



Planning for our future

Resourcing Strategy 2022 – 2032

Part 1: Workforce Management Plan

Part 2: Asset Management Strategy

Part 3: Long Term Financial Plan

Living and loving the Tweed

Council values and statements

What we value

We look after people and our places, explore all opportunities, and are proud of our passionate approach.

We care about each other, choose to be here, and are in this together.

We have conversations where everyone can contribute, and we are willing to have a go.

We put back in to make a difference, so that our Tweed community is even better tomorrow than it is today.

Vision

The Tweed will be recognised for its desirable lifestyle, strong community, unique character and environment and the opportunities its residents enjoy.

Mission

Working with community and partners, provide leadership in facilitating and delivering services that manage growth sustainably, create opportunity and enhance the value of our civic and natural assets for this and future generations.



Statement of acknowledgment of the Bundjalung Aboriginal Nation

We wish to recognise the generations of the local Aboriginal people of the Bundjalung Nation who have lived in and derived their physical and spiritual needs from the forests, rivers, lakes and streams of this beautiful valley over many thousands of years as the traditional custodians of these lands.



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Introduction

The Resourcing Strategy forecasts Council's ability to deliver assets and services to the community over the next 10 years in line with the adopted *Community Strategic Plan 2022–2032*.

Its aim is to ensure that the resources are available as and when required to achieve the Community Strategic Plan:

- People – Workforce Management Plan
- Assets – Asset Management Planning
- Finances – Long-term Financial Plan

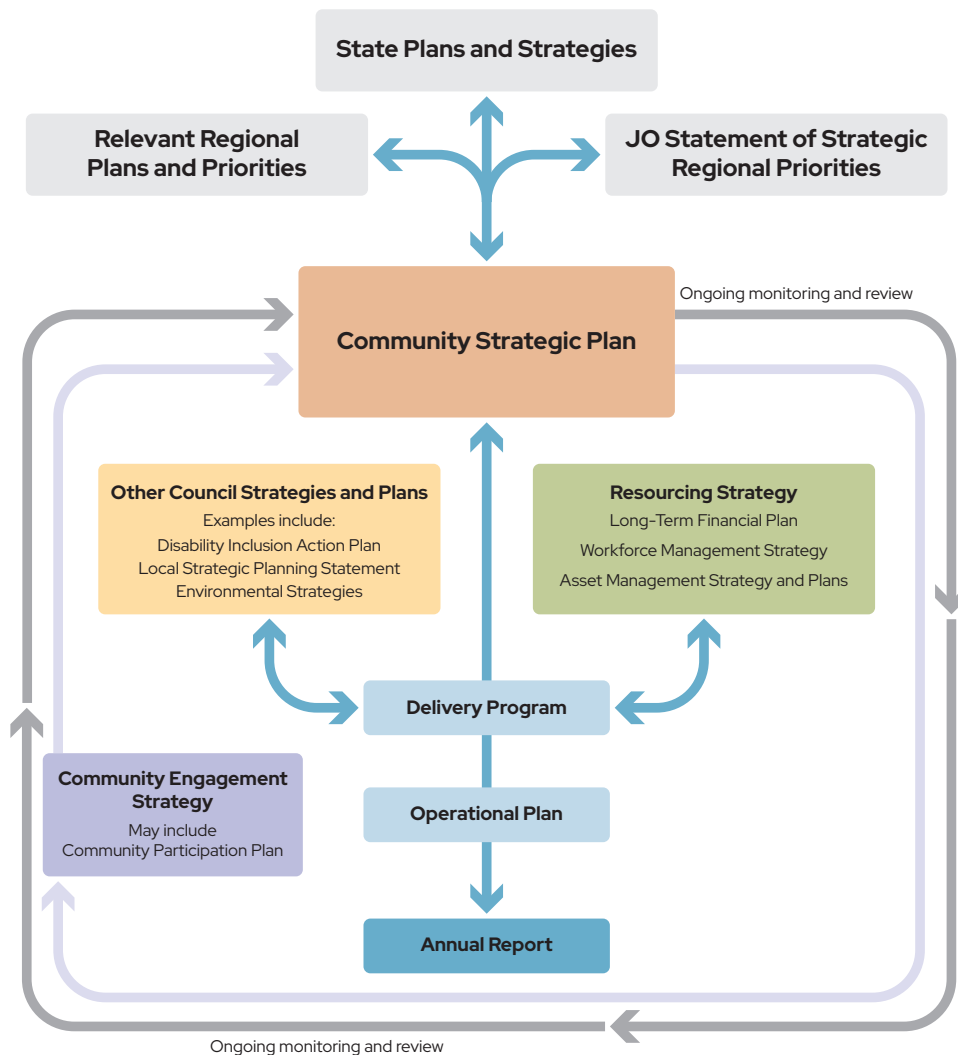
Living and loving the Tweed

An aerial photograph of a coastal town, likely Tweed Heads, Australia. The town is built on a peninsula or along a riverbank, with a large bridge crossing a wide river. The background features rolling green hills and mountains under a clear blue sky. The text "Living and loving the Tweed" is overlaid in a white, cursive font across the top of the image.

Background – legislative framework

The Integrated Planning and Reporting Framework requires that Council prepare:

- A 10-year **Community Strategic Plan** to be developed in consultation with the community, State Government agencies and other relevant stakeholders. The purpose of the plan is to identify the community’s main priorities and aspirations for the future and to plan strategies for achieving these goals.
- A 4-year **Delivery Program** that details all activities Council will be committing to over the next four years to work towards achieving its long term objectives as documented in the Community Strategic Plan.
- An annual **Operational Plan** that specifies individual activities Council will be undertaking during the year together with details of income and expenditure estimates for the year. These activities are drawn from the Delivery Program which is based on the Community Strategic Plan.
- A **Resourcing Strategy** which is aimed at ensuring that the resources – money, assets and people – required to achieve the Community Strategic Plan are available as and when required. The Resourcing Strategy is focussed purely on Council’s responsibilities in the roles of leader and provider.





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TWEED
SHIRE COUNCIL

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What is a workforce management plan?

At Tweed Shire Council our most important resources are our people, so it's important to regularly review our workforce against our strategic objectives to ensure we have the capacity now and in the future to deliver services and support to the Tweed community.

Workforce management planning ensures that Council has the right people, with the right skills, at the right time, undertaking the right jobs. It supports the achievement of goals detailed in Council's Delivery Program which is informed by the Community Strategic Plan.

Tweed Shire Council delivers a diverse range of services, with a large multi-skilled workforce in a competitive regional employment market.

This presents a number of challenges including:

- Attracting and retaining skilled staff.
- Growing community expectations of Council.
- Technological advancements.
- Skill shortages.
- Ageing workforce issues.

In order to address these challenges Council must:

- Demonstrate strong leadership.
- Have a contemporary, inclusive and adaptable organisational culture.
- Prioritise staff safety, well-being and professional development.
- Meet its legislative requirements.
- Have employee diversity that is reflective of the Tweed community.



Key themes

Council has taken a strategic approach to addressing these key challenges and has identified five core themes as the basis for the Workforce Management Plan:

1. **Establish Council as an employer of choice**
2. **Provide professional learning and development opportunities**
3. **Prioritise staff safety, health and well-being**
4. **Strengthen workplace diversity**
5. **Plan for our future workforce**

The Workforce Management Plan aligns directly with stream 3 of the *Community Strategic Plan 2022–2032*:

Growing

3. **We want to work together to plan for the future so the Tweed grows and evolves in a sustainable way**



Goal 3.3: Make sure Council services are supported to deliver effective, transparent programs and operations.

Service goal: To support a productive, respectful and safe work environment.

As with the Community Strategic Plan, Council’s Workforce Management Plan is underpinned by support documents that detail planned projects, budgets, time frames and responsibilities.

Flexibility within the strategies and actions identified within each theme area is required to enable unexpected emerging issues or new ideas and solutions to be included.

Employer of choice



1. Establish Council as an employer of choice

In a competitive labour market, a strong brand reputation and employer profile are essential in recruiting quality people. Being an 'employer of choice' simply means becoming an organisation who potential and existing employees want to work for, over and above others in the same marketplace.

In the modern work environment, employees are seeking more than just job and financial security. Significant value is now being placed on cultural fit and work practices that best suit an individual's lifestyle and career aspirations.

This means placing greater emphasis on workplace culture, communication and consultation, as well as promoting work/life balance initiatives, and staff reward and recognition schemes.

Strategies/actions

We need to:

- Ensure Council's values underpin all policies, protocols, processes and practices.
- Ensure we 'walk the talk' and live our organisational values.
- Have conversations with staff to understand their needs and seek their input on making things better.
- Promote local government as a desirable and progressive career path where you can make a real difference.
- Promote a work environment that recognises the need for work/life balance.
- Celebrate our achievements and successes.
- Ensure contemporary and best practice principles underpin our people management plans.
- Challenge traditional work practices, embrace innovation, flexibility and equal opportunity.

Targets

We aim to:

- Maintain staff turnover in line with industry benchmarks.
- Achieve greater than 75% overall staff satisfaction of Council as an employer.
- Increase the number of employees new to Local Government.

Learning and development



2. Provide professional learning and development opportunities

At Tweed Shire Council our employees are our most important resource – to invest in them is to invest in our future and the future of the community.

With changing technology, community expectations and service delivery models, skills need to be continually updated and new capabilities developed.

Half of Council's current workforce is eligible to retire within the next 10 years. We need to plan for what these changes will bring by looking at how we work and attracting and nurturing new talent.

Addressing skills shortages, staff retention, and job satisfaction are important areas that can be improved through learning and development programs.

Learning and development opportunities need to be targeted, resource efficient, engaging, valued, timely and result in measurable improvements in knowledge, skill and or behaviour.

Strategies/actions

We need to:

- Deliver a blended learning culture that combines on the job learning with formal training.
- Develop and implement a whole of organisation leadership framework that is visionary and transparent.
- Develop and implement a suite of programs to support and strengthen Council's capacity to deliver.
- Challenge traditional work practices to ensure future outcomes are relevant and contemporary.
- Actively review and seek feedback on our performance embedding a culture of process improvement.
- Nurture the talent of high performing individuals across all levels of the organisation, supporting their potential as future leaders.

Targets

We aim to:

- Implement the Learning and Development Strategy.
- Decrease skill shortage gaps.
- Increase staff satisfaction with organisational leadership.
- Identify employees to participate in Future Leaders Program.

Safety, health and wellbeing

3. Prioritise staff safety, health and well-being

At Tweed Shire Council, the safety, health and well-being of our staff is our number one priority.

Council's approach is that all injuries are unacceptable and our commitment is to provide a safe and healthy work environment for our employees, volunteers, contractors and visitors.

A large percentage of Council's workforce undertakes high risk duties with much of this work being undertaken in public spaces. All our staff have the right to return home safely from work to their loved ones each day.

Safety today is about much more than illness and injury prevention and return to work programs. Our approach also includes broad based health and well-being strategies, programs to manage occupational aggression, transitional strategies for ageing workers and meeting increased legislative obligations relating to design, procurement and contractor management.

Strategies/actions

We need to:

- Embrace an organisational culture that identifies and addresses risks in all facets of work.
- Continue to promote a safe working culture as an organisational priority.
- Integrate safety into project design, procurement and contract management and monitor its implementation.
- Ensure the community understands that aggression and abuse towards Council staff from members of the public will not be tolerated.
- Support staff who have experienced occupational aggression from members of the public.
- Ensure health and well-being initiatives are accessible and relevant to Council's diverse workforce needs.
- Value and actively look after our own and our colleagues' physical and mental wellness.
- Value the contribution of Council's ageing workforce and continue to support these employees through potential new career paths and retirement transition initiatives.



Targets

We aim to:

- Increase participation levels in Council's Health and Well-being initiatives.
- Have less than 3 health and safety incidents per 100 full time equivalent staff each year.
- Have less than 15 lost time injuries each year.
- 3.5% Workers compensation insurance premium (as a percentage of wages cost)
- Less than 50% Staff costs (as a percentage of unrestricted revenue)



Workplace diversity

4. Strengthen workplace diversity

Tweed Shire Council embraces and values people of all abilities and where possible includes identified positions to attract employees from areas that have traditionally had low levels of workplace representation.

