

Resourcing Strategy

Long Term
Financial Plan

2023/24

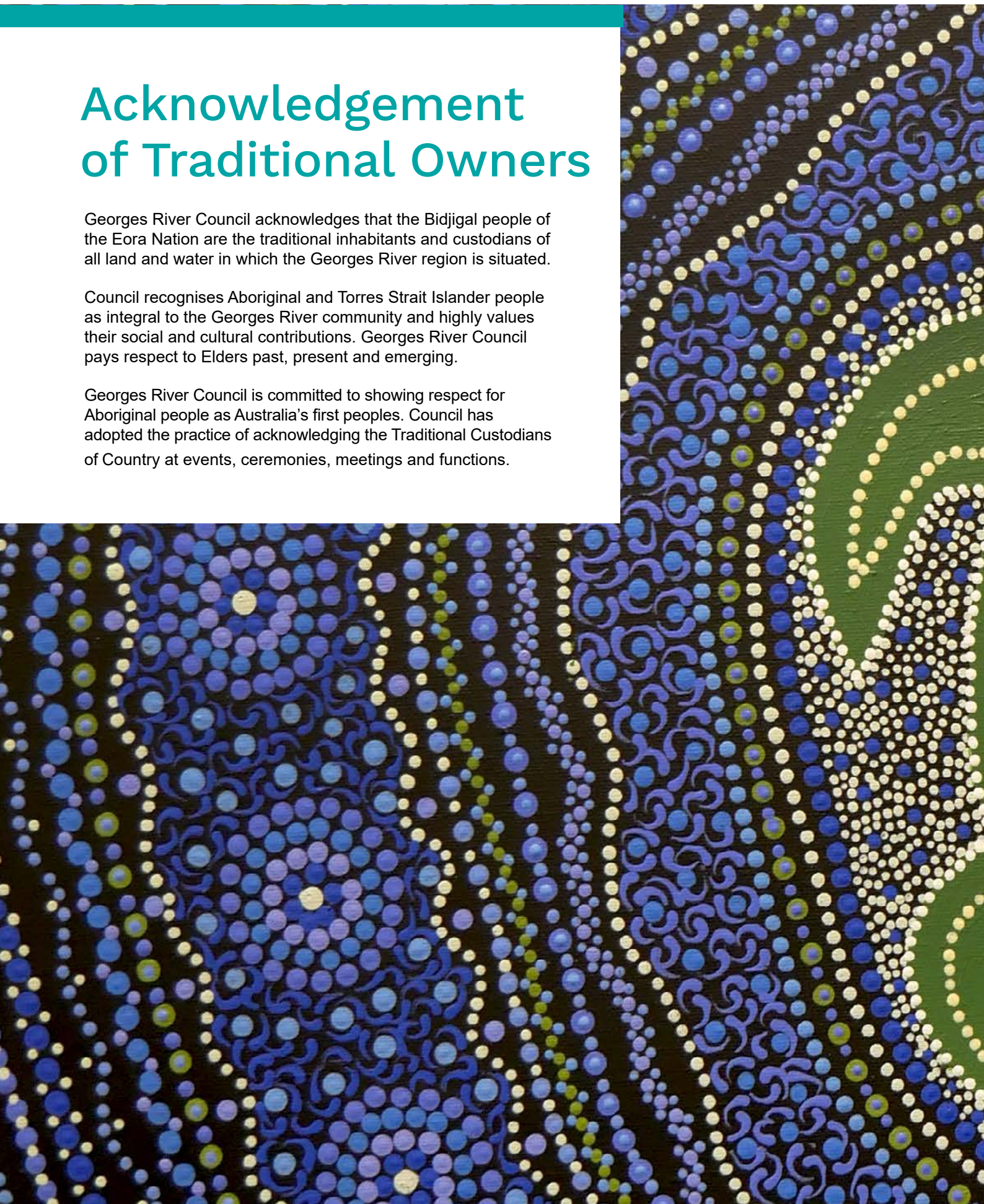


Acknowledgement of Traditional Owners

Georges River Council acknowledges that the Bidjigal people of the Eora Nation are the traditional inhabitants and custodians of all land and water in which the Georges River region is situated.

Council recognises Aboriginal and Torres Strait Islander people as integral to the Georges River community and highly values their social and cultural contributions. Georges River Council pays respect to Elders past, present and emerging.

Georges River Council is committed to showing respect for Aboriginal people as Australia's first peoples. Council has adopted the practice of acknowledging the Traditional Custodians of Country at events, ceremonies, meetings and functions.





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Our vision, mission and values

Our vision

Naturally connected to place, community and Country.

Our mission

A leading, people-focused organisation delivering outstanding results for our community and city.

Our values



United

We will work collaboratively as one team with common purpose and respect



Professional

We will act with integrity and seek opportunities to learn and grow



Honest

We will be open and truthful with each other and our community



Accountable

We will own our decisions and actions as we strive for excellence



Executive Summary

The Long Term Financial Plan (LTFP) forms part of the Resourcing Strategy and is an essential for informing decision-making during the preparation and finalisation of the Community Strategic Plan and the development of the Delivery Program.

As per the relevant legislation, financial decision making is to give due consideration to promoting the financial sustainability of the council through:

- the progressive elimination of operating deficits
- the establishment of a clear revenue path for all rates linked to specific expenditure proposals
- ensuring that any proposed increase in services and/or assets is within the financial means of the council including a proposed special rate variation
- ensuring the adequate funding of infrastructure maintenance and renewal
- the use of borrowing is appropriate and financially responsible, and
- the fair and equitable distribution of the rate burden across all rate payers.

After a period of uncertainty due to COVID-19 virus in the population, 2022/23 proved to be the first year when a greater sense of normalcy returned to the operating environment of Council.

The Budget 2023/24 continues to return to business as usual and incorporates the service standards that are expected by the community while not deviating from the aim of financial sustainability by strengthening Council's operating surplus.

The Special Rate Variation (SRV) which was introduced in 2021/22, will be in its third year of implementation. The SRV has been critical in bringing about financial stability to Council. It is Council's commitment to continue this journey well into the future and improve Council's financial position in line with the proposal submitted to IPART.

The Budget 2023/24 forms the basis of the latest update to the Long Term Financial Plan (LTFP), Council has explored different scenarios as they apply to the Budget for 2023/24.

Financial Governance and Principles

In preparing the Long Term Financial Plan (LTFP) and guiding financial decisions are the Integrated Planning and Reporting documents, the Local Government Act 1993 and financial principles.

Council conducted a program of extensive community engagement to develop Georges River's first Community Strategic Plan.

The current Community Strategic Plan has been developed around six themes or pillars which were identified in the consultation process as important to the community.

These six pillars, which underpin our future work, are:

1. Our Community

Our community is socially and culturally connected and we strive for social equity

2. Our Green Environment

Our environmentally sustainable practices inspire us all to protect and nurture the natural environment

3. Our Economy

Local jobs and local businesses are supported to grow

4. Our Built Environment

New developments are approved to make Georges River more liveable, vibrant and sustainable

5. Our place in Sydney

Leadership is focused on innovating and improving the customer experience with the three spheres of government, working together to improve services and facilities in our area

6. Our Governance

Decisions are based on evidence which considers the impacts on our finances, the environment and future generations.

The Community Strategic Plan is part of a suite of documents which include the Delivery Program and Operational Plan which outlines our key actions over the next three years, the Annual Budget and Fees and Charges. These key documents feed into the Resourcing Strategy and Council's long-term financial plan.

The Local Government Act 1993 (the Act) outlines the principles of sound financial management by which Council is governed. Section 8B of the Act states that:

- Council spending should be responsible and sustainable, aligning general revenue and expenses.
- Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- Councils should have effective financial and asset management, including sound policies and processes for the following:
 - performance management and reporting;
 - asset maintenance and enhancement;
 - funding decisions; and
 - risk management practices
- Councils should have regard to achieving inter-generational equity, including ensuring the following:
 - policy decisions are made after considering their financial effects on future generations; and
 - the current generation funds the cost of its services.

Principles

In addition to the legislated principles of sound financial management, Council's actions and strategies are balanced on the following principles: **Sustainability, Affordability, Accountability and Growth.**

Sustainability

Ensure the long term sustainability of Georges River Council – this involves putting in place measures to strengthen its income base (without depending on one-off receipts of grants or contributions), managing its expenditure to optimum levels, and maintain positive Net Operating Results.

Affordability

Operate within the realms of affordability by structuring expenditure within the boundaries of income received. Plan and execute programs and projects after taking into account the affordability of the long-term ongoing impact on future revenue and expenditure.

Accountability

Continue to be accountable to ratepayers for optimum management of income generated, expenditure incurred and management of Council assets and resources.

Growth

Approach all activities from the perspective of constantly improving the quality of services provided and delivery of those services that benefit the larger community.

Sustainability and Affordability Challenges

Georges River Council takes great pride in its role of providing and maintaining high quality local services to our community. If Council is to continue to deliver the current level of services and facilities, we need to effectively plan for the future.

The Community Strategic Plan details the community's aspirations for the Georges River area over the next 10 years. This Plan highlights many community projects, programs, initiatives and events that require substantial funding to become a reality.

Council, in preparing the LTFP recognised a number of challenges it will face in the near future.

