



WODONGA COUNCIL

Financial Plan
2023-2024 to
2032-2033

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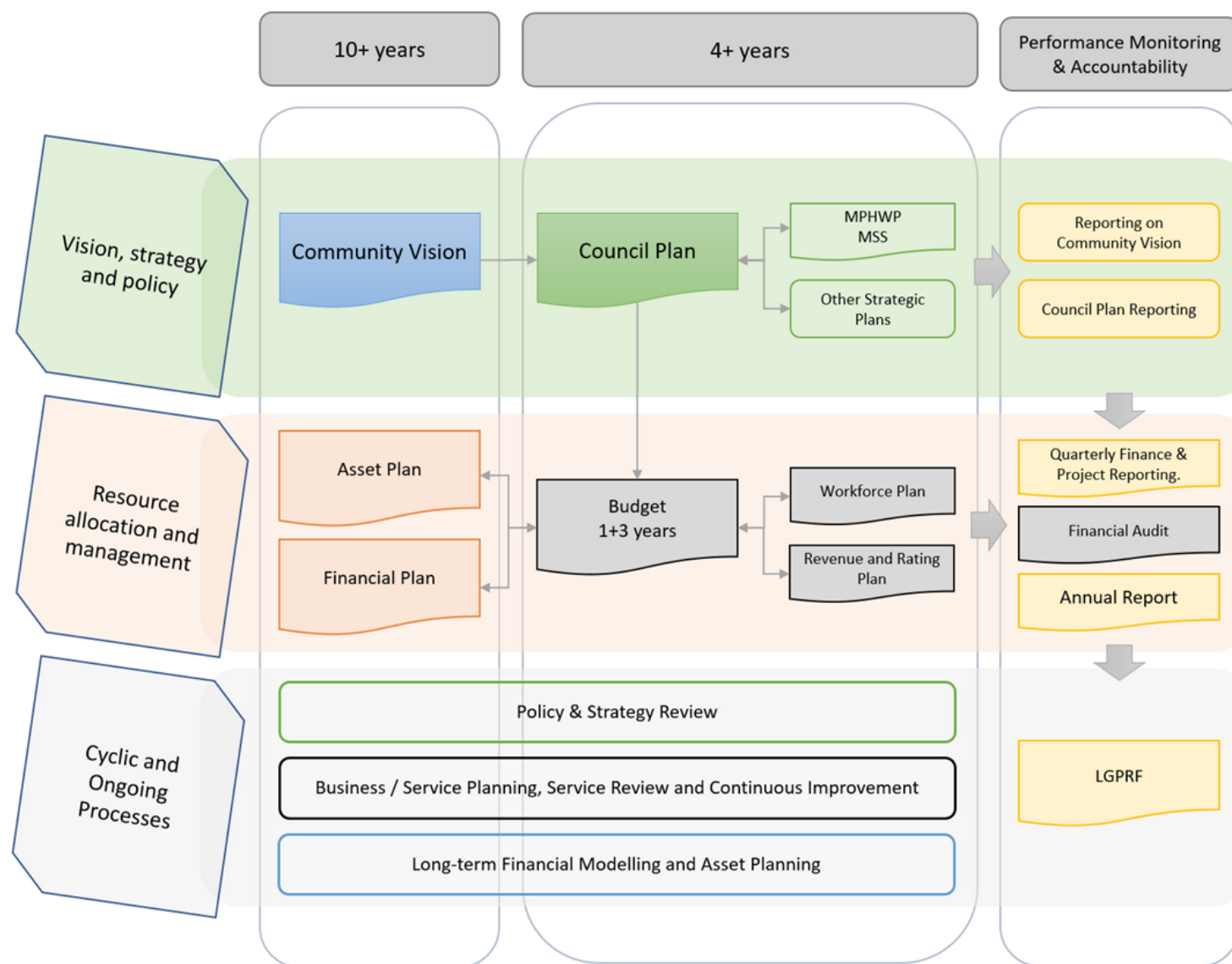
1 Legislative Requirements

This section describes how the Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning & Reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

This diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.



The following figure demonstrates how each element might inform or be informed by other parts of the integrated framework.



1.1 Strategic Planning Principles

The Financial Plan provides a 10 year financial projection regarding how the actions of the Council Plan may be funded to achieve the Community Vision. The Financial Plan is developed in the context of the following strategic planning principles:

- a) Council has an integrated approach to planning, monitoring and performance reporting.
- b) Council financial plan addresses the Community Vision by funding the aspirations of the Council Plan. The Council Plan aspirations and actions are formulated in the context of the Community Vision.
- c) The Financial Plan statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the Council Plan to achieve the Community Vision.
- d) Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan. The financial risks are included at section 1.2.2 below.
- e) The Financial Plan provides for the strategic planning principles of progress monitoring of progress and reviews to identify and adapt to changing circumstances.

1.2 Financial Management Principles

The Financial Plan is developed using the following financial management principles:

- 1.2.1. Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- 1.2.2. Management of the following financial risks:
 - 1.2.2.a the financial viability of the Council (refer to section 2.1 Financial Policy Statements).
 - 1.2.2.b the management of current and future liabilities of the Council. The estimated 10 year-liabilities are disclosed in section 3.2 Balance Sheet projections.
- 1.2.3. Financial policies and strategic plans are designed to provide financial stability and predictability to the community.
- 1.2.4. Council maintains accounts and records that explain its financial operations and financial position (refer section 3 Financial Statements)

1.3 Engagement Principles

The Community Engagement Policy outlines Council's approach to community engagement to assist with transparency, understanding and trust in Council's decision making process. The Community Engagement Policy was adopted by Council at its meeting on April 17, 2023. Council has implemented the following consultation process to ensure due consideration and feedback is received from relevant stakeholders.

- a) Community engagement will be undertaken during February and March 2023, in the form of Community Budget Conversations and an interactive budget allocator on the makewodongayours.com.au website;
- b) Draft Budget and Draft Financial Plan will be prepared by management;
- c) Draft Budget together with the Draft Financial Plan to be placed on public exhibition at May 15, 2023 Council meeting. Public exhibition and calling for public submissions will be for a period of 21 days;
- d) Community engagement on the Draft Budget and Draft Financial Plan to be conducted using local news outlets and social media;
- e) Draft Budget including revisions, to be adopted at the June 26, 2023 Council meeting; and
- f) Draft Financial Plan to be updated with any changes made to the Draft Budget and to be adopted at the July 17, 2023 Council Meeting;

1.4 Service Performance Principles

Council services are designed to be fit for purpose, targeted to community needs and value for money. The service performance principles are listed below:

- a) Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify the key services and projects to be delivered to the community. The Financial Plan is developed to identify how the service aspirations within the Council Plan may be funded.
- b) Services are accessible to the relevant users within the community.
- c) Council provides quality services that provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) is designed to communicate council's performance regarding the provision of quality and efficient services.
- d) Council is developing a performance monitoring framework to continuously improve its service delivery standards.
- e) Council is developing a service delivery framework that considers and responds to community feedback and complaints regarding service provision.