Indigenous employment

- 2.71% of the Tweed community identify as Aboriginal or Torres Strait Islander
- 2.41% of Council employees identify as Aboriginal or Torres Strait Islander.

Youth employment

- 15.10% of Council employees are under 35 years of age.
- Council hosts 16 young trainees and apprentices.

Women employees

- 33.95% of Council employees are women.
- 25.92% of Managers and senior staff are women.
- 52 women are employed in non-traditional female roles such as engineering and trades.

Ageing workforce

- 51.47% of Council's workforce is 50 or older, with 8.42% being 60 or older.
- 34.22% of Council's current workforce will be able to access their superannuation and retire within the next 5 years with 58% eligible to retire within 10 years.

As a local government authority it is important that our workforce reflects the diversity in our communities and positively contributes to correcting historical inequitable imbalances. Given the gaps in diversity and gender representation in our current workforce, the priority areas to help improve this are enhanced employment and promotion opportunities for women, young people and those who identify as Aboriginal and Torres Strait Islanders.

Council should embrace and value people of all abilities and where possible, establish identified positions to attract employees from areas that have traditionally had low levels of mainstream workplace representation. Increasing diversity will also assist with addressing issues associated with our rapidly ageing workforce.



Strategies/actions

We need to:

- Challenge traditional work practices to embrace innovation, flexibility and equal opportunity.
- Promote local government to the broader community as a desirable and progressive career path where 'you can make a real difference'.
- Develop and implement initiatives to increase the number of Gen Y and millennial employees (those born between 1977 and 1995)
- Develop and implement initiatives that attract and retain employees who identify as Aboriginal/Torres Strait Islander and through culturally safe and sensitive support structures, provide career pathways across Council's diverse range of services.
- Develop and implement initiatives to increase the number of women employees and provide career development paths for women with a focus on engineering, trades, management and field based roles.

Targets

We aim to:

- Increase representation of employees who identify as Aboriginal or Torres Strait Islander across all service areas of Council and across all job grades.
- Meet local government benchmarks for women employees.
- Increase entry level and youth employment opportunities.



Future workforce



5. Plan for our future workforce

As a community, the Tweed is rapidly evolving and Council needs to keep pace.

The Tweed Shire Council of 10 years ago is very different to the modern local government organisation we are now – and will be very different again in another 10 years' time.

With changing customer expectations, increased cost shifting from other levels of government, technological advancements, legislative changes and reform, Council's workforce needs will change significantly over time.

To remain competitive and to respond to community expectations, Council needs to ensure its workforce management strategies remain contemporary, and that performance data is used to benchmark ourselves against leaders in any field within which we operate.

Strategies/actions

We need to:

- Value and retain organisational knowledge held by individuals ensuring it is preserved and transferred to relevant colleagues.
- Nurture the talent of high performing individuals across all levels of the organisation, recognising their potential as future leaders.
- Implement integrated Human Resource management information practices to provide access to more accurate and timely data, delivering improved operational efficiencies.
- Promote a culture that embraces new technologies and emerging workplace innovations.
- Ensure all employees understand their role in, and are equipped to provide, genuine and responsive customer service delivery.
- Commit to being individually responsible and accountable for performing our roles and make the changes we need to improve our performance in the future.

Targets

We aim to:

- Identify employees to participate in Future Leaders Program.
- Identify critical positions and individuals for knowledge transference.
- Develop and implement a knowledge transference framework.
- Develop and implement a Business Excellence Framework.
- Fully implement an integrated Human Resource Information System.

Celebrating our successes

Recognising our achievements

Industry Awards and Achievements

We're also an award winning organisation – many times over – recognising the professionalism of our teams and employees across a wide range of industries.

Receiving industry awards and acknowledgements is a great way to recognise how Council and our employees make a difference to our community.

Find out more about Council's awards and achievements on our website.

tweed.nsw.gov.au/awards-achievements

Organisational Awards and Achievements

Council's annual **Service and Productivity Excellence Awards** recognise and celebrate the great work we do here at Council and the dedicated and innovative people behind the scenes. Excellence of individuals and teams is recognised in a number of categories which are adjusted each year.





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Executive summary

Tweed Shire Council is entrusted with providing a wide range of services under the authority and guidance of the NSW Local Government Act, most of which require the use of assets in some form.

This includes infrastructure assets that directly provide services for transport, drainage, recreation, culture, water and wastewater, as well as land, buildings, plant and equipment assets that support these services.

With a replacement value of over \$3.6 billion, these assets play a significant role in Council’s service delivery.

The efficient management of these assets is vital in maintaining safe, reliable and efficient services that help achieve the strategic priorities and goals adopted for the community in the Community Strategic Plan.

This Asset Management Strategy provides clear direction to strive to maximise the return on investment in community assets through:

- understanding the community’s needs, priorities and levels of service
- understanding the current state of assets and their management
- assessing the optimal position and analysing the gap
- determining a required approach and action plan
- setting a performance monitoring process.

Community needs are largely determined through the development and review of the Community Strategic Plan. While it is important to know how well assets are meeting community needs in terms of use, Council has little discretion over the supply levels of most infrastructure such as transport, drainage and water and wastewater utilities. For these assets, usage is mainly applied in setting a hierarchy for priorities and maintenance and renewal schedules.

The current situation with assets looks at:

- asset condition and capacity
- funding capacity for new; renewal and maintenance
- asset management systems and processes.

The overall current condition of assets as reported in the Special Schedules for 2020-21, based on the percentage of gross replacement cost at each grade is shown below:

Excellent/very good	56.6%
Good	24.5%
Satisfactory	14.1%
Poor	2.3%
Very poor	2.5%

Due to the public nature of council assets and the associated risks, as a minimum ‘condition’ is generally kept to a satisfactory level. It is estimated that the cost to bring the 5% of assets that are below this level up to satisfactory condition is \$37 million.

The funding capacity for asset management considers the issues of sustainability and intergenerational equity.

Long term maintenance of asset condition and service levels is the main focus of sustainability analysis. Due to the long-term nature of this concept, it is difficult to demonstrate with snap shots.

The Special Schedules for 2020–21 show an overall Asset Maintenance ratio (actual/required expenditure) of 98.9% and that a figure close to 100% is generally achieved. The Asset renewal ratio (actual renewal/annual depreciation) of 65% indicates a lack of capacity to replace assets as they reach end of life.

The 100% benchmark for this ratio however is somewhat unrealistic for long-life assets given that annual depreciation is only a measure of deterioration for the year, and renewal is not required until that deterioration falls below satisfactory.

The main aim for Council is to ensure recurrent operating results break even or better to have the capacity to fund depreciation when required.

The legislative framework Council operates in also has a focus on sound asset management and reporting and Council’s commitment should be reflected in compliance with these such as:

- maintaining current strategic documents
- undertaking regular asset reviews and revaluations.

The solutions provided in this strategy therefore cover:

- identifying the current and future asset needs and service levels of the community
- improving asset data to accurately predict optimal operating, maintenance and renewal costs
- improving the internal asset management framework of council to promote efficient and effective planning, reporting and delivery of services.



Purpose of the Asset Management Strategy

The objective of this Asset Management Strategy (AMS) is to develop a structured set of strategic actions aimed at enabling Council to improve its asset management practices to support Council’s Asset Management Policy and service delivery needs.

It is an important element of the Integrated Planning and Reporting Framework that guides the strategic process for local government in NSW.

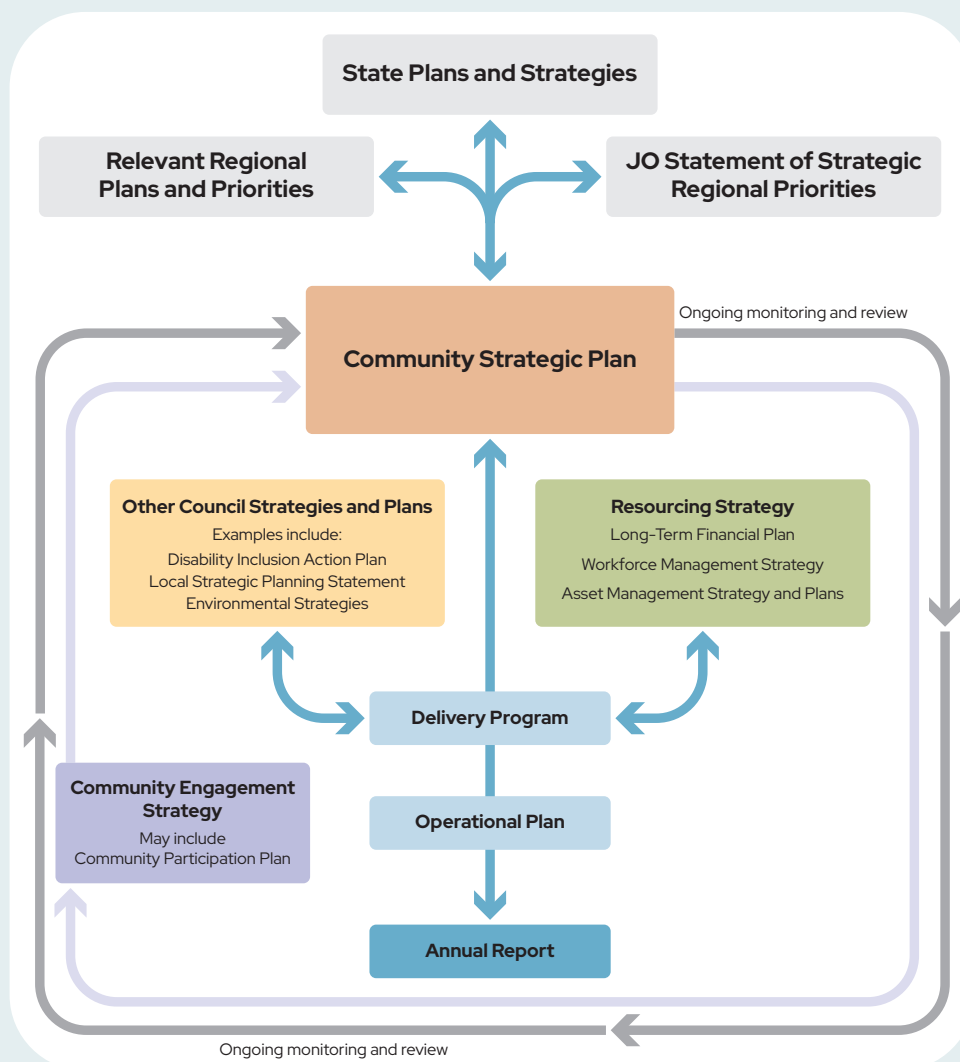


Figure 1: Integrated Planning and Reporting Framework

The Community Strategic Plan (CSP) sets the vision for the Tweed that:

The Tweed will be recognised for its desirable lifestyle, strong community, unique character and environment and the opportunities its residents enjoy.

The key themes of the CSP then demonstrate the importance of assets in the delivery of essential and desirable services.

The Resourcing Strategy determines how the budget, workforce and assets of council can best deliver the objectives of the Community Strategic Plan through the Delivery Program and Operational Plans.

The Asset Management Policy sets the broad framework and key principles that underpin asset management with the vision that the return on investment in community assets is maximised.

With limited resources to meet a vast range of services and functions, this recognises that the asset portfolio should provide the greatest satisfaction of community needs in the most efficient and effective manner.

The Resource and Appendix section of this document provides links to the Asset Management Policy and the Asset Management Plan for each major asset class which provides Council with detailed comprehensive information and knowledge to assist its short and long term service delivery planning.

Key benefits of the strategy implementation

Tweed Shire Council has clearly endorsed a commitment to asset management in its Community Strategic Plan, while the Delivery Program sets the course for Council's delivery of services and projects over the next 4 years.

To support Council's vision, it is important that our infrastructure is provided and maintained at a reasonable level, commensurate with the community's expectations and affordability.

As infrastructure is subject to various forms of obsolescence, it is necessary that we have a long-term strategy in place to enable us to determine options for planning, acquiring, refurbishing, upgrading, maintaining, operating and disposing of assets.

By implementing this AMS, we are aiming to improve Council's asset management practices to provide a more sustainable service delivery process.