The challenges, if unaddressed, may have adverse impacts on the long-term financial sustainability of Council. These challenges are summarised below:

- The declining profitability trend has been addressed, with the receipt of the Special Rate Variation in 2021/22 and cost initiatives undertaken by Council. The challenge remains in maintaining strict discipline and adhering to the long-term financial plan.
- Rising inflation and the flow on effects on costs of services provided may exert pressure on expenditure without being offset by similar increases in income.
- Wages growth is expected to exceed average rates.
- A marked reduction in development activities is currently being experienced in the Local Government Area (LGA). It is unclear at this stage how long trend will continue and the extent of the trend.

When reviewing the actual results of Georges River Council so far, Council has generated surpluses each year since amalgamation. However, these actual results have been favourably impacted by additional operating and capital grants received from the State Government, to assist with the transition to functioning as an amalgamated council and Gains from Disposal of Assets.

The COVID-19 pandemic presented fresh challenges to Council's efforts to improve its financial position, with the financial impact of the pandemic accelerating the financial deficits that were forecast in future years. Council provides 200 services which our community members value and are essential to a thriving and growing community. Council has and will continue to find savings, efficiencies and implement improved operating models in conducting its operations.

Productivity and Cost Containment Strategies

Based on the strengths and challenges presented in this Long-Term Financial Plan, Council is building on the strong foundations established to ensure the delivery of community aspirations outlined in the Community Strategic plan. To achieve this, Council will take the following steps:

1. Continue to explore potential avenues to raise new streams of income and increase current income levels through a wider application of the user pays model
2. Persist in seeking potential savings opportunities in operating expenditure by reviewing operating processes
3. Apply strategic assets management principles, while ensuring compliance with relevant legislation
4. Introduce and implement changes in focus, to view activities as “commercial” or “non-commercial”
5. Continue to identify and implement initiatives that improve service efficiency and productivity
6. Evaluate the feasibility of major projects from a cost/benefit perspective and understand the affordability of the pay-back period in respect of each
7. Focus on bridging the gap between increases in income and expenditure
8. Provide financial hardship support to those adversely impacted
9. Focus on works projects that are funded from externally restricted reserves.
10. Review assets in order to rationalise and divest unprofitable or excess property holdings
11. Review community venue management to increase the utilisation of venues and associated revenues
12. Review charges to ensure greater cost-recovery for Council provided services
13. Pursue opportunities for commercialisation and business improvement
14. Introduce environmental and energy efficiency initiatives
15. Adopt more efficient information and communications technology for a range of activities such as communications, document processing, financial transactions, outdoor staff operations, e-recruitment etc.
16. Target reviews of discrete areas of council operations encompassing all aspects of processes, reporting, procedures, procurement, scheduling and use of equipment
17. Restructure processes to achieve better workforce efficiency and reduce salary expenditure
18. Review procurement strategies, such as shared purchasing through joint organisations of councils
19. Improve management of workers compensation insurance claims and safety audits
20. Adopt waste management strategies to reduce landfill waste and associated costs
21. Follow good governance practices in all aspects of Council operations

Local Infrastructure Contribution Projects

The New South Wales (NSW) local infrastructure contributions (LIC) system helps provide new and growing communities with appropriate infrastructure. The NSW LIC system is regulated by the Environmental Planning and Assessment Act 1979 (the Act) and the Environmental Planning and Assessment Regulation 2000. Section 7.11 allows councils to levy contributions towards the cost of providing local infrastructure. Contributions plans set out the local infrastructure required to meet the demand from new development, and the contributions a council can levy on developers to fund the necessary land and works.

Voluntary planning agreements (VPAs) is another form of revenue generated for local infrastructure from developments. They are arrangements between developers and either councils or the State Government for infrastructure contributions collected for purposes not covered by a contributions plan. Section 7.4 of the Act allows councils and developers to voluntarily agree to a contribution arrangement.

The purpose of the Council's LIC plans and VPAs is to:

- Provide the framework for the efficient and equitable determination, collection and management of contributions towards the provision of local infrastructure in the Georges River LGA; and
- Ensure Council's management of local infrastructure contributions complies with relevant legislation and practice notes; and
- Establish the relationship between expected development and proposed local infrastructure to demonstrate that section 7.11 contributions under this plan are reasonable; and
- Ensure that developers make a reasonable contribution to the provision of local infrastructure required for development anticipated to occur up to 2036; and
- Ensure that the existing community is not unreasonably burdened by the provision of local infrastructure required, either partly or fully, as a result of development in the area; and
- To allow the opportunity for local infrastructure, or the dedication of land at no cost to Council, to be provided by developers or land owners in lieu of paying a monetary contribution when it accords with Council objectives or outcomes.

Development timeframes are such that there is often several years between when LICs are collected and the infrastructure is delivered. The below table highlights the current balance at year end and forecast closing balance based on budget allocation and anticipated income.

Georges River Council Infrastructure Contribution Reserve Balances	2020/2021 Actual Closing Balance	2021/22 Forecast Actual Closing Balance	2022/2023 Forecast Closing Balance	2023/2024 Forecast Closing Balance
	\$'000	\$'000	\$'000	\$'000
New Georges River Council Section 7.11 Contributions Plan (Anticipated expenditure depending approval)	0	1,580	1,420	1,225
Georges River Council Section 94A Plan	3,394	4,098	4,565	5,765
Former Kogarah Section 7.11 Contributions Plans – Commenced 12 March 2013	40,730	43,685	43,085	48,165
Former Hurstville Section 7.11 Contributions Plans – commenced 14 March 2013	12,758	14,358	10,992	10,992
Former Hurstville Section 7.11 Contributions Plans – Repealed 14 March 2013	5,832	5,823	7,072	8,865
Section 7.13 - Court Ordered Development Consent Contributions	374	377	377	377
Voluntary Planning Agreements	10,630	12,349	12,453	14,103
Totals	\$73,718	\$82,270	\$79,965	\$89,493

The new Georges River Council Contribution Plan includes \$422 million worth of works, of this approximately 45% (\$192 million) is to be funded by Council and the remainder is developer contributions. An internally restricted reserve has been established to ensure funds are available to meet Council's contribution and assist in accelerating eligible projects within the contribution plan.

State and Federal grants are also potentially available for many of the projects within the works schedules and can be used to assist with Council's contribution.

Further, several key projects in the contributions plans have potential to be delivered as a joint venture, particularly in the Civic Centre Precinct. These projects represent approximately \$50 million of funding required to fund the existing population's share.

Council also has funds that will be received as part of various planning agreements which may be used towards funding the projects with low apportionment to the future population, particularly for public domain and traffic works within the Hurstville City Centre.

The table below highlights the Value of works contained in s7.11 and s7.12 works schedules, with apportionment by Infrastructure types:

Value of works contained in s7.11 and s7.12 works schedules, with apportionment Infrastructure types	Total project costs	LIC Apportioned costs	Council Contribution
Section 7.11 Works			
Open Space	\$173,990,852	\$143,873,354	\$30,117,498
Open Space Upgrades	\$82,920,936	\$58,614,542	\$24,306,394
Open Space Acquisition	\$91,069,916	\$85,258,812	\$5,811,104
Community and Recreational Facilities	\$96,399,508	\$44,727,899	\$51,671,609
Recreation facilities (indoor and outdoor courts)	\$14,998,500	\$14,998,500	\$0
Libraries (capital works)	\$52,378,610	\$9,428,150	\$42,950,460
Libraries (resources)	\$1,693,757	\$1,693,757	\$0
Community Centres	\$21,773,641	\$13,499,657	\$8,273,984
Childcare facilities	\$5,555,000	\$5,107,835	\$447,165
Public Domain	\$88,206,305	\$13,230,946	\$74,975,359
Transport	\$41,899,118	\$6,284,867	\$35,614,251
Roads and intersections	\$26,816,875	\$4,022,531	\$22,794,344
Pedestrian, active transport and traffic calming	\$15,082,243	\$2,262,336	\$12,819,907
Sub-Total	\$400,495,783	\$208,117,066	\$192,378,717
Admin (1.5% of total costs)	\$3,121,756	\$3,121,756	\$0
Section 7.12 Works			
Open Space	\$2,600,000	\$2,600,000	\$0
Community Facilities	\$4,100,000	\$4,100,000	\$0
Public Domain	\$2,400,000	\$2,400,000	\$0
Transport	\$9,700,000	\$9,700,000	\$0
Sub-Total	\$18,800,000	\$18,800,000	\$0
Total costs	\$422,417,539	\$230,038,822	\$192,378,717

Open Space acquisitions and upgrades contribute to 42% of the total works schedule. The amount of open space

currently provided in the Georges River LGA is 2.34 hectares per 1000 people, short of the benchmark of 2.7ha per 1000 people. There is also a shortfall of active open space provision of 7.6ha for the existing population. With additional population growth, the existing rates of provision will drop, and the shortfalls will increase unless more open space can be provided.