1.5 Asset Plan

The Asset Plan provides transparency around Council's responsible stewardship of community assets. The Asset Plan includes establishing quality, cost, and provision standards as well as engagement on policy, strategy and major initiatives. The Asset Plan was adopted by Council at its meeting on June 27, 2022. Following the adoption of the initial Asset Plan, the community must be consulted and involved through deliberative consultation processes in the development of subsequent Asset Plans.

1.6 Financial Sustainability

A high-level Financial Plan has been developed for the years 2023-2024 to 2032-2033. This will assist council in adopting budgets that provide for prudent expenditure and income generation to assist in the council's goals relating to financial sustainability.

The Council is projecting underlying surpluses in the short-term future years, however the reduction in the rate below the cap has substantially impacted Council's future year financial sustainability. Council will be working over the next year to improve this position, most likely through adjustments to service levels along with efficiency gains within the organisation.

Although councils have a legal obligation to provide some services— such as animal management, local roads, food safety and statutory planning—most council services are not legally mandated, including some services closely associated with councils, such as libraries, building permits and sporting facilities. Further, over time, the needs and expectations of communities can change. Therefore council needs to have robust processes for service planning and review to ensure all services continue to provide value for money and are in line with community expectations. In doing so, council will engage with the community to determine how to prioritise Council's resources and balance service provision against other responsibilities such as asset maintenance and capital works. Community consultation will be in line with Council's adopted Community Engagement Policy and Public Transparency Policy.

Furthermore, a Financial Sustainability Plan is proposed in the Council Plan actions and the community will be engaged around proposed changes required in future budgets.

2 Financial Plan Context

This section describes the context and external / internal environment and consideration in determining the 10-year financial projections and assumptions.

2.1 Financial Policy Statements

This section defines the policy statements, and associated measures, that demonstrates Council's financial sustainability to fund the aspirations of the Community Vision and the Council Plan.

Policy Statement	Measure	Target	Forecast Actual										
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Consistent underlying surplus results	Adjusted underlying result greater than \$0	\$0	(\$3,574)	\$260	\$356	(\$170)	(\$930)	(\$1,515)	(\$2,216)	(\$2,318)	(\$2,775)	(\$3,342)	(\$3,083)
Ensure Council maintains sufficient working capital to meet its debt obligations as they fall due.	Current Assets / Current Liabilities greater than 1.25	1.25	2.79	2.63	1.68	1.05	0.66	0.21	(0.38)	(0.80)	(1.29)	(1.86)	(2.51)
Allocate adequate funds towards renewal capital in order to replace assets and infrastructure as they reach the end of their service life.	Asset renewal and upgrade expenses / Depreciation above 100%	100%	236%	109%	116%	88%	75%	74%	76%	70%	76%	83%	88%
That Council applies loan funding to new capital and maintains total borrowings in line with rate income and growth of the municipality.	Total borrowings / Rate revenue to remain below 60%	60%	35%	40%	35%	30%	25%	20%	15%	10%	6%	3%	1%
Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash imposts if required.	Unrestricted cash / current liabilities to be maintained above 80%	80%	142%	134%	37%	(25%)	(62%)	(105%)	(166%)	(213%)	(269%)	(330%)	(403%)
Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for new and renewal capital.	Capital Outlays as a % of Own Source Revenue to remain above 30%	30%	106%	31%	43%	32%	22%	21%	23%	18%	18%	19%	19%

2.2 Assumptions to the financial plan statements

This section presents information regarding the assumptions to the major items in the Comprehensive Income Statement for the 10 years from 2023-2024 to 2032-2033. Increases in Employee costs, Materials and Services and Utilities include provision for both growth and CPI increments.

Escalation Factors % movement	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
CPI	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rates and charges	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Employee costs	3.5%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
Materials and services	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Utilities	2.0%	10.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Other expenses	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Key Assumptions

There are a number of assumptions underlying the forecasts for income, expenditure, assets, liabilities, equity, cash, capital works expenditure and human resources included in the financial plan. These assumptions have been derived from the following sources:

- assessment of the current financial position
- scan of the external economic environment
- forecast changes in population and demographics
- advice from officers responsible for service and capital works planning and delivery
- services and initiatives contained in plans adopted or proposed to be adopted by council.

The key assumptions underlying the financial plan are set out below.

Consumer price index

The annual consumer price index (CPI) for the March 2023 quarter for Melbourne was 6.8 per cent (ABS release 26 April 2023). For the purposes of developing the financial plan, CPI has traditionally been set at 2.0 percent, in line with the RBA low end inflation forecast of between 2 and 3 percent. In contrast to lower CPI projections used in the 2021-2022 to 2030-2031 Financial Plan because of the economic downturn as a result of the COVID-19 related restrictions, the CPI rate used for future rate cap projections has remained steady to take into account the current economic environment. The Financial Plan has therefore included CPI of 3.0 per cent for 2023-2024 and the historical static setting of 2.0 per cent for years 2 through 10.

2.2.1 Rates and charges

Base rate revenue will increase by 2.0 per cent for the 2023-2024 year, which is below the recommended state government rate cap of 3.5 per cent, however it is in line with the forecast included in the 2022-2023 to 2031-2032 Financial Plan. Estimated future annual increases are a conservative 2.0 per cent per annum from year 2 to year 10 of the plan, being the lower range of the Reserve Bank of Australia CPI range of 2-3 percent. In addition, it is expected that during the 2023-2024 year a further increase of 1.3 per cent will be received for growth (additional properties) as a result of supplementary rates.

