



LONG TERM FINANCIAL PLAN

2023/24 - 2032/33



Strategic & Corporate
Committee
19 June 2023

Acknowledgement of Country

Woollahra Council acknowledges that we are on the land of the Gadigal and Birrabirragal people, the Traditional Custodians of the land. We pay our respects to Elders past, present and emerging.



Contents

Introduction	4
Sensitivity Analysis	9
LTFP Assumptions	13
Monitoring Financial Performance	16
Consultation on the LTFP	17
Attachments	18
(i) LTFP Income Statement	18
(ii) LTFP Balance Sheet	19
(i) LTFP Cash Flow Statement	20



Murray Rose Pool

Introduction

Resourcing Strategy

A requirement of the Local Government Act 1993 (s.403) is that a council must have a long-term Resourcing Strategy for the provision of the resources required to perform its functions. The Resourcing Strategy consist of the following three components:

1. Long Term Financial Plan
2. Workforce Management Plan
3. Asset Management Plan.

The Resourcing Strategy integrates with the Council Delivery Program and Operational Plan.

What Is A Long Term Financial Plan?

Council needs to maintain a financially sustainable position over time so that we can provide infrastructure and services for the benefit of our community. The Long Term Financial Plan (LTFP) helps us develop a plan to achieve this. Council's LTFP is a tool to aid decision making, priority setting and problem solving. The LTFP expresses in financial terms the activities Council proposes to undertake in the short, medium and long term. Using this, we can identify if we can continue to pay for our services and maintain our infrastructure in good condition (i.e. community buildings, parks, roads and business centres) with the income that we expect to receive.

Using our LTFP we can answer some key questions:

- Where will we be financially in 10 years?
- Is our revenue growing at the same rate as our costs?
- Are we able to financially afford our current service levels over time?
- What would be the financial impact if we did something different?
- Can we afford to do something new or build a new facility for our community to use?

The Long Term Financial Plan (LTFP) is a 10-year rolling plan which is updated annually. The LTFP captures financial implications of asset management and workforce planning. Financial planning over a 10-year horizon is challenging and relies on a range of assumptions, many of which are largely outside of Councils control. For example the rate peg that determines how much rates will change for the following financial year, are set by the Independent Pricing & Regulatory Tribunal (IPART). We therefore closely monitor our LTFP and update it to reflect these changing circumstances.

We also look at what would be the impact on our finances if trends were to worsen. We do this through a sensitivity analysis using the key assumptions most likely to affect the LTFP and these are included on page 16. Further to this, the LTFP allows us to run different scenarios helping us to answer the question "what would be the financial impact if we did something different?" In developing our current LTFP we have looked at two different scenarios which are detailed further in this document.

What Does Financial Sustainability Mean?

Financial sustainability is the ability to meet our current and future costs as they arise and to have the capacity to respond to foreseeable changes and emerging risks. Put simply it is our ability to:

- Cover our existing expenses and their future increases
- Cover new expenses that we know will be required into the future
- React to and cover the expenses from things that we think may occur, for example the resulting repair works and clean up that may be required after a major storm event. We refer to this as “financial flexibility” and believe a sound level for this to be between \$1.5 million and \$2.0 million per annum.

Our Financial Challenges and How Are We Addressing Them

This year we have updated our LTFP against a backdrop of challenges we have faced over the last five years and recent economic changes. The impact of COVID-19, the rising cost of services and materials, and the increasing demand for services, have placed pressure on our limited income.

The largest proportion of Council’s income comes from rates. Changes in rates is set and approved by the NSW Government’s Independent Pricing and Regulatory Tribunal (IPART). This change is called the “setting of the rate peg”. The rate peg is the maximum percentage amount by which a council may increase its rates income for the year. The rate peg has historically been set by IPART below the inflation rate and is not enough to secure a financially sustainable future for Council. For example, in this LTFP, IPART instructs councils to use a rate peg of 2.5% for 2024-25 and future years. This is well below current and projected inflation.

We also face the burden of a continuation of cost shifting from other levels of government. This is where another level of government shifts responsibilities to Councils with either little or no funding to support them. Whilst this situation is not new, it has been compounding over many years, with the level of cost shifting to Woollahra Council currently sitting at approximately \$ 14.355 million per annum, based on 2021-2022 data.

These challenges have resulted in financial deficits in each of 2019-2020, 2020-2021 and 2021-2022 financial years. During the last few years we have been fortunate to have cash reserves to draw on and have been able to maintain Council’s services. This is not a long term solution as our cash reserves are limited. We must address these deficits and achieve an ongoing annual surplus. The Office of Local Government sets a benchmark of a positive Operating Performance Ratio (OPR). The OPR measures a council achievement of containing operating expenditure within operating income.

We have taken a proactive approach to improving our financial position through the following budget repair actions:

Refinancing

In April 2021 Council resolved to refinance our Loan for Kiaora Place, the Council-owned Double Bay commercial centre, resulting in:

- Decreased annual interest expense by \$700,000
- Total savings of \$7.87 million over the life of the loan (net of the one-off break costs of \$6.45million).

Expense Reductions and Efficiencies

During 2021 we extended the replacement of our passenger vehicles from a 2.5 year replacement cycle to a 4 year replacement cycle. This is expected to save \$3.5million over 10 years.

Councillors and Council staff identified and implemented expense efficiencies of \$526,000 in 2020-21, with a further \$2.88 million savings identified in 2021-22 including through a Council-wide staff review / redundancy program. These actions have been achieved without impacting adversely on the services provided to our community.

Additional Income Opportunities

Council continues to look at opportunities to increase income from a number of areas:

- In 2021-22 a detailed review of Council's fees and charges was undertaken resulting in an annual increase in income of \$726,000
- In 2023-24 we are looking at further opportunities to increase income including the potential of Bus Shelter Advertising for non-heritage bus shelters and bus shelters in non-heritage areas.

