)	(11,350,259)	(24,676,691)	(21,135,327)	(19,028,761)	(18,920,863)	(18,874,116)	(18,308,035)	(18,784,878)	(13,736,431)	(203,854,508)
Repayment of Borrowings	SS3	(3,840,500)	(705,434)	(447,854)	(911,128)	(932,080)	(953,513)	(1,191,228)	(1,439,341)	(1,475,817)	(1,513,235)	(13,410,129)
Proceeds of New Loans	SS3	0	0	10,000,000	0	0	0	5,000,000	0	0	0	15,000,000
Net Cash from Financing Activities		(12,546,532)	21,930,063	3,361,211	2,439,301	7,699,773	7,786,237	7,595,270	3,913,238	399,919	2,410,948	44,989,427
Net Increase (Decrease) in Cash Held	N20	(23,984,948)	(185,169)	(1,932,016)	2,123,619	(621,840)	801,529	1,051,203	421,255	(2,127,890)	(872,478)	(25,326,736)
Cash at Beginning of the Year	FS5	54,209,979	30,225,031	30,039,862	28,107,846	30,231,465	29,609,625	30,411,154	31,462,356	31,883,611	29,755,721	54,209,979
Cash at End of the Year	FS5	30,225,031	30,039,862	28,107,846	30,231,465	29,609,625	30,411,154	31,462,356	31,883,611	29,755,721	28,883,243	28,883,243

(Excludes Restricted Cash)



Strategic Financial Projections - Rate Setting Statement

Financial
Statement FS4

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Operating Revenues - Excluding Rates												
Parking Revenues	N02	61,785,590	62,403,446	62,403,446	62,403,446	63,027,480	63,027,480	63,027,480	63,027,480	63,657,755	63,657,755	628,421,359
Fees & Charges	N02	18,952,125	19,283,787	19,621,253	20,013,679	20,413,952	20,822,231	21,290,731	21,769,773	22,259,593	22,760,434	207,187,558
Operating Grant / Contributions	N03	2,867,711	2,240,825	2,262,585	2,284,617	2,306,925	2,334,029	2,361,539	2,639,462	2,667,804	2,696,571	24,662,069
Interest Revenue	N04	2,859,146	3,074,134	3,187,640	3,185,745	3,119,438	3,052,603	3,049,526	3,028,029	3,050,388	3,048,410	30,655,059
Fines & Associated Costs	N05	9,067,200	9,633,900	9,754,324	9,876,253	9,999,706	10,149,702	10,301,947	10,456,476	10,613,323	10,772,523	100,625,354
Other Revenues	N06	900,996	912,258	923,662	935,207	946,898	961,101	975,518	990,150	1,005,003	1,020,078	9,570,870
Profit on Disposal of Assets	N07	259,891	-	-	-	-	-	-	-	-	-	259,891
Sub Total - Revenue Excluding Rates		96,692,659	97,548,351	98,152,909	98,698,947	99,814,399	100,347,146	101,006,742	101,911,371	103,253,866	103,955,771	1,001,382,160
Operating Expenditure Category												
Employee Costs	N08	(76,960,103)	(78,691,705)	(79,891,614)	(82,473,825)	(85,135,215)	(87,878,128)	(90,294,776)	(92,777,882)	(95,329,274)	(97,950,829)	(867,383,352)
Material & Contracts	N09	(55,016,017)	(56,735,715)	(57,645,714)	(58,714,717)	(59,803,841)	(60,913,470)	(62,152,407)	(63,417,245)	(64,798,935)	(66,210,809)	(605,408,870)
Utilities - Power & Water	N10	(3,562,146)	(3,624,484)	(3,706,034)	(3,798,685)	(3,893,652)	(3,990,994)	(4,100,746)	(4,213,517)	(4,329,388)	(4,448,446)	(39,668,093)
Insurances	N11	(1,264,278)	(1,286,403)	(1,315,347)	(1,348,231)	(1,381,936)	(1,416,485)	(1,455,438)	(1,495,463)	(1,536,588)	(1,578,844)	(14,079,012)
Interest Expense	N12	(226,587)	(6,402)	(112,727)	(210,036)	(189,084)	(167,650)	(220,659)	(263,269)	(226,793)	(189,375)	(1,812,582)
Other Expenses	N13	(3,682,958)	(3,747,410)	(3,812,989)	(4,264,249)	(4,342,034)	(4,421,375)	(4,512,418)	(4,605,510)	(4,700,697)	(4,798,025)	(42,887,666)
Non Cash - Depreciation & Loss on Sale	N14	(39,749,637)	(38,619,285)	(39,340,090)	(40,170,293)	(40,820,004)	(41,427,819)	(42,013,485)	(42,486,711)	(43,052,011)	(43,596,712)	(411,276,047)
Parking Levy	N15	(17,485,756)	(17,485,756)	(17,485,756)	(17,485,756)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(175,906,705)
Provision for Abnormal Expenses	N23	(8,000,000)	0	0	0	0	0	0	0	0	0	(8,000,000)
Adjustment to Service Levels		0	0	(1,500,000)	(2,000,000)	(2,000,000)	(2,500,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(20,000,000)
Sub Total - Operating Expenditure		(205,947,482)	(200,197,159)	(204,810,272)	(210,465,793)	(215,226,380)	(220,376,534)	(225,410,543)	(229,920,210)	(234,634,300)	(239,433,654)	(2,186,422,328)
Non Cash Items												
Depreciation on Assets	N19	37,480,212	38,619,285	39,340,090	40,170,293	40,820,004	41,427,819	42,013,485	42,486,711	43,052,011	43,596,712	409,006,622
(Profit) / Loss on Disposal of Assets		2,009,534	0	0	0	0	0	0	0	0	0	2,009,534
Sub Total - Non Cash Items added back		39,489,746	38,619,285	39,340,090	40,170,293	40,820,004	41,427,819	42,013,485	42,486,711	43,052,011	43,596,712	411,016,156
Non Operating Items												
Asset Renewal - Infrastructure	SS4	(15,571,146)	(15,612,000)	(19,336,000)	(14,966,600)	(19,861,000)	(16,500,000)	(16,500,000)	(16,500,000)	(15,500,000)	(15,500,000)	(165,846,746)
Asset Renewal - Non Infrastructure	SS4	(9,446,500)	(15,537,000)	(11,664,000)	(15,533,400)	(8,852,500)	(12,000,000)	(13,500,000)	(13,500,000)	(14,000,000)	(14,000,000)	(128,033,400)
Major New / Upgrade Capital Projects	SS4	(23,380,000)	(36,983,000)	(27,110,000)	(30,443,000)	(27,550,000)	(28,250,000)	(25,000,000)	(22,500,000)	(22,500,000)	(25,000,000)	(268,716,000)
Discretionary Capital Expenditure	SS4	(230,000)	(535,000)	(290,000)	(1,180,000)	(1,736,500)	(750,000)	(2,500,000)	(2,500,000)	(6,000,000)	(3,500,000)	(19,221,500)
Grants for Acquisition of Assets	SS4	2,827,340	1,758,335	292,000	1,553,075	1,450,000	2,875,000	2,875,000	2,750,000	2,900,000	2,900,000	22,180,750
Non Operating Contributions	SS4	10,000,000	5,718,000	9,700,000	11,823,000	0	0	0	0	0	0	37,241,000
Transfers from Reserves	SS2	30,333,114	33,985,756	18,485,756	24,485,756	27,660,614	27,660,614	22,660,614	23,660,614	20,660,614	17,660,614	247,254,063
Transfers to Reserves	SS2	(39,039,146)	(11,350,259)	(24,676,691)	(21,135,327)	(19,028,761)	(18,920,863)	(18,874,116)	(18,308,035)	(18,784,878)	(13,736,431)	(203,854,508)
Repayment of Borrowings	SS3	(3,840,500)	(705,434)	(447,854)	(911,128)	(932,080)	(953,513)	(1,191,228)	(1,439,341)	(1,475,817)	(1,513,235)	(13,410,129)
Proceeds of New Loans	SS3	0	0	10,000,000	0	0	0	5,000,000	0	0	0	15,000,000
Proceeds on Disposal of Assets		879,063	0	0	0	0	0	0	0	0	0	879,063
Sub Total Non Operating Items		(47,467,775)	(39,260,602)	(45,046,789)	(46,307,624)	(48,850,227)	(46,838,763)	(47,029,730)	(48,336,762)	(54,700,081)	(52,689,052)	(476,527,406)
Opening Balance	N21	23,556,923	3,777,912	3,127,743	1,475,727	2,924,346	2,217,506	3,244,035	4,100,237	4,406,492	2,348,602	23,556,923
Projected Closing Balance	FS6	(4,656,975)	(3,127,743)	(1,475,727)	(2,924,346)	(2,217,506)	(3,244,035)	(4,100,237)	(4,406,492)	(2,348,602)	(1,626,124)	(1,626,124)
Amount Required to be Raised from Rates	N22	98,332,904	102,639,958	110,712,046	119,352,795	122,735,365	126,466,861	130,276,249	134,165,146	140,970,613	143,847,746	1,228,620,618