The key benefits are:

- Ability to provide better outputs with fewer resources by better aligning our resources and needs.
- Ability to understand what condition our assets are in and by monitoring the effect our actions are having on them.
- Having a key set of actions that will allow us to manage the provision of these assets into the future at lowest long-term cost.
- Be able to assign appropriate levels of funding for each asset class in line with the respective service level targets.
- Being able to clearly define what service levels we can deliver to our customers, the rate-payers and users.



Community profile

The Tweed Shire is located in the north east corner of New South Wales, in a diverse area featuring coastal villages, urban centres, rural villages and agricultural activities.

The centrepiece of the Tweed is Wollumbin / Mount Warning, where the sun first hits the Australian continent most of the year. The surrounding McPherson, Tweed, Burringbar and Nightcap Ranges form the caldera of the fertile Tweed Valley.

The Shire stretches over 1,303 square kilometres and adjoins the NSW shires of Byron, Lismore and Kyogle with the Gold Coast City Council area and Scenic Rim Regional Council to its north.

The Shire has 37 kms of natural coastline, wetlands and estuarine forests, and some of the richest pastoral and farm land in NSW. The Tweed River basin is a unique and diverse mountainous region, containing three world-heritage listed national parks.

The 2016 Census confirms that The Tweed is experiencing and will continue to experience growth.

Tweed Shire is home to an estimated 91,371 people (Australian Bureau of Statistics (ABS) 2016), an increase of 7.3% from 85,105 people in 2011.

A substantial population increase is expected to occur in the Tweed LGA by 2031 (128,135). This represents an anticipated annual growth rate of 1.2%. Tweed Heads continues to grow at the fastest rate within the Shire. However over the next 20 years the new areas of Kings Forest and Cobaki Lakes are expected to attract up to 15,000 new residents.

The total population is projected to grow from a 2011 base of 85,106 people past the 2026 figure of 117,310 to 128,135 by 2031. This growth is not expected to occur evenly across the age groups, with relatively little growth anticipated in the younger age groups, especially those under 15 years of age with a very high percentage expected in the retired and frail aged age cohorts.

This projected population profile reflects the socio-demographic changes which have resulted in middle to older age groups undertaking a sea change. This movement to the Tweed Shire up and out from the rest of NSW, as well as the movement of people down from South East Queensland is expected to result in the continuation of the rapid growth rate over the next 2 decades.

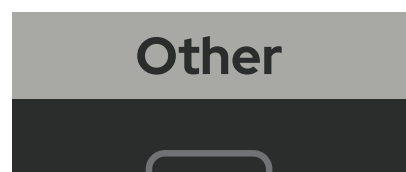
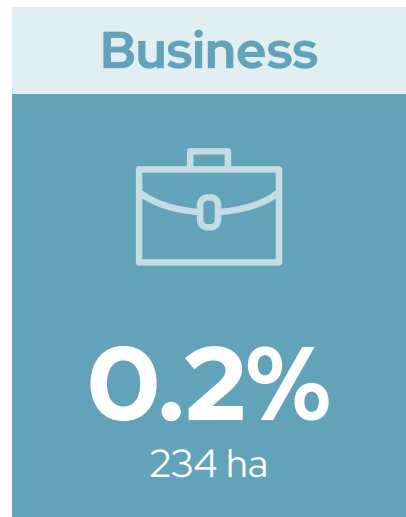
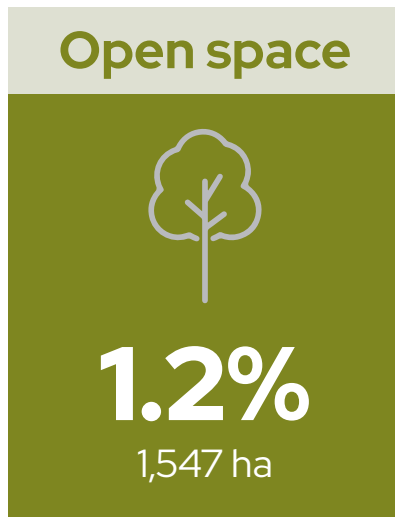
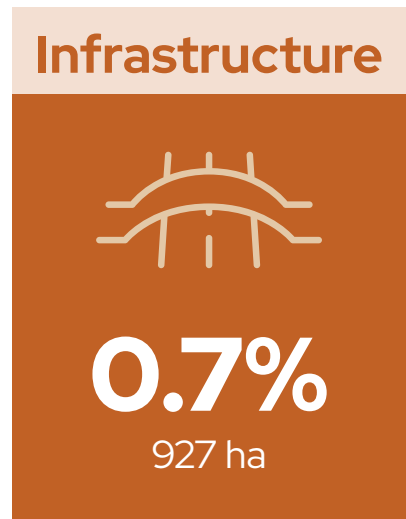
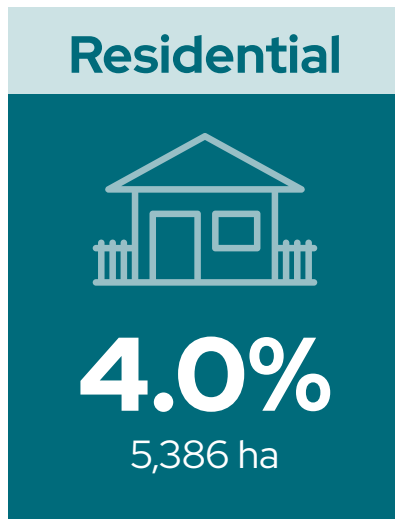
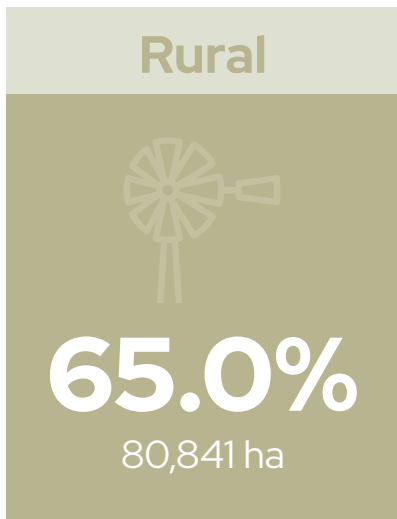
Our shire

The Tweed



- Located in NSW North Coast.
- Major population centres: Tweed Heads, Murwillumbah, Kingscliff.
- Gateway between Northern NSW and South East Queensland.
- Gold Coast Airport serves as the major international gateway.
- Access to services and employment opportunities not found in many other regional centres.
- Internationally significant environment

Land use



Council infrastructure in the Tweed

Sport, recreation, community and cultural assets



assets
6000
value
>\$250m

includes parks, sporting facilities, aquatic centres, cemeteries, office buildings, community centres, auditoriums, halls, leased and licensed buildings, art gallery, museum, library facilities, bushland, foreshores and waterways assets.

Water assets



1

dam

3

water treatment plants

27

water pump stations

2

weirs

42

reservoirs

723km

water mains

Stormwater assets



390km

stormwater drainage pipes, channels and minor road culverts

17,650

stormwater pit structures

Wastewater assets



8

wastewater treatment plants

542km

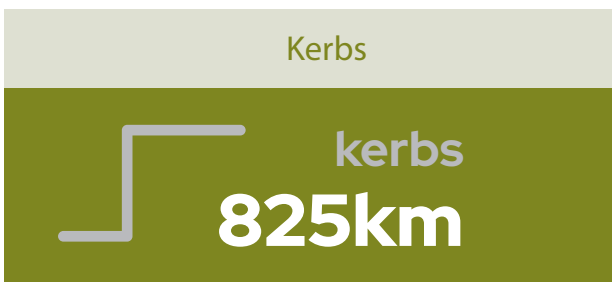
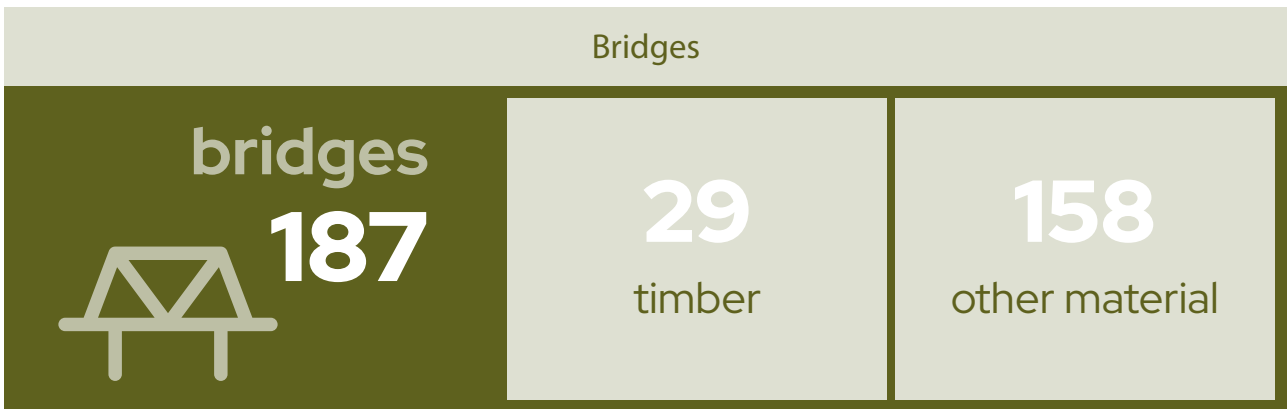
gravity sewer mains

187

sewerage pump stations

174km

sewer rising mains



What is Asset Management?

Asset Management is a process of logic used to guide the planning, acquisition, operation, maintenance, renewal and disposal of assets. Its objective is to maximise asset service delivery potential and manage related risks and costs over their entire life cycle.

The following diagram illustrates the typical life cycle of an asset and associated asset management functions. It does this from planning for the need to create an asset through to its ultimate disposal including audit and review of the performance of that asset.

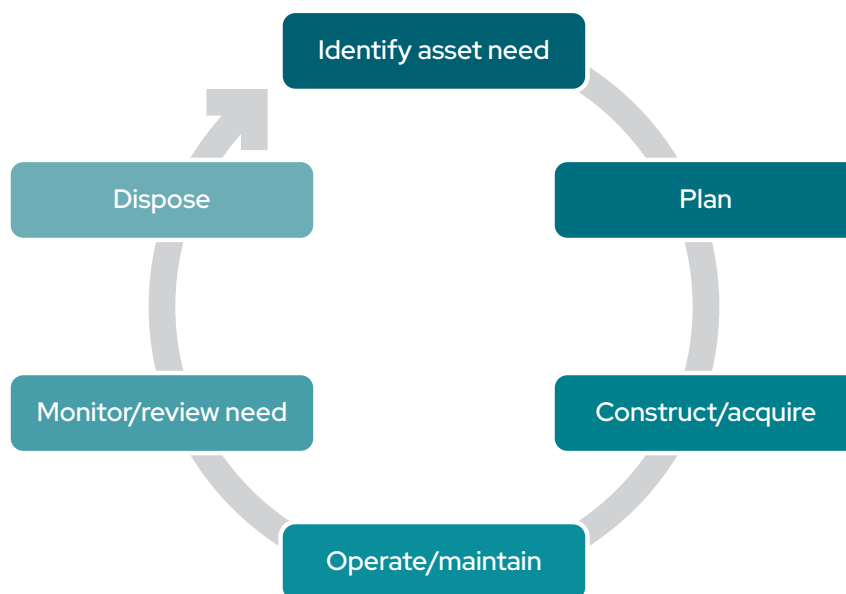


Figure 2: Asset Life cycle Diagram

In line with the Local Government National Asset Management Framework and State-wide Guidelines, Council is committed to the 7 key elements:

1. Development of an asset management policy
2. Strategy and Planning
3. Governance and Management Arrangements
4. Defining Levels of Service
5. Data and Systems
6. Skills and Processes
7. Evaluation

The key strategic actions documented in Section 7 demonstrate Council's direction in achieving the above outcomes. The key performance indicators described in Section 8 demonstrate how Council intends to measure the success of these actions.

In line with the National Framework, this Strategy is a commitment to adopting a service-centric approach based on Strategic Asset Management (SAM). The key to SAM is successive layers of knowledge and decision making. This is best illustrated by the Strategic Asset Management Pyramid shown in the following diagram. The SAM Pyramid shows the Council's service-centric asset management planning mechanism.