The additional income and savings that we have achieved over recent years have totalled over \$3.8million. This has meant that we have been able to reduce our deficit from \$4.1million in 2021-22 to a surplus of \$1.4 million excluding investment asset revaluations.

Future and ongoing financial opportunities and efficiency savings

Council is focused on continuing to achieve efficiency savings with a 0.1% efficiency reduction factored into Materials, Contract and Other Expenses in each year of the LTFP. We continue to work across Council's forty-six (46) high level services through our Service Review Program to provide efficiency improvements and contain costs.

Ongoing savings will support Council's long-term financial sustainability and if savings are achieved beyond this level opportunities for their utilisation will be considered and changes to the Long-Term Financial Plan applied.

2023/24 Budget Overview

Council applied for a Special Rate Variation (SRV) in February 2023 and the results of that approved application were announced on 14 June 2023. . The SRV application is for an SRV of +10% plus the Rate Peg in 2023/24 and +5% in 2024/25 plus the Rate Peg. The Rate Peg, set by IPART, for 2023/24 is 3.7%. The Rate Peg for 2024/25 has not been set by IPART but is assumed to be 2.5% in accordance with IPART LTFP guidelines.

The 2023-24 operating budget with the SRV forecasts income of \$118.5 million and operating expenses of \$114.7 million. When we take away the \$2.9 million in capital grants and contributions (money we receive from the Federal and State Governments for capital projects) we have an operating surplus of \$902,000.

We exclude the capital grants and contributions because they can only be used on capital projects, i.e. not on Council's day to day expenses.

With a forecast surplus position, Council is forecasting an Operating Performance Ratio in 2023/24 of 0.86% which is just above the Office of Local Government (OLG) benchmark of greater than 0%. The first year of the additional income from the SRV allows Council to commence the additional community priority projects that were identified during the SRV consultation period. The surplus will allow these projects to be funded into the following years.

Our 2023/24 budget also includes a Capital Works program of \$19 million.

Longer Term Financial Outlook

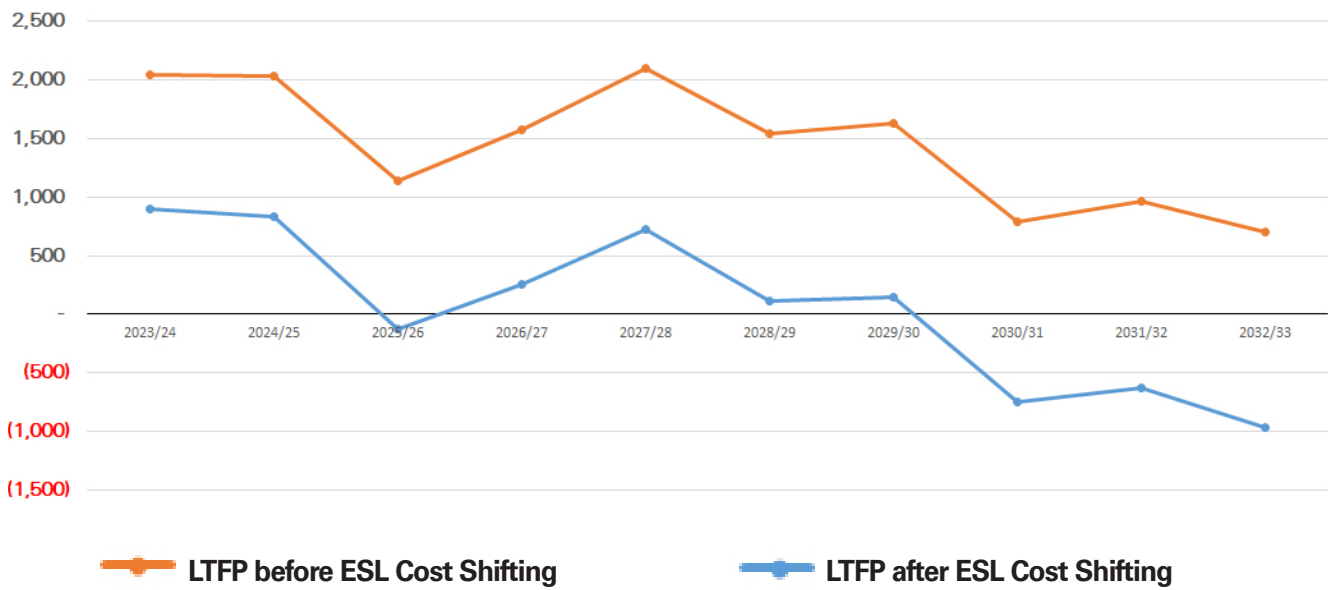
Our Long Term Financial Plan developed in March 2023 which incorporated the Special Rate Variation built on the significant improvements to the deficit, developed a long-term financially sustainable position and provided the funding to adequately address priority projects that have been identified by the community.

In April 2023 Council was advised that the state government Emergency Services Levy (ESL) has been significantly increased by 24%. The ESL is a cost imposed on councils and insurance policy holders to fund the emergency services budget in NSW. The majority is paid as part of insurance premiums, with a further 11.7% funded by councils and 14.6% by the NSW Government. Council's ESL has increased by \$621,605 for 2023/24, bringing our total Council contribution of \$2,591,907 in 2022/23 to \$3,213,512 in 2023/24. In addition, the removal of the ESL subsidy adds \$431,384 to this bringing the total impact to Council's budget of \$1,052,989. This is a very disappointing result given that Council has taken significant steps over recent years to improve its financial position and long term financial sustainability. The benefits of budget repair work are jeopardised by the increased level of cost shifting from the state.