Kerbside waste collection charges are proposed to increase by 3.19 per cent compared to 2022-2023 levels, based on the scheduled contract price increase and actual bin weights throughout the 2022-2023 year. The Waste Management Levy is proposed to increase by 3.57 per cent compared to 2022-2023 levels to reflect the estimated costs of managing the city's public waste services. Overall, this amounts to a net increase of \$11.20 per residential ratepayer from the previous year. Future year's waste charges are estimated to increase in line with the CPI percentages used over the 10 year plan to ensure Council continues to recover the full costs of providing waste services.

2.2.2 Statutory fees and fines

The Financial Plan takes a conservative approach with statutory fees and fines set by legislation, by not indexing the estimated revenue. This is often a worst case scenario due to some fees and demand being outside of the control by Council and therefore may be subject to fluctuation resulting in revenue increases less than CPI and in some cases revenue reductions.

2.2.3 User fees

Council raises approximately \$4.7 million in User fees, which are imposed in line with legislation governing local government activities such as animal registrations and in line with Council's schedule of User Charges. Future increases in User fees have been set at the estimated rate of CPI where possible in all years, noting some fees are linked to third party costs. Details of user fees for the 2023-2024 budget year can be found in Council's schedule of Fees and Charges that is adopted in conjunction with the budget.

2.2.4 Grants

Council currently receives grants for tied (specific purpose grants) and un-tied Financial Assistance grant funding received via the Victorian Local Government Grants Commission (VLGGC). Operating grants are expected to increase on an annual basis by approximately 2.0 per cent.

Council has been successful in securing a Federal Grant towards the Regional Deal project. This grant is for \$2.5 million dollars over a three- year period from 2023-2024 to 2025-2026 and has been included in the Financial Plan along with the grant for the Brockley Street bridge renewal project for \$3.7 million over a three-year period from 2024-2025 to 2026-27. Both grants have been included as a funding source in future years.

Each project has included the capital expenditure required in the relevant years. The Regional Deal grant will cover 50% of the proposed capital works expenditure, previously included in the budget, however the securing of funding has required capital works expenditure in future years to be bought forward to fulfil project requirements to match the grant funding; The Brockley Street bridge grant of \$3.7 million over a three year period commencing in 2024-2025 will cover approximately 80% of the proposed expenditure..

Council does not usually budget for capital grants unless they are guaranteed to be received. Accordingly, there is limited non-recurrent capital grant revenue included in the budget past 2023-2024.

2.2.5 Contributions

Council does not budget for monetary or non-monetary contributions.

Council receives contributions from developers. Monetary contributions represent funds to enable council to provide the necessary infrastructure and infrastructure improvements to accommodate development growth. The contributions are for specific purposes and often require Council to outlay funds for infrastructure works often before receipt of this income source. These contributions are statutory contributions and are transferred to a restricted reserve until utilised for a specific purpose through the capital works program or delivered as works in kind by developers. Non-monetary contributions represent infrastructure assets gifted to Council at no cost, such as roads and footpaths, at the conclusion of a new property development.

It is expected that council will receive monetary and non-monetary contributions during the ten-year period. As the timing and value of new development contributions cannot be reliably measured at this time no allowance has been made.

2.2.6 Employee costs

The Financial Plan includes a 3.5 per cent increase for employee costs for 2023-2024 and 3.4 per cent for years 2 to 10 years in the plan. This reflects the salary increase for all staff pursuant to the Enterprise Bargaining Agreement, banding increment increases within staff levels (e.g. staff progressing from band 6A to 6B), growth in

demand for service delivery necessitating additional staff and estimated increases to staff related costs, including learning and development, workers compensation insurance and other related costs.

2.2.7 Materials and services

Material costs include items required for the maintenance and repairs of Council buildings, roads, drains and footpaths which are more governed by market forces based on availability, than CPI. Other associated costs included under this category are consumable items for a range of services. Council also utilises external expertise on a range of matters, including legal services and audit. The annual increase in these costs of 4.5 per cent reflects the higher than CPI increases incurred by Council as well as an allowance for growth in services required, in particular the increase in parks, reserves and sporting grounds maintained by Council.

2.2.8 Utilities

Wodonga Council electricity contracts changed on July 1, 2021 to VECO Green energy, with fixed price rates for the first 3 years of the contract. Accordingly, energy cost increases have therefore been included at 2.0 per cent for 2023-2024 to account for growth in the street lighting network and other Council facilities. A 10.0 per cent increase has been included for the 2024-2025 year to account for a market re-set in the VECO contract prices. Due to the growth in the number of street lights and other lighting that Council manages on behalf of the community, and the increase in the number of parks and reserves that are being irrigated for improved amenity for the community, the increase in Utility costs for years 2025-2026 to 2032-2033 are included at 4.0 per cent per year.

3 Financial Plan Statements

This section presents information regarding the Financial Plan Statements for the 10 years from 2023-2024 to 2032-2033.

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

3.1 Comprehensive Income Statement

	Forecast										
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue											
Rates and charges	50,104	52,302	53,954	55,645	57,376	59,148	60,961	62,817	64,717	66,661	68,644
Statutory fees and fines	594	541	541	541	541	541	541	541	541	541	541
User fees	5,640	4,698	4,815	4,936	5,059	5,185	5,315	5,448	5,584	5,724	5,867
Grants - operating	8,163	14,071	14,352	14,639	14,932	15,231	15,535	15,846	16,163	16,486	16,816
Grants - capital	11,215	1,448	3,550	2,550	1,295	541	541	541	541	541	541
Contributions - monetary	45	-	123	-	-	-	-	-	-	-	-
Contributions - non-monetary	-	-	-	-	-	-	-	-	-	-	-
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	415	-	-	-	-	-	-	-	-	-	-
Other income	765	1,123	1,145	1,168	1,192	1,215	1,240	1,264	1,290	1,316	1,342
Total revenue	76,942	74,181	78,480	79,478	80,394	81,861	84,133	86,457	88,835	91,268	93,750
Expenses											
Employee costs	32,383	35,224	36,172	37,402	38,674	39,988	41,348	42,754	44,207	45,711	47,265
Materials and services	25,851	23,113	25,072	26,383	28,002	29,459	31,044	32,045	33,406	34,822	36,300
Depreciation	10,250	11,370	10,270	10,365	10,460	10,555	10,650	10,745	10,840	10,935	10,800
Amortisation - intangible assets	-	-	-	-	-	-	-	-	-	-	-
Amortisation - right of use assets	1,095	1,041	1,072	1,104	1,138	1,172	1,207	1,243	1,280	1,319	1,358
Borrowing costs	1,040	1,166	1,305	1,269	1,164	1,053	933	805	676	605	(127)
Finance Costs - leases	95	115	100	100	100	100	100	100	100	100	100
Other expenses	1,194	985	1,000	1,016	1,033	1,049	1,066	1,084	1,101	1,119	1,138
Total expenses	71,908	73,014	74,992	77,639	80,570	83,376	86,349	88,775	91,611	94,610	96,833
Surplus/(deficit) for the year	5,034	1,167	3,488	1,839	(176)	(1,515)	(2,216)	(2,318)	(2,775)	(3,342)	(3,083)
Other comprehensive income											
Items that will not be reclassified to surplus or deficit in future periods											
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	2,111	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	-	-	-
Items that may be reclassified to surplus or deficit in future periods (detail as appropriate)	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	2,111	-	-	-	-	-	-	-	-	-	-
Total comprehensive result	7,145	1,167	3,488	1,839	(176)	(1,515)	(2,216)	(2,318)	(2,775)	(3,342)	(3,083)