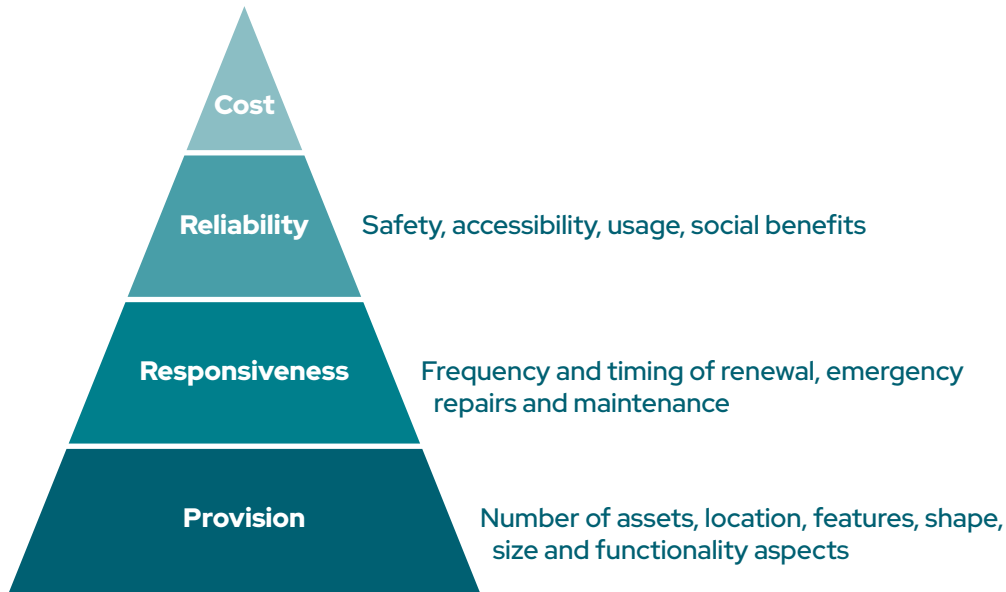


Figure 3: Strategic Asset Management Pyramid

The framework of planning will be:

Asset Provision Layer 1: The foundation of SAM is an understanding of the asset portfolio in terms of its physical attributes and its condition, capacity and functionality as shown by the Provision layer.

Council's corporate Asset Management System, in conjunction with the corporate GIS system, will hold data, information and attributes that form the 'footprint' of Council's asset stock used in service delivery. This information is now available within the Corporate SAM system.

Service Responsiveness Layer 2: Council's Decision Matrix is the determinant of the Responsiveness layer.

This is, in effect, a corporate decision matrix and consists of the planned actions to retain the assets at the desired level of usability over their planned life. The key focus is on the type of intervention (minor repairs, major renewal, replacement) and the trigger for action (condition, capacity, functionality). This information is now available within the Corporate SAM system.

Service Reliability Layer 3: The Decision Matrix in the Responsiveness layer will determine asset performance outcomes which are characterised by the Reliability layer.

This is best viewed as the asset performance, as seen and experienced by those using and depending on the assets. Reliability will be measured in terms of performance standards such as safety, condition and functionality. This information is now available within the Corporate SAM system and is constantly monitored with actuals.

Cost of Delivery Layer 4: The top of the pyramid is Cost and this is determined by decisions in the layers below.

Application of the Service Driven Framework results in an active pyramid where the Provision, Responsiveness and Reliability are tuned to give optimal outcomes for an affordable cost, which drives the future financial plan. This information is now available within the Corporate SAM system and is the fundamental basis for community consultation and options analysis.

Legislative control of Asset Management

In addition to using asset management as a tool to manage the community's assets and provide better services to the community, there are also legislative requirements that Council must comply with in relation to the management of its assets.

NSW Local Government Act

The Integrated Planning and Reporting Framework for local government was introduced to NSW in 2010 as part of a national improvement plan for financial sustainability in the sector.

The Local Government Act has since been revised to include guiding principles for councils which promote sound financial management and integrated planning and reporting.

These place a greater focus on long term planning and sound asset management, with a requirement to prepare a long-term Community Strategic Plan and Resourcing Strategy.

Australian Accounting Standards

The Division of Local Government requires that councils comply with the accounting standard AASB 116 for reporting on infrastructure assets.

The data required to provide this level of financial reporting is also essential for the planning of future infrastructure renewal requirements.

The following Australian Accounting Standards apply to Local Government assets:

- AASB 116 Property, Plant and Equipment – prescribes requirements for recognition and depreciation of property, plant and equipment assets
- AASB 136 Impairment of Assets – aims to ensure that assets are carried at amounts that are not in excess of their recoverable amounts
- AASB 138 Intangible Assets – prescribes the accounting treatment for intangible assets not dealt with in another standard.
- AASB 1051 Land Under Roads – allows the recognition of land under roads subject to criteria
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors – specifies the policies that Council is to have for recognition of assets and depreciation
- AASB 013 Fair Value Measurement – prescribes the valuation process for maintaining the value of assets at current replacement cost less accumulated obsolescence. This provides more relevant data for asset management than historical cost.

There are an array of other legislative requirements that need to be considered in managing infrastructure assets such as the *Disability Discrimination Act 1994* and the Building Code of Australia. These legislative requirements are taken into consideration at a more detailed level in each of the specific Asset Management Plans.

Community expectations



Council undertakes biennial Be Our Best Resident Survey to understand community satisfaction and importance levels across Council services.



Strategic Asset Management systems

Council is implementing a number of systems which provide the ability to meet our Strategic Asset Management objectives.

The principle objectives of the Asset Management system are to:

- provide accurate inventory and condition information of Council's assets
- facilitate efficient day-to-day management of the Council's assets
- enable objective long-term asset planning based on a sound knowledge of the current state of the Council's assets i.e. long term impacts of funding decisions.

The software solution chosen by Council has been a) the Assetic system and b) the Enterprise Asset Management system – which integrates to the financial system – that have been developed specifically to meet the needs of Local Government authorities in Australia.

The following diagram illustrates a systematic representation of the Assetic system showing the links to other the Council computer-based systems. Linked systems provide tangible benefits to Council through the removal of data double-handling which is both inefficient and a potential source of errors.

Inventory and condition based data has been collected by a range of specialist contractors and consultants for roads, bridges, footpaths and kerb assets. The data collection task is ongoing and there are a number of asset categories which will require further data to be collected.

As new data becomes available, it is being quality-checked and then imported into the Assetic system by the Asset Management business unit. As a future project, the Asset Management business unit will integrate the data in Assetic and the existing GIS system.



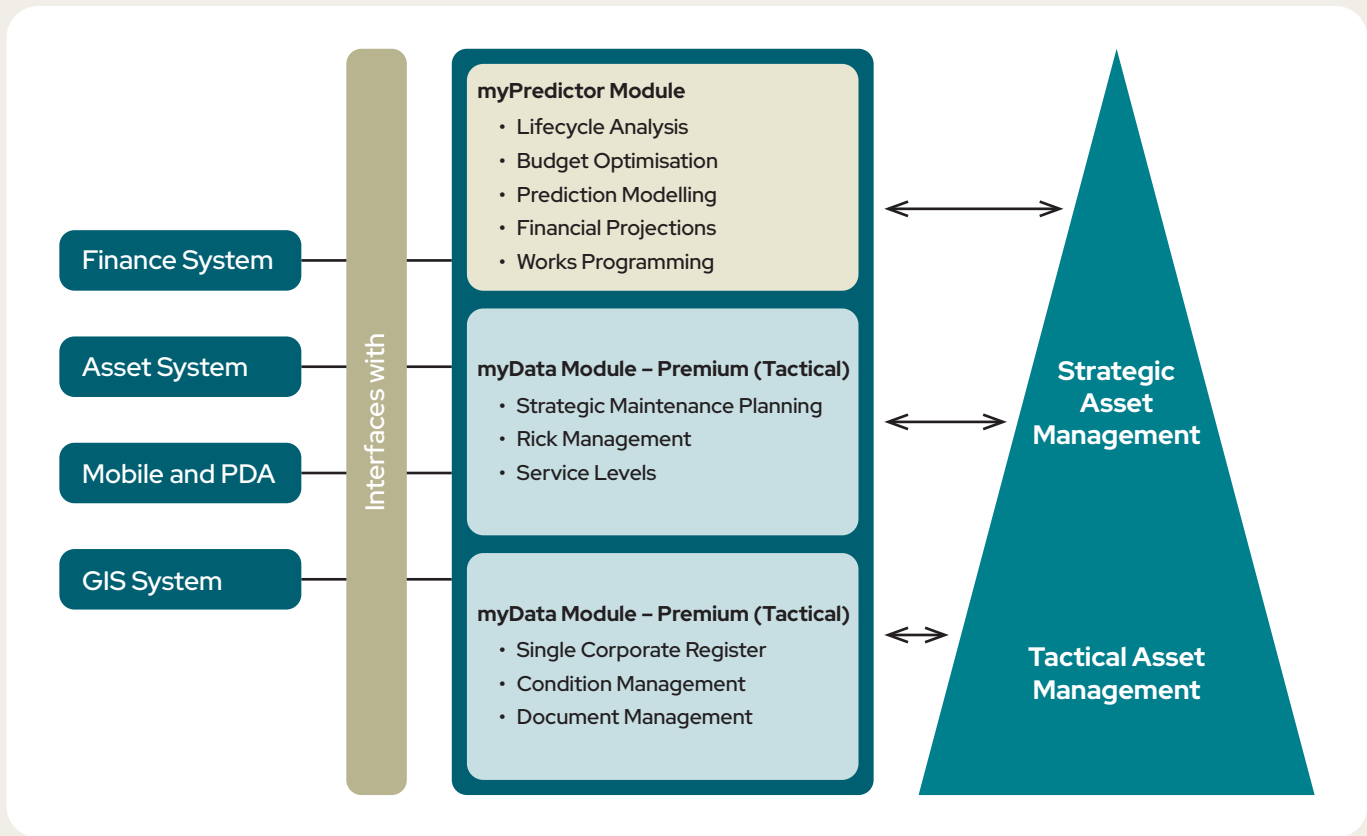


Figure 4: Systematic representation of the Assetic Asset Management System



Current position and status of our asset planning

Council's asset stock

This Asset Management Strategy is designed to take into consideration all of the Council assets. Assets can be described as the physical objects owned, controlled and/or maintained by Council to support the community's social and economic activities. Assets provide the foundation on which the community carries out its everyday activities whilst contributing to our overall quality of life.

Council manages a broad range of assets that have been grouped into 10 key asset categories.

The challenge for asset management is to understand the manner in which the Council's assets perform over time and whether they can be maintained in a 'fit for purpose' condition, given that many cannot be seen and/or were built many years ago.

Asset category	Assets
Roads	Sealed Roads, Unsealed Roads, Kerbing, Bridges and Major Culverts, Carparks, Traffic Management Devices and Roadside Furniture
Footpaths	Pathways in roadways and open spaces such as parks and reserves
Parks and Open Spaces	Parks, Playgrounds, Irrigation, Park Furniture, Shelters, BBQ's, Fencing and Foreshore assets
Buildings	Civic, Operational and Community
IT Infrastructure and Furniture	Computer hardware, Computer Software and Furniture
Plant and Equipment	Heavy/Light Plant, Motor Vehicles and other Fleet items
Land	Operational and Community
Storm Water Drainage	Pits, Pipes, Headwalls and Minor Culverts
Water Supply	Pipes, Fittings, Pump Stations, Treatment Plant, Dams, Weirs, Reservoirs and associated assets
Sewerage	Pipes, Manholes, Pump Stations, Treatment Plant and associated assets

Table 1: Asset categories

Asset replacement costs

The value, condition and expenditure on assets are reported each year in Council's Annual Report. The values are documented in Section C1 of the Financial Statements, and the condition and expenditures are documented in the Report on Infrastructure Assets.

Note C1-7 in Council's Financial Statements sets out the current values and categories of infrastructure assets that the Council is responsible for.