This ESL increase has a compounding effect reducing Council's surplus over the 10 year life of the LTFP by \$12.6 million based on the Consumer Price Index (CPI) assumed within the LTFP. This assumes that the ESL increase in future years is in keeping with the LTFP model assumptions of cost escalations below 5%. Should the increases be higher than this the total impact over the life of the LTFP will also be higher. This puts at risk Council's long-term financial sustainability and/or Council's ability to complete the \$48.9 million in priority projects funded by the SRV.

Impact of additional 2023/24 Cost Shifting from state government from increased Emergency Services Levy and removal of subsidy

Net Operating Result before Capital Grants and Contributions in \$'000s



The above graph shows the projected Net Operating Surplus before Capital Grants & Contributions over the ten year period of the LTFP. It demonstrates that the LTFP after the Emergency Services Levy (ESL) changes announced for 2023/24 brings Council into a surplus for two years then back into deficit in 2025/26; surplus positions in 2026/27 through 2029/30; then back into deficits in 2030/31.

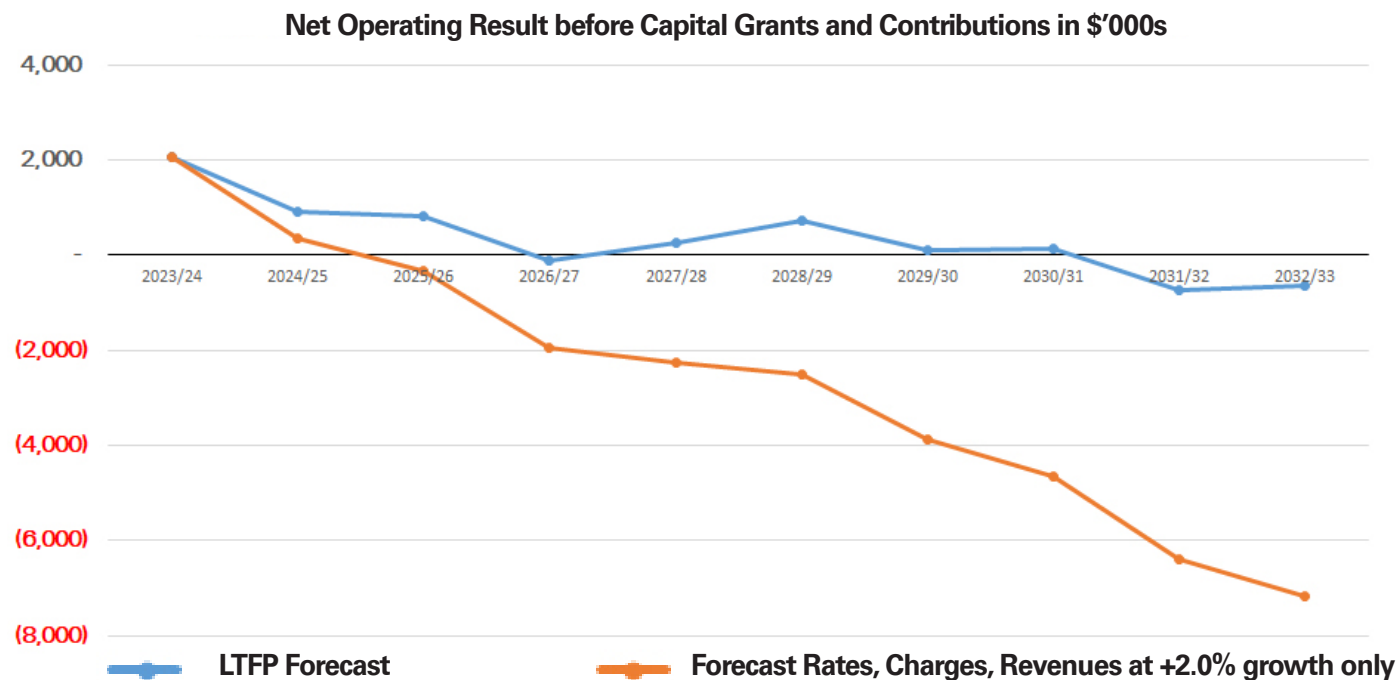
Sensitivity Analysis

Although the assumptions listed in the previous section are our current informed estimate based on a range of reliable sources, long term financial plans are inherently uncertain. They contain a wide range of assumptions about interest rates and the potential effect of inflation on revenues and expenditures which are largely outside our control. Developing our Long Term Financial Plan has included financial modelling taking into account the impact on our finances if trends worsen against the LTFP.