3.2 Balance Sheet

	Forecast										
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Current assets											
Cash and cash equivalents	25,825	25,713	14,176	6,550	1,771	(4,061)	(12,237)	(17,674)	(23,827)	(30,619)	(37,346)
Trade and other receivables	3,100	3,100	3,335	3,360	3,380	3,421	3,523	3,618	3,715	3,804	3,916
Inventories	50	50	50	50	50	50	50	50	50	50	50
Non-current assets classified as held for sale	2,205	-	-	-	-	-	-	-	-	-	-
Other assets	1,267	3,472	3,472	3,472	3,472	3,472	3,472	3,472	3,472	3,472	3,472
Total current assets	32,447	32,335	21,033	13,432	8,674	2,882	(5,192)	(10,534)	(16,590)	(23,293)	(29,908)
Non-current assets											
Property, infrastructure, plant & equipment	799,160	803,774	816,628	823,980	826,366	828,282	831,439	831,764	832,857	834,559	836,904
Right-of-use assets	1,614	1,666	1,666	1,666	1,666	1,666	1,666	1,666	1,666	1,666	1,666
Total non-current assets	800,774	805,440	818,294	825,646	828,032	829,948	833,105	833,430	834,523	836,225	838,570
Total assets	833,221	837,775	839,328	839,078	836,705	832,830	827,913	822,896	817,933	812,932	808,663
Liabilities											
Current liabilities											
Trade and other payables	3,300	3,300	3,494	3,658	3,846	4,010	3,982	4,112	4,275	4,433	4,561
Trust funds and deposits	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Provisions	4,800	4,800	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Interest-bearing liabilities	1,469	2,129	2,253	2,385	2,524	2,672	2,830	2,351	1,816	1,315	599
Lease liabilities	755	755	755	755	755	755	755	755	755	755	755
Total current liabilities	11,624	12,284	12,502	12,798	13,125	13,437	13,567	13,218	12,846	12,502	11,916
Non-current liabilities											
Provisions	2,000	2,000	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Interest-bearing liabilities	15,874	18,745	16,492	14,108	11,584	8,911	6,081	3,730	1,914	599	-
Lease liabilities	1,055	911	911	911	911	911	911	911	911	911	911
Total non-current liabilities	18,929	21,656	19,503	17,119	14,595	11,922	9,092	6,741	4,925	3,610	3,011
Total liabilities	30,553	33,940	32,005	29,916	27,719	25,359	22,659	19,959	17,771	16,113	14,927
Net assets	802,668	803,835	807,323	809,162	808,986	807,471	805,255	802,937	800,161	796,819	793,736
Equity											
Accumulated surplus	471,351	472,318	475,606	477,245	476,869	475,154	472,738	470,220	467,244	463,902	460,819
Reserves	331,317	331,517	331,717	331,917	332,117	332,317	332,517	332,717	332,917	332,917	332,917
Total equity	802,668	803,835	807,323	809,162	808,986	807,471	805,255	802,937	800,161	796,819	793,736

3.3 Statement of Changes in Equity

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2023 Forecast				
Balance at beginning of the financial year	795,523	464,406	326,560	4,557
Surplus/(deficit) for the year	7,145	7,145	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(200)	-	200
Balance at end of the financial year	802,668	471,351	326,560	4,757
2024				
Balance at beginning of the financial year	802,668	471,351	326,560	4,757
Surplus/(deficit) for the year	1,167	1,167	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(200)	-	200
Balance at end of the financial year	803,835	472,318	326,560	4,957
2025				
Balance at beginning of the financial year	803,835	472,318	326,560	4,957
Surplus/(deficit) for the year	3,488	3,488	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(200)	-	200
Balance at end of the financial year	807,323	475,606	326,560	5,157
2026				
Balance at beginning of the financial year	807,323	475,606	326,560	5,157
Surplus/(deficit) for the year	1,839	1,839	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers from other reserves	-	(200)	-	200
Balance at end of the financial year	809,162	477,245	326,560	5,357
2027				
Balance at beginning of the financial year	809,162	477,245	326,560	5,357
Surplus/(deficit) for the year	(176)	(176)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(200)	-	200
Balance at end of the financial year	808,986	476,869	326,560	5,557

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2028				
Balance at beginning of the financial year	808,986	476,869	326,560	5,557
Surplus/(deficit) for the year	(1,515)	(1,515)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(200)	-	200
Balance at end of the financial year	807,471	475,154	326,560	5,757
2029				
Balance at beginning of the financial year	807,471	475,154	326,560	5,757
Surplus/(deficit) for the year	(2,216)	(2,216)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(200)	-	200
Balance at end of the financial year	805,255	472,738	326,560	5,957
2030				
Balance at beginning of the financial year	805,255	472,738	326,560	5,957
Surplus/(deficit) for the year	(2,318)	(2,318)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(200)	-	200
Balance at end of the financial year	802,937	470,220	326,560	6,157
2031				
Balance at beginning of the financial year	802,937	470,220	326,560	6,157
Surplus/(deficit) for the year	(2,775)	(2,775)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(200)	-	200
Balance at end of the financial year	800,161	467,244	326,560	6,357
2032				
Balance at beginning of the financial year	800,161	467,244	326,560	6,357
Surplus/(deficit) for the year	(3,342)	(3,342)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Balance at end of the financial year	796,819	463,902	326,560	6,357
2033				
Balance at beginning of the financial year	796,819	463,902	326,560	6,357
Surplus/(deficit) for the year	(3,083)	(3,083)	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	-	-	-
Balance at end of the financial year	793,736	460,819	326,560	6,357