C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2020			Additions renewals ¹	Additions new assets	Ca v dis
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount			
\$ '000						
Capital work in progress	25,424	–	25,424	16,018	9,650	
Plant and equipment	40,884	(15,385)	25,499	3,240	983	(1)
Office equipment	1,480	(1,014)	466	256	–	
Furniture and fittings	3,293	(2,397)	896	–	9	
Land:						
– Operational land	334,292	–	334,292	–	2,880	
– Community land	71,564	–	71,564	–	1,296	
– Crown land	74,842	–	74,842	–	–	
– Land under roads (pre 1/7/08)	58,814	–	58,814	–	–	
– Land under roads (post 30/6/08)	1,413	–	1,413	–	78	
Infrastructure:						
– Buildings	187,110	(45,509)	141,601	938	1,299	
– Other structures	695	(379)	316	–	3	
– Roads	736,171	(123,697)	612,474	8,525	5,022	(4)
– Bridges	201,932	(24,215)	177,717	3	–	
– Footpaths	43,133	(18,618)	24,515	50	968	
– Bulk earthworks (non-depreciable)	164,971	–	164,971	–	613	
– Stormwater drainage	243,386	(87,790)	155,596	25	8,287	
– Water supply network	627,678	(120,278)	507,400	2,560	2,258	(5)
– Sewerage network	716,212	(179,560)	536,652	320	7,033	
– Swimming pools	5,180	(3,026)	2,154	–	–	
– Other open space/recreational assets	46,070	(16,261)	29,809	–	656	
– Other infrastructure	21,021	(7,721)	13,300	–	438	
Other assets:						
– Artworks	8,416	–	8,416	–	433	
Reinstatement, rehabilitation and restoration assets						
– Tip assets	2,228	(1,336)	892	–	–	
– Quarry assets	847	(531)	316	–	–	
Total infrastructure, property, plant and equipment	3,617,056	(647,717)	2,969,339	31,935	41,906	(12)

Asset movements during the reporting period						At 30 June 2021		
Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
–	–	(13,052)	(218)	–	–	37,822	–	37,822
(1,166)	(3,300)	54	–	–	–	42,383	(17,073)	25,310
–	(162)	–	–	–	–	1,609	(1,049)	560
–	(148)	–	–	–	–	3,302	(2,545)	757
(50)	–	79	–	–	–	337,201	–	337,201
–	–	–	–	–	–	72,860	–	72,860
–	–	–	–	(940)	–	73,902	–	73,902
(144)	–	–	–	(359)	–	58,311	–	58,311
–	–	–	–	–	–	1,491	–	1,491
(435)	(2,676)	1,210	–	–	111	190,009	(47,961)	142,048
–	(14)	22	–	–	–	720	(393)	327
(1,507)	(14,171)	5,149	–	(120)	19	746,573	(134,182)	612,391
(122)	(2,269)	507	–	(209)	–	202,036	(26,409)	175,627
(15)	(761)	507	–	–	110	44,718	(19,344)	25,374
–	–	78	–	–	–	165,662	–	165,662
(55)	(2,664)	133	–	–	455	252,274	(90,497)	161,777
(5,072)	(7,609)	2,354	(603)	–	5,099	630,961	(124,574)	506,387
(956)	(11,810)	1,223	–	–	5,565	729,070	(191,043)	538,027
–	(265)	–	2	–	–	5,182	(3,291)	1,891
(241)	(1,742)	1,473	–	–	–	47,561	(17,606)	29,955
–	(687)	263	–	–	1,451	24,090	(9,325)	14,765
–	–	–	–	–	–	8,849	–	8,849
–	(385)	–	2,961	–	–	5,190	(1,722)	3,468
–	(80)	–	(58)	–	–	788	(610)	178
(2,763)	(48,743)	–	2,084	(1,628)	12,810	3,682,564	(687,624)	2,994,940

Levels of Service

Tweed Shire has set a series of strategic Levels of Service (LoS) to guide the management of its assets. For each major asset category, the LoS define a number of service level outcomes in terms of performance outcomes and measures, KPIs and Targets for achievement.

The detailed Levels of Service are available in the respective Asset Management Plan.

Snapshot of health of asset stock

By understanding the condition of Council's assets and the various types of distresses that affect them, Council can utilise this data to assist in maintaining the level of service the community desires, in the context of affordability, provide intergenerational benefits and also minimise the risk of asset failure.

The consequences of asset failures will result in loss of service delivery and could also lead to legal liability if Council is found to have acted unreasonably in the management of its assets.

There are many reasons why Council assets fail or deteriorate and therefore do not meet current performance standards and community expectations. Among the most common are the following:

- damage by service authorities when installing/constructing their infrastructure within Council's road reservation
- movement of the underlying soils. Much of Tweed has been built on highly reactive clay
- suitability of the asset to meet changing demographics and needs. For example, requiring a building that was once used as a senior citizen centre to be upgraded to a childcare centre to meet the demands for the increase in a younger population. This is often referred to as 'fit for purpose'
- increases in the allowable vehicle load limits on Council's roads
- increases in density of private developments in established suburbs, placing additional capacity requirements on assets not designed to cope such as sewer, water and stormwater pipes and treatment plants.

Condition rating	Community rating	Description of asset condition
0	Brand New	A new asset or recently constructed/reconstructed.
1	Excellent	An asset in excellent overall condition however is not new and shows no signs of distress or defects.
2	Good	Sound construction with good condition and no distortion with limited ageing or may show minor distress upon close inspection such as sporadic fine cracking or isolated minor defects with no associated distortion.
3	Fair	Reasonable construction showing some aging and or signs of distress, such as fine to moderate cracking and or minor distortion. The extent of such defects will typically affect less than 20% of the asset targeted for assessment and can be rectified with minor maintenance works.
4	Poor	Asset displays substantial deterioration (20% to 50%) of distress. Major renewal work required.
5	Very Poor	Asset displays significant locations of distress (greater than 50%). Extensive renewal work required.
6	Unserviceable	Asset can no longer provide the service it is intended to provide. It is beyond practical renewal and requires replacement.

Table 2: Condition scoring table

The condition scoring scale follows internationally accepted good practice of starting with 1 for new or near new and the values increasing as the asset condition deteriorates.

The descriptions in the Condition Scoring Table are a general guide to assist in understanding the meaning of each condition score. In practice the condition score for an asset is determined by a range of measures and indicators that vary for each asset category. The detailed scoring schemes are documented in the separate Asset Management Plans.

The financial implications of the work required for roads, footpaths and buildings are discussed in Section 6.

Report on infrastructure assets as at 30 June 2021

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard \$ '000	Estimated cost to bring to the agreed level of service set by Council \$ '000	2021 Re mainten
Buildings	Civic Buildings/Admin	497	497	
	Community	311	311	
	Cultural	33	33	
	Emergency	108	108	
	Operational	302	302	
	Public Toilets	93	93	
	Recreation	287	287	
	Residential	69	69	
	Sub-total	1,700	1,700	
Other structures	Other structures	145	145	
	Sub-total	145	145	
Roads	Sealed roads	720	720	
	Unsealed roads	–	–	
	Bridges	–	–	
	Footpaths	57	57	
	Kerb and gutter	831	831	
	Street furniture	18	18	
	Car parks	106	106	
	Bulk earthworks	–	–	
	Sub-total	1,732	1,732	

2020/21 Required Maintenance ^a \$ '000	2020/21 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
				1	2	3	4	5
378	320	30,513	42,599	21.3%	37.4%	25.7%	15.0%	0.6%
153	210	14,965	20,375	34.7%	25.7%	28.9%	7.5%	3.3%
36	150	24,851	32,566	36.4%	56.7%	5.4%	1.4%	0.0%
46	53	2,519	3,828	10.0%	23.4%	49.9%	14.1%	2.6%
195	154	31,139	40,932	12.5%	46.2%	27.8%	7.7%	5.8%
66	184	5,985	7,852	31.2%	25.3%	31.0%	8.6%	3.9%
274	307	29,107	38,071	14.1%	44.2%	31.8%	9.6%	0.4%
38	45	2,969	3,786	64.2%	0.2%	13.9%	21.7%	0.0%
1,186	1,423	142,048	190,009	23.0%	41.2%	24.7%	9.1%	2.0%
120	–	327	720	51.2%	4.7%	5.1%	30.6%	8.5%
120	–	327	720	51.2%	4.7%	5.1%	30.6%	8.5%
1,587	2,653	530,257	646,935	72.1%	21.4%	6.0%	0.5%	0.0%
15	671	5,596	8,400	74.5%	21.7%	3.7%	0.0%	0.0%
69	330	175,627	202,036	93.2%	6.7%	0.0%	0.0%	0.0%
583	520	25,374	44,718	7.7%	36.8%	55.0%	0.4%	0.1%
296	92	53,188	65,185	72.5%	13.7%	8.7%	4.4%	0.7%
10	170	16,421	17,405	95.2%	3.2%	1.2%	0.3%	0.1%
39	3	6,929	8,648	75.2%	9.3%	10.9%	4.1%	0.5%
–	–	165,662	165,662	100.0%	0.0%	0.0%	0.0%	0.0%
2,599	4,439	979,054	1,158,989	77.7%	15.6%	6.1%	0.6%	0.1%

Report on infrastructure assets as at 30 June 2021 (continued)

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard \$ '000	Estimated cost to bring to the agreed level of service set by Council \$ '000	Re
Water supply network	Dams/weirs	75	75	
	Mains	1,560	1,560	
	Pumping station/s	576	576	
	Reservoirs	701	701	
	Treatment	289	289	
	Other	–	–	
	Sub-total	3,201	3,201	
Sewerage network	Mains	7,272	7,272	
	Pumping station/s	508	508	
	Treatment	829	829	
	Sub-total	8,609	8,609	
Stormwater drainage	Stormwater drainage	17,552	17,552	
	Sub-total	17,552	17,552	
Open space / recreational assets	Swimming pools	387	387	
	Recreation other structures	2,644	2,644	
	Sub-total	3,031	3,031	
Other infrastructure assets	Other	1,043	1,043	
	Sub-total	1,043	1,043	
Total – all assets		37,013	37,013	

2020/21 required maintenance ^a \$ '000	2020/21 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
				1	2	3	4	5
467	317	67,572	78,582	10.0%	81.0%	9.0%	0.0%	0.0%
2,950	2,834	315,977	377,849	76.0%	18.0%	5.0%	1.0%	0.0%
983	868	12,226	24,761	13.0%	44.0%	33.0%	9.0%	1.0%
595	574	36,007	50,184	10.0%	39.0%	38.0%	13.0%	0.0%
2,723	2,752	73,878	98,858	60.0%	34.0%	5.0%	1.0%	0.0%
–	–	727	727	0.0%	0.0%	0.0%	0.0%	100.0%
7,718	7,345	506,387	630,961	57.5%	31.0%	9.2%	2.1%	0.2%
2,481	2,150	330,470	408,198	66.0%	19.0%	6.0%	2.0%	7.0%
4,597	3,710	55,957	93,964	20.0%	46.0%	31.0%	3.0%	0.0%
5,225	4,608	151,600	226,907	24.0%	42.0%	31.0%	3.0%	0.0%
12,303	10,468	538,027	729,069	47.0%	29.6%	17.0%	2.4%	3.9%
981	1,041	161,777	252,274	15.9%	23.3%	48.3%	1.6%	10.8%
981	1,041	161,777	252,274	15.9%	23.3%	48.3%	1.6%	10.8%
42	34	1,891	4,992	0.3%	84.8%	1.1%	13.9%	0.0%
828	761	29,955	47,561	32.4%	20.9%	5.4%	15.4%	25.8%
870	795	31,846	52,553	29.4%	27.0%	5.0%	15.3%	23.4%
287	266	14,765	21,722	62.0%	5.0%	22.0%	5.0%	6.0%
287	266	14,765	21,722	62.0%	5.0%	22.0%	5.0%	6.0%
26,064	25,777	2,374,231	3,036,297	56.6%	24.5%	14.1%	2.3%	2.5%

Long-term financial projections

Assets are necessary products that provide a service to an end user, in Council's case the community.

Even though the service may be required indefinitely like a residential street or park, no asset will last forever without proper management. Even with good maintenance, assets may deteriorate well before reaching their design life (useful life) dependent upon many unplanned factors such as ground conditions and the environment.

Tweed Shire Council's situation is challenging as the municipality had bursts of urban development in 1940-1950's – which results in significant demands for reconstruction in the 2020's and is also seeing increases in new assets being contributed to Council from developers.

In a constantly changing environment, Council is committed to responsible financial management. In order that Council make responsible financial decisions, it is imperative to understand and plan for the future to ensure there is adequate funding available to properly manage Council's assets in accordance with Council's strategies and best practice.