Rates, Charges and Other Revenues/Income

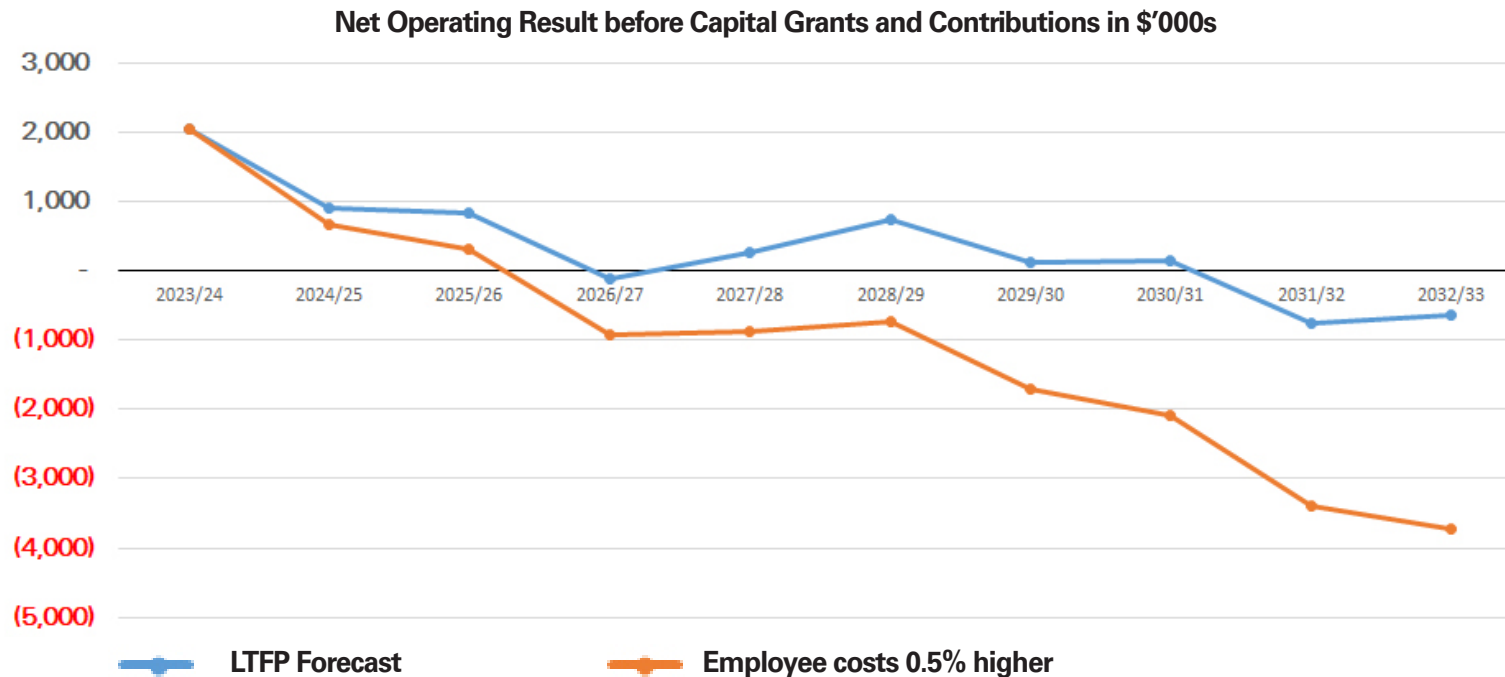
Rates and Charges comprise 55% of total income. Rates are capped by the State Government via IPART. Council can only increase rates if we apply for a special rate increase (called a Special Rate Variation (SRV)).

If revenues are decreased by 0.5%p.a., the forecast net operating result will decline into deficit for each of the forward years of the Long Term Financial Plan from 2025/26.



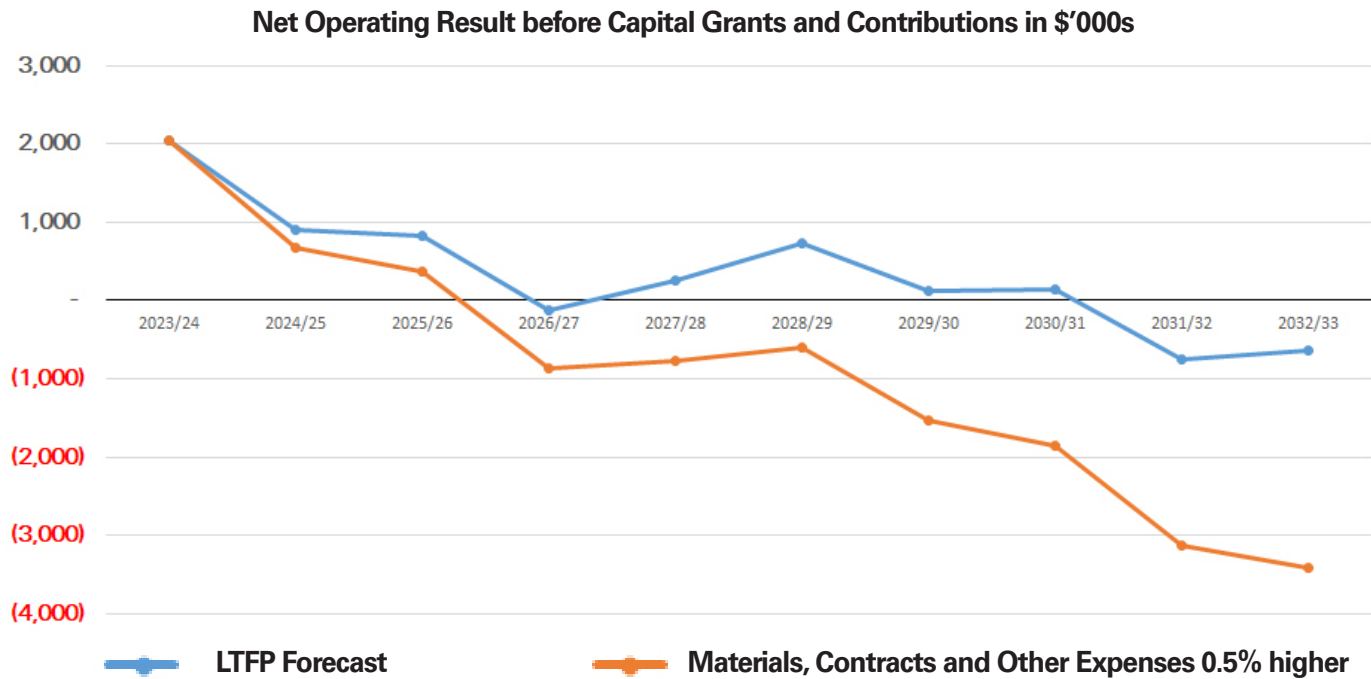
Employee Costs

Salary growth is largely subject to the NSW Local Government Award. The current Award provided for an annual increase of 2.5% in 2022/23. Council has assumed the new Award will be higher than the current award due to inflationary cost of living pressures. If the Award increase was 0.5% p.a. higher than the assumption made, the forecast net operating result will decline into deficit for each of the forward years of the Long Term Financial Plan from 2029/30.