Strategic Financial Projections - Balance Sheet

Financial
Statement FS5

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	Closing Balance
Current Assets												
Cash & Investments - Unrestricted	FS3	30,225,031	29,160,799	27,228,783	29,352,402	28,730,562	29,532,091	30,583,293	31,004,548	28,876,658	28,004,180	28,004,180
Investments - Restricted	SS2	114,756,500	92,121,004	98,311,938	94,961,510	86,329,657	77,589,907	73,803,409	68,450,831	66,575,095	62,650,912	62,650,912
Receivables - Rates	WS5	1,923,145	1,648,145	1,798,145	1,598,145	1,548,145	1,723,145	1,598,145	1,523,145	1,598,145	1,673,145	1,673,145
Receivables - Other	WS5	6,682,443	6,567,443	6,492,443	6,317,443	6,427,443	6,402,443	6,282,443	6,207,443	6,117,443	6,182,443	6,182,443
Inventories	WS5	837,190	812,190	762,190	812,190	787,190	762,190	777,190	757,190	747,190	737,190	737,190
Deposits & Prepayments	WS5	1,388,979	1,363,979	1,388,979	1,353,979	1,363,979	1,388,979	1,398,979	1,363,979	1,343,979	1,363,979	1,363,979
Prepaid Parking Levy	WS5	-	-	-	-	-	-	-	-	-	-	-
Sub Total - Current Assets		155,813,288	131,673,560	135,982,479	134,395,669	125,186,976	117,398,754	114,443,459	109,307,135	105,258,509	100,611,849	100,611,849
Non Current Assets												
Trade & Other Receivables	WS5	45,765	45,765	45,765	45,765	45,765	45,765	45,765	45,765	45,765	45,765	45,765
Financial Assets	WS5	3,108,959	3,108,959	3,108,959	3,108,959	3,108,959	3,108,959	3,108,959	3,108,959	3,108,959	3,108,959	3,108,959
Investments	WS5	13,787,053	13,787,053	13,787,053	13,787,053	13,787,053	13,787,053	13,787,053	13,787,053	13,787,053	13,787,053	13,787,053
Property, Plant & Equipment	WS5	682,024,554	678,482,811	670,493,923	666,827,749	656,695,427	648,404,394	642,305,301	635,957,291	633,311,933	627,880,063	627,880,063
Infrastructure	WS5	385,553,361	419,142,819	446,191,617	471,810,498	499,122,816	523,486,030	545,071,638	563,932,937	581,526,284	601,361,442	601,361,442
Work in Progress		49,233,892	49,233,892	49,233,892	49,233,892	49,233,892	49,233,892	49,233,892	49,233,892	49,233,892	49,233,892	49,233,892
Sub Total - Non Current Assets		1,133,753,584	1,163,801,299	1,182,861,209	1,204,813,916	1,221,993,912	1,238,066,093	1,253,552,608	1,266,065,897	1,281,013,886	1,295,417,174	1,295,417,174
Total Assets		1,289,566,872	1,295,474,859	1,318,843,688	1,339,209,584	1,347,180,888	1,355,464,848	1,367,996,067	1,375,373,033	1,386,272,395	1,396,029,023	1,396,029,023
Current Liabilities												
Trade & Other Payables	WS5	20,776,436	20,351,436	20,396,436	20,336,436	20,316,436	20,466,436	20,441,436	20,426,436	20,336,436	20,211,436	20,211,436
Accrued Expenses	WS5	2,630,608	2,830,608	2,930,608	3,180,608	3,230,608	3,155,608	3,030,608	3,080,608	3,205,608	3,280,608	3,280,608
Loan Borrowings	SS3	705,434	-	911,128	932,080	953,513	1,191,228	1,439,341	1,475,817	1,513,235	1,551,620	1,551,620
Income in Advance	WS5	2,025,782	2,075,782	2,000,782	1,975,782	1,975,782	2,025,782	2,000,782	2,025,782	2,025,782	1,975,782	1,975,782
Provisions		-	-	-	-	-	-	-	-	-	-	-
Employee Entitlements	WS5	10,966,987	11,166,987	10,866,987	11,016,987	11,116,987	10,916,987	11,066,987	10,916,987	10,766,987	10,866,987	10,866,987
Sub Total - Current Liabilities		37,105,247	36,424,813	37,105,941	37,441,893	37,593,326	37,756,041	37,979,154	37,925,630	37,848,048	37,886,433	37,886,433
Non Current Liabilities												
Employee Benefits	WS5	2,005,814	2,005,814	2,005,814	2,005,814	2,005,814	2,005,814	2,005,814	2,005,814	2,005,814	2,005,814	2,005,814
Loan Borrowings	SS3	0	0	8,641,018	7,708,939	6,755,425	5,564,198	9,124,857	7,649,040	6,135,806	4,584,185	4,584,185
Sub Total - Non Current Liabilities		2,005,814	2,005,814	10,646,832	9,714,753	8,761,239	7,570,012	11,130,671	9,654,854	8,141,620	6,589,999	6,589,999
Total Liabilities		39,111,061.28	38,430,627.00	47,752,772.88	47,156,645.27	46,354,565.66	45,326,052.25	49,109,824.66	47,580,484.08	45,989,667.48	44,476,432.58	44,476,433
Net Assets		1,250,455,811	1,257,044,232	1,271,090,915	1,292,052,939	1,300,826,322	1,310,138,795	1,318,886,243	1,327,792,549	1,340,282,728	1,351,552,590	1,351,552,590
Equity												
Retained Surplus	FS6	702,115,954	731,339,871	739,195,620	763,508,073	780,913,309	798,965,532	811,499,477	825,758,361	840,124,276	855,318,321	855,318,321
Cash Backed Reserves	FS6	114,756,500	92,121,004	98,311,938	94,961,510	86,329,657	77,589,907	73,803,409	68,450,831	66,575,095	62,650,912	62,650,912
Asset Revaluation Reserves	FS6	433,583,356	433,583,356	433,583,356	433,583,356	433,583,356	433,583,356	433,583,356	433,583,356	433,583,356	433,583,356	433,583,356
Total Equity		1,250,455,811	1,257,044,231	1,271,090,914	1,292,052,938	1,300,826,322	1,310,138,795	1,318,886,242	1,327,792,548	1,340,282,727	1,351,552,590	1,351,552,590

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Strategic Financial Projections - Financial Ratios

Supporting
Schedule SS1

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Average
Sustainability Ratios												
Operating Surplus Ratio												
Benchmark standard is between 0 and 5%	FS2	(6.5%)	(1.2%)	0.9%	2.6%	2.3%	1.9%	1.6%	1.5%	2.9%	2.4%	0.8%
Ratio Calculations												
(Operating Revenue - Grants for Assets)		192,157,852	197,947,483	206,602,371	215,767,125	220,242,838	224,479,978	228,921,451	233,437,054	241,556,675	245,106,945	220,621,977
(Operating Expense)		203,678,057	200,197,159	204,810,272	210,465,793	215,226,380	220,376,534	225,410,543	229,920,210	234,634,300	239,433,654	218,415,290
(Operating Revenue - Capital & Op Grants)		176,462,801	188,230,324	194,347,786	200,106,432	216,485,913	219,270,949	223,684,912	228,047,592	235,988,870	239,510,374	212,213,595
Own Source Revenue Ratio												
Benchmark standard is 90% or more		90.0%	94.0%	94.9%	95.1%	100.6%	99.5%	99.2%	99.2%	100.6%	100.0%	97.3%
Ratio Calculations												
Own Source Revenue		176,462,801	188,230,324	194,347,786	200,106,432	216,485,913	219,270,949	223,684,912	228,047,592	235,988,870	239,510,374	212,213,595
Adjusted Operating Expense		205,947,482	200,197,159	204,810,272	210,465,793	215,226,380	220,376,534	225,410,543	229,920,210	234,634,300	239,433,654	218,642,233
Debt Service Ratio												
Benchmark standard is more than 5.0 times	FS2	3.79	40.60	55.56	28.64	39.60	38.06	30.22	25.41	27.66	27.24	31.68
Ratio Calculations												
(Operating Revenue - Grants for Assets)		179,330,512	190,471,148	196,610,371	202,391,050	218,792,838	221,604,978	226,046,451	230,687,054	238,656,675	242,206,945	214,679,802
Net Operating Expense (exc Depreciation)		163,928,420	161,577,874	165,470,183	170,295,499	174,406,376	178,948,715	183,397,058	187,433,500	191,582,289	195,836,942	177,287,686
Op Surplus before Net Interest & Depreciation		15,402,092	28,893,274	31,140,188	32,095,550	44,386,462	42,656,263	42,649,393	43,253,554	47,074,386	46,370,003	37,392,117
Loan Principal & Interest Expense		4,067,087	711,836	560,582	1,121,163	1,121,163	1,121,163	1,411,887	1,702,610	1,702,610	1,702,610	1,522,271
Gross Debt to Operating Revenue Ratio												
Benchmark standard is less than 20%	FS1	0.4%	0.0%	4.9%	4.3%	3.6%	3.1%	4.7%	4.0%	3.2%	2.6%	3.1%
Ratio Calculations												
Gross Debt - Excluding Self Supporting Loans		705,434	0	9,552,146	8,641,018	7,708,939	6,755,425	10,564,198	9,124,857	7,649,040	6,135,806	6,683,686
Available Operating Revenue		176,202,910	188,230,324	194,347,786	200,106,432	216,485,913	219,270,949	223,684,912	228,047,592	235,988,870	239,510,374	212,187,606
Rates Increase Ratio												
City target is less than CPI plus 0.5% per annum	FS2	0.24%	1.19%	1.62%	1.64%	1.73%	1.97%	1.97%	1.97%	2.17%	2.00%	1.65%
Ratio Calculations												
Target Ratio		1.75%	2.25%	2.25%	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	2.48%
Actual Rates Yield Increase - Exc Interims		0.24%	1.19%	1.62%	1.64%	1.73%	1.97%	1.97%	1.97%	2.17%	2.00%	1.65%
Current Ratio												
Benchmark standard is more than 1.0	FS5	1.12	1.09	1.02	1.05	1.03	1.06	1.07	1.08	1.02	1.00	1.05
Ratio Calculations												
Current Assets adjusted for Restricted Assets		41,056,788	39,552,556	37,670,540	39,434,159	38,857,319	39,808,848	40,640,050	40,856,305	38,683,415	37,960,937	39,452,092
Current Liabilities adjusted for Restricted Items		37,105,247	36,424,813	37,105,941	37,441,893	37,593,326	37,756,041	37,979,154	37,925,630	37,848,048	37,886,433	37,506,652