Council utilises a modern local government asset modelling and prediction tool that has applied asset performance and life-cycle models which simulate the behaviour of the asset in real-life.

The life-cycle models are capable of infrastructure modelling to take account of different:

- service level objectives for the Council's assets
- asset management practices
- financial strategies for funding asset maintenance, renewal and upgrade.

Council currently has a backlog of assets that require renewal and/or rehabilitation.

By incrementally increasing the annual capital works expenditure, together with the actions identified in this AMS (such as setting agreed and affordable levels of service that will be provided to the community and implementing systems and frameworks), Council will be in a better position to maximise the use of its existing assets to better allow Council to manage its assets and meet its vision and goals for the Tweed community.



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Strategic actions

Council has made significant improvements in asset management practices over the past several years and has also invested in modern advanced asset management tools and an Asset Management Software System.

It is vital that Council capitalises on its efforts to date and keeps on travelling down a path of continuous improvement.

Importantly, the following strategies are a series of linked steps that will enable the Council to produce advanced Asset Management Plans that will guide the long-term financial planning for its assets.

Strategy 1: Service levels review and monitoring

Council has already established Strategic Service Levels for its key infrastructure asset categories. Moving forward, Council should:

- Review its Strategic Service Levels to ensure they provide adequate guidance for the strategic decisions required for effective asset management and all have measurable performance targets

Responsibility: Asset Management Business Unit (AMBU)

Target: Biennial

- Review Operational Service Levels that provide Performance Outcomes, Measures and Targets for day-to-day asset management activities and decision making. The targets set should be consistent with delivering the desired Strategic Service Levels.

Responsibility: Asset Management Business Unit

Target: Biennial

- Annually monitor the Council's performance with respect to the Strategic and Operational Service Levels and recommend changes of practices or Service Levels if necessary.

Responsibility: Asset Management Business Unit

Target: Annual



Strategy 2: Advanced condition management

Tweed Shire can improve the quality of its asset decision making and prediction through adopting more advanced asset condition assessment practices:

- Determine the appropriate range of condition, capacity and functionality measures for each asset category that will provide a cost-effective measure of the condition of each asset.

Responsibility: Asset Management Business Unit

Target: In conjunction with Asset Management Plan updates

- Develop cost-effective assessment tools for each condition, capacity and functionality measure and document in Asset Assessment Manuals for each asset category.

Responsibility: Asset Management Business Unit

Target: In conjunction with Asset Management Plan updates.

- Update asset condition assessment scores using Advanced Condition Management tools.

Responsibility: Relevant Business Unit for each asset category.

Target: In conjunction with Asset Management Plan updates.

- Undertake Community Satisfaction Surveys to gauge the community's satisfaction with the current levels of service being delivered.

Responsibility: Communication and Customer Experience Unit in conjunction with the relevant Business Unit for each asset category

Target: Biennial



Strategy 3: Enhanced long-term modelling

The Advanced Condition Management practices will allow Council to undertake enhanced long-term modelling of its asset portfolios and thus generate more robust financial projections:

- Develop enhanced model cost parameters to match the advanced condition management practices.

Responsibility: Relevant Business Unit for each asset category.

Target: In conjunction with Asset Management Plan updates.

- Generate enhanced long-term financial projections from myPredictor using the scores obtained through Strategy 2.

Responsibility: Asset Management Business Unit

Target: In conjunction with Asset Management Plan updates.

Strategy 4: Linking long-term financial planning with advanced asset management

Developing long-term financial projections for infrastructure assets is of little value unless the process is linked in to the long-term financial process of the Council. This step is critical for success:

- Integrate the asset long-term financial projections into the Council's Long-Term Financial Plan, making adjustments to Service Levels and/or funding source models as necessary to achieve asset portfolios that are both affordable and sustainable in the long-term.

Responsibility: Asset Management Business Unit and Finance

Target: Annual each December.

Strategy 5: Asset management plans for major asset categories

The key asset management plans for Council are:

- Transportation Asset Management Plan (TAMP) incorporating footpaths and bridges
- Building Asset Management Plan (BAMP)
- Water Activity Management Plan
- Wastewater Activity Management Plan
- Stormwater Drainage Asset Management Plan (DAMP)
- Open Space Asset Management Plan (OSAMP)
- Fleet Asset Management Plan (FAMP)
- Review Asset Management Plans on rolling 4 to 5 year cycle.

Responsibility: Asset Management Business Unit

Target: Rolling cycle.



Key performance indicators

The following below sets out the relevant Key Performance Indicators (KPIs) that Council will use to assess the quality and effectiveness of its asset management practices.

KPI	Measurement Method
Asset Service Levels	Measuring actual vs targets.
Renewal Funding Index	Ratio of Net Present Worth (NPW) of planned capital expenditure (LTFP) divided by the desired capital expenditure (as per the AM plans)
Customer Satisfaction	Measured in terms of customer response through the Council surveys.
Asset Condition Index	Ratio of average condition loss over two network level condition audits
Asset Consumption Index	The current written down book value divided by the current gross value
Sustainability Index	Capital Expenditure on Replacement and Renewal divided by Depreciation Expense
Asset Health Index	Ratio of the Network Level Remaining Life to the Expected Useful Life at a Portfolio Level.

Table 3: Key performance indicators for quality assessment of asset management practices

Strategy review

Any Strategy must be a dynamic document, reflecting and responding to changes over time. A full review of this Asset Management Strategy should take place every 4 years to document progress and set out proposals for the next Community Strategic Plan.

References and appendix

References

Tweed Community Strategic Plan
Tweed Shire Financial Statements
Tweed Shire Council Annual Report
Tweed Shire Urban Land Release Strategy
Tweed Shire Council Community Profiles

Appendix A – Asset Management Policy

Tweed Shire Asset Management Policy 2022

Appendix B – Asset Management Plans

Buildings Asset Management Plan
Stormwater Drainage Asset Management Plan
Open Space Asset Management Plan
Plant and Fleet Asset Management Plan
Transportation Asset Management Plan
Wastewater Asset Management Plan
Water Asset Management Plan



Planning for our future

Resourcing Strategy 2022 – 2032

Part 1: Workforce Management Plan

Part 2: Asset Management Strategy

Part 3: Long Term Financial Plan



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Introduction

The Long Term Financial Plan forecasts the financial capacity of Tweed Shire Council to meet the objectives adopted in the Community Strategic Plan.

Estimates, projections and assumptions have been used to develop a picture of how Council's finances will progress over each of the next 10 years by quantifying revenue growth, expenditure commitments, and funding capacity. It also serves to measure to what extent Council is able to finance its asset management commitments as determined in the various Asset Management Plans, outlined in Section 2.

Structure and format

Council's financial structure is divided into three separate funds:

1. General
2. Water
3. Sewerage

These funds are subject to legislative restrictions which do not permit monetary transfers between funds. They could be considered to be three separate businesses but they can also be combined to present a single consolidated result.

The Long Term Financial Plan is presented for both consolidated and individual fund/s using the Annual Financial Statements format:

Income Statement – Presents the operating result and change in net assets from operations for the year.

Balance Sheet – Discloses the assets, liabilities and equity of Council.

Cash Flow Statement – Shows the cash flows associated with Council's operating, financing and investing activities.

A Funding Statement – Explains the source and application of funds.

Financial goals – consolidated

The following financial goals have been adopted by Council in developing the Long Term Financial Plan:

- The current range of services remains unchanged.
- Progressive increases to asset maintenance and renewal funding; in order to maintain or improve current asset conditions.
- Eliminate the reliance on debt to finance asset renewals, as opposed to major new projects where inter-generational equity issues justify borrowing.
- Achieve long term financial sustainability by generating surplus operating results before capital grants and contributions.

Performance indicators to be at the following levels:

	Consolidated	General	Water	Sewer
Unrestricted current ratio	> 2:1	> 2:1	n/a	n/a
Unrestricted cash	>\$16m	>\$9.6m	>\$3.2m	>\$3.2m
Debt service ratio	<=15%	<=10%	<=25%	<=25%

Unrestricted current ratio

The total current cash or cash convertible assets available, divided by current liabilities, excluding assets and liabilities which relate to activities that are restricted to specific purposes by legislation. This is a measure of Council's liquidity.

Unrestricted cash

The amount of unrestricted cash needed to meet the day-to day operations of Councils; including the financing of hard core debtors and to provide a buffer against unforeseen and unbudgeted expenditures.

Debt service ratio

The amount used to repay borrowings as a percentage of total operating revenues. The indicator shows the amount of revenue necessary to service annual debt obligations.

Fit for the Future – General Fund

The NSW Government's Fit for the Future reforms aim to improve the strength and effectiveness of local government in providing services and infrastructure that communities need. The reform process is expected to benefit ratepayers by leading to councils that will be financially sustainable into the future and more capable of being strategic partners with other levels of government. As a result of these reforms, NSW councils are required by the NSW Government to meet a variety of financial criteria in their General Funds to prove they are 'fit' for the future.

Financial criteria

Measure	Definition	Benchmark
Sustainability		
Operating Performance Ratio	$\frac{\text{Total continuing operating revenue (exc capital grants and contributions) less operating expenses}}{\text{Total continuing operating revenue (exc capital grants and contributions)}}$	Greater than or equal to break-even average over 3 years
Own Source Revenue Ratio	$\frac{\text{Total continuing operating revenue less all grants and contributions}}{\text{Total continuing operating revenue inclusive of capital grants and contributions}}$	Greater than 60% – average over 3 years
Building and Asset Renewal Ratio	$\frac{\text{Asset renewals (building and infrastructure)}}{\text{Depreciation, amortisation and impairment (building and infrastructure)}}$	Greater than 100% – average over 3 years
Infrastructure and Service Management		
Infrastructure Backlog Ratio	$\frac{\text{Estimated cost to bring assets to satisfactory condition}}{\text{Total (WDV) of infrastructure, buildings, other structures and depreciable land improvement assets}}$	Less than 2%
Asset Maintenance Ratio	$\frac{\text{Actual asset maintenance}}{\text{Required asset maintenance}}$	Greater than 100% – average over 3 years
Debt Service Ratio	$\frac{\text{Cost of Debt Service (interest and principal)}}{\text{Total continuing operating revenues (exc capital grants and contributions)}}$	Greater than 0% and less than or equal to 20% – average over 3 years
Efficiency		
Real operating expenditure	$\frac{\text{Operating expenditure}}{\text{Population}}$	A decrease in real operating expenditure per capita over time

Assumption and estimates

The following assumptions and estimates have been adopted as a general guide in formulating the Long Term Financial Plan. Specific items may have been treated differently than presented.

Global

- Local and national economic activity to remain similar to current conditions.
- Asset management or service expenditures created by new infrastructure and facilities, funded from Section 7.11 plans or contributed by developers, will commence in the year following construction/contribution.
- Any budget surplus for General Fund has been placed into a reserve to cover any future budget deficit and/or asset renewal works. Any surpluses in Water and Sewer Funds have been placed into reserves for future asset replacement works.