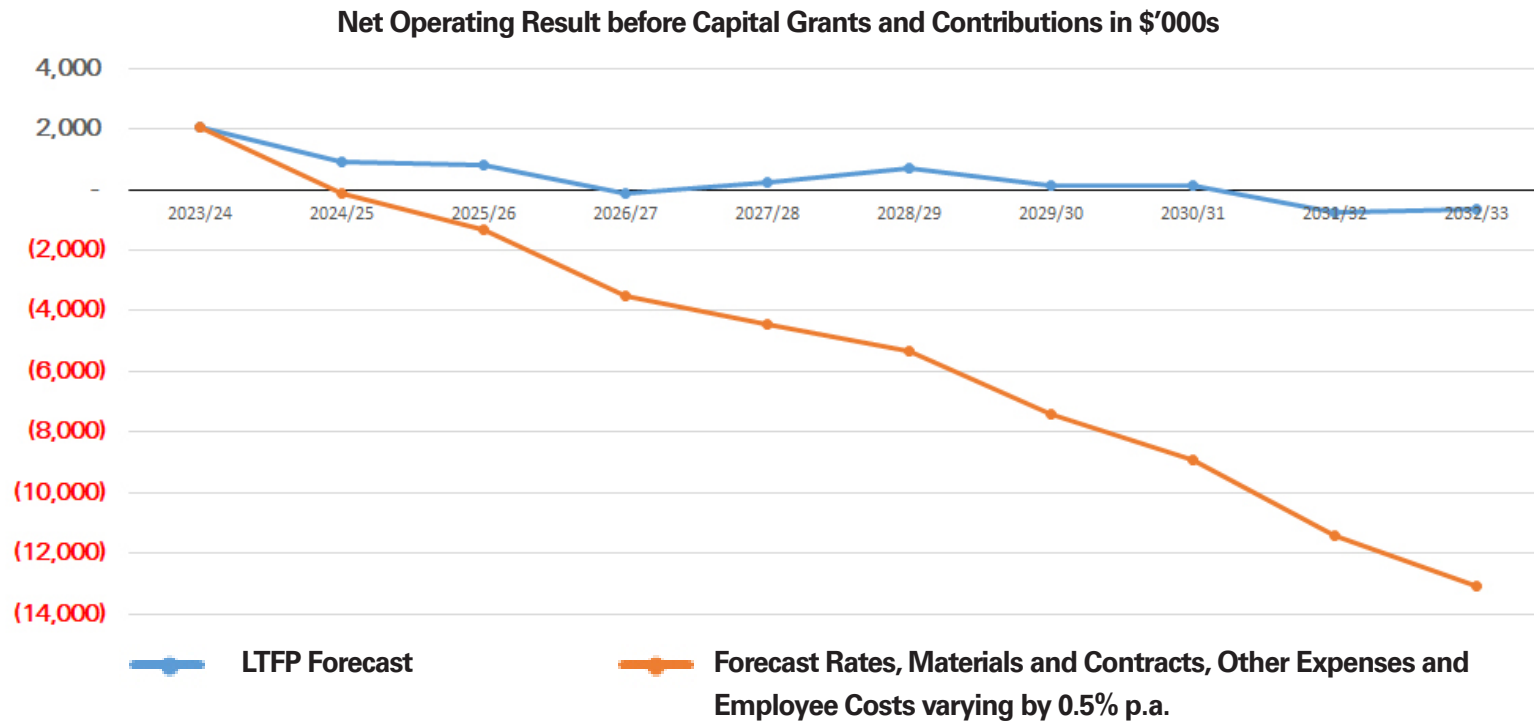
Materials, Contracts and Other Expenses

The Scenario 2 forecast uses an inflation rate range of 3.5% to 4.5%, however, fluctuating market conditions could affect the price of certain Materials and Contracts. The chart shows the impact of a 0.5% p.a. increase in Material, Contracts and Other Expenses above the CPI. Significant increases are possible, for example fuel costs and supply shortages. The forecast would go into deficit from 2029/30.



Combined Impact

The chart shows the combined impact rates, materials and contracts, other expenses and employee costs varying by 0.5% per annum and would see the forecast net operating result decline into deficit for each of the forward years of the Long Term Financial Plan from 2025/26.



Financial Planning Assumptions

In preparing the Long Term Financial Plan (LTFP), consideration was given to a range of economic factors that affect our finances. We have made assumption in putting together this year's budget and our LTFP which are detailed below. Overall we have taken a conservative and consistent approach to the assumptions. There is still much uncertainty with inflation and cost increases into the future.

Inflation

Overall inflation has assumed to be 3.5% to 4.5 % year on year in order to give a realistic but conservative impact on the models. We have kept Statutory Fees & Charges, Grants Received at lower percentages.

Population Growth

Population growth was included by IPART in the rate peg calculation for the first time, as of December 2021, as announced by the Office of Local Government –Woollahra population growth was assumed by IPART to have ZERO impact on the Rate Peg as population change in the LGA was only +0.1% and this was covered by Supplementary Valuations that occurred throughout the year. A 0.1% change to the rate peg adds <\$40k pa to rates income. The LTFP assumes 0.1% percentage going forward and is consistent with population forecasts within Council's Housing Strategy. The change in population has been calculated by IPART using the estimated residential population (ERP) for 2019 and 2020 published by the Australian Bureau of Statistics (ABS)g. This is the most up to date ABS population data.

	2023/24	2024/25	2025/26	2026/27	2027/26	2028/29	2029/30	2030/31	2031/32	2032/33
Inflation	+4.5%	+4.5%	+4.5%	+4.0%	+4.0%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%
Population Growth	0%	+0.1%	+0.1%	+0.1%	+0.1%	+0.1%	+0.1%	+0.1%	+0.1%	+0.1%

Rate Peg

The Rate Peg for 2023/24 is 3.7%, thereafter we have used the IPART recommendation of 2.5% for the Rate Peg and modelled that SRV increase on various options.