Strategic Financial Projections - Financial Ratios

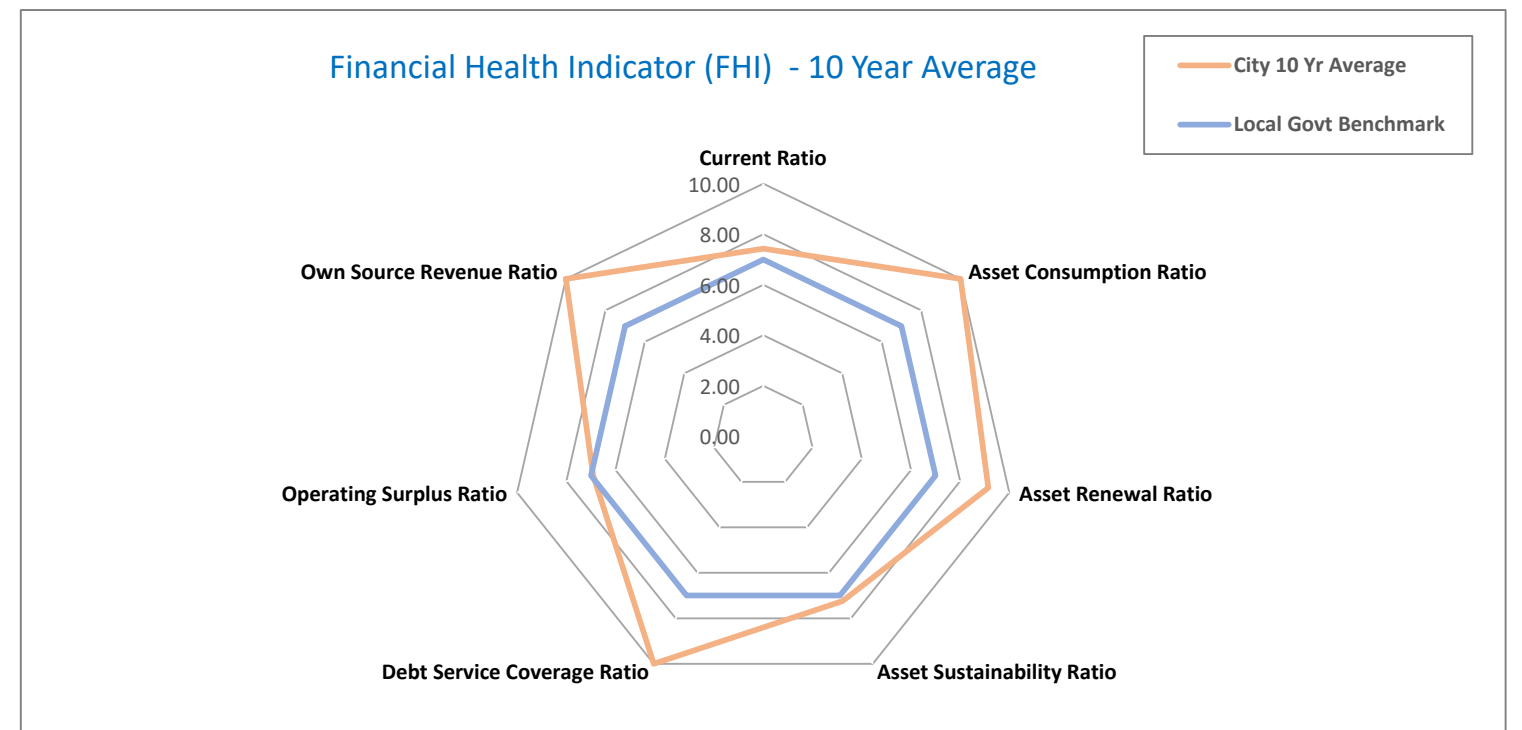
Supporting
Schedule SS1

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Average
Asset Consumption Ratio	FS5	<div><div></div></div> 73.3%	<div><div></div></div> 74.0%	<div><div></div></div> 74.4%	<div><div></div></div> 74.9%	<div><div></div></div> 75.3%	<div><div></div></div> 75.6%	<div><div></div></div> 75.9%	<div><div></div></div> 76.1%	<div><div></div></div> 76.4%	<div><div></div></div> 76.7%	<div><div></div></div> 75.3%
Benchmark standard is between 50% and 75%												
Ratio Calculations												
Depreciated Replace Value of Deprec Assets		752,577,915	782,625,630	801,685,540	823,638,247	840,818,243	856,890,424	872,376,939	884,890,228	899,838,217	914,241,505	842,958,289
Current Replace Cost of Depreciable Assets		1,027,292,507	1,057,939,374	1,077,378,427	1,099,767,821	1,117,289,565	1,133,681,457	1,149,476,032	1,162,238,238	1,177,483,575	1,192,173,375	1,119,472,037
Asset Sustainability Ratio												
FS5		<div><div></div></div> 90.3%	<div><div></div></div> 99.8%	<div><div></div></div> 91.9%	<div><div></div></div> 97.4%	<div><div></div></div> 96.2%	<div><div></div></div> 94.4%	<div><div></div></div> 93.9%	<div><div></div></div> 88.0%	<div><div></div></div> 85.8%	<div><div></div></div> 86.2%	<div><div></div></div> 92.4%
Benchmark standard is between 90% and 110%												
Ratio Calculations												
Capital Renewal & Replace - Existing Assets		31,269,646	36,036,750	34,188,500	36,912,000	37,251,000	37,137,500	37,500,000	35,625,000	35,125,000	35,750,000	35,679,540
Depreciation - Existing Assets		34,617,773	36,117,076	37,212,008	37,906,546	38,706,498	39,332,533	39,918,199	40,482,524	40,938,505	41,483,206	38,671,487
Asset Renewal Funding Ratio												
		<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%	<div><div></div></div> 100.0%
Benchmark standard is between 75% and 90%												
Ratio Calculations												
NPV of Planned Capital Renewals		30,656,761	34,638,524	32,215,824	34,099,306	33,738,231	32,978,100	32,647,500	30,405,938	29,392,600	29,325,725	32,009,851
NPV of Required Capital Renewals		30,656,761	34,638,524	32,215,824	34,099,306	33,738,231	32,978,100	32,647,500	30,405,938	29,392,600	29,325,725	32,009,851

Ratio Names	Raw Ratios - 10 Yr Average
Current Ratio	1.10
Asset Consumption Ratio	0.75
Asset Renewal Ratio	1.00
Asset Sustainability Ratio	0.92
Debt Service Coverage Ratio	31.68
Operating Surplus Ratio	0.01
Own Source Revenue Ratio	0.97

Ratio Names	Standardised Scores (0 - 10)
Current Ratio	7.43
Asset Consumption Ratio	10.00
Asset Renewal Ratio	9.14
Asset Sustainability Ratio	7.24
Debt Service Coverage Ratio	10.00
Operating Surplus Ratio	6.91
Own Source Revenue Ratio	10.00

Calculated Financial Health Indicator (FHI) **84.00**
A FHI of greater than 70 is required to indicate sound financial management