Credit: Sally Hinton

Income statement – revenue

Rates and Annual Charges	<p>Rate pegging (set by IPART) at 1.7% (0.7% plus 1% growth) for year 1 (2022/23) and 2% rate pegging in years 2 to 10. An above pegging increase of 2.35% (total increase of 4.35%) has been proposed for year 2 (2023/24).</p> <p>Water Access Charges are predicted to increase by CPI for 2022/23 and by similar indexation thereafter.</p> <p>Sewer Access Charges are predicted to increase by CPI for 2022/23 and by similar indexation thereafter</p> <p>Domestic Waste Management charges are based on the reasonable costs calculations as required by legislation.</p>
User Charges and fees	<p>Statutory fees where the fee is set by the State Government, such as most planning fees, to remain static for the life of the Plan.</p> <p>Water Volumetric Charges are predicted to increase approximately 6c/kl per annum for each of the 10 years.</p> <p>Other fees and charges to increase by CPI.</p>
Interest received	<p>Interest on investments estimated at 1%.</p>
Other revenues	<p>Other revenues to increase by 3% per annum.</p>
Operating Grants and Contributions	<p>Financial Assistance Grant to increase 1% per annum.</p> <p>Pensioner Rate Subsidies to remain static.</p> <p>Recurring operating grants and contributions to increase by 2% per annum.</p>
Capital Grants and Contributions	<p>Section 7.11 fees to have variable increase approximating 2% per annum.</p> <p>Projects funded from Section 7.11 plans will commence only when the relevant plan/s have accumulated sufficient funds. The projection of Section 7.11 receipts is highly uncertain due to the unpredictable timing of developments.</p> <p>Section 64 fees are based on predicted population increases used in the calculation of Developer Services Plan charges.</p>

Income statement – expenditure

Employee benefits and on-costs	Employee costs to increase by an estimated 2% per annum.										
Borrowing Costs	<p>Interest rate for new borrowings predicted to be 3%.</p> <p>Repayments of interest and principal of existing loans are known from current loan repayment schedules.</p> <p>The proposed borrowings program provides for annual borrowings of approximately:</p> <table border="1"> <thead> <tr> <th>General</th> <th>Annual</th> </tr> </thead> <tbody> <tr> <td>Public Toilets</td> <td>\$100,000</td> </tr> <tr> <td>Bridges (average annual)</td> <td>\$776,000</td> </tr> <tr> <td>Drainage</td> <td>\$600,000 to \$1,100,000</td> </tr> <tr> <td>Flood Mitigation</td> <td>\$200,000 to \$700,000</td> </tr> </tbody> </table>	General	Annual	Public Toilets	\$100,000	Bridges (average annual)	\$776,000	Drainage	\$600,000 to \$1,100,000	Flood Mitigation	\$200,000 to \$700,000
General	Annual										
Public Toilets	\$100,000										
Bridges (average annual)	\$776,000										
Drainage	\$600,000 to \$1,100,000										
Flood Mitigation	\$200,000 to \$700,000										
Materials and Contracts	Materials, contracts, and other costs to increase by 2 to 3% per annum.										
Plant Hire (Council's own fleet)	Costs to increase by 2% per annum.										
Depreciation and Amortisation	Depreciation expense has been calculated based on expected acquisitions and useful lives.										
Other Expenses	Other expenses to increase by 2 to 3% per annum.										

Balance sheet – assets

Cash and cash equivalents	Balance from changes in Cash Flow Statement
Investments	Balance from changes in Cash Flow Statement.
Receivables	Maintained at current levels.
Inventories	Maintained at current levels.
Other Assets	Maintained at current levels.
Infrastructure, property, plant and equipment	<p>Additions – from capital expenditure list.</p> <p>Disposal – from Cash Flow Statement.</p> <p>Depreciation – Income Statement.</p>
Investment Property	Maintained at current levels.
Intangible Assets	Maintained at current levels.

Balance sheet – liabilities and equity

Payables	Maintained at current levels.
Borrowings	Balance from loan borrowings and repayments in Cash Flow Statement
Provisions	Maintained at current levels.
Equity	Retained earnings from Income Statement Revaluation Reserves maintained at current level.

Cash flow – operating activities

Receipts	From Income Statement
Payments	From Income Statement

Cash flow – investing activities

Receipts	Disposals from budget
Payments	Additions – from capital expenditure list

Cash flow – investing activities

Receipts	Balance from loan borrowings in budget
Payments	Balance from repayments in budget

* Changes in accrual values have not been estimated as the timing of receipts and payments is too difficult to predict.

A listing of proposed Capital Expenditure projects contained with the Long Term Financial Plan and a forecast of a typical rate notice for each year of the plan have also been included below.

Long Term Financial Plan review

A review of the Long Term Financial Plan in relation to results, estimates and forecasts will be undertaken in conjunction with the annual Operational Plan.

Commentary on Projections:

Operating Result (attachment 1, 5, 9, 13)

The operating results for the consolidated and the General, Water and Sewerage fund Income Statements show surpluses before capital contributions in all years. The surplus is a positive result and meets one of the key financial goals of providing surplus results before capital grants and contributions.

It is important to note that a surplus result indicates the funding of depreciation (i.e. asset consumption) for the year, while a deficit result indicates under funding of depreciation for the year.

Unrestricted Current Ratio (attachment 17)

The Unrestricted Current ratio maintains a balance above 1.5:1 for all 10 years of the Long Term Financial Plan, which is considered acceptable. This ratio is sensitive to the amount of funds Council places in non-current investments (i.e. Investments due longer than 12 months).

Debt Service Ratio (attachment 22)

The predicted Debt Service Ratios for the individual and consolidated funds are within the Long Term Financial Plan goals from year two onwards.

Sensitivity Analysis (Modelling Scenarios) (attachment 19)

Attachment 19 presents a listing of the sensitivity to the Long Term Financial Plan assumptions.

Attachments – planned scenario

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Report Overview

Category	Value	Unit
Revenue	100	€M
Operating Profit	25	€M
EBITDA	35	€M
EBIT	25	€M
Net Profit	15	€M
Operating Profit Margin	25%	%
EBITDA Margin	35%	%
EBIT Margin	25%	%
Net Profit Margin	15%	%



Attachment 1 – Income Statement Consolidated

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income										
Rates & Annual Charges	130,237	133,662	137,163	140,743	144,438	148,251	152,166	156,169	160,286	164,501
User Charges & Fees	54,012	55,584	57,199	58,869	60,585	62,341	64,146	65,973	67,851	69,768
Interest Received	6,464	6,506	6,181	5,849	6,004	6,150	6,366	6,629	6,899	7,077
Other Operating Revenues	2,191	2,232	2,275	2,320	2,365	2,413	2,462	2,512	2,565	2,617
Operating Grants & Contributions	19,137	19,341	19,551	19,763	19,978	20,196	20,418	20,643	20,870	21,100
Capital Grants & Contributions	8,594	6,750	6,827	6,957	6,731	7,008	7,189	7,288	7,520	7,729
	220,635	224,075	229,196	234,501	240,101	246,359	252,746	259,215	265,991	272,793
Expenditure										
Employee Costs	60,393	61,652	63,566	65,508	66,880	68,281	69,113	70,576	72,070	73,580
Borrowing Costs	7,978	7,574	7,059	6,537	6,027	5,487	4,889	4,324	3,715	3,194
Materials & Contracts	59,367	60,665	62,770	62,784	64,251	68,345	69,121	69,777	71,944	73,968
Depreciation	47,612	48,648	49,973	51,483	52,900	53,959	55,190	56,340	57,562	58,878
Other Expenses	16,381	16,776	17,182	17,599	18,026	18,464	18,898	19,344	19,800	20,260
	191,731	195,316	200,551	203,912	208,085	214,537	217,211	220,360	225,092	229,882
Net Operating Result	28,904	28,759	28,645	30,589	32,017	31,823	35,535	38,855	40,900	42,911
Capital Grants/Contributions	8,594	6,750	6,827	6,957	6,731	7,008	7,189	7,288	7,520	7,729
Net Operating Result before Capital Grants & Contributions	20,311	22,010	21,818	23,631	25,286	24,814	28,346	31,567	33,380	35,182

Attachment 2 – Funding Statement Consolidated

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Result (Income Statement)	28,904	28,759	28,645	30,589	32,017	31,823	35,535	38,855	40,900	42,911
<i>Add Back non-funded items:</i>										
Depreciation	47,612	48,648	49,973	51,483	52,900	53,959	55,190	56,340	57,562	58,878
<i>Add non-operating funding sources</i>										
Transfers from Externally Restricted Cash	19,979	49,022	65,333	61,956	35,288	43,872	35,084	36,927	37,171	36,425
Transfers from Internally Restricted Cash	1,961	10,846	8,306	2,868	2,567	1,454	1,037	329	337	345
Proceeds from sale of assets	1,570	1,597	1,953	1,460	1,361	1,695	1,470	1,955	1,989	2,039
Loan Funds Utilised	6,276	2,276	2,276	2,276	1,400	1,200	1,200	1,200	1,200	1,200
Repayments from Deferred Debtors	-	-	-	-	-	-	-	-	-	-
Funds Available	106,303	141,148	156,486	150,632	125,533	134,003	129,516	135,607	139,159	141,798
<i>Funds were applied to:</i>										
Purchase and construction of assets	56,697	85,037	93,350	90,985	59,434	60,587	54,422	56,404	56,208	57,076
Repayment of principal on loans	7,700	7,942	7,934	8,378	8,869	9,261	9,447	9,727	9,567	9,217
Transfers to Externally Restricted Cash	36,169	43,073	47,795	45,266	50,883	54,631	57,607	59,997	61,718	63,546
Transfers to Internally Restricted Cash	5,737	5,096	7,406	6,004	6,347	9,525	8,041	9,479	11,666	11,958
Funds Used	106,303	141,148	156,485	150,632	125,533	134,003	129,517	135,607	139,159	141,798
Increase/(Decrease) in Available Working Capital	0	0	0	0	0	0	0	0	0	0

Attachment 3 – Balance Sheet – Consolidated

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current assets										
Cash and cash equivalents	18,374	15,863	17,000	18,000	19,000	18,000	19,000	19,000	19,000	19,000
Investments	186,716	183,431	174,473	169,391	179,332	189,715	204,394	220,300	238,230	254,307
Receivables	19,764	19,789	20,095	20,356	20,840	21,435	22,105	22,858	23,625	24,422
Inventories	1,500	1,521	1,587	1,589	1,633	1,724	1,725	1,735	1,775	1,820
Contract assets	763	763	763	763	763	763	763	763	763	763
Other	991	1,008	1,044	1,050	1,076	1,128	1,137	1,149	1,177	1,202
Total current assets	228,109	222,374	214,962	211,149	222,644	232,765	249,124	265,805	284,571	301,514
Non-current assets										
Investments	209,635	206,143	196,943	189,567	199,650	210,312	225,918	243,857	263,629	282,630
Receivables	298	299	299	300	301	301	302	303	303	310
Infrastructure, property, plant and equipment	3,027,292	3,062,129	3,103,536	3,141,426	3,146,444	3,151,217	3,148,815	3,146,756	3,143,206	3,204,780
Investments Accounted for using the equity method	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289
Intangible assets	1,088	1,043	1,061	1,213	1,369	1,530	1,695	1,864	2,038	2,237
Right of use assets	511	511	511	511	511	511	511	511	511	511
Other	-	-	-	-	-	-	-	-	-	-
Total non-current assets	3,240,112	3,271,414	3,303,639	3,334,307	3,349,563	3,365,160	3,378,529	3,394,579	3,410,976	3,491,757
Total assets	3,468,222	3,493,788	3,518,601	3,545,455	3,572,208	3,597,925	3,627,653	3,660,385	3,695,547	3,793,272

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
LIABILITIES										
Current liabilities										
Payables	21,234	21,955	21,813	22,169	22,367	22,230	22,532	22,748	23,121	25,327
Contract liabilities	14,077	14,162	14,427	14,700	14,932	15,213	15,503	15,802	16,110	16,432
Lease liabilities	-	-	-	-	-	-	-	-	-	-
Borrowings	7,942	7,934	8,378	8,869	9,261	9,447	9,727	9,567	6,125	5,818
Provisions	27,681	29,208	30,767	32,357	33,979	35,634	37,323	39,046	40,804	42,653
Total current liabilities	70,935	73,259	75,385	78,095	80,539	82,525	85,084	87,164	86,160	90,230
Non-current liabilities										
Payables	689	667	644	621	598	575	552	530	545	518
Lease liabilities	521	521	521	521	521	521	521	521	521	521
Borrowings	111,051	105,393	99,291	92,698	84,837	76,589	68,063	59,696	51,862	46,676
Provisions	6,501	6,666	6,833	7,004	7,179	7,357	7,538	7,724	7,913	8,110
Total non-current liabilities	118,763	113,246	107,289	100,844	93,134	85,042	76,674	68,470	60,841	55,826
Total liabilities	189,698	186,505	182,674	178,939	173,673	167,567	161,759	155,634	147,002	146,056
Net assets	3,278,523	3,307,283	3,335,928	3,366,517	3,398,534	3,430,358	3,465,894	3,504,751	3,548,545	3,647,216
EQUITY										
Retained earnings	1,614,014	1,642,774	1,671,419	1,702,008	1,734,025	1,765,849	1,801,385	1,840,242	1,884,036	1,982,707
Revaluation reserves	1,664,509	1,664,509	1,664,509	1,664,509	1,664,509	1,664,509	1,664,509	1,664,509	1,664,509	1,664,509
Council equity interest	3,278,523	3,307,283	3,335,928	3,366,517	3,398,534	3,430,358	3,465,894	3,504,751	3,548,545	3,647,216
Total equity	3,278,523	3,307,283	3,335,928	3,366,517	3,398,534	3,430,358	3,465,894	3,504,751	3,548,545	3,647,216