Ward	Blakehurst	Hurstville	Kogarah Bay	Mortdale	Peakhurst
Area of Open Space (ha)	124.93	26.14	57.76	29.99	235.37
Number of Dwellings	9,778	11,819	13,553	10,287	9,355
Open Space per Dwelling (sqm)	127.77	22.12	42.62	29.15	251.60
% of Total Open Space	26.3%	5.5%	12.2%	6.3%	49.6%

To maintain the current rate of 2.34ha per 1000 people for the incoming population, Council would need to provide an additional 57.6ha (at an estimated cost of \$1,440,000,000) of open space by 2036. The NSW government cap on contributions to a maximum of \$20,000 per dwelling means that this amount of land acquisition is unaffordable under section 7.11 contributions.

Forecasting and Assumption Statement

Financial Planning Assumptions

In preparing the budget, consideration was given to a range of economic and political factors that affect our finances. This impacts our capability to maintain existing levels of service and long term financial sustainability.

Georges River Council is expected to have significant worker and resident population growth over the next 15 years. A large proportion of this growth is forecast to occur in the strategic centres of Hurstville and Kogarah. This growth creates a new demand for either new facilities or embellishment of existing facilities.

Area	2021	2026	2031	2036	Total Change 2021-2036	Change (%)
Total (residents)	162,794	170,524	177,933	185,346	22,552	13.9%
Total (workers)	52,784	56,452	59,530	63,292	10,508	19.9%

The Independent Pricing and Regulatory Tribunal (IPART) recently announced the introduction of the rate peg with a population growth factor included. It is noted that this will not account for past growth and a special rate variation is required to cover costs associated with population growth. Further, the Local Government cost index calculator does not account for drops in income, increased service expectations/expansion or the approved mandatory Award increase.

Changes to service expectations or level of service may require a further special rate variation in future years.

Revenue Forecasts

Rating

Council Rates is a tax on the community and is based on the unimproved land values in the LGA. This source of Council's income is the most stable and largest source of operating revenue that is used to fund services. Council will assess the following in the long term management strategy of rates:

- application and impact of special rate variations
- application of the new rate peg and population growth factor
- restrictions of the current rate peg local government cost calculator
- increased revenues from other sources
- changes to service portfolio and level of service
- the projected impact of the rate cap
- any need to increase the reliance on rating due to a reduction of revenues from other sources such as a decline in grants and subsidies.

Fees and Charges

A number of the services we provide are offered on a user pays basis. In preparing the Long Term Financial Plan, possible future income from fees and charges, including opportunities to reduce reliance on other forms of income, have been considered. A major limitation of fees and charges growth is the statutory fees and charges that do not cover the cost of service.

Grants and Subsidies

The assumption is to plan for continuing efforts in applying for and receiving grants based on historical trends. This is a volatile income source and should these grants and subsidies be reduced, our ability to provide the same level of service will be impacted.

Contributions

As part of the NSW Governments review of the infrastructure contributions system, the Government introduced the *Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill 2021* (Bill).

The amendments proposed in these reforms would have a significant impact on the Georges River Council contributions plan, with approximately \$60 million worth of projects apportioned to development in the works schedules of this plan for facilities that may be excluded. Should the Bill be passed, and a new contributions Plan be required.

Operating Expenditure Forecasts

Employee Benefits and On Costs

The current Local Government State Award prescribes the mandatory annual increase for award-based staff. Other assumptions relating to employee costs in the Long Term Financial Plan include:

- Assumed annual award increase of 4.6% pa in 2023/24 and 3% pa thereafter
- Progressive increases in superannuation up to 12% by 2025/26
- No change in existing employee resourcing levels
- A 6% natural vacancy in establishment permanent positions each financial year
- Annual productivity initiatives such as Christmas close down, vacancy rates, recruitment trends and moderate training program until 2025/26 of between 3% and 6% per annum.

Borrowings

Council is debt free. There are no anticipated borrowings over the ten year period based on Council being required to demonstrate an actual trend of positive operating results.

Materials and Services

Materials and services including Domestic Waste Management costs and other expenses which represent the principal costs used to deliver services to the community are forecast to increase in line with the CPI. The Inflation Rate assumed for 2023/24 is 7.8%, 3.5% in 2024/25 reducing to 2.3% by 2027/28.

Depreciation and Amortisation

The depreciation methodology can be found in the Notes to the General Purpose Financial Statements. The depreciation expense assumed in the Long-Term Financial Plan has been calculated in accordance with this methodology.

Other Expenses

Other Expenses primarily relate to Statutory Charges (including Emergency Services Levy) and Contributions and Donations. These are forecast to generally increase in line with the CPI assumptions stated above.

Capital Works Program Forecasts

Historical trends highlight grant and developer contribution funds has been the main contributor to new and renewal of assets. This is a volatile funding source, and the Georges River Council Contributions Plan highlights a shortfall in funding future infrastructure needs.

Council achieving operating surpluses and regenerating internal asset management cash reserve will be a key requirement to fund renewal items in the future, close the infrastructure funding gap and assist in co-contributing to grant funded projects.

The plan has assumed an annual program of \$30-\$40 million per year with the continued assumed funding of over 30% from external restricted funding sources. The annual cash forecast and phasing of projects is being refined with the relevant departments to strengthen the alignment with the LTFFP.

Model Sensitivity

In planning for the current and future forecasts, we have made assumptions on factors outside of our control such as inflation, wage increases, cash rate and rate/ other income capping.

Although the assumptions are our current informed estimates based on a range of reliable sources and while Long Term Financial Plans are inherently uncertain, these models are based on assumptions which represent the most likely outcome, given the prevailing economic and operating environment.

Within each model there is a table that outlines the assumptions applied. A 1% increase in the Inflation rate can adversely affect the Result (net of Capital Grants). Similarly, an additional 1% increase in wage costs can adversely affect the net result.

Key Performance Indicators

Financial health check performance indicators including the unrestricted current ratio, operating result, debt service ratio and capital renewal ratio are monitored/ reported on quarterly and annually. The statement of performance measures is in accordance with Local Government Code of Accounting Practice and Financial Reporting.

The Operating Performance, Unrestricted Current and Cash Coverage ratios

Highlight the essential ingredients for sustainable financial operations.

The Operating Performance Ratio

Measures the extent of Council' Revenue (net of Capital Grants) coverage of Expenditure. This needs to be a positive figure and ideally, growing.

The Unrestricted Current Ratio

Measures Council's liquidity. The benchmark based on successful organisations is set at 1.5 to 2.0. An increasing ratio over time shows improving liquidity and an environment where there is sufficient coverage of Current Liabilities from Current Assets.

The Cash Coverage Ratio

Measures Council's cash coverage of expenditure. This shows the number of months that Council will be able to operate unhindered, if Council is unable to generate any additional cash through its operations. The greater the number of months shown, the more comfortable is the operating environment.



Financial Models Overview

These projections form a roadmap of the operating results, which provides Council opportunities to:

- Assess different courses of corrective action and quantify the potential outcomes
- Ensure sustainability through positive net results
- Structure the operations, based on affordability and financial sustainability.

With the introduction of the Special Rate Variation and the initiatives to contain and reduce expenditure, Council is well on the road to turning around its financial position to one of economic stability and sustainability.

Though continuing strict financial management is required to provide longer term surety by continuing to operate in a financially controlled environment.

Failure to address an unsustainable financial position places Council in contravention of S.8b of the Local Government Act 1993 and will compel Council to cut and/or reduce services to ease an unfavourable gap between income and expenditure.

Model 1 – Based on Draft 2023/24 Budget with savings/reduction strategies applied

The Budget for 2023/24 has been formulated with the intention of continuing this trend of generating surpluses, net of capital grants. While the current budget achieves that surplus in 2023/24, the longer-term outlook shows that the results decline from 2028/29 onwards to unacceptable levels. In an attempt to correct this outlook, Council developed two separate models (model 2 and 3) to project its performance back into positive territory.

These scenarios are currently being explored to arrive at an optimum financial position that will enable Council to deliver its services with the same quality as they are currently being made available.

While the Operating Result net of income from Capital Grants, shows a surplus of \$4.1 million for 2023/24, the longer-term results deteriorate towards the last 4 years of the 10-year Plan, to record deficits.

Council's commitment to the LTFP presented to IPART in maintaining positive sustainable results (net of income from capital grants) is firm. Further action is required to bring the LTFP more in line with the aspirations of Council. As such, Model 1 is considered inadequate by Council and consequently, other options have been explored.

Model 2 – Revised Budget 2023/24 using December YTD results as the basis

The current 2022/23 financial year is the first year of operations, since the two previous COVID-19 affected years, that show a return to some semblance of normalcy. It was therefore believed that the actual results to December 2022 could provide a suitable basis on which to build the budget for 2023/24. While the projected results are positive, the outcome did not provide sufficient coverage for vacancies that need to and are being filled, and did not accommodate expenditure for other essential new initiatives that need to be undertaken. The positive net results are projected to be achieved over the longer term at a rate that is well in excess of the IPART model. Hence, there is room for slightly higher levels of expenditure to be incurred to prevent adverse impacts on the operations.

Based on expenditure in the current year (2022/23) with actual December 2022 year to date expenditure annualised and augmented by current inflation rates. In this instance, the budgeted figures have been customised to reflect current realities. Again, the LTFP portrays a future financial position which is sound but could be considered “excessively good” and may prevent the maintenance of some service standards due to inadequate budgeted expenditure provisions.