Strategic Financial Projections - Reserve Funds

Supporting
Schedule SS2

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Asset Acquisition & Renewal												
Asset Enhancement Reserve												
Opening Balance		22,714,468	23,125,952	13,290,026	13,456,151	8,561,853	8,668,876	8,777,237	8,886,953	8,998,040	9,110,515	22,714,468
Transfers to Reserve		0	0	0	0	0	0	0	0	0	0	0
Interest Revenue		411,484	164,074	166,125	105,702	107,023	108,361	109,715	111,087	112,475	113,881	1,509,929
Transfers from Reserve		0	(10,000,000)	0	(5,000,000)	0	0	0	0	0	0	(15,000,000)
Closing Balance	FS1	23,125,952	13,290,026	13,456,151	8,561,853	8,668,876	8,777,237	8,886,953	8,998,040	9,110,515	9,224,397	9,224,397
Major Infrastructure Projects Reserve												
Opening Balance		16,481,305	24,514,554	24,820,986	25,131,248	23,420,389	18,650,644	8,758,777	3,805,761	3,853,333	3,901,500	16,481,305
Transfers to Reserve		20,000,000	0	0	0	0	0	0	0	0	0	20,000,000
Interest Revenue		233,249	306,432	310,262	289,141	230,255	108,133	46,985	47,572	48,167	48,769	1,668,964
Transfers from Reserve		(12,200,000)	0	0	(2,000,000)	(5,000,000)	(10,000,000)	(5,000,000)	0	0	0	(34,200,000)
Closing Balance	FS1	24,514,554	24,820,986	25,131,248	23,420,389	18,650,644	8,758,777	3,805,761	3,853,333	3,901,500	3,950,269	3,950,269
Provisional Capital Program Reserve												
Opening Balance		1,254,576	1,254,576	1,270,259	1,286,137	1,302,214	1,318,491	1,334,972	1,351,660	1,368,555	1,385,662	1,254,576
Transfers to Reserve		0	0	0	0	0	0	0	0	0	0	0
Interest Revenue		0	15,682	15,878	16,077	16,278	16,481	16,687	16,896	17,107	17,321	148,407
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	1,254,576	1,270,259	1,286,137	1,302,214	1,318,491	1,334,972	1,351,660	1,368,555	1,385,662	1,402,983	1,402,983
Council House Refurbishment Reserve												
Opening Balance		1,246,118	2,746,282	2,780,610	2,815,368	2,850,560	2,886,192	2,922,270	2,958,798	2,995,783	3,033,230	1,246,118
Transfers to Reserve		1,500,000	0	0	0	0	0	0	0	0	0	1,500,000
Interest Revenue		164	34,329	34,758	35,192	35,632	36,077	36,528	36,985	37,447	37,915	325,028
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	2,746,282	2,780,610	2,815,368	2,850,560	2,886,192	2,922,270	2,958,798	2,995,783	3,033,230	3,071,146	3,071,146
Concert Hall Reserve												
Opening Balance		6,838,583	6,888,312	393,166	398,081	403,057	408,095	413,196	418,361	423,591	428,886	6,838,583
Transfers to Reserve		0	0	0	0	0	0	0	0	0	0	0
Interest Revenue		49,729	4,854	4,915	4,976	5,038	5,101	5,165	5,230	5,295	5,361	95,664
Transfers from Reserve		0	(6,500,000)	0	0	0	0	0	0	0	0	(6,500,000)
Closing Balance	FS1	6,888,312	393,166	398,081	403,057	408,095	413,196	418,361	423,591	428,886	434,247	434,247
David Jones Bridge Reserve												
Opening Balance		400,669	407,970	413,070	418,233	423,461	428,754	434,114	439,540	445,035	450,597	400,669
Transfers to Reserve		0	0	0	0	0	0	0	0	0	0	0
Interest Revenue		7,301	5,100	5,163	5,228	5,293	5,359	5,426	5,494	5,563	5,632	55,561
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	407,970	413,070	418,233	423,461	428,754	434,114	439,540	445,035	450,597	456,230	456,230



Strategic Financial Projections - Reserve Funds

Supporting
Schedule SS2

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Art Acquisition Reserve												
Opening Balance		352,660	359,082	363,571	368,116	372,717	377,376	382,093	386,869	391,705	396,602	352,660
Transfers to Reserve		0	0	0	0	0	0	0	0	0	0	0
Interest Revenue		6,422	4,489	4,545	4,601	4,659	4,717	4,776	4,836	4,896	4,958	48,899
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	359,082	363,571	368,116	372,717	377,376	382,093	386,869	391,705	396,602	401,559	401,559
Public Art Reserve												
Opening Balance		47,397	49,320	303,061	559,974	820,099	1,083,475	1,350,144	1,620,146	1,893,522	2,170,316	47,397
Transfers to Reserve		0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	2,250,000
Interest Revenue		1,923	3,741	6,913	10,125	13,376	16,668	20,002	23,377	26,794	30,254	153,173
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	49,320	303,061	559,974	820,099	1,083,475	1,350,144	1,620,146	1,893,522	2,170,316	2,450,570	2,450,570
Strategic Reserves												
Enterprise & Innovation Reserve												
Opening Balance		8,891,920	14,010,579	14,185,711	14,363,032	14,542,570	9,661,853	9,782,626	9,904,908	4,966,220	1,990,798	8,891,920
Transfers to Reserve		5,000,000	0	0	0	0	0	0	0	0	0	5,000,000
Interest Revenue		118,659	175,132	177,321	179,538	119,282	120,773	122,283	61,311	24,578	24,885	1,123,763
Transfers from Reserve		0	0	0	0	(5,000,000)	0	0	(5,000,000)	(3,000,000)	0	(13,000,000)
Closing Balance	FS1	14,010,579	14,185,711	14,363,032	14,542,570	9,661,853	9,782,626	9,904,908	4,966,220	1,990,798	2,015,683	2,015,683
Organisational Reform Reserve												
Opening Balance		682,068	761,662	771,183	780,822	790,583	800,465	810,471	820,602	830,859	841,245	682,068
Transfers to Reserve		0	0	0	0	0	0	0	0	0	0	0
Interest Revenue		79,594	9,521	9,640	9,760	9,882	10,006	10,131	10,258	10,386	10,516	169,693
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	761,662	771,183	780,822	790,583	800,465	810,471	820,602	830,859	841,245	851,761	851,761
Technology Upgrade Reserve												
Opening Balance		2,154,163	2,178,889	2,206,125	3,246,201	3,286,779	3,327,864	3,369,462	3,411,580	2,441,725	2,472,246	2,154,163
Transfers to Reserve		0	0	2,000,000	0	0	0	0	0	0	0	2,000,000
Interest Revenue		24,726	27,236	40,077	40,578	41,085	41,598	42,118	30,145	30,522	30,903	348,987
Transfers from Reserve		0	0	(1,000,000)	0	0	0	0	(1,000,000)	0	0	(2,000,000)
Closing Balance	FS1	2,178,889	2,206,125	3,246,201	3,286,779	3,327,864	3,369,462	3,411,580	2,441,725	2,472,246	2,503,150	2,503,150
Strategic Property Reserve												
Opening Balance		3,001,888	7,001,888	7,089,412	9,203,029	9,318,067	9,434,543	9,552,475	9,671,881	9,792,779	9,915,189	3,001,888
Transfers to Reserve		4,000,000	0	2,000,000	0	0	0	0	0	0	0	6,000,000
Interest Revenue		0	87,524	113,618	115,038	116,476	117,932	119,406	120,899	122,410	123,940	1,037,241
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	7,001,888	7,089,412	9,203,029	9,318,067	9,434,543	9,552,475	9,671,881	9,792,779	9,915,189	10,039,129	10,039,129



Strategic Financial Projections - Reserve Funds

Supporting
Schedule SS2

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Parking Related Reserves												
Parking Levy Reserve												
Opening Balance		22,491,704	12,903,050	2,953,760	3,005,104	3,057,090	2,932,682	2,806,720	2,679,183	2,043,801	1,906,727	22,491,704
Transfers to Reserve		0	7,500,000	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000	17,000,000	17,500,000	12,500,000	142,000,000
Interest Revenue		411,346	36,466	37,100	37,742	36,206	34,651	33,076	25,232	23,540	(40,674)	634,686
Transfers from Reserve		(10,000,000)	(17,485,756)	(17,485,756)	(17,485,756)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(17,660,614)	(168,420,949)
Closing Balance	FS1	12,903,050	2,953,760	3,005,104	3,057,090	2,932,682	2,806,720	2,679,183	2,043,801	1,906,727	(3,294,560)	(3,294,560)
Parking Facilities Reserve												
Opening Balance		8,826,068	8,985,097	9,097,411	9,211,128	9,326,267	9,442,846	9,560,881	9,680,392	9,801,397	9,923,915	8,826,068
Transfers to Reserve		0	0	0	0	0	0	0	0	0	0	0
Interest Revenue		159,029	112,314	113,718	115,139	116,578	118,036	119,511	121,005	122,517	124,049	1,221,896
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	8,985,097	9,097,411	9,211,128	9,326,267	9,442,846	9,560,881	9,680,392	9,801,397	9,923,915	10,047,964	10,047,964
Waste Management Reserves												
Refuse Disposal & Treatment Reserve												
Opening Balance		7,230,601	3,204,309	3,244,363	3,284,917	3,325,979	3,367,554	3,409,648	3,452,269	3,495,422	3,539,115	7,230,601
Transfers to Reserve		3,880,000	0	0	0	0	0	0	0	0	0	3,880,000
Interest Revenue		93,708	40,054	40,555	41,061	41,575	42,094	42,621	43,153	43,693	44,239	472,753
Transfers from Reserve		(8,000,000)	0	0	0	0	0	0	0	0	0	(8,000,000)
Closing Balance	FS1	3,204,309	3,244,363	3,284,917	3,325,979	3,367,554	3,409,648	3,452,269	3,495,422	3,539,115	3,583,354	3,583,354
Other Special Purpose Reserves												
Heritage Incentive Reserve												
Opening Balance		712,654	592,527	2,624,933	3,670,245	4,728,623	4,787,731	4,847,577	4,908,172	4,969,524	5,031,643	712,654
Transfers to Reserve		0	2,000,000	1,000,000	1,000,000	0	0	0	0	0	0	4,000,000
Interest Revenue		12,987	32,407	45,312	58,378	59,108	59,847	60,595	61,352	62,119	62,896	514,999
Transfers from Reserve		(133,114)	0	0	0	0	0	0	0	0	0	(133,114)
Closing Balance	FS1	592,527	2,624,933	3,670,245	4,728,623	4,787,731	4,847,577	4,908,172	4,969,524	5,031,643	5,094,539	5,094,539
Bonus Plot Ratio Reserve												
Opening Balance		690,228	702,806	711,591	720,486	729,492	738,611	747,843	757,191	766,656	776,239	690,228
Transfers to Reserve		0	0	0	0	0	0	0	0	0	0	0
Interest Revenue		12,578	8,785	8,895	9,006	9,119	9,233	9,348	9,465	9,583	9,703	95,714
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	702,806	711,591	720,486	729,492	738,611	747,843	757,191	766,656	776,239	785,942	785,942
Employee Entitlements Reserve												
Opening Balance		2,033,398	2,069,646	2,601,766	3,393,663	4,701,709	5,013,606	5,329,401	5,649,143	5,972,883	6,300,669	2,033,398
Transfers to Reserve		0	500,000	750,000	1,250,000	250,000	250,000	250,000	250,000	250,000	250,000	4,000,000
Interest Revenue		36,248	32,121	41,897	58,046	61,896	65,795	69,743	73,739	77,786	81,883	599,154
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	2,069,646	2,601,766	3,393,663	4,701,709	5,013,606	5,329,401	5,649,143	5,972,883	6,300,669	6,632,552	6,632,552