Domestic Waste Management Charges (DWMC)

DWMC is based on cost recovery. We have used a range of 3.5% to 4.5% given significant increases in tipping fees.

Interest Income

Interest Income has been modelled using 3.00% across the 10-year period, given that interest rates have been below 0.63% in recent times and long term forecasting of rates is inherently subjective.

Other Income & Revenues

- Grants & Contributions for operating purposes
- Statutory Fees & Charges
- Other Fees & Charges.

	2023/24	2024/25	2025/26	2026/27	2027/26	2028/29	2029/30	2030/31	2031/32	2032/33
	+3.7%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%
	+3.6%	+4.3%	+4.5%	+4.0%	+4.0%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%
	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	\$4.385m	\$4.538m	\$4.697m	\$4.837m	\$4.983m	\$5.132m	\$5.286m	\$5.445m	\$5.608m	\$5.776m
	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%	+3.0%	+3.0%	+3.0%	+3.0%	+3.0%
	+4.5%	+4.5%	+4.5%	+4.0%	+4.0%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%

Interest Expense

Interest expense has been modelled using existing loan data and are exact expenses over the forward years. Figures in \$'000s.

Expenses - Other

Overall inflation has assumed to be 3.5% to 4.5% year on year in order to give a realistic but conservative impact on the models. This flows through to items such as Employee Costs, Insurance Costs, Materials & Contracts Expenses. Council is focused on continuing to achieve efficiency savings with a 0.1% efficiency reduction factored into each year.

Loan Repayments

Loan repayments have been modelled using existing loan data and are exact over the forward years.

- Repayment of borrowings.

Notes

The LTFP Models do not provide for investment in infrastructure that may be required to meet NSW state government housing strategy targets.

2023/24	2024/25	2025/26	2026/27	2027/26	2028/29	2029/30	2030/31	2031/32	2032/33
1,809	1,701	1,593	1,490	1,388	1,274	1,160	1,055	968	874
+4.5%	+4.5%	+4.5%	+4.0%	+4.0%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%
\$3.794m	\$3.476m	\$3.073m	\$3.172m	\$3.267m	\$3.384m	\$3.491m	\$2.867m	\$2.949m	\$3.035m

Monitoring Financial Performance

Council monitors its financial performance through the following performance framework:

Management Budgeting, Reporting and Individual Performance Objectives.

Managers are closely involved in the planning and budgeting process including the quarterly budget reviews. Managers have an individual performance objective around meeting their department budgets. Annual draft budgets developed are compared and reconciled to the Long Term Financial Plan.

Monthly Management Financial Reporting (MFR)

Council is been provided with monthly reports on receipts, payments, investments, cash reserves and the cash position.

Quarterly Budget Review Statement

The Quarterly Budget Review Statement (QBRS) provides a summary of Council's financial position to the Council, so that budgetary adjustments may be made, if necessary. It is the mechanism by which community and councillors are informed of progress against the Operational Plan, Capital Plan & Budget and the last revised financial budget.

Annual Financial Reporting and Auditing

The Annual Financial Statements are audited by the NSW Audit Office and presents the council's operating results and financial position for the year, including schedules that report on key performance indicators, including measures to assess the long-term financial sustainability of the council.

Council monitors and reports against the following financial ratios:

- Operating Performance Ratio
- Own Source Operating Revenue Ratio
- Unrestricted Current Ratio
- Debt Service Cover Ratio
- Rates and Annual Charges Outstanding Ratio
- Cash Expense Cover Ratio
- Building and Infrastructure Renewals Ratio
- Infrastructure Backlog Ratio
- Asset Maintenance Ratio
- Cost to bring assets to agreed service level Ratio.

Special Rate Variation Reporting in the Annual Report

As per the Instrument under section 508A of the Local Government Act 1993, Council will also include in its annual report for each year from 2023-24 to Year 2027-28 (inclusive):

- i. the program of expenditure that was actually funded by the Additional Income, and any differences between this program and the Proposed Program;
- ii. any significant differences between the Council's actual revenues, expenses and operating balance and the projected revenues, expenses and operating balance as outlined in its Long-Term Financial Plan, and the reasons for those differences;
- iii. the outcomes achieved as a result of the Additional Income;
- iv. the productivity savings and cost containment measures the Council has in place, the annual savings achieved through these measures, and what these savings equate to as a proportion of the Council's total annual expenditure; and
- v. whether or not the Council has implemented the productivity improvements identified in its application, and if not, the rationale for not implementing them.

Consultation

The draft Long Term Financial Plan 2023/24 to 2032/33 was placed on formal public exhibition from 26 April 2023 to 23 May 2023. Members of the community were invited to make public submissions expressing their views on the draft plan during the public exhibition period to be considered by Council. Public submissions received during the exhibition period will be considered at a Council Committee meeting held 19 June 2023, prior to a Council meeting 26 June 2023, where the Long Term Financial Plan 2023/24- 2032/33 will be adopted by Council.