Model 3 – Most Reasonable Budget 2023/24 to maintain positive results

The focus in presenting a revised budget version in this model is to ensure that Council will continue to generate surpluses over the longer term without impacting on its ability to continue providing normal quality services. To achieve this balance, the projected expenditure levels have been reviewed and adjustments proposed to Model 1. The outcome is a projected financial position that is between those evidenced in Model 1 and Model 2. Given Council’s best estimate of operating conditions in the future, it is believed that Model 3 provides the best and most practical estimates that will maintain its financial sustainability.

Considered the most reasonable option, with costs reflecting the most likely operating environment, whilst ensuring the ongoing financial sustainability of the organisation. The costs are computed by finding the best fit from the above two Models.

The 10-year forecast reflects the operating results based on projected known events. The inflation factor used for the Budget year is 7.8% and for projections beyond 2023/24, ranges from 3.5% in 2024/25 progressively reducing to 2.3% over the period. A 1% increase in the rate of inflation in 2024/25 to 4.5%, can have a negative impact on the Net Result without Capital Grants, of approximately \$2.3 million over the 9-year period to 2031/32.

Model 4 – Budget 2023/24 Current Situation

The intent of Council’s financial management strategy is to structure its budget in such a way that the sustainability of the organization is secured while recognizing the challenges of the current environment. One of the essential considerations in the budgeting process is to make sure that the high standards of service delivery in the Georges River local government area, are maintained and even improved upon.

The budget for 2023/24 focuses on substantial amounts being spent on the infrastructure in the LGA to raise the condition of its assets. The Long-Term Financial Plan (10 year forecast) reflects the focus of Council in functioning within its means and managing and channeling expenditure to those important areas such as waste management, management of its assets, and providing the necessary tools to aid its operations (eg. IT systems, mobile and fixed equipment etc.). While rising inflation has had its impact on works in the current year, it is believed that the inflation rate will resume its pre-covid levels within the next 2 years. The other extraneous factors that are impacting the operating results are the projected increases in the Superannuation Guarantee levies over the next 3 years. The recent wage increases granted by the Fair Work Commission adds yet another component of cost increases to Council. Despite these challenges, Council has been able to present a budget framework that maintains a surplus net of capital grants, whilst enabling the delivery of its services at satisfactory levels.

Detailed Financial Models

Model 1 – Based on Draft 2023/24 Budget with savings/reduction strategies applied

Model 1 Income Statement	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Operating Revenue										
Rates and Annual Charges	116,543	122,092	127,939	130,499	133,111	135,773	138,489	141,260	144,085	146,968
User Charges and Fees	16,333	16,904	17,496	17,914	18,326	18,746	19,178	19,620	20,070	20,531
Interest and investment revenue	5,400	3,420	3,474	3,562	3,651	3,735	3,772	3,859	3,966	4,063
Grants and Contributions - Operating	11,886	11,785	12,197	12,489	12,776	13,070	13,371	13,677	13,991	14,312
Grants and Contributions - Capital	10,480	10,847	11,227	11,496	11,761	12,032	12,309	12,593	12,883	13,180
Other revenues	13,933	14,422	14,926	15,285	15,636	15,996	16,364	16,740	17,126	17,519
Total Operating Revenue	174,575	179,470	187,259	191,245	195,261	199,352	203,483	207,749	212,121	216,573
Operating Expenditure										
Employee Costs	(64,256)	(66,158)	(68,413)	(71,216)	(72,581)	(74,758)	(78,002)	(79,311)	(81,691)	(84,141)
Materials and Services	(64,655)	(66,586)	(70,018)	(71,071)	(72,197)	(75,108)	(76,207)	(77,296)	(79,073)	(82,889)
Other Expenses	(4,116)	(4,260)	(4,409)	(4,514)	(4,618)	(4,723)	(4,831)	(4,941)	(5,054)	(5,169)
Total Operating Expenditure	(133,027)	(137,004)	(142,840)	(146,801)	(149,396)	(154,589)	(159,040)	(161,548)	(165,818)	(172,199)
Surplus/(Deficit) prior to Depreciation & Financing Costs										
Depreciation	41,548	42,466	44,419	44,444	45,865	44,763	44,443	46,201	46,303	44,374
Financing costs (Interest Expenses)	(27,606)	(25,747)	(27,691)	(28,886)	(30,074)	(31,258)	(32,450)	(33,638)	(34,898)	(35,933)
Net Operating Result for period - Surplus/(Deficit)	(5)	(5)	(6)	(7)	(7)	(6)	(8)	(8)	(9)	(9)
Net gains/(losses) from Disposal of Assets	13,937	16,714	16,722	15,551	15,784	13,499	11,985	12,555	11,396	8,432
Net Surplus/(Deficit)	623	560	560	560	560	560	560	560	560	560
Net Surplus/(Deficit)	14,560	17,274	17,282	16,111	16,344	14,059	12,545	13,115	11,956	8,992
Result Net of Capital Grants – Surplus/(Deficit)	4,080	6,427	6,055	4,615	4,583	2,027	236	522	(927)	(4,188)

Model 1 Statement of Financial Position	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
ASSETS										
Current Assets										
Cash, Cash Equivalents & Investments	206,043	211,639	216,874	222,847	228,907	234,254	239,277	246,604	254,373	260,454
Receivables - Gross	11,963	10,662	11,072	11,321	11,571	11,825	12,076	12,341	12,614	12,893
Less: Provision for Impairment	(2,122)	(2,174)	(2,228)	(2,283)	(2,339)	(2,396)	(2,454)	(2,513)	(2,573)	(2,634)
Inventories	154	159	165	169	173	177	181	185	189	193
Other	550	550	550	550	550	550	550	550	550	550
Total Current Assets	216,588	220,836	226,433	232,604	238,862	244,410	249,630	257,167	265,153	271,456
Non-Current Assets										
Property, Plant & Equipment	1,512,485	1,526,417	1,538,465	1,549,383	1,559,173	1,567,834	1,575,368	1,581,774	1,587,050	1,591,351
Investment Property	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953
Intangible Assets	1,107	1,448	1,729	1,950	2,111	2,212	2,253	2,234	2,155	2,016
Right of Use Assets	159	99	229	164	99	239	174	309	174	39
Total Non-Current Assets	1,541,704	1,555,917	1,568,376	1,579,450	1,589,336	1,598,238	1,605,748	1,612,270	1,617,332	1,621,359
Total Assets	1,758,292	1,776,753	1,794,809	1,812,054	1,828,198	1,842,648	1,855,378	1,869,437	1,882,485	1,892,815
LIABILITIES										
Current Liabilities										
Payables	(26,429)	(27,193)	(27,267)	(27,756)	(27,265)	(26,966)	(26,397)	(26,864)	(27,415)	(28,195)
Lease Liabilities	(41)	(40)	(39)	(39)	(40)	(38)	(38)	(37)	0	0
Unexpended Operating Grants	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Unexpended Capital Grants	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Accruals & Provisions	(15,844)	(16,313)	(16,869)	(17,560)	(17,897)	(18,433)	(19,233)	(19,556)	(20,143)	(20,747)
Total Current Liabilities	(50,314)	(51,546)	(52,175)	(53,355)	(53,202)	(53,437)	(53,668)	(54,457)	(55,558)	(56,942)
Non-Current Liabilities										
Lease Liabilities	(144)	(99)	(244)	(198)	(151)	(307)	(261)	(416)	(407)	(361)
Total Non-Current Liabilities	(144)	(99)	(244)	(198)	(151)	(307)	(261)	(416)	(407)	(361)
Total Liabilities	(50,458)	(51,645)	(52,419)	(53,553)	(53,353)	(53,744)	(53,929)	(54,873)	(55,965)	(57,303)
Net Assets	1,707,834	1,725,108	1,742,390	1,758,501	1,774,845	1,788,904	1,801,449	1,814,564	1,826,520	1,835,512
EQUITY										
Retained Earnings	(1,452,799)	(1,470,073)	(1,487,355)	(1,503,466)	(1,519,810)	(1,533,869)	(1,546,414)	(1,559,529)	(1,571,485)	(1,580,477)
Revaluation Reserve	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)
Total Equity	(1,707,834)	(1,725,108)	(1,742,390)	(1,758,501)	(1,774,845)	(1,788,904)	(1,801,449)	(1,814,564)	(1,826,520)	(1,835,512)