Strategic Financial Projections - Reserve Funds

Supporting
Schedule SS2

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Neighbourhood Initiatives Reserve												
Opening Balance		0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	0
Transfers to Reserve		3,000,000	0	0	0	0	0	0	0	0	0	3,000,000
Interest Revenue		0	0	0	0	0	0	0	0	0	0	0
Transfers from Reserve		0	0	0	0	0	0	0	0	0	0	0
Closing Balance	FS1	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

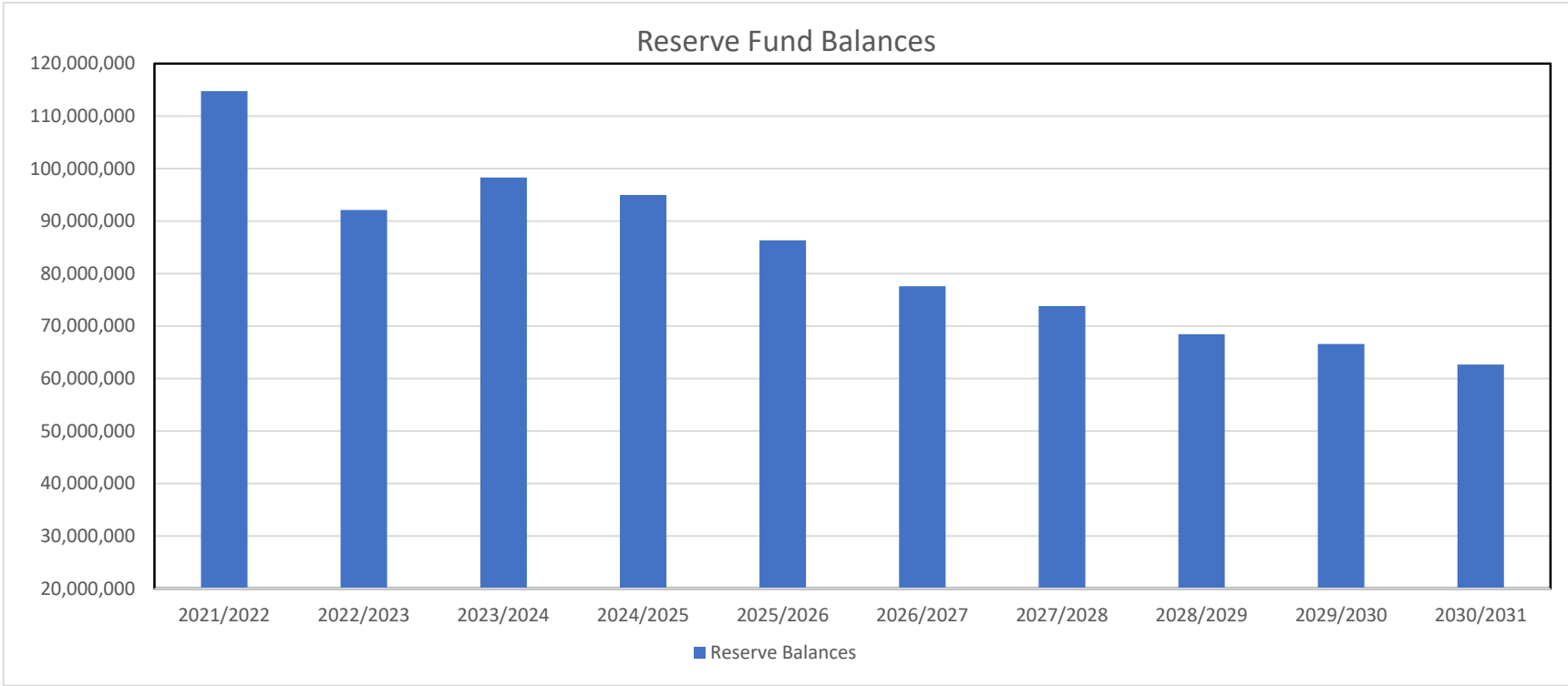
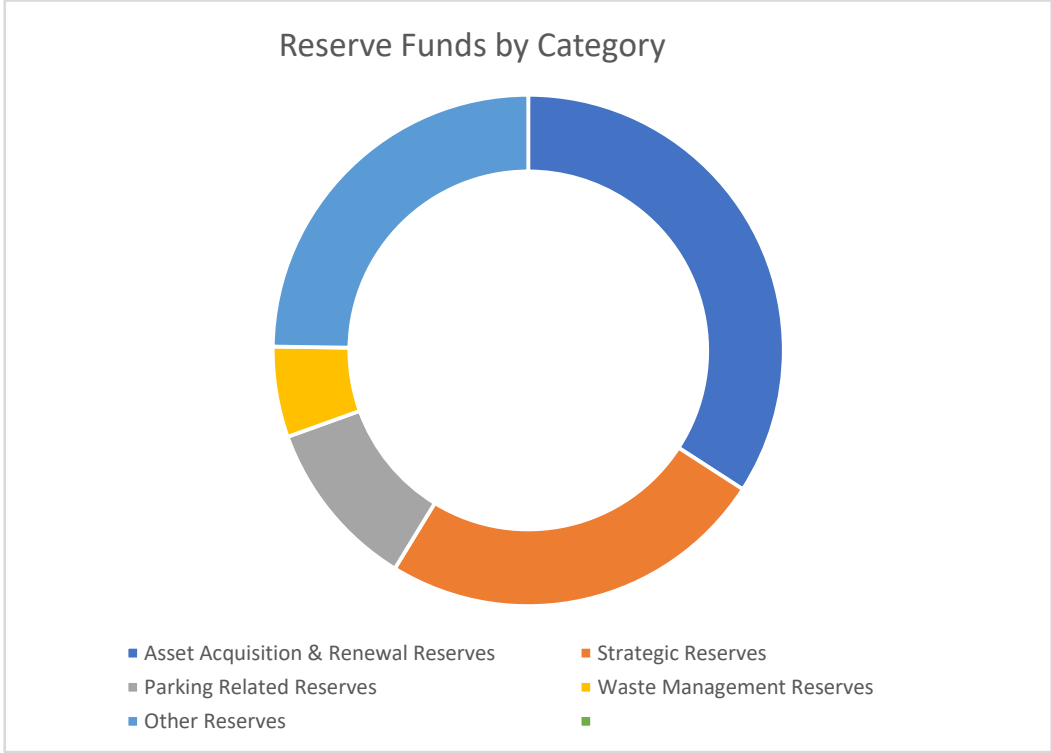
Summary by Reserve Type

Asset Acquisition & Renewal Reserves		59,346,049	43,634,749	44,433,309	38,154,350	33,821,904	24,372,803	19,868,088	20,369,564	20,877,309	21,391,400	21,391,400
Strategic Reserves		23,953,017	24,252,430	27,593,086	27,937,999	23,224,724	23,515,033	23,808,971	18,031,583	15,219,478	15,409,721	15,409,721
Parking Related Reserves		21,888,147	12,051,171	12,216,233	12,383,358	12,375,528	12,367,601	12,359,575	11,845,198	11,830,642	6,753,404	6,753,404
Waste Management Reserves		3,204,309	3,244,363	3,284,917	3,325,979	3,367,554	3,409,648	3,452,269	3,495,422	3,539,115	3,583,354	3,583,354
Other Reserves		6,364,978	8,938,290	10,784,394	13,159,824	13,539,947	13,924,821	14,314,506	14,709,063	15,108,551	15,513,033	15,513,033
Closing Balance	FS1	114,756,500	92,121,004	98,311,938	94,961,510	86,329,657	77,589,907	73,803,409	68,450,831	66,575,095	62,650,912	62,650,912