3.4 Statement of Cash Flows

	Forecast										
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)	Inflow s (Outflow s)
Cash flows from operating activities											
Rates and charges	50,104	52,302	53,808	55,580	57,309	59,086	60,885	62,746	64,644	66,593	68,561
Statutory fees and fines	594	541	539	541	541	541	541	541	541	541	541
User fees	6,055	4,698	4,799	4,930	5,053	5,180	5,308	5,442	5,578	5,718	5,859
Grants - operating	8,163	14,071	14,297	14,624	14,916	15,217	15,516	15,829	16,146	16,471	16,795
Grants - capital	11,215	1,448	3,536	2,605	1,364	582	541	541	541	541	541
Contributions - monetary	-	-	-	-	-	-	-	-	-	-	-
Interest received	115	610	622	635	647	660	673	687	701	715	729
Other receipts	695	513	644	540	544	555	565	577	588	600	612
Net GST refund / payment	-	-	-	-	-	-	-	-	-	-	-
Employee costs	(32,383)	(35,224)	(36,106)	(37,361)	(38,632)	(39,949)	(41,526)	(42,715)	(44,168)	(45,673)	(47,219)
Materials and services	(26,148)	(23,307)	(23,154)	(24,217)	(25,300)	(26,437)	(27,607)	(28,848)	(30,138)	(31,494)	(32,887)
Short-term, low value and variable lease payments	-	-	(1,072)	(1,104)	(1,138)	(1,172)	(1,207)	(1,243)	(1,280)	(1,319)	(1,358)
Other payments	(994)	(985)	(3,003)	(3,359)	(3,916)	(4,302)	(4,738)	(4,602)	(4,687)	(4,800)	(4,287)
Net cash provided by/(used in) operating activities	17,416	14,667	14,909	13,412	11,389	9,961	8,953	8,954	8,465	7,894	7,887
Cash flows from investing activities											
Payments for property, infrastructure, plant and equipment	(52,999)	(15,988)	(23,124)	(17,716)	(12,846)	(12,471)	(13,807)	(11,069)	(11,933)	(12,637)	(13,145)
Proceeds from sale of property, infrastructure, plant and equipment	10,050	-	-	-	-	-	-	-	-	-	-
Net cash provided by/ (used in) investing activities	(42,949)	(15,988)	(23,124)	(17,716)	(12,846)	(12,471)	(13,807)	(11,069)	(11,933)	(12,637)	(13,145)
Cash flows from financing activities											
Finance costs	(1,040)	(1,166)	(1,093)	(969)	(837)	(698)	(549)	(392)	(234)	(133)	(54)
Proceeds from borrow ings	5,000	5,000	-	-	-	-	-	-	-	-	-
Repayment of borrow ings	(2,264)	(1,469)	(2,129)	(2,253)	(2,385)	(2,524)	(2,672)	(2,830)	(2,351)	(1,816)	(1,315)
Interest paid - lease liability	(95)	(115)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)
Repayment of lease liabilities	(1,095)	(1,041)	-	-	-	-	-	-	-	-	-
Net cash provided by/(used in) financing activities	506	1,209	(3,322)	(3,322)	(3,322)	(3,322)	(3,322)	(3,322)	(2,685)	(2,049)	(1,468)
Net increase/(decrease) in cash & cash equivalents	(25,027)	(112)	(11,537)	(7,626)	(4,779)	(5,832)	(8,176)	(5,437)	(6,154)	(6,792)	(6,727)
Cash and cash equivalents at the beginning of the financial year	50,852	25,825	25,713	14,176	6,550	1,771	(4,061)	(12,237)	(17,674)	(23,827)	(30,619)
Cash and cash equivalents at the end of the financial year	25,825	25,713	14,176	6,550	1,771	(4,061)	(12,237)	(17,674)	(23,827)	(30,619)	(37,346)

3.5 Statement of Capital Works

	Forecast										
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property											
Land	-	-	-	-	-	-	-	-	-	-	-
Land improvements	3,100	500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Total land	3,100	500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Buildings	11,469	3,446	3,574	4,886	2,078	1,520	2,470	1,151	1,484	1,837	1,929
Building improvements	2,125	-	120	-	500	-	-	-	-	-	-
Total buildings	13,594	3,446	3,694	4,886	2,578	1,520	2,470	1,151	1,484	1,837	1,929
Total property	16,694	3,946	6,194	7,386	5,078	4,020	4,970	3,651	3,984	4,337	4,429
Plant and equipment											
Plant, machinery and equipment	1,728	730	350	860	370	380	390	400	410	420	430
Fixtures, fittings and furniture	207	320	135	95	123	115	130	130	115	115	115
Computers and telecommunications	1,317	630	650	680	710	740	775	810	851	893	910
Library books	-	-	-	-	-	-	-	-	-	-	-
Total plant and equipment	3,252	1,680	1,135	1,635	1,203	1,235	1,295	1,340	1,376	1,428	1,455
Infrastructure											
Roads	5,214	4,124	5,917	4,782	3,974	3,625	4,236	3,779	3,992	4,324	4,605
Bridges	600	3,156	2,438	404	372	374	476	479	533	541	598
Footpaths and cycleways	931	322	714	672	839	773	731	750	802	848	880
Drainage	511	260	704	214	229	252	276	300	325	351	353
Recreational, leisure and community facilities	23,679	936	524	366	121	1,535	134	140	293	146	150
Waste management	-	-	110	-	-	-	-	-	-	-	-
Parks, open space and streetscapes	2,046	1,489	4,181	1,701	719	542	499	536	533	565	576
Off street car parks	72	74	407	557	311	115	1,189	94	96	98	100
Other infrastructure	-	-	800	-	-	-	-	-	-	-	-
Total infrastructure	33,053	10,361	15,796	8,695	6,565	7,217	7,542	6,079	6,574	6,872	7,262
Total capital works expenditure	52,999	15,988	23,124	17,716	12,846	12,471	13,807	11,069	11,933	12,637	13,145
Represented by:											
New asset expenditure	28,768	2,679	10,869	6,074	5,036	4,709	5,675	3,502	3,689	3,598	3,617
Asset renewal expenditure	11,735	11,764	10,935	8,592	7,810	7,642	8,132	7,567	8,244	9,039	9,528
Asset expansion expenditure	-	865	370	2,500	-	-	-	-	-	-	-
Asset upgrade expenditure	12,496	680	950	550	-	120	-	-	-	-	-
Total capital works expenditure	52,999	15,988	23,124	17,716	12,846	12,471	13,807	11,069	11,933	12,637	13,145
Funding sources represented by:											
Grants	11,215	1,448	3,550	2,550	1,295	541	541	541	541	541	541
Contributions	45	-	123	-	-	-	-	-	-	-	-
Council cash	36,739	9,540	19,451	15,166	11,551	11,930	13,266	10,528	11,392	12,096	12,604
Borrowings	5,000	5,000	-	-	-	-	-	-	-	-	-
Total capital works expenditure	52,999	15,988	23,124	17,716	12,846	12,471	13,807	11,069	11,933	12,637	13,145