Model 1	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Statement of Cash Flows	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Cash Flows from Operating Activities										
Receipts										
Rates and Annual Charges	116,180	123,202	127,762	130,422	133,032	135,693	138,407	141,177	144,000	146,881
User Fees and Charges	16,491	16,825	17,415	17,857	18,270	18,688	19,119	19,559	20,009	20,468
Grants and Contributions - Operating	12,095	11,796	12,152	12,457	12,745	13,038	13,338	13,643	13,957	14,277
Cash Received in year but not recognised as Revenue	275	500	500	500	500	500	500	500	500	500
Cash Received in previous year recognised as Income in Current Year	(575)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Other	13,840	14,328	14,829	15,217	15,568	15,927	16,294	16,668	17,052	17,443
Payments										
Employee Benefits and On-Costs	(63,855)	(65,689)	(67,857)	(70,525)	(72,244)	(74,222)	(77,202)	(78,988)	(81,104)	(83,537)
Materials and Services	(63,787)	(66,273)	(70,419)	(70,917)	(73,020)	(75,742)	(77,120)	(77,180)	(78,882)	(82,475)
Other Expenses	(4,387)	(3,754)	(3,886)	(4,128)	(4,234)	(4,335)	(4,433)	(4,535)	(4,638)	(4,746)
Borrowing Costs	(5)	(5)	(6)	(7)	(7)	(6)	(8)	(8)	(9)	(9)
Net Cash from Operating Activities	26,272	30,430	29,990	30,376	30,110	29,041	28,395	30,336	30,385	28,302
Cash Flows from Investing Activities										
Receipts										
Investment and Interest Revenue Received	4,752	3,773	3,464	3,547	3,635	3,720	3,765	3,844	3,947	4,045
Grants and Contributions - Capital	10,480	10,847	11,227	11,496	11,761	12,032	12,309	12,593	12,883	13,180
Cash Received in year but not recognised as Revenue	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Cash Received in previous year recognised as Income in Current Year	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)
Proceeds from Sale of Assets	1,263	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Payments										
Capital Works and Purchase of Fixed Assets	(40,035)	(40,608)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)
Lease Payment (Principal) on Right of Use Assets	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)
Net Cash from Investing Activities	(23,586)	(24,834)	(24,755)	(24,403)	(24,050)	(23,694)	(23,372)	(23,009)	(22,616)	(22,221)
Cash Flows from Financing Activities										
Receipts										
New Borrowings	0	0	0	0	0	0	0	0	0	0
Payments										
Repayment of Borrowings	0	0	0	0	0	0	0	0	0	0
Net Cash from Financing Activities	0	0	0	0	0	0	0	0	0	0
Net Increase / (Decrease) in Cash and Cash Equivalents	2,686	5,596	5,235	5,973	6,060	5,347	5,023	7,327	7,769	6,081
Cash and Cash Equivalents - Beginning of the Year	203,357	206,043	211,639	216,874	222,847	228,847	234,254	239,277	246,604	254,373
Cash and Cash Equivalents - End of the Year	206,043	211,639	216,874	222,847	228,907	234,254	239,277	246,604	254,373	260,454

Model 1	Benchmark	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Key Performance Indicators		BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	2.1%	3.5%	3.1%	2.3%	2.2%	0.8%	-0.2%	0.0%	-0.7%	-2.3%
Own Source Revenue Generated (w/o Grant income) <i>(Measures Council's dependence on Grants income)</i>	> 80%	87.2%	87.4%	87.5%	87.5%	87.4%	87.4%	87.4%	87.4%	87.3%	87.3%
Unrestricted Current Ratio <i>(Measures Council's liquidity)</i>	> 1.5x	1.8	1.8	1.8	1.9	1.9	1.9	2.0	2.0	2.0	2.0
Debt Service Cover Ratio <i>(Measures Council's capacity to service debt)</i>	> 2.0x	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
Capital Works & Asset renewals <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	0.8	0.8	0.8	0.7	0.7	0.7	0.6	0.6	0.6	0.6
Own Source Revenue Growth <i>(Measures Council's increase of own source revenue)</i>	> 0%	9%	3%	4%	2%	2%	2%	2%	2%	2%	2%
Debtor Days Outstanding - Rates	< 30	15.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Debtor Days Outstanding - Other Debtors (net of Rates) <i>(Measures Council's management of Debtors)</i>	< 30	45.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
Debtor Collection Rate - Rates	= > 100%	99.7%	100.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
Debtor Collection Rate - Other Debtors (net of Rates) <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	99.4%	100.3%	99.6%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%
Cash Coverage Ratio <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	7.4	7.4	7.3	7.3	7.4	7.3	7.2	7.3	7.4	7.3
Remaining Useful Life of Assets <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	67.4%	66.6%	65.7%	64.8%	63.8%	62.8%	61.8%	60.7%	59.7%	58.6%
Repairs & Maintenance as a % of WDV of Assets	1%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%

Model 2 – Revised Budget 2023/24 using December YTD results as the basis

Model 2 Income Statement	2023/24 Forecast	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	2032/33 Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Operating Revenue										
Rates and Annual Charges	116,543	122,092	127,939	130,499	133,111	135,773	138,489	141,260	144,085	146,968
User Charges and Fees	16,333	16,904	17,496	17,914	18,326	18,746	19,178	19,620	20,070	20,531
Interest and investment revenue	5,316	3,564	3,743	3,964	4,198	4,440	4,630	4,865	5,113	5,367
Grants and Contributions - Operating	11,886	11,785	12,197	12,489	12,776	13,070	13,371	13,677	13,991	14,312
Grants and Contributions - Capital	10,480	10,847	11,227	11,496	11,761	12,032	12,309	12,593	12,883	13,180
Other revenues	13,933	14,422	14,926	15,285	15,636	15,996	16,364	16,740	17,126	17,519
Total Operating Revenue	174,491	179,614	187,528	191,647	195,808	200,057	204,341	208,755	213,268	217,877
Operating Expenditure										
Employee Costs	(59,267)	(61,050)	(63,136)	(65,779)	(66,980)	(68,990)	(72,058)	(73,191)	(75,384)	(77,646)
Materials and Services	(61,938)	(64,003)	(67,341)	(68,334)	(69,396)	(72,244)	(73,278)	(74,298)	(76,005)	(79,751)
Other Expenses	(3,945)	(4,083)	(4,225)	(4,327)	(4,426)	(4,528)	(4,632)	(4,739)	(4,848)	(4,959)
Total Operating Expenditure	(125,150)	(129,136)	(134,702)	(138,440)	(140,802)	(145,762)	(149,968)	(152,228)	(156,237)	(162,356)
Surplus/(Deficit) prior to Depreciation & Financing Costs	49,341	50,478	52,826	53,207	55,006	54,295	54,373	56,527	57,031	55,521
Depreciation	(27,606)	(25,747)	(27,691)	(28,886)	(30,074)	(31,258)	(32,450)	(33,638)	(34,898)	(35,933)
Financing costs (Interest Expenses)	(5)	(5)	(6)	(7)	(7)	(6)	(8)	(8)	(9)	(9)
Net Operating Result for period - Surplus/(Deficit)	21,730	24,726	25,129	24,314	24,925	23,031	21,915	22,881	22,124	19,579
Net gains/(losses) from Disposal of Assets	623	560	560	560	560	560	560	560	560	560
Net Surplus/(Deficit)	22,353	25,286	25,689	24,874	25,485	23,591	22,475	23,441	22,684	20,139
Result Net of Capital Grants – Surplus/(Deficit)	11,873	14,439	14,462	13,378	13,724	11,559	10,166	10,848	9,801	6,959

Model 2	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Statement of Financial Position	Forecast	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current Assets										
Cash, Cash Equivalents & Investments	211,639	225,168	238,737	253,381	268,517	283,338	298,230	315,784	334,178	351,302
Receivables - Gross	11,948	10,688	11,120	11,393	11,669	11,951	12,229	12,520	12,819	13,125
Less: Provision for Impairment	(2,112)	(2,154)	(2,197)	(2,241)	(2,286)	(2,332)	(2,379)	(2,427)	(2,476)	(2,526)
Inventories	141	146	151	154	158	161	165	169	173	177
Other	550	550	550	550	550	550	550	550	550	550
Total Current Assets	222,166	234,398	248,361	263,237	278,608	293,668	308,795	326,596	345,244	362,628
Non-Current Assets										
Property, Plant & Equipment	1,512,485	1,526,417	1,538,465	1,549,383	1,559,173	1,567,834	1,575,368	1,581,774	1,587,050	1,591,351
Investment Property	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953
Intangible Assets	1,107	1,448	1,729	1,950	2,111	2,212	2,253	2,234	2,155	2,016
Right of Use Assets	159	99	229	164	99	239	174	309	174	39
Total Non-Current Assets	1,541,704	1,555,917	1,568,376	1,579,450	1,589,336	1,598,238	1,605,748	1,612,270	1,617,332	1,621,359
Total Assets	1,763,870	1,790,315	1,816,737	1,842,687	1,867,944	1,891,906	1,914,543	1,938,866	1,962,576	1,983,987
LIABILITIES										
Current Liabilities										
Payables	(25,444)	(26,210)	(26,284)	(26,755)	(26,276)	(25,998)	(25,449)	(25,898)	(26,429)	(27,189)
Lease Liabilities	(41)	(40)	(39)	(39)	(40)	(38)	(38)	(37)	0	0
Unexpended Operating Grants	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Unexpended Capital Grants	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Accruals & Provisions	(14,614)	(15,053)	(15,568)	(16,219)	(16,516)	(17,011)	(17,768)	(18,047)	(18,588)	(19,146)
Total Current Liabilities	(48,099)	(49,303)	(49,891)	(51,013)	(50,832)	(51,047)	(51,255)	(51,982)	(53,017)	(54,335)
Non-Current Liabilities										
Lease Liabilities	(144)	(99)	(244)	(198)	(151)	(307)	(261)	(416)	(407)	(361)
Total Non-Current Liabilities	(144)	(99)	(244)	(198)	(151)	(307)	(261)	(416)	(407)	(361)
Total Liabilities	(48,243)	(49,402)	(50,135)	(51,211)	(50,983)	(51,354)	(51,516)	(52,398)	(53,424)	(54,696)
Net Assets	1,715,627	1,740,913	1,766,602	1,791,476	1,816,961	1,840,552	1,863,027	1,886,468	1,909,152	1,929,291
EQUITY										
Retained Earnings	(1,460,592)	(1,485,878)	(1,511,567)	(1,536,441)	(1,561,926)	(1,585,517)	(1,607,992)	(1,631,433)	(1,654,117)	(1,674,256)
Revaluation Reserve	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)
Total Equity	(1,715,627)	(1,740,913)	(1,766,602)	(1,791,476)	(1,816,961)	(1,840,552)	(1,863,027)	(1,886,468)	(1,909,152)	(1,929,291)