Summary of Reserve Movements

Opening Balance		106,050,468	114,756,500	92,121,004	98,311,938	94,961,510	86,329,657	77,589,907	73,803,409	68,450,831	66,575,095	106,050,468
Transfers to Reserve		37,380,000	10,250,000	23,500,000	20,000,000	18,000,000	18,000,000	18,000,000	17,500,000	18,000,000	13,000,000	193,630,000
Interest Revenue		1,659,146	1,100,259	1,176,691	1,135,327	1,028,761	920,863	874,116	808,035	784,878	736,431	10,224,508
Transfers from Reserve		(30,333,114)	(33,985,756)	(18,485,756)	(24,485,756)	(27,660,614)	(27,660,614)	(22,660,614)	(23,660,614)	(20,660,614)	(17,660,614)	(247,254,063)
Closing Balance	FS1	114,756,500	92,121,004	98,311,938	94,961,510	86,329,657	77,589,907	73,803,409	68,450,831	66,575,095	62,650,912	62,650,912

Reserve Funds 2021/22 - 2030/31





Strategic Financial Projections - Borrowings

Supporting
Schedule SS3

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
City Loan Borrowings												
Loan 165 - Cathedral Library Land												
Loan Amount:												
Matures: 30 Jun 2022												
Interest Rate: 4.00%												
Opening Balance		954,134	0	0	0	0	0	0	0	0	0	954,134
Principal Repayment		(954,134)	0	0	0	0	0	0	0	0	0	(954,134)
Interest Expense		(24,083)	0	0	0	0	0	0	0	0	0	(24,083)
Loan Guarantee Fee		(4,205)	0	0	0	0	0	0	0	0	0	(4,205)
Outstanding Principal Balance	FS1	0	0	0	0	0	0	0	0	0	0	0
Loan 166 - Gooderich St Car Park												
Loan Amount:												
Matures: 30 Jun 2022												
Interest Rate: 4.00%												
Opening Balance		127,869	0	0	0	0	0	0	0	0	0	127,869
Principal Repayment		(127,869)	0	0	0	0	0	0	0	0	0	(127,869)
Interest Expense		(3,229)	0	0	0	0	0	0	0	0	0	(3,229)
Loan Guarantee Fee		(714)	0	0	0	0	0	0	0	0	0	(714)
Outstanding Principal Balance	FS1	0	0	0	0	0	0	0	0	0	0	0
Loan 167 - Library Building												
Loan Amount:												
Matures: 31 Jul 2022												
Interest Rate: 3.60%												
Opening Balance		3,464,291	705,434	0	0	0	0	0	0	0	0	3,464,291
Principal Repayment		(2,758,857)	(705,434)	0	0	0	0	0	0	0	0	(3,464,291)
Interest Expense		(86,191)	(6,402)	0	0	0	0	0	0	0	0	(92,593)
Loan Guarantee Fee		0	0	0	0	0	0	0	0	0	0	0
Outstanding Principal Balance	FS1	705,434	0	0	0	0	0	0	0	0	0	0
Proposed Borrowings												
Loan 169 - Major Capital												
Loan Amount:												
Matures:												
Interest Rate:												
Opening Balance		0	0	10,000,000	9,552,146	8,641,018	7,708,938	6,755,425	5,779,985	4,782,114	3,761,296	10,000,000
Principal Repayment		0	0	(447,854)	(911,128)	(932,080)	(953,513)	(975,440)	(997,871)	(1,020,818)	(1,044,292)	(7,282,996)
Interest Expense		0	0	(112,727)	(210,036)	(189,084)	(167,650)	(145,723)	(123,292)	(100,346)	(76,871)	(1,125,729)
Loan Guarantee Fee		0	0	0	0	0	0	0	0	0	0	0
Outstanding Principal Balance	FS1	0	0	9,552,146	8,641,018	7,708,938	6,755,425	5,779,985	4,782,114	3,761,296	2,717,004	2,717,004



Strategic Financial Projections - Borrowings

Supporting
Schedule SS3

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Loan 170 - Major Capital												
Loan Amount:		-						5,000,000				
Matures:												
Interest Rate:												
Opening Balance		0	0	0	0	0	0	5,000,000	4,784,213	4,342,743	3,887,744	5,000,000
Principal Repayment		0	0	0	0	0	0	(215,787)	(441,470)	(454,999)	(468,943)	(1,581,199)
Interest Expense		0	0	0	0	0	0	(74,936)	(139,977)	(126,448)	(112,504)	(453,864)
Loan Guarantee Fee		0	0	0	0	0	0	0	0	0	0	0
Outstanding Principal Balance	FS1	0	0	0	0	0	0	4,784,213	4,342,743	3,887,744	3,418,801	3,418,801
Summary of Borrowings												
Existing Borrowings												
Opening Balance		4,546,294	705,434	0	0	0	0	0	0	0	0	4,546,294
Principal Repayment		(3,840,860)	(705,434)	0	0	0	0	0	0	0	0	(4,546,294)
Interest Expense		(113,503)	(6,402)	0	0	0	0	0	0	0	0	(119,905)
Loan Guarantee Fee		(4,919)	0	0	0	0	0	0	0	0	0	(4,919)
Outstanding Principal Balance	FS5	705,434	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Proposed Borrowings												
Opening Balance		0	0	10,000,000	9,552,146	8,641,018	7,708,938	11,755,425	10,564,197	9,124,857	7,649,040	15,000,000
Principal Repayment		0	0	(447,854)	(911,128)	(932,080)	(953,513)	(1,191,228)	(1,439,341)	(1,475,817)	(1,513,235)	(8,864,195)
Interest Expense		0	0	(112,727)	(210,036)	(189,084)	(167,650)	(220,659)	(263,269)	(226,793)	(189,375)	(1,579,593)
Loan Guarantee Fee		0	0	0	0	0	0	0	0	0	0	0
Outstanding Principal Balance	FS5	0	0	9,552,146	8,641,018	7,708,938	6,755,425	10,564,197	9,124,857	7,649,040	6,135,805	6,135,805
All Loan Borrowings												
Opening Balance		4,546,294	705,434	10,000,000	9,552,146	8,641,018	7,708,939	11,755,425	10,564,198	9,124,857	7,649,040	19,546,294
Principal Repayment		(3,840,500)	(705,434)	(447,854)	(911,128)	(932,080)	(953,513)	(1,191,228)	(1,439,341)	(1,475,817)	(1,513,235)	(13,410,129)
Interest Expense		(113,143)	(6,402)	(112,727)	(210,036)	(189,084)	(167,650)	(220,659)	(263,269)	(226,793)	(189,375)	(1,699,138)
Loan Guarantee Fee		(4,919)	0	0	0	0	0	0	0	0	0	(4,919)
Outstanding Principal Balance	FS5	705,794	0	9,552,146	8,641,018	7,708,939	6,755,425	10,564,198	9,124,857	7,649,040	6,135,806	6,136,166
New Borrowings												
		0	0	10,000,000	0	0	0	5,000,000	0	0	0	15,000,000
Loan Balances at Year End												
Current Borrowings		705,434	447,854	911,128	932,080	953,513	1,191,228	1,439,341	1,475,817	1,513,235	1,551,620	1,551,620
Non Current Borrowings		0	(447,854)	8,641,018	7,708,939	6,755,425	5,564,198	9,124,857	7,649,040	6,135,806	4,584,185	4,584,185
Total Borrowings	FS5	705,434	0	9,552,146	8,641,018	7,708,939	6,755,425	10,564,198	9,124,857	7,649,040	6,135,806	6,135,806