To continue to engage with Council and to have your say you can:

- Register for notifications from our engagement platform, Your Say Woollahra at **yoursay.woollahra.nsw.gov.au**
- Go to Council's website **www.woollahra.nsw.gov.au**
- Email council at **records@woollahra.nsw.gov.au**



Aerial view of Strickland House, Vacluse

Attachments

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2033
INCOME STATEMENT - GENERAL FUND
Scenario: Rate Peg + SRV:10% then 5%

	Actuals	Current Year	Projected Years									
	2021/22	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	\$'000
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	57,919	59,699	66,124	70,524	72,654	74,758	76,925	79,056	81,247	83,500	85,817	88,200
User Charges & Fees	11,431	13,600	13,201	13,662	14,142	14,606	15,087	15,521	15,970	16,433	16,911	17,406
Other Revenues	9,775	12,317	11,471	12,987	13,571	14,114	14,679	15,192	15,724	16,274	16,844	17,434
Grants & Contributions provided for Operating Purposes	5,652	6,581	4,384	4,538	4,697	4,837	4,983	5,132	5,286	5,445	5,608	5,776
Grants & Contributions provided for Capital Purposes	8,150	15,102	2,900	3,022	3,148	3,237	3,313	3,391	3,454	3,520	3,586	3,654
Interest & Investment Revenue	634	3,025	1,929	2,571	2,131	2,019	1,963	1,857	1,822	1,707	1,635	1,623
Other Income:												
Fair value increment on investment properties	12,700	10,210	1,150	1,201	1,255	1,305	1,358	1,405	1,454	1,505	1,558	1,613
Other Income	14,671	17,054	17,370	18,152	18,968	19,727	20,516	21,234	21,977	22,747	23,543	24,367
Total Income from Continuing Operations	120,932	137,586	118,528	126,656	130,567	134,604	138,824	142,789	146,935	151,130	155,502	160,072
Expenses from Continuing Operations												
Employee Benefits & On-Costs	48,917	46,297	49,252	51,564	54,100	56,270	58,698	61,016	63,336	65,740	68,232	70,814
Borrowing Costs	2,061	1,938	1,809	1,701	1,593	1,490	1,388	1,274	1,160	1,055	968	874
Materials & Contracts	35,367	43,901	42,811	46,967	49,919	51,079	52,100	54,074	55,624	58,018	59,486	61,521
Depreciation & Amortisation	14,658	14,220	14,834	15,322	15,446	15,564	15,659	15,770	15,852	15,953	16,040	16,107
Other Expenses	4,397	4,133	4,792	5,007	5,233	5,442	5,660	5,858	6,063	6,275	6,495	6,722
Net Losses from the Disposal of Assets	570	362	1,229	2,241	1,254	1,266	1,279	1,292	1,305	1,318	1,331	1,344
Total Expenses from Continuing Operations	105,970	110,852	114,726	122,802	127,544	131,111	134,784	139,284	143,340	148,359	152,552	157,383
Net Operating Result for the Year	14,962	26,734	3,802	3,854	3,023	3,493	4,040	3,505	3,595	2,771	2,951	2,690
Net Operating Result before Grants and Contributions provided for Capital Purposes	6,812	11,632	902	832	(125)	256	727	114	141	(749)	(635)	(964)

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2033

BALANCE SHEET - GENERAL FUND

Scenario: Rate Peg + SRV:10% then 5%

	Actuals	Current Year	Projected Years									
	2021/22	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	\$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	14,017	10,375	7,562	7,232	8,613	8,328	7,749	7,553	6,919	6,463	6,310	6,000
Investments	77,632	63,735	61,186	58,515	52,908	51,159	47,598	46,395	42,501	39,702	38,762	36,858
Receivables	6,042	7,092	6,187	6,462	6,514	6,570	6,620	6,674	6,717	6,775	6,852	6,930
Inventories	350	409	399	437	465	476	485	504	518	540	554	573
Contract assets and contract cost assets	3,165	3,165	3,165	3,165	3,165	3,165	3,165	3,165	3,165	3,165	3,165	3,165
Other	753	832	825	901	956	980	1,001	1,039	1,069	1,114	1,143	1,183
Total Current Assets	101,959	85,608	79,324	76,712	72,620	70,676	66,618	65,329	60,889	57,759	56,786	54,709
Non-Current Assets												
Receivables	106	116	128	137	141	145	149	153	157	162	166	171
Infrastructure, Property, Plant & Equipment	982,224	1,008,494	1,010,555	1,013,872	1,018,135	1,020,487	1,025,410	1,026,964	1,031,632	1,034,856	1,035,973	1,037,892
Investment Property	181,210	191,420	192,570	193,771	195,026	196,332	197,689	199,094	200,549	202,054	203,612	205,225
Right of use assets	206	222	96	767	641	515	388	262	136	10	(116)	(243)
Other	390	841	835	911	967	991	1,013	1,051	1,082	1,127	1,157	1,196
Total Non-Current Assets	1,164,136	1,201,094	1,204,183	1,209,458	1,214,909	1,218,469	1,224,650	1,227,525	1,233,556	1,238,209	1,240,792	1,244,242
TOTAL ASSETS	1,266,095	1,286,702	1,283,507	1,286,169	1,287,530	1,289,146	1,291,268	1,292,854	1,294,445	1,295,968	1,297,578	1,298,951
LIABILITIES												
Current Liabilities												
Payables	50,612	49,897	49,754	50,361	50,797	51,076	51,357	51,703	52,019	52,410	52,736	53,112
Contract liabilities	8,314	4,853	1,630	1,692	1,756	1,807	1,857	1,908	1,956	2,006	2,058	2,111
Lease liabilities	94	138	45	74	73	76	80	80	82	85	89	93
Borrowings	3,664	3,794	3,476	3,073	3,172	3,267	3,384	3,491	2,867	2,949	3,035	3,130
Employee benefit provisions	13,190	13,995	14,822	15,704	16,644	17,637	18,686	19,787	20,939	22,146	23,410	24,731
Other provisions	96	96	96	96	96	96	96	96	96	96	96	96
Total Current Liabilities	75,970	72,773	69,823	71,000	72,537	73,960	75,460	77,064	77,959	79,694	81,423	83,273
Non-Current Liabilities												
Contract liabilities	-	836	281	292	303	311	320	329	337	346	355	364
Lease liabilities	99	48	4	666	593	517	438	358	276	190	101	8
Borrowings	60,315	56,521	53,044	49,971	46,799	43,532	40,148	36,657	33,790	30,841	27,806	24,676
Employee benefit provisions	422	501	530	562	595	631	668	708	749	792	837	885
Total Non-Current Liabilities	60,836	57,906	53,859	51,491	48,291	44,992	41,574	38,051	35,152	32,169	29,099	25,932
TOTAL LIABILITIES	136,806	130,679	123,682	122,491	120,828	118,952	117,034	115,115	113,111	111,863	110,522	109,206
Net Assets	1,129,289	1,156,023	1,159,825	1,163,678	1,166,702	1,170,194	1,174,234	1,177,739	1,181,334	1,184,105	1,187,056	1,189,746
EQUITY												
Retained Earnings	561,082	587,816	591,618	595,471	598,495	601,987	606,027	609,532	613,127	615,898	618,849	621,539
Revaluation Reserves	568,207	568,207	568,207	568,207	568,207	568,207	568,207	568,207	568,207	568,207	568,207	568,207
Total Equity	1,129,289	1,156,023	1,159,825	1,163,678	1,166,702	1,170,194	1,174,234	1,177,739	1,181,334	1,184,105	1,187,056	1,189,746