Model 2	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Statement of Cash Flows	Forecast	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Cash Flows from Operating Activities										
Receipts										
Rates and Annual Charges	116,180	123,202	127,762	130,422	133,032	135,693	138,407	141,177	144,000	146,881
User Fees and Charges	16,491	16,825	17,415	17,857	18,270	18,688	19,119	19,559	20,009	20,468
Grants and Contributions - Operating	12,095	11,796	12,152	12,457	12,745	13,038	13,338	13,643	13,957	14,277
Cash Received in year but not recognised as Revenue	275	500	500	500	500	500	500	500	500	500
Cash Received in previous year recognised as Income in Current Year	(575)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Other	13,840	14,328	14,829	15,217	15,568	15,927	16,294	16,668	17,052	17,443
Payments										
Employee Benefits and On-Costs	(60,096)	(60,611)	(62,621)	(65,128)	(66,683)	(68,495)	(71,301)	(72,912)	(74,843)	(77,088)
Materials and Services	(61,503)	(63,669)	(67,720)	(68,187)	(70,191)	(72,846)	(74,159)	(74,190)	(75,822)	(79,344)
Other Expenses	(4,765)	(3,606)	(3,734)	(3,962)	(4,069)	(4,161)	(4,257)	(4,354)	(4,455)	(4,560)
Borrowing Costs	(5)	(5)	(6)	(7)	(7)	(6)	(8)	(8)	(9)	(9)
Net Cash from Operating Activities	31,937	38,260	38,077	38,669	38,665	37,838	37,433	39,583	39,889	38,068
Cash Flows from Investing Activities										
Receipts										
Investment and Interest Revenue Received	4,683	3,876	3,711	3,925	4,156	4,397	4,596	4,824	5,068	5,322
Grants and Contributions - Capital	10,480	10,847	11,227	11,496	11,761	12,032	12,309	12,593	12,883	13,180
Cash Received in year but not recognised as Revenue	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Cash Received in previous year recognised as Income in Current Year	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)
Proceeds from Sale of Assets	1,263	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Payments										
Capital Works and Purchase of Fixed Assets	(40,035)	(40,608)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)
Lease Payment (Principal) on Right of Use Assets	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)
Net Cash from Investing Activities	(23,655)	(24,731)	(24,508)	(24,025)	(23,529)	(23,017)	(22,541)	(22,029)	(21,495)	(20,944)
Cash Flows from Financing Activities										
Receipts										
New Borrowings	0	0	0	0	0	0	0	0	0	0
Payments										
Repayment of Borrowings	0	0	0	0	0	0	0	0	0	0
Net Cash from Financing Activities	0	0	0	0	0	0	0	0	0	0
Net Increase / (Decrease) in Cash and Cash Equivalents	8,282	13,529	13,569	14,644	15,136	14,821	14,892	17,554	18,394	17,124
Cash and Cash Equivalents - Beginning of the Year	203,357	211,639	225,168	238,737	253,381	268,517	283,338	298,230	315,784	334,178
Cash and Cash Equivalents - End of the Year	211,639	225,168	238,737	253,381	268,517	283,338	298,230	315,784	334,178	351,302

Model 2	Benchmark	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2030/31	2031/32	2032/33
Key Performance Indicators		BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	6.9%	8.2%	7.9%	7.1%	7.2%	5.8%	5.2%	4.6%	3.1%
Own Source Revenue Generated (w/o Grant income) <i>(Measures Council's dependence on Grants income)</i>	> 80%	87.2%	87.4%	87.5%	87.5%	87.5%	87.5%	87.4%	87.4%	87.4%
Unrestricted Current Ratio <i>(Measures Council's liquidity)</i>	> 1.5x	2.0	2.0	2.1	2.2	2.3	2.4	2.5	2.6	2.8
Debt Service Cover Ratio <i>(Measures Council's capacity to service debt)</i>	> 2.0x	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
Capital Works & Asset renewals <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	0.8	0.8	0.8	0.7	0.7	0.7	0.6	0.6	0.6
Own Source Revenue Growth <i>(Measures Council's increase of own source revenue)</i>	> 0%	9%	3%	4%	2%	2%	2%	2%	2%	2%
Debtor Days Outstanding - Rates	< 30	15.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Debtor Days Outstanding - Other Debtors (net of Rates) <i>(Measures Council's management of Debtors)</i>	< 30	45.0	44.0	44.0	45.0	45.0	45.0	45.0	45.0	45.0
Debtor Collection Rate - Rates	= > 100%	99.7%	100.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
Debtor Collection Rate - Other Debtors (net of Rates) <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	99.4%	100.3%	99.6%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%
Cash Coverage Ratio <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	8.1	8.4	8.5	8.8	9.2	9.3	10.0	10.3	10.4
Remaining Useful Life of Assets <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	67.4%	66.6%	65.7%	64.8%	63.8%	62.8%	60.7%	59.7%	58.6%
Repairs & Maintenance as a % of WDV of Assets	1%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%

Model 3 – Most Reasonable Budget 2023/24 version to maintain positive results

Model 3	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Income Statement	ACTUAL	BUDGET	BUDGET	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Operating Revenue										
Rates and Annual Charges	116,543	122,092	127,939	130,499	133,111	135,773	138,489	141,260	144,085	146,968
User Charges and Fees	16,333	16,904	17,496	17,914	18,326	18,746	19,178	19,620	20,070	20,531
Interest and investment revenue	5,280	3,494	3,621	3,790	3,972	4,162	4,305	4,490	4,688	4,893
Grants and Contributions - Operating	11,886	11,785	12,197	12,489	12,776	13,070	13,371	13,677	13,991	14,312
Grants and Contributions - Capital	10,480	10,847	11,227	11,496	11,761	12,032	12,309	12,593	12,883	13,180
Other revenues	13,933	14,422	14,926	15,285	15,636	15,996	16,364	16,740	17,126	17,519
Total Operating Revenue	174,455	179,544	187,406	191,473	195,582	199,779	204,016	208,380	212,843	217,403
Operating Expenditure										
Employee Costs	(62,911)	(64,820)	(67,035)	(69,795)	(71,117)	(73,251)	(76,448)	(77,712)	(80,044)	(82,444)
Materials and Services	(62,062)	(63,923)	(67,260)	(68,248)	(69,311)	(72,156)	(73,188)	(74,208)	(75,913)	(79,657)
Other Expenses	(3,390)	(3,508)	(3,631)	(3,717)	(3,802)	(3,889)	(3,978)	(4,069)	(4,162)	(4,257)
Total Operating Expenditure	(128,363)	(132,251)	(137,926)	(141,760)	(144,230)	(149,296)	(153,614)	(155,989)	(160,119)	(166,358)
Surplus/(Deficit) prior to Depreciation & Financing Costs	46,092	47,293	49,480	49,713	51,352	50,483	50,402	52,391	52,724	51,045
Depreciation	(27,606)	(25,747)	(27,691)	(28,886)	(30,074)	(31,258)	(32,450)	(33,638)	(34,898)	(35,933)
Financing costs (Interest Expenses)	(5)	(5)	(6)	(7)	(7)	(6)	(8)	(8)	(9)	(9)
Net Operating Result for period - Surplus/(Deficit)	18,481	21,541	21,783	20,820	21,271	19,219	17,944	18,745	17,817	15,103
Net gains/(losses) from Disposal of Assets	623	560	560	560	560	560	560	560	560	560
Net Surplus/(Deficit)	19,104	22,101	22,343	21,380	21,831	19,779	18,504	19,305	18,377	15,663
Result Net of Capital Grants – Surplus/(Deficit)	8,624	11,254	11,116	9,884	10,070	7,747	6,195	6,712	5,494	2,483