Strategic Financial Projections - Capital Summary Schedule

Supporting
Schedule SS4

Details	Ref	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Asset Renewal - Infrastructure												
Drainage		(909,500)	(1,197,000)	(132,000)	(132,000)							(2,370,500)
Foreshore & River Assets		(390,000)	(1,980,500)	(6,762,500)	(65,000)	(375,000)						(9,573,000)
Lighting & Electrical		(6,585,275)	(2,652,500)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(33,237,775)
Other Infrastructure		(502,000)	0	0	(103,000)	(514,000)						(1,119,000)
Park Furniture		(50,000)										(50,000)
Parks & Landscape		(1,361,500)	(963,000)	(736,000)	(329,600)	(400,000)						(3,790,100)
Path & Kerb		(1,785,871)	(1,633,000)	(4,623,500)	(6,447,000)	(11,174,000)						(25,663,371)
Roads		(3,617,000)	(6,581,000)	(3,857,000)	(4,178,000)	(2,000,000)						(20,233,000)
Street Furniture		(370,000)	(605,000)	(225,000)	(712,000)	(2,398,000)						(4,310,000)
Unallocated		0	0	0	0	0	(13,500,000)	(13,500,000)	(13,500,000)	(12,500,000)	(12,500,000)	(65,500,000)
Asset Renewals - Infrastructure	FS1	(15,571,146)	(15,612,000)	(19,336,000)	(14,966,600)	(19,861,000)	(16,500,000)	(16,500,000)	(16,500,000)	(15,500,000)	(15,500,000)	(165,846,746)
Asset Renewal - Non Infrastructure												
Buildings - TBD after Property Review		(4,394,000)	(9,709,000)	(8,448,000)	(12,123,900)	(5,016,000)						(39,690,900)
Plant & Equipment		(1,498,500)	(2,524,000)	(1,896,000)	(486,000)	(1,473,500)						(7,878,000)
Technology		(1,960,000)	(2,160,000)	(1,090,000)	(805,000)	(1,341,000)						(7,356,000)
Vehicles		(1,594,000)	(1,144,000)	(230,000)	(2,118,500)	(1,022,000)						(6,108,500)
Unallocated		0	0	0	0	0	(12,000,000)	(13,500,000)	(13,500,000)	(14,000,000)	(14,000,000)	(67,000,000)
Asset Renewals - Non Infrastructure	FS1	(9,446,500)	(15,537,000)	(11,664,000)	(15,533,400)	(8,852,500)	(12,000,000)	(13,500,000)	(13,500,000)	(14,000,000)	(14,000,000)	(128,033,400)
Total Asset Renewal	FS1	(25,017,646)	(31,149,000)	(31,000,000)	(30,500,000)	(28,713,500)	(28,500,000)	(30,000,000)	(30,000,000)	(29,500,000)	(29,500,000)	(293,880,146)
Major Discretionary Capital Projects												
Approved												
Roe St - City Deal		(13,900,000)	(6,300,000)									(20,200,000)
Two Way Streets - Hay & Murray St (West)		(50,000)	(250,000)	0	(3,000,000)	(11,000,000)	(11,000,000)					(25,300,000)
Two Way Streets - Hill St			(5,000,000)	(3,360,000)								(8,360,000)
Two Way Streets - Hay St East					(4,070,000)							(4,070,000)
City Deal - CBD Transport Infrastructure		(2,000,000)	(4,818,000)	(8,800,000)	(11,823,000)	0	0	0	0	0	0	(27,441,000)
Bus Shelter Replacement - Renewal		(950,000)	(1,415,000)									(2,365,000)
Retail Mall / Major Streets Enhancement		(730,000)	(700,000)	(750,000)	(750,000)	(750,000)	(750,000)					(4,430,000)
Safety Bollards at Malls		(750,000)										(750,000)
Aesthetic Lighting Enhancements		0	(300,000)	(300,000)	(300,000)	(300,000)						(1,200,000)
Conceptual												
Aquatic Facility - WACA		(5,000,000)	(15,000,000)	(5,000,000)								(25,000,000)
Winthrop / Thomas St Shared Path			(2,000,000)	(1,400,000)								(3,400,000)
Thomas St Road Widening					(500,000)	(500,000)	(1,500,000)	(12,500,000)				(15,000,000)
Riverfront Enhancement			(300,000)	(5,000,000)	(5,000,000)	(5,000,000)	(2,500,000)					(17,800,000)
Mount St / Spring St Enhancemnent			(900,000)									(900,000)
Finance System Transformation Project			0	(2,500,000)	0							(2,500,000)
Future Council Opportunities					(5,000,000)	(10,000,000)	(12,500,000)	(12,500,000)	(22,500,000)	(22,500,000)	(25,000,000)	(110,000,000)
Major Capital Projects	FS1	(23,380,000)	(36,983,000)	(27,110,000)	(30,443,000)	(27,550,000)	(28,250,000)	(25,000,000)	(22,500,000)	(22,500,000)	(25,000,000)	(268,716,000)
Minor Discretionary Capital Projects												
Discretionary Unallocated		(230,000)	(535,000)	(290,000)	(1,180,000)	(1,736,500)	(750,000)	(2,500,000)	(2,500,000)	(6,000,000)	(3,500,000)	(19,221,500)
Discretionary Unallocated	FS1	(230,000)	(535,000)	(290,000)	(1,180,000)	(1,736,500)	(750,000)	(2,500,000)	(2,500,000)	(6,000,000)	(3,500,000)	(19,221,500)
Total Capital Program Allocation	FS1	(48,627,646)	(68,667,000)	(58,400,000)	(62,123,000)	(58,000,000)	(57,500,000)	(57,500,000)	(55,000,000)	(58,000,000)	(58,000,000)	(581,817,646)

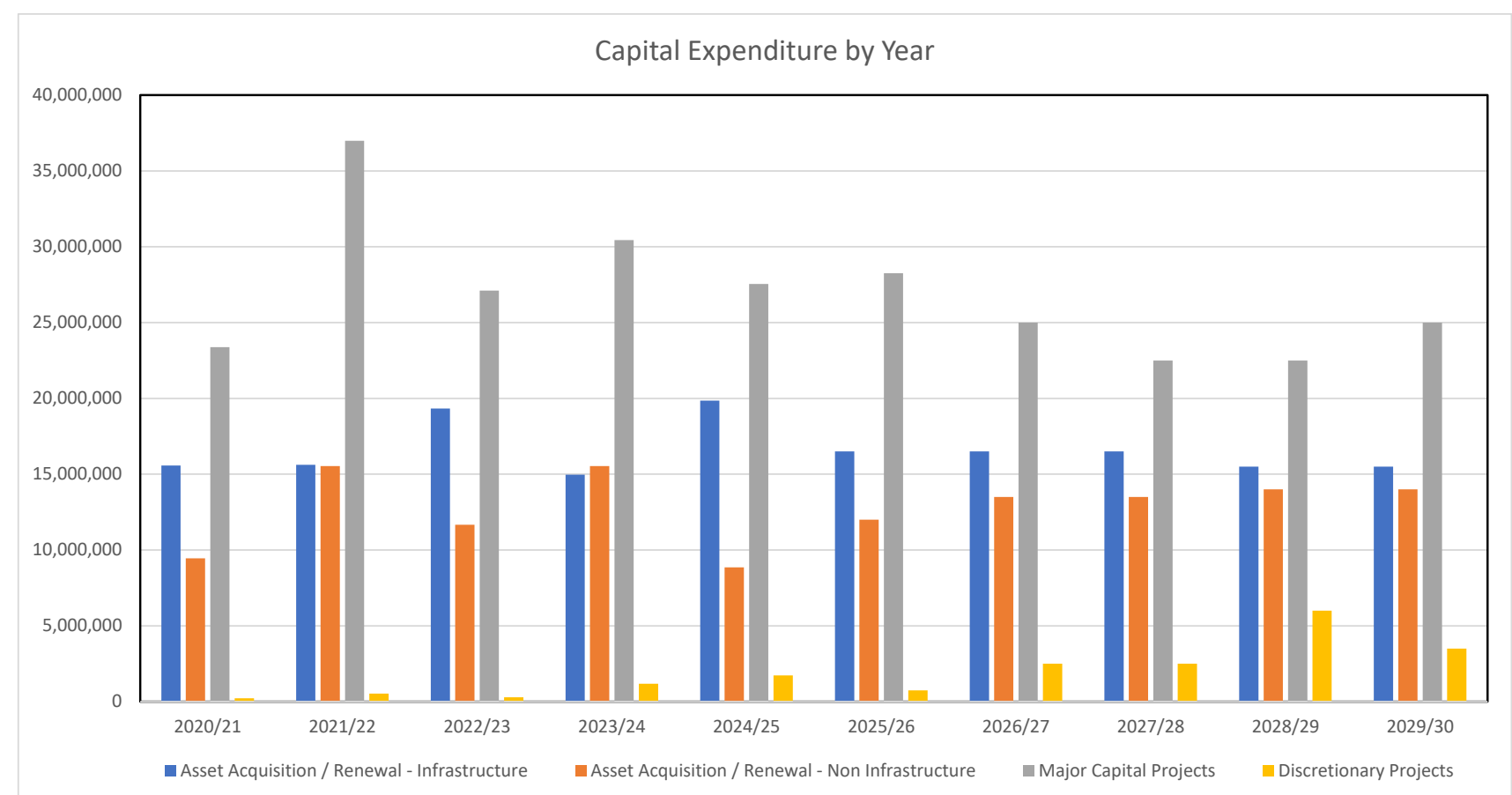
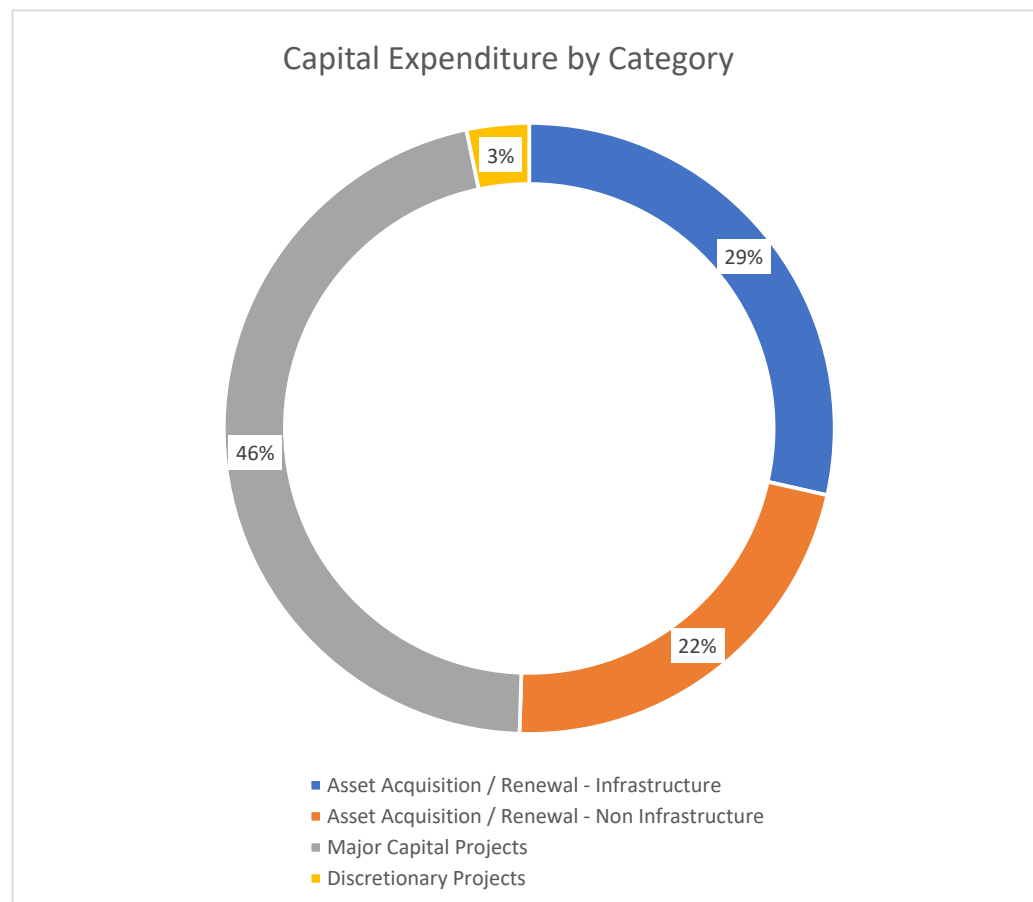