3.6 Statement of Human Resources

	Forecast	Budget	Projections								
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure											
Employee costs - operating	32,383	35,224	36,172	37,402	38,674	39,988	41,348	42,754	44,207	45,711	47,265
Employee costs - capital	-	-	-	-	-	-	-	-	-	-	-
Total staff expenditure	32,383	35,224	36,172	37,402	38,674	39,988	41,348	42,754	44,207	45,711	47,265

	Forecast	Budget	Projections								
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Staff numbers											
Employees	299	301	304	307	311	314	317	321	324	328	331
Total staff numbers	299	301	304	307	311	314	317	321	324	328	331

Department	Budget 2023/24 \$'000	Comprises				Department	Budget 2023/24 FTE	Comprises			
		Permanent		Casual	Temporary			Permanent		Casual	Temporary
		Full Time	Part time					Full Time	Part time		
		\$'000	\$'000	\$'000	\$'000			FTE	FTE	FTE	FTE
Planning & Infrastructure	14,670	11,952	2,718	-	-	Planning & Infrastructure	136.8	112.0	24.8	-	-
Corporate Services	6,679	6,044	635	-	-	Corporate Services	45.4	41.0	4.4	-	-
Community Development	11,998	5,819	6,179	-	-	Community Development	110.1	51.0	59.1	-	-
Executive Governance	1,525	1,525	-	-	-	Executive Governance	5.0	5.0	-	-	-
Total permanent staff expenditure	34,872	25,340	9,532	-	-	Total permanent staff	297.3	209.0	88.3	-	-
Casuals, temporary and other expenditure	352					Casuals, temporary and other expenditure	3.9				
Capitalised labour costs	-					Capitalised labour costs	-				
Total expenditure	35,224					Total staff	301.2				

3.7 Summary of Planned Human Resources Expenditure

	Budget		Projections							
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Planning & Infrastructure										
<i>Permanent – Full time</i>	11,952	12,274	12,691	13,122	13,569	14,030	14,507	15,000	15,510	16,037
Female	2,454	2,498	2,672	2,739	2,924	2,998	3,196	3,277	3,490	3,579
Male	9,498	9,775	10,019	10,384	10,644	11,032	11,310	11,723	12,020	12,459
Self-described gender	-	-	-	-	-	-	-	-	-	-
<i>Permanent – Part time</i>	2,718	2,791	2,886	2,984	3,086	3,191	3,299	3,411	3,527	3,647
Female	1,533	1,574	1,628	1,683	1,741	1,800	1,861	1,924	1,990	2,057
Male	1,185	1,217	1,258	1,301	1,345	1,391	1,438	1,487	1,537	1,590
Self-described gender	-	-	-	-	-	-	-	-	-	-
Total Planning & Infrastructure	14,670	15,065	15,577	16,107	16,654	17,220	17,806	18,411	19,037	19,685
Corporate Services										
<i>Permanent – Full time</i>	6,044	6,207	6,418	6,636	6,861	7,095	7,336	7,585	7,843	8,110
Female	3,391	3,547	3,582	3,770	3,812	4,010	4,058	4,267	4,322	4,542
Male	2,653	2,660	2,836	2,865	3,050	3,085	3,278	3,319	3,521	3,568
Self-described gender	-	-	-	-	-	-	-	-	-	-
<i>Permanent – Part time</i>	635	652	674	697	721	745	771	797	824	852
Female	635	652	674	697	721	745	771	797	824	852
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Total Corporate Services	6,679	6,859	7,092	7,333	7,582	7,840	8,107	8,382	8,667	8,962

	Budget		Projections							
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Community Development										
<i>Permanent – Full time</i>	5,819	5,976	6,179	6,389	6,606	6,831	7,063	7,303	7,551	7,808
Female	4,678	4,712	4,896	4,969	5,165	5,245	5,452	5,540	5,759	5,856
Male	1,141	1,264	1,282	1,420	1,441	1,586	1,611	1,763	1,792	1,952
Self-described gender	-	-	-	-	-	-	-	-	-	-
<i>Permanent – Part time</i>	6,179	6,345	6,561	6,784	7,015	7,253	7,500	7,755	8,018	8,291
Female	5,847	6,004	6,208	6,419	6,638	6,863	7,097	7,338	7,587	7,845
Male	332	341	353	365	377	390	403	417	431	446
Self-described gender	-	-	-	-	-	-	-	-	-	-
Total Community Development	11,998	12,321	12,740	13,173	13,621	14,084	14,563	15,058	15,570	16,099
Executive Governance										
<i>Permanent – Full time</i>	1,525	1,544	1,561	1,564	1,550	1,519	1,469	1,397	1,303	1,184
Female	1,220	1,253	1,260	1,303	1,280	1,324	1,267	1,310	1,213	1,254
Male	305	292	302	261	270	195	202	88	91	70
Self-described gender	-	-	-	-	-	-	-	-	-	-
<i>Permanent – Part time</i>	-	22	58	111	181	271	382	516	676	862
Female	-	-	36	37	105	108	214	221	371	383
Male	-	22	22	74	76	163	168	295	305	479
Self-described gender	-	-	-	-	-	-	-	-	-	-
Total Executive Governance	1,525	1,566	1,619	1,674	1,731	1,790	1,851	1,914	1,979	2,046
Casuals, temporary and other expenditure	352	362	374	387	400	413	428	442	457	473
Capitalised labour costs	-	-	-	-	-	-	-	-	-	-
Total staff expenditure	35,224	36,172	37,402	38,674	39,988	41,348	42,754	44,207	45,711	47,265