Model 3 Statement of Financial Position	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	Forecast	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
ASSETS										
Current Assets										
Cash, Cash Equivalents & Investments	207,577	217,873	228,087	239,236	250,726	261,739	272,664	286,083	300,174	312,826
Receivables - Gross	11,941	10,675	11,098	11,362	11,628	11,901	12,171	12,454	12,743	13,040
Less: Provision for Impairment	(2,122)	(2,174)	(2,228)	(2,283)	(2,339)	(2,396)	(2,454)	(2,513)	(2,573)	(2,634)
Inventories	141	146	151	154	158	161	165	169	173	177
Other	550	550	550	550	550	550	550	550	550	550
Total Current Assets	218,087	227,070	237,658	249,019	260,723	271,955	283,096	296,743	311,067	323,959
Non-Current Assets										
Property, Plant & Equipment	1,512,485	1,526,417	1,538,465	1,549,383	1,559,173	1,567,834	1,575,368	1,581,774	1,587,050	1,591,351
Investment Property	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953
Intangible Assets	1,107	1,448	1,729	1,950	2,111	2,212	2,253	2,234	2,155	2,016
Right of Use Assets	159	99	229	164	99	239	174	309	174	39
Total Non-Current Assets	1,541,704	1,555,917	1,568,376	1,579,450	1,589,336	1,598,238	1,605,748	1,612,270	1,617,332	1,621,359
Total Assets	1,759,791	1,782,987	1,806,034	1,828,469	1,850,059	1,870,193	1,888,844	1,909,013	1,928,399	1,945,318
LIABILITIES										
Current Liabilities										
Payables	(23,716)	(24,386)	(24,400)	(24,820)	(24,299)	(23,974)	(23,379)	(23,777)	(24,257)	(24,967)
Lease Liabilities	(41)	(40)	(39)	(39)	(40)	(38)	(38)	(37)	0	0
Unexpended Operating Grants	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Unexpended Capital Grants	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Accruals & Provisions	(15,512)	(15,983)	(16,529)	(17,210)	(17,536)	(18,062)	(18,850)	(19,162)	(19,737)	(20,329)
Total Current Liabilities	(47,269)	(48,409)	(48,968)	(50,069)	(49,875)	(50,074)	(50,267)	(50,976)	(51,994)	(53,296)
Non-Current Liabilities										
Lease Liabilities	(144)	(99)	(244)	(198)	(151)	(307)	(261)	(416)	(407)	(361)
Total Non-Current Liabilities	(144)	(99)	(244)	(198)	(151)	(307)	(261)	(416)	(407)	(361)
Total Liabilities	(47,413)	(48,508)	(49,212)	(50,267)	(50,026)	(50,381)	(50,528)	(51,392)	(52,401)	(53,657)
Net Assets	1,712,378	1,734,479	1,756,822	1,778,202	1,800,033	1,819,812	1,838,316	1,857,621	1,875,998	1,891,661
EQUITY										
Retained Earnings	(1,457,343)	(1,479,444)	(1,501,787)	(1,523,167)	(1,544,998)	(1,564,777)	(1,583,281)	(1,602,586)	(1,620,963)	(1,636,626)
Revaluation Reserve	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)
Total Equity	(1,712,378)	(1,734,479)	(1,756,822)	(1,778,202)	(1,800,033)	(1,819,812)	(1,838,316)	(1,857,621)	(1,875,998)	(1,891,661)

Model 3 Statement of Cash Flows	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	Forecast	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Cash Flows from Operating Activities										
Receipts										
Rates and Annual Charges	116,180	123,202	127,762	130,422	133,032	135,693	138,407	141,177	144,000	146,881
User Fees and Charges	16,491	16,825	17,415	17,857	18,270	18,688	19,119	19,559	20,009	20,468
Grants and Contributions - Operating	12,095	11,796	12,152	12,457	12,745	13,038	13,338	13,643	13,957	14,277
Cash Received in year but not recognised as Revenue	275	500	500	500	500	500	500	500	500	500
Cash Received in previous year recognised as Income in Current Year	(575)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Other	13,840	14,328	14,829	15,217	15,568	15,927	16,294	16,668	17,052	17,443
Payments										
Employee Benefits and On-Costs	(62,842)	(64,349)	(66,489)	(69,114)	(70,791)	(72,725)	(75,660)	(77,400)	(79,469)	(81,852)
Materials and Services	(61,607)	(63,622)	(67,638)	(68,102)	(70,104)	(72,758)	(74,067)	(74,101)	(75,730)	(79,250)
Other Expenses	(5,948)	(3,084)	(3,190)	(3,391)	(3,478)	(3,558)	(3,640)	(3,723)	(3,809)	(3,897)
Borrowing Costs	(5)	(5)	(6)	(7)	(7)	(6)	(8)	(8)	(9)	(9)
Net Cash from Operating Activities	27,904	35,091	34,835	35,339	35,235	34,299	33,783	35,815	36,001	34,061
Cash Flows from Investing Activities										
Receipts										
Investment and Interest Revenue Received	4,654	3,812	3,598	3,760	3,940	4,128	4,279	4,457	4,653	4,857
Grants and Contributions - Capital	10,480	10,847	11,227	11,496	11,761	12,032	12,309	12,593	12,883	13,180
Cash Received in year but not recognised as Revenue	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Cash Received in previous year recognised as Income in Current Year	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)
Proceeds from Sale of Assets	1,263	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Payments										
Capital Works and Purchase of Fixed Assets	(40,035)	(40,608)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)
Lease Payment (Principal) on Right of Use Assets	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)
Net Cash from Investing Activities	(23,684)	(24,795)	(24,621)	(24,190)	(23,745)	(23,286)	(22,858)	(22,396)	(21,910)	(21,409)
Cash Flows from Financing Activities										
Receipts										
New Borrowings	0	0	0	0	0	0	0	0	0	0
Payments										
Repayment of Borrowings	0	0	0	0	0	0	0	0	0	0
Net Cash from Financing Activities	0	0	0	0	0	0	0	0	0	0
Net Increase / (Decrease) in Cash and Cash Equivalents	4,220	10,296	10,214	11,149	11,490	11,013	10,925	13,419	14,091	12,652
Cash and Cash Equivalents - Beginning of the Year	203,357	207,577	217,873	228,087	239,236	250,726	261,739	272,664	286,083	300,174
Cash and Cash Equivalents - End of the Year	207,577	217,873	228,087	239,236	250,726	261,739	272,664	286,083	300,174	312,826

Model 3	Benchmark	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Key Performance Indicators		BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	4.9%	6.3%	6.0%	5.2%	5.2%	3.8%	2.9%	3.1%	2.5%	0.9%
Own Source Revenue Generated (w/o Grant income) <i>(Measures Council's dependence on Grants income)</i>	> 80%	87.2%	87.4%	87.5%	87.5%	87.5%	87.4%	87.4%	87.4%	87.4%	87.4%
Unrestricted Current Ratio <i>(Measures Council's liquidity)</i>	> 1.5x	2.0	2.0	2.1	2.1	2.2	2.3	2.4	2.5	2.5	2.6
Debt Service Cover Ratio <i>(Measures Council's capacity to service debt)</i>	> 2.0x	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
Capital Works & Asset renewals <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	0.8	0.8	0.8	0.7	0.7	0.7	0.6	0.6	0.6	0.6
Own Source Revenue Growth <i>(Measures Council's increase of own source revenue)</i>	> 0%	9%	3%	4%	2%	2%	2%	2%	2%	2%	2%
Debtor Days Outstanding - Rates	< 30	15.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Debtor Days Outstanding - Other Debtors (net of Rates) <i>(Measures Council's management of Debtors)</i>	< 30	45.0	44.0	44.0	44.0	44.0	45.0	45.0	45.0	45.0	45.0
Debtor Collection Rate - Rates	= > 100%	99.7%	100.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
Debtor Collection Rate - Other Debtors (net of Rates) <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	99.4%	100.3%	99.6%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%
Cash Coverage Ratio <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	7.8	7.9	7.9	8.1	8.3	8.4	8.5	8.8	9.0	9.0
Remaining Useful Life of Assets <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	67.4%	66.6%	65.7%	64.8%	63.8%	62.8%	61.8%	60.7%	59.7%	58.6%
Repairs & Maintenance as a % of WDV of Assets	1%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%

Model 4 – Budget 2023/24 Current Situation

Model 4 Income Statement	2023/24 BUDGET	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	2032/33 Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Operating Revenue										
Rates and Annual Charges	116,543	122,087	127,928	130,488	133,098	135,760	138,475	141,247	144,071	146,954
User Charges and Fees	16,333	16,904	17,411	17,829	18,239	18,657	19,086	19,523	19,972	20,432
Interest and investment revenue	5,400	3,620	3,805	4,038	4,284	4,540	4,743	4,994	5,259	5,531
Grants and Contributions - Operating	12,246	12,676	13,058	13,372	13,680	13,995	14,317	14,645	14,983	15,328
Grants and Contributions - Capital	18,976	19,641	20,230	20,715	21,192	21,679	22,178	22,688	23,210	23,743
Other revenues	14,063	14,556	14,992	15,352	15,704	16,066	16,436	16,813	17,200	17,595
Total Operating Revenue	183,561	189,484	197,424	201,794	206,197	210,697	215,235	219,910	224,695	229,583
Operating Expenditure										
Employee Costs	(64,256)	(66,154)	(68,413)	(71,215)	(72,580)	(74,758)	(78,002)	(79,313)	(81,691)	(84,141)
Materials and Services	(65,483)	(67,773)	(70,516)	(71,585)	(72,724)	(74,396)	(76,757)	(79,106)	(80,895)	(82,725)
Other Expenses	(4,503)	(4,661)	(4,801)	(4,916)	(5,029)	(5,144)	(5,262)	(5,382)	(5,506)	(5,632)
Total Operating Expenditure	(134,242)	(138,588)	(143,730)	(147,716)	(150,333)	(154,298)	(160,021)	(163,801)	(168,092)	(172,498)
Surplus/(Deficit) prior to Depreciation & Financing Costs	49,319	50,896	53,694	54,078	55,864	56,399	55,214	56,109	56,603	57,085
Depreciation	(27,611)	(24,403)	(27,377)	(28,569)	(29,758)	(30,941)	(32,136)	(33,322)	(34,582)	(35,542)
Financing costs (Interest Expenses)	(0)	(5)	(6)	(7)	(7)	(6)	(8)	(8)	(9)	(9)
Net Operating Result for period - Surplus/(Deficit)	21,708	26,488	26,311	25,502	26,099	25,452	23,070	22,779	22,012	21,534
Net gains/(losses) from Disposal of Assets	623	560	560	560	560	560	560	560	560	560
Net Surplus/(Deficit)	22,331	27,048	26,871	26,062	26,659	26,012	23,630	23,339	22,572	22,094
Result Net of Capital Grants – Surplus/(Deficit)	3,355	7,407	6,641	5,347	5,467	4,333	1,452	651	(638)	(1,649)