Strategic Financial Projections - Capital Summary Schedule

Supporting
Schedule SS4

Details Ref 2021/2022 2022/2023 2023/2024 2024/2025 2025/2026 2026/2027 2027/2028 2028/2029 2029/2030 2030/2031 10 Year Total

Capital Expenditure 2021/22 - 2030/31



Grant for Assets Acquisition	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	10 Year Total
Bus Shelter Accessibility (PPMA Fund)	950,000	1,415,000									2,365,000
Roads to Recovery Capital Program											-
MRRG Program	668,340										668,340
City Deal - CBD Transport Projects		4,818,000	8,800,000	11,823,000	-	-	-	-	-	-	25,441,000
City Deal - Roe St	10,000,000										10,000,000
Winthrop / Thomas St Shared Path		900,000	900,000								1,800,000
Unclassified - Assume % of Program	1,209,000	343,335	292,000	1,553,075	1,450,000	2,875,000	2,875,000	2,750,000	2,900,000	2,900,000	19,147,410
Total Capital Grants & Contributions	12,827,340	7,476,335	9,992,000	13,376,075	1,450,000	2,875,000	2,875,000	2,750,000	2,900,000	2,900,000	59,421,750

Detailed category allocation for years 1 - 5 is sourced from Asset Management Plans then year 6 - 10 will be detailed in future iterations of the Long Term Financial Plan.

Note:

For the purposes of the Long Term Financial Plan, asset renewal projects are determined from Asset Management Plan data based on asset condition ratings and modelling of appropriate intervention times through the City's Asset Management System.

Proposed projects for year 1 and 2 have also been subjected to a physical site inspection to validate the modelling. Those projects proposed for years 3 - 5 are selected using the asset management modelling data only - and will need to be validated by physical inspection prior to inclusion in future budgets. Consideration must also be given to the impact of major capital projects on planned infrastructure renewals which may result in some deletions or deferrals of renewal works. As a consequence, some re-prioritisation of projects may occur in future. Allocations for capital projects in years 6 - 10 reflect a prudent financial allocation for renewals and new / upgrade of assets to provide future Councils the opportunity to perform their asset stewardship responsibilities.

[illegible]



Strategic Financial Projections - Notes to the LTFP Model

Supporting Schedule
SS6

Description	Ref	Details
Rates Revenue	N01	Revenue derived from Rates which is the primary source of local government operating revenue. Calculated by applying a % increase to the previous year projected balance and allowing for rates growth (interim rates).
Fees & Charges Revenue	N02	Includes fees for use of City operated facilities including Town Hall, Community Facilities as well as charges for services such as Parking and Waste Management. Calculated by applying different % increases to the previous year projected balance for each sub class of fee or charge.
Operating Grants	N03	Includes all recurrent operational grants for administration, roads, events etc. Calculated by applying a CPI style % increases to the previous year projected balance for each type of operational grant.
Interest Revenue	N04	Interest earned on investments held by the City over the course of the year. This includes Municipal & (cash backed) Reserve Fund monies. Calculated by applying anticipated interest rates to the expected average balance of cash held during each year.
Fines & Associated Costs	N05	Revenue from infringements plus recovery of associated costs of collection of the penalty. Based on historical performance as adjusted for known significant environmental factors.
Other Revenue	N06	Revenues not classified elsewhere - includes minor administration revenues and commissions Calculated by applying a % increase to the previous year projected balance.
Asset Disposal Proceeds	N07	Trade-in revenues on Plant & Equipment. Land disposal proceeds are disclosed separately Calculated based on anticipated trade-in values for items on the Plant Replacement Program.
Employee Costs	N08	Salaries & wages, superannuation, training, safety equipment, workers compensation insurance and FBT. Calculated by applying a diminution factor to adjust for staff number changes, then applying a % increase to the previous year projected balance for EBA & step progression increases and allowing for legislative changes (increase in the SGL if appropriate)
Materials & Contracts	N09	Purchase of materials and provision of services - advisory, professional, construction, etc. Calculated by applying different % increases to the previous year projected balance for each sub class of materials and contracts
Utilities Costs	N10	Payment for electricity for buildings and street lighting, water, gas and telephone / data costs. Calculated by applying different % increases to the previous year projected balance for each sub class of utilities.
Insurance Costs	N11	Payment for public liability, professional indemnity and a range of property insurances. Calculated by applying a % increase to the previous year projected balance.
Interest Expense	N12	Interest payable on both City borrowings and Self Supporting Loans for community groups. Calculated using the loan repayment schedules provided on all loans from the funding body (WA Treasury Corporation)
Other Expenditure	N13	Costs not classified elsewhere - primarily the parking levy payable to state government. Also includes election expenses in the relevant years. Calculated by applying a % increase to the previous year projected balance and then allowing for recurrent but not annual expenses.
Depreciation and Carrying Amount (Non Cash Expenses)	N14	Depreciation represents the annual consumption of an asset's 'service potential'. Asset carrying amounts reflect the recognition of book value of assets sold or scrapped. Calculated using the projected asset values and the useful lives of asset classes.
Parking Levy	N15	A levy payable to the state government for the licencing of paid parking bays within the Perth Parking Management Area (PPMA). The levy is set by the state government each year.
Movement in Accruals	N16	Relates to the collection of debts or changes in the level of creditor balances. It has an impact on yearly cash flows depending on whether there is a net increase or decrease. Estimated based on prior year's experience.
Revaluation of Non Current Assets	N17	Estimated changes in the value of infrastructure assets and buildings over future years. This is a non cash item. Estimated based on prior year's history of revaluation movements.
Goods & Services Tax	N18	Recognises the cash flow implications of paying GST on certain revenues and claiming back GST on certain payments. The City is a 'net receiver' of GST. Calculated based on typical GST cash flow patterns and then adjusted for large 'one of' transactions such as land disposals.
Add back of Non Cash Items	N19	For the purposes of establishing 'actual' cash flows, all non cash items (book entries) are removed from the Cash Flow statement. Uses the opposite of the previous calculated values.
Net Increase (Decrease) in Cash Held	N20	Reflects the net movement (change) in cash for the year as a consequence of operating, investing and financing transactions. Calculated from the operating investing and financing cash flows shown on the Cash Flow Statement.
Closing Position at End of Year	N21	Represents the Net Current Asset Position adjusted for Restricted Cash and Current Borrowings. This becomes the Opening Position for the subsequent year. Calculated from the Balance Sheet (FS5).
Amount Required to be Raised from Rates	N22	Represents the net result of offsetting all proposed expenditures including loan repayments and reserve funding against funds generated from all sources other than Rates. Calculated as the net result of all transactions included on the Rate Setting Statement.
Provision for Abnormal Expenses	N23	Provision for costs associated with the confidential contractual negotiations.
Local Govt Inquiry Expense	N24	Known costs for the second instalment of the cost of the City of Perth Inquiry as determined by state government.