Summary of Planned Human Resources

For the four years ending 30 June 2027

	NOTES	Budget	Projections								
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
		FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Planning & Infrastructure											
Permanent – Full time		112.0	113.0	114.0	115.0	116.0	117.0	118.0	119.0	120.0	121.0
Female		23.0	23.0	24.0	24.0	25.0	25.0	26.0	26.0	27.0	27.0
Male		89.0	90.0	90.0	91.0	91.0	92.0	92.0	93.0	93.0	94.0
Self-described gender		-	-	-	-	-	-	-	-	-	-
Permanent – Part time		24.8	24.8	24.8	24.8	24.8	24.8	24.8	24.8	24.8	24.8
Female		14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Male		10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8
Self-described gender		-	-	-	-	-	-	-	-	-	-
Total Planning & Infrastructure		136.8	137.8	138.8	139.8	140.8	141.8	142.8	143.8	144.8	145.8
Corporate Services											
Permanent – Full time		41.0	42.0	43.0	44.0	45.0	46.0	47.0	48.0	49.0	50.0
Female		23.0	24.0	24.0	25.0	25.0	26.0	26.0	27.0	27.0	28.0
Male		18.0	18.0	19.0	19.0	20.0	20.0	21.0	21.0	22.0	22.0
Self-described gender		-	-	-	-	-	-	-	-	-	-
Permanent – Part time		4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4
Female		4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4
Male		-	-	-	-	-	-	-	-	-	-
Self-described gender		-	-	-	-	-	-	-	-	-	-
Total Corporate Services		45.4	46.4	47.4	48.4	49.4	50.4	51.4	52.4	53.4	54.4

Summary of Planned Human Resources

For the four years ending 30 June 2027

NOTES	Budget		Projections							
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Community Development										
Permanent – Full time	51.0	52.0	53.0	54.0	55.0	56.0	57.0	58.0	59.0	60.0
Female	41.0	41.0	42.0	42.0	43.0	43.0	44.0	44.0	45.0	45.0
Male	10.0	11.0	11.0	12.0	12.0	13.0	13.0	14.0	14.0	15.0
Self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent – Part time	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1
Female	55.9	55.9	55.9	55.9	55.9	55.9	55.9	55.9	55.9	55.9
Male	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Self-described gender	-	-	-	-	-	-	-	-	-	-
Total Community Development	110.1	111.1	112.1	113.1	114.1	115.1	116.1	117.1	118.1	119.1
Executive Governance										
Permanent – Full time	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Female	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Male	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Self-described gender	-	-	-	-	-	-	-	-	-	-
Permanent – Part time	-	0.1	0.3	0.5	0.8	1.1	1.5	2.0	2.5	3.1
Female	-	-	0.2	0.2	0.4	0.4	0.8	0.8	1.4	1.4
Male	-	0.1	0.1	0.3	0.3	0.7	0.7	1.1	1.1	1.7
Self-described gender	-	-	-	-	-	-	-	-	-	-
Total Executive Governance	5.0	5.1	5.3	5.5	5.8	6.1	6.5	7.0	7.5	8.1
Casuals, temporary and other expenditure	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9
Capitalised labour costs	-	-	-	-	-	-	-	-	-	-
Total staff numbers	301.2	304.3	307.5	310.7	314.0	317.3	320.7	324.2	327.7	331.3

4 Financial performance indicators

Indicator	Measure	Forecast											Trend
		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	+o/-
Operating position													
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	(5%)	0%	0%	(0%)	(1%)	(2%)	(3%)	(3%)	(3%)	(4%)	(3%)	-
Liquidity													
Working Capital	Current assets / current liabilities	279%	263%	168%	105%	66%	21%	(38%)	(80%)	(129%)	(186%)	(251%)	-
Unrestricted cash	Unrestricted cash / current liabilities	142%	134%	37%	(25%)	(62%)	(105%)	(166%)	(213%)	(269%)	(330%)	(403%)	-
Obligations													
Loans and borrow ings	Interest bearing loans and borrow ings / rate revenue	35%	40%	35%	30%	25%	20%	15%	10%	6%	3%	1%	-
Loans and borrow ings	Interest and principal repayments on interest bearing loans and borrow ings / rate revenue	7%	5%	6%	6%	6%	6%	5%	5%	4%	3%	2%	-
Indebtedness	Non-current liabilities / ow n source revenue	32%	37%	32%	27%	23%	18%	13%	10%	7%	5%	4%	-
Asset renew al	Asset renew al and upgrade expense / Asset depreciation	236%	109%	116%	88%	75%	74%	76%	70%	76%	83%	88%	o
Stability													
Rates concentration	Rate revenue / adjusted underlying revenue	72%	71%	71%	71%	71%	71%	72%	72%	72%	72%	73%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	o

Indicator	Measure	Forecast											Trend
		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	+/-
Efficiency													
Expenditure level	Total expenses/ no. of property assessments	\$3,486	\$3,477	\$3,510	\$3,571	\$3,642	\$3,704	\$3,769	\$3,808	\$3,861	\$3,917	\$3,939	o
Revenue level	General rates and municipal charges / no. of property assessments	\$2,429	\$2,491	\$2,525	\$2,560	\$2,594	\$2,627	\$2,661	\$2,694	\$2,727	\$2,760	\$2,793	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

4.1 Borrowing

The use of borrowings to partially fund the construction of large scale multi-generational infrastructure assets is a prudent financial policy. Unlike operating expenses that relate specifically to the current day operations of a council, capital costs incurred now benefit future generations. A key principle in financial management is that of debt versus equity to finance expansion or capital development. The use of debt for large multi-generational infrastructure developments allows for the future users of the infrastructure to contribute towards the cost of providing that infrastructure, which results in a more equitable outcome.

The use of borrowings is also considered in projects where there is an attractive rate of return on the investment, which makes for a compelling case to undertake the capital project.

4.1.1 Current Debt Position

The total forecast amount borrowed as at 30 June 2023 is \$17.3 million.

Council has previously accessed debt funding to complete a range of major infrastructure projects including The Cube and WAVES. New borrowings included in the 2022-2023 budget have not yet been drawn down due to Council funding current capital works and the purchase of the Council Depot, via Council funds. For 2023-2024 there is provision for \$5 million of new borrowings, should the option to purchase strategic land and building assets be exercised or if the requirement for funds to be utilised as bridging finance as a result of the timing of when funds are received from land sales.