Model 4	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Statement of Financial Position	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
ASSETS										
Current Assets										
Cash, Cash Equivalents & Investments	218,163	232,372	246,743	262,354	278,404	295,226	311,167	328,541	346,610	365,187
Receivables - Gross	12,027	10,821	11,224	11,503	11,783	12,070	12,354	12,649	12,956	13,267
Less: Provision for Impairment	(2,122)	(2,174)	(2,228)	(2,283)	(2,339)	(2,396)	(2,454)	(2,513)	(2,573)	(2,634)
Inventories	168	174	179	184	188	192	197	201	206	211
Other	550	550	550	550	550	550	550	550	550	550
Total Current Assets	228,786	241,743	256,468	272,308	288,586	305,642	321,814	339,428	357,749	376,581
Non-Current Assets										
Property, Plant & Equipment	1,509,421	1,524,673	1,537,011	1,548,222	1,558,304	1,567,258	1,575,082	1,581,780	1,587,348	1,592,016
Investment Property	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953	27,953
Intangible Assets	862	1,227	1,532	1,777	1,962	2,087	2,152	2,157	2,102	1,987
Right of Use Assets	219	159	289	224	159	299	234	369	234	99
Total Non-Current Assets	1,538,455	1,554,012	1,566,785	1,578,176	1,588,378	1,597,597	1,605,421	1,612,259	1,617,637	1,622,055
Total Assets	1,767,241	1,795,755	1,823,253	1,850,484	1,876,964	1,903,239	1,927,235	1,951,687	1,975,386	1,998,636
LIABILITIES										
Current Liabilities										
Payables	(27,607)	(28,651)	(28,577)	(29,101)	(28,632)	(28,204)	(27,816)	(28,451)	(29,038)	(29,636)
Lease Liabilities	(41)	(40)	(39)	(39)	(40)	(38)	(38)	(37)	0	0
Unexpended Operating Grants	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Unexpended Capital Grants	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Accruals & Provisions	(15,844)	(16,312)	(16,869)	(17,560)	(17,896)	(18,433)	(19,233)	(19,557)	(20,143)	(20,747)
Total Current Liabilities	(51,492)	(53,003)	(53,485)	(54,700)	(54,568)	(54,675)	(55,087)	(56,045)	(57,181)	(58,383)
Non-Current Liabilities										
Lease Liabilities	(144)	(99)	(244)	(198)	(151)	(307)	(261)	(416)	(407)	(361)
Total Non-Current Liabilities	(144)	(99)	(244)	(198)	(151)	(307)	(261)	(416)	(407)	(361)
Total Liabilities	(51,636)	(53,102)	(53,729)	(54,898)	(54,719)	(54,982)	(55,348)	(56,461)	(57,588)	(58,744)
Net Assets	1,715,605	1,742,653	1,769,524	1,795,586	1,822,245	1,848,257	1,871,887	1,895,226	1,917,798	1,939,892
EQUITY										
Retained Earnings	(1,460,570)	(1,487,618)	(1,514,489)	(1,540,551)	(1,567,210)	(1,593,222)	(1,616,852)	(1,640,191)	(1,662,763)	(1,684,857)
Revaluation Reserve	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)	(255,035)
Total Equity	(1,715,605)	(1,742,653)	(1,769,524)	(1,795,586)	(1,822,245)	(1,848,257)	(1,871,887)	(1,895,226)	(1,917,798)	(1,939,892)

Model 4	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Statement of Cash Flows										
Cash Flows from Operating Activities										
Receipts										
Rates and Annual Charges	116,180	123,197	127,752	130,410	133,020	135,680	138,393	141,163	143,986	146,867
User Fees and Charges	16,491	16,825	17,342	17,772	18,183	18,599	19,027	19,464	19,910	20,369
Grants and Contributions - Operating	12,416	12,629	13,016	13,338	13,646	13,960	14,282	14,609	14,946	15,290
Cash Received in year but not recognised as Revenue	275	500	500	500	500	500	500	500	500	500
Cash Received in previous year recognised as Income in Current Year	(575)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Other	13,945	14,461	14,909	15,283	15,636	15,997	16,365	16,741	17,125	17,520
Payments										
Employee Benefits and On-Costs	(63,855)	(65,686)	(67,856)	(70,524)	(72,244)	(74,221)	(77,202)	(78,989)	(81,105)	(83,537)
Materials and Services	(64,493)	(67,402)	(71,036)	(71,429)	(73,553)	(75,190)	(77,522)	(78,853)	(80,704)	(82,529)
Other Expenses	(3,554)	(4,112)	(4,306)	(4,498)	(4,617)	(4,725)	(4,832)	(4,945)	(5,055)	(5,174)
Borrowing Costs	(5)	(5)	(6)	(7)	(7)	(6)	(8)	(8)	(9)	(9)
Net Cash from Operating Activities	26,830	29,907	29,815	30,345	30,064	30,094	28,503	29,182	29,094	28,797
Cash Flows from Investing Activities										
Receipts										
Investment and Interest Revenue Received	4,752	3,937	3,772	3,997	4,240	4,495	4,706	4,950	5,211	5,483
Grants and Contributions - Capital	18,976	19,641	20,230	20,715	21,192	21,679	22,178	22,688	23,210	23,743
Cash Received in year but not recognised as Revenue	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Cash Received in previous year recognised as Income in Current Year	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)
Proceeds from Sale of Assets	1,263	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Payments										
Capital Works and Purchase of Fixed Assets	(36,969)	(40,430)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)	(40,600)
Lease Payment (Principal) on Right of Use Assets	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)	(46)
Net Cash from Investing Activities	(12,024)	(15,698)	(15,444)	(14,734)	(14,014)	(13,272)	(12,562)	(11,808)	(11,025)	(10,220)
Cash Flows from Financing Activities										
Receipts										
New Borrowings	0	0	0	0	0	0	0	0	0	0
Payments										
Repayment of Borrowings	0	0	0	0	0	0	0	0	0	0
Net Cash from Financing Activities	0	0	0	0	0	0	0	0	0	0
Net Increase / (Decrease) in Cash and Cash Equivalents	14,806	14,209	14,371	15,611	16,050	16,822	15,941	17,374	18,609	18,577
Cash and Cash Equivalents - Beginning of the Year	203,357	218,163	237,372	246,743	262,354	278,404	295,226	311,167	328,541	346,610
Cash and Cash Equivalents - End of the Year	218,163	237,372	246,743	262,354	278,404	295,226	311,167	328,541	346,610	365,187

Model 4	Benchmark	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Key Performance Indicators		BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	1.7%	4.0%	3.4%	2.6%	2.7%	2.0%	0.5%	0.0%	(0.6)%	(1.1)%
Own Source Revenue Generated (w/o Grant income) <i>(Measures Council's dependence on Grants income)</i>	> 80%	83.0%	82.9%	83.1%	83.1%	83.1%	83.1%	83.0%	83.0%	83.0%	83.0%
Unrestricted Current Ratio <i>(Measures Council's liquidity)</i>	> 1.5x	1.9	1.9	2.0	2.1	2.2	2.4	2.5	2.5	2.6	2.7
Debt Service Cover Ratio <i>(Measures Council's capacity to service debt)</i>	> 2.0x	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
Capital Works & Asset renewals <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	0.7	0.9	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6
Own Source Revenue Growth <i>(Measures Council's increase of own source revenue)</i>	> 0%	9%	3%	4%	2%	2%	2%	2%	2%	2%	2%
Debtor Days Outstanding - Rates	< 30	15.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Debtor Days Outstanding - Other Debtors (net of Rates) <i>(Measures Council's management of Debtors)</i>	< 30	39.0	39.0	39.0	39.0	39.0	39.0	39.0	39.0	39.0	39.0
Debtor Collection Rate - Rates	= > 100%	99.7%	100.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
Debtor Collection Rate - Other Debtors (net of Rates) <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	99.3%	100.1%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%
Cash Coverage Ratio <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	7.8	8.0	8.2	8.5	8.9	9.2	9.3	9.6	9.9	10.2
Remaining Useful Life of Assets <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	67.2%	66.6%	65.7%	64.8%	63.9%	62.9%	61.9%	60.8%	59.8%	58.7%
Repairs & Maintenance as a % of WDV of Assets	1%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%





Georges River Council acknowledges the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

For more information on this document, please visit georgesriver.nsw.gov.au



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语言援助

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