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2033
CASH FLOW STATEMENT - GENERAL FUND
Scenario: Rate Peg + SRV:10% then 5%

	Actuals	Current Year	Projected Years									
	2021/22	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	\$'000
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	57,723	58,639	66,092	70,502	72,643	74,747	76,915	79,045	81,236	83,489	85,806	88,189
User Charges & Fees	11,780	13,482	13,232	13,626	14,105	14,570	15,049	15,487	15,934	16,396	16,874	17,367
Investment & Interest Revenue Received	672	2,827	1,948	2,566	2,149	2,023	1,979	1,857	1,840	1,717	1,633	1,627
Grants & Contributions	17,791	18,468	4,160	7,619	7,907	8,124	8,343	8,572	8,788	9,013	9,244	9,481
Bonds & Deposits Received	11,688	-	-	-	-	-	-	-	-	-	-	-
Other	24,070	29,118	29,151	30,946	32,455	33,762	35,113	36,352	37,625	38,942	40,305	41,715
Payments:												
Employee Benefits & On-Costs	(48,624)	(46,650)	(48,297)	(50,588)	(53,058)	(55,183)	(57,545)	(59,813)	(62,078)	(64,424)	(66,855)	(69,375)
Materials & Contracts	(35,005)	(43,884)	(42,818)	(46,815)	(49,808)	(51,030)	(52,056)	(53,998)	(55,562)	(57,927)	(59,426)	(61,441)
Borrowing Costs	(2,088)	(2,111)	(1,822)	(1,713)	(1,604)	(1,501)	(1,399)	(1,285)	(1,172)	(1,065)	(978)	(885)
Bonds & Deposits Refunded	(5,446)	-	-	-	-	-	-	-	-	-	-	-
Other	(3,989)	(3,875)	(4,657)	(4,972)	(5,196)	(5,409)	(5,626)	(5,828)	(6,032)	(6,243)	(6,462)	(6,688)
Net Cash provided (or used in) Operating Activities	28,572	26,014	16,990	21,170	19,592	20,104	20,774	20,390	20,578	19,898	20,140	19,991
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	77,000	13,897	2,549	2,671	5,607	1,749	3,560	1,204	3,893	2,799	940	1,904
Sale of Infrastructure, Property, Plant & Equipment	995	1,611	1,245	1,243	1,243	1,243	1,243	1,243	1,243	1,243	1,243	1,243
Payments:												
Purchase of Investment Securities	(86,001)	-	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	(60)	-	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(14,610)	(41,528)	(19,829)	(21,997)	(22,078)	(20,299)	(22,977)	(19,733)	(22,941)	(21,611)	(19,604)	(20,487)
Deferred Debtors & Advances Made	-	157	164	164	164	164	164	164	164	164	164	164
Net Cash provided (or used in) Investing Activities	(22,676)	(25,862)	(15,871)	(17,919)	(15,065)	(17,143)	(18,010)	(17,122)	(17,641)	(17,405)	(17,258)	(17,177)
Cash Flows from Financing Activities												
Payments:												
Repayment of Borrowings & Advances	(3,531)	(3,664)	(3,794)	(3,476)	(3,073)	(3,172)	(3,267)	(3,384)	(3,491)	(2,867)	(2,949)	(3,035)
Repayment of lease liabilities (principal repayments)	(133)	(129)	(138)	(105)	(74)	(73)	(76)	(80)	(80)	(82)	(85)	(89)
Net Cash Flow provided (used in) Financing Activities	(3,664)	(3,793)	(3,932)	(3,582)	(3,147)	(3,245)	(3,344)	(3,464)	(3,571)	(2,949)	(3,035)	(3,124)
Net Increase/(Decrease) in Cash & Cash Equivalents	2,232	(3,642)	(2,813)	(330)	1,381	(285)	(580)	(196)	(634)	(456)	(153)	(310)
plus: Cash & Cash Equivalents - beginning of year	11,785	14,017	10,375	7,562	7,232	8,613	8,328	7,749	7,553	6,919	6,463	6,310
Cash & Cash Equivalents - end of the year	14,017	10,375	7,562	7,232	8,613	8,328	7,749	7,553	6,919	6,463	6,310	6,000
Cash & Cash Equivalents - end of the year	14,017	10,375	7,562	7,232	8,613	8,328	7,749	7,553	6,919	6,463	6,310	6,000
Investments - end of the year	77,632	63,735	61,186	58,515	52,908	51,159	47,598	46,395	42,501	39,702	38,762	36,858
Cash, Cash Equivalents & Investments - end of the year	91,649	74,110	68,748	65,747	61,521	59,487	55,347	53,947	49,420	46,165	45,072	42,859

Woollahra
Municipal
Council



536 New South Head Road,
Double Bay NSW 2028
woollahra.nsw.gov.au
T: 02 9391 7000
E: records@woollahra.nsw.gov.au