Any future borrowings for infrastructure assets or other projects should be carefully considered by the elected councillors and the Finance and Budget Delegated committee during Budget deliberations in light of the current economic outlook, interest rates and other future costs associated with repairs, maintenance and running of the asset or project.

4.1.2 Future Borrowing Requirements

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

	Forecast										
	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000
Opening balance	14,607	17,343	20,874	18,745	16,492	14,108	11,584	8,911	6,081	3,730	1,914
Plus New loans	5,000	5,000	-	-	-	-	-	-	-	-	-
Less Principal repayment	(2,264)	(1,469)	(2,129)	(2,253)	(2,385)	(2,524)	(2,672)	(2,830)	(2,351)	(1,816)	(1,315)
Closing balance	17,343	20,874	18,745	16,492	14,108	11,584	8,911	6,081	3,730	1,914	599
Interest payment	(1,040)	(1,166)	(1,093)	(969)	(837)	(698)	(549)	(392)	(234)	(133)	(54)

The following table highlights Council's projected performance across a range of debt management performance indicators.

Performance Indicator	Target	Forecast / Actual	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
		2022/23										
		%	%	%	%	%	%	%	%	%	%	%
Total borrowings / Rate revenue	Below 60%	35%	40%	35%	30%	25%	20%	15%	10%	6%	3%	1%
Debt servicing / Rate revenue	Below 5%	7%	5%	6%	6%	6%	6%	5%	5%	4%	3%	2%
Debt commitment / Rate revenue	Below 10%	6%	5%	5%	5%	5%	5%	5%	5%	4%	3%	2%
Indebtedness / Own source revenue	Below 60%	32%	37%	32%	27%	23%	18%	13%	10%	7%	5%	4%

Council maintains its loan borrowing within prudent and management limits as demonstrated by the performance indicators in the table above. Wodonga Council's new borrowing limit set by the Treasury Corporation of Victorian in December 2022 is \$22.65 million.

4.2 Reserves

4.2.1 Current Reserves

Development Contributions Reserve

- Purpose – This reserve retains funds received from developers for infrastructure provision related to Council’s Section 173 Agreements and the Leneva and Baranduda Development Contributions Plan.
- Movements - transfers to the reserve (inflows) comprise contribution income from developers in line with their Section 173 agreements or the Leneva and Baranduda Development Contribution Plan. Transfers from this reserve (outflows) will be for nominated capital works for Development Infrastructure projects and Community Infrastructure projects. These funds are tied directly to the income received or cash funds refunded to developers for capital works completed directly by the developer.

Waste Management Reserve

- Purpose - The Waste Management Reserve holds any actual surplus funds generated from Council’s waste related activities, for which a Kerbside Garbage Charge or Waste Management Levy has been collected in excess of the actual expenditure incurred. The Waste Management Reserve Policy determines how these funds may be used and advises that the reserve can only be applied for waste related purposes, to either reduce the next year’s annual waste charges, to fund waste related capital projects or to offset against a future or past waste deficit.
- Movements - transfers to the reserve (inflows) comprise of any surplus generated from the previous years’ actual to budget comparison. Transfers from the reserve (outflows) are applied to fund waste related capital projects or operating expenditures in line with the Waste Management Reserve Policy, or to cover an actual to budget deficit.

Defined Benefits Superannuation future Call-up Reserve

- Purpose – Wodonga Council is an employer with the Local Government Defined Benefits Superannuation scheme. A future call-up is inevitable for employers and to remove the impact of a substantial call-up in a future year this reserve has been established. This is a voluntary reserve.
- Movements - transfers to the reserve (inflows) comprise of contributions Council has set aside to fund a future Defined Benefits Superannuation Call-up. Transfers from the reserve (outflows) are applied to fund a future Superannuation Call-up.

4.2.2 Reserve Usage Projections

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

Restricted reserves are to be included to the disclosure of restricted cash assets.

Reserves	Restricted / Discretionary	2022/23 \$000's	2023/24 \$000's	2024/25 \$000's	2025/26 \$000's	2026/27 \$000's	2027/28 \$000's	2028/29 \$000's	2029/30 \$000's	2030/31 \$000's	2031/32 \$000's	2032/33 \$000's
Development Contributions Reserve	Restricted											
Opening balance		2,100	2,300	2,500	2,700	2,900	3,100	3,300	3,500	3,700	3,900	4,100
Transfer to reserve		200	200	200	200	200	200	200	200	200	200	200
Transfer from reserve												
Closing balance		2,300	2,500	2,700	2,900	3,100	3,300	3,500	3,700	3,900	4,100	4,300
Waste Management Reserve	Restricted											
Opening balance		457	457	457	457	457	457	457	457	457	457	457
Transfer to reserve												
Transfer from reserve												
Closing balance		457	457	457	457	457	457	457	457	457	457	457
Reserves Summary	Total Restricted											
Opening balance		2,557	2,757	2,957	3,157	3,357	3,557	3,757	3,957	4,157	4,357	4,557
Transfer to reserve		200	200	200	200	200	200	200	200	200	200	200
Transfer from reserve		0	0	0	0	0	0	0	0	0	0	0
Closing balance		2,757	2,957	3,157	3,357	3,557	3,757	3,957	4,157	4,357	4,557	4,757

Reserves	Restricted / Discretionary	2022/23 \$000's	2023/24 \$000's	2024/25 \$000's	2025/26 \$000's	2026/27 \$000's	2027/28 \$000's	2028/29 \$000's	2029/30 \$000's	2030/31 \$000's	2031/32 \$000's	2032/33 \$000's
Defined Benefits Superannuation Call up reserve	Discretionary											
Opening balance		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Transfer to reserve												
Transfer from reserve												
Closing balance		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Reserves Summary	Total Discretionary											
Opening balance		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Transfer to reserve		0	0	0	0	0	0	0	0	0	0	0
Transfer from reserve		0	0	0	0	0	0	0	0	0	0	0
Closing balance		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Reserves Summary	Restricted & Discretionary											
Opening balance		4,557	4,757	4,957	5,157	5,357	5,557	5,757	5,957	6,157	6,357	6,557
Transfer to reserve		200	200	200	200	200	200	200	200	200	200	200
Transfer from reserve		0	0	0	0	0	0	0	0	0	0	0
Closing balance		4,757	4,957	5,157	5,357	5,557	5,757	5,957	6,157	6,357	6,557	6,757