Attachment 4 – Cash Flow Statement – Consolidated

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities										
Receipts:										
Rates and annual charges	130,241	133,666	137,167	140,748	144,441	148,253	152,168	156,171	160,287	164,773
User charges and fees	54,102	55,673	57,291	58,959	60,677	62,435	64,243	66,080	67,962	69,914
Investment revenue and interest	6,255	6,563	6,262	5,951	5,837	5,973	6,097	6,317	6,562	6,641
Grants and contributions	27,758	26,161	26,368	26,709	26,719	27,195	27,597	27,921	28,380	28,824
Bonds and Deposits received	-	-	-	-	-	-	-	-	-	-
Other	2,167	2,211	2,225	2,268	2,320	2,359	2,406	2,455	2,506	2,558
Payments:										
Employee benefits and on-costs	(58,711)	(59,929)	(61,808)	(63,715)	(65,050)	(66,414)	(67,208)	(68,632)	(70,087)	(71,564)
Materials & contracts	(59,323)	(60,552)	(62,569)	(62,734)	(64,098)	(68,042)	(69,052)	(69,694)	(71,768)	(73,783)
Borrowing costs	(7,975)	(7,590)	(7,075)	(6,554)	(6,049)	(5,511)	(4,913)	(4,347)	(3,737)	(3,212)
Bonds and Deposits refunded	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	-	-
Other	(16,378)	(16,770)	(17,171)	(17,595)	(18,017)	(18,450)	(18,894)	(19,338)	(19,791)	(20,252)
Net cash provided in operating activities	78,036	79,333	80,591	83,937	86,678	87,697	92,343	96,833	100,313	103,899
Cash flows from investing activities										
Receipts:										
Sale of investments	-	6,777	23,413	25,097	-	6,010	-	-	-	-
Sale of infrastructure, property, plant & equipment	1,558	1,595	1,935	1,484	1,366	1,679	1,481	1,932	1,988	2,028
Payments:										
Purchase of investments	(20,747)	-	(5,255)	(12,639)	(20,023)	(27,055)	(30,285)	(33,845)	(37,703)	(39,823)
Purchase of infrastructure property, plant & equipment	(56,909)	(84,407)	(93,740)	(90,625)	(59,395)	(61,109)	(54,127)	(56,223)	(56,056)	(57,366)
Purchase of real estate	-	-	-	-	-	-	-	-	-	-
Other	(140)	(144)	(148)	(152)	(156)	(161)	(165)	(169)	(174)	(179)
Net cash used in Investing activities	(76,238)	(76,179)	(73,795)	(76,835)	(78,208)	(80,636)	(83,096)	(88,306)	(91,945)	(95,341)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities										
Receipts:										
Borrowings and advances	6,276	2,276	2,276	2,276	1,400	1,200	1,200	1,200	1,200	1,200
Other										
Payments:										
Borrowings and advances	(7,700)	(7,942)	(7,934)	(8,378)	(8,869)	(9,261)	(9,447)	(9,727)	(9,567)	(9,757)
Lease Liabilities										
Other										
Net cash provided by financing activities	(1,424)	(5,666)	(5,658)	(6,102)	(7,469)	(8,061)	(8,247)	(8,527)	(8,367)	(8,557)
Net increase/(decrease) in cash and cash equivalents	374	(2,512)	1,137	1,000	1,000	(1,000)	1,000	-	0	1
Cash and cash equivalents at beginning of reporting period	18,000	18,374	15,863	17,000	18,000	19,000	18,000	19,000	19,000	19,000
Cash and cash equivalents at end of reporting period	18,374	15,863	17,000	18,000	19,000	18,000	19,000	19,000	19,000	19,001

Attachment 5 – Income Statement – General Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income										
Rates & Annual Charges	88,189	90,171	92,199	94,273	96,396	98,569	100,792	103,066	105,394	107,766
User Charges & Fees	21,990	22,492	23,012	23,543	24,094	24,656	25,238	25,833	26,450	27,071
Interest Received	4,070	4,087	4,103	4,120	4,137	4,155	4,172	4,190	4,208	4,225
Other Operating Revenues	1,798	1,822	1,847	1,872	1,898	1,925	1,952	1,980	2,008	2,036
Operating Grants & Contributions	18,285	18,476	18,672	18,870	19,072	19,276	19,484	19,694	19,907	20,122
Capital Grants & Contributions	4,459	2,493	2,544	2,616	2,152	2,194	2,238	2,282	2,329	2,375
	138,791	139,540	142,377	145,296	147,749	150,774	153,875	157,045	160,295	163,595
Expenditure										
Employee Costs	48,658	49,645	50,651	51,679	52,727	53,797	54,888	56,002	57,139	58,281
Borrowing Costs	4,235	3,969	3,603	3,280	2,952	2,592	2,213	1,872	1,493	1,195
Materials & Contracts	34,791	35,205	37,321	37,052	38,344	41,339	41,015	41,015	42,113	43,166
Depreciation	27,240	27,955	28,635	29,266	29,956	30,669	31,404	32,162	32,945	33,769
Other Expenses	12,600	12,870	13,146	13,428	13,717	14,011	14,297	14,589	14,887	15,185
	127,523	129,644	133,356	134,705	137,696	142,408	143,817	145,640	148,577	151,596
Net Operating Result	11,268	9,896	9,020	10,591	10,053	8,366	10,058	11,405	11,718	11,999
Capital Grants/Contributions	4,459	2,493	2,544	2,616	2,152	2,194	2,238	2,282	2,329	2,375
Net Operating Result before Capital Grants & Contributions	6,809	7,403	6,476	7,975	7,901	6,172	7,820	9,122	9,390	9,624

Attachment 6 – Funding Statement – General Fund

<i>Source and Application of Funds</i>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Result (Income Statement)	11,268	9,896	9,020	10,591	10,053	8,366	10,058	11,405	11,718	11,999
<i>Add Back non-funded items:</i>										
Depreciation	27,240	27,955	28,635	29,266	29,956	30,669	31,404	32,162	32,945	33,769
<i>Add non-operating funding sources</i>										
Transfers from Externally Restricted Cash	1,897	4,735	1,115	4,436	4,483	2,165	1,026	1,012	1,038	1,064
Transfers from Internally Restricted Cash	1,961	10,846	8,306	2,868	2,567	1,454	1,037	329	337	345
Proceeds from sale of assets	1,570	1,597	1,953	1,460	1,361	1,695	1,470	1,955	1,989	2,039
Loan Funds Utilised	6,276	2,276	2,276	2,276	1,400	1,200	1,200	1,200	1,200	1,200
Repayments from Deferred Debtors										
Funds Available	50,212	57,305	51,306	50,898	49,820	45,549	46,196	48,064	49,227	50,416
<i>Funds were applied to:</i>										
Purchase and construction of assets	32,115	39,618	31,333	34,550	32,769	22,272	24,285	24,491	23,682	24,981
Repayment of principal on loans	5,649	5,753	5,596	5,841	6,150	6,362	6,330	6,384	5,995	5,395
Transfers to Externally Restricted Cash	6,710	6,838	6,970	4,502	4,553	7,391	7,539	7,709	7,885	8,082
Transfers to Internally Restricted Cash	5,737	5,096	7,406	6,004	6,347	9,525	8,041	9,479	11,666	11,958
Funds Used	50,212	57,305	51,305	50,898	49,820	45,549	46,196	48,064	49,227	50,416
Increase/(Decrease) in Available Working Capital	0	0	0	0	0	0	0	0	(0)	0

Attachment 7 – Balance Sheet – General Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current assets										
Cash and cash equivalents	15,000	13,863	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Investments	98,696	98,696	101,067	103,466	106,079	112,707	119,725	127,748	136,906	146,490
Receivables	12,687	12,573	12,847	13,071	13,247	13,615	13,967	14,383	14,808	15,252
Inventories	1,500	1,521	1,587	1,589	1,633	1,724	1,725	1,735	1,775	1,820
Contract assets	763	763	763	763	763	763	763	763	763	763
Other	889	902	937	942	967	1,015	1,019	1,028	1,051	1,072
Total current assets	129,535	128,317	132,202	134,830	137,689	144,824	152,199	160,657	170,304	180,397
Non-current assets										
Investments	120,016	120,016	122,899	125,816	128,993	137,053	145,587	155,343	166,480	178,134
Receivables	298	299	299	300	301	301	302	303	303	310
Infrastructure, property, plant and equipment	1,838,528	1,848,638	1,849,366	1,853,039	1,854,335	1,844,084	1,835,332	1,825,537	1,814,078	1,805,008
Intangible assets	1,039	994	1,012	1,164	1,320	1,481	1,646	1,815	1,989	2,188
Right of use assets	511	511	511	511	511	511	511	511	511	511
Investments Accounted for using the equity method	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289
Other										
Total non-current assets	1,961,680	1,971,747	1,975,377	1,982,119	1,986,749	1,984,719	1,984,666	1,984,798	1,984,651	1,987,440
Total assets	2,091,215	2,100,064	2,107,578	2,116,949	2,124,438	2,129,543	2,136,865	2,145,455	2,154,955	2,167,837
LIABILITIES										
Current liabilities										
Payables	19,996	20,673	20,519	20,852	21,033	20,840	21,096	21,277	21,597	23,757
Contract liabilities	14,077	14,162	14,427	14,700	14,932	15,213	15,503	15,802	16,110	16,432
Lease liabilities										
Borrowings	5,753	5,596	5,841	6,150	6,362	6,330	6,384	5,995	6,125	5,818
Provisions	27,681	29,208	30,767	32,357	33,979	35,634	37,323	39,046	40,804	42,653
Total current liabilities	67,508	69,639	71,554	74,059	76,305	78,017	80,305	82,121	84,636	88,661

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current liabilities										
Payables	689	667	644	621	598	575	552	530	545	518
Lease liabilities	521	521	521	521	521	521	521	521	521	521
Borrowings	61,439	58,119	54,554	50,680	45,718	40,588	35,404	30,609	25,684	23,116
Provisions	6,501	6,666	6,833	7,004	7,179	7,357	7,538	7,724	7,913	8,110
Total non-current liabilities	69,151	65,972	62,552	58,826	54,015	49,041	44,016	39,383	34,664	32,266
Total liabilities	136,659	135,611	134,106	132,885	130,320	127,057	124,320	121,504	119,300	120,926
Net assets	1,954,556	1,964,453	1,973,473	1,984,064	1,994,118	2,002,485	2,012,545	2,023,951	2,035,655	2,046,911
EQUITY										
Retained earnings	1,084,637	1,094,534	1,103,554	1,114,145	1,124,199	1,132,566	1,142,626	1,154,032	1,165,736	1,176,992
Revaluation reserves	869,919	869,919	869,919	869,919	869,919	869,919	869,919	869,919	869,919	869,919
Council equity interest	1,954,556	1,964,453	1,973,473	1,984,064	1,994,118	2,002,485	2,012,545	2,023,951	2,035,655	2,046,911
Total equity	1,954,556	1,964,453	1,973,473	1,984,064	1,994,118	2,002,485	2,012,545	2,023,951	2,035,655	2,046,911

Attachment 8 – Cash Flow Statement – General Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities										
Receipts:										
Rates and annual charges	88,251	90,234	92,263	94,339	96,464	98,637	100,862	103,138	105,468	108,105
User charges and fees	22,202	22,716	23,242	23,778	24,333	24,901	25,490	26,095	26,719	27,360
Investment revenue and interest	3,923	4,087	4,018	4,050	4,062	3,984	3,994	3,987	3,979	3,971
Grants and contributions	22,771	21,039	21,206	21,476	21,234	21,461	21,711	21,966	22,225	22,492
Bonds and Deposits received	-	-	-	-	-	-	-	-	-	-
Other	1,774	1,800	1,796	1,820	1,852	1,871	1,896	1,922	1,949	1,976
Payments:										
Employee benefits and on-costs	(46,976)	(47,922)	(48,894)	(49,886)	(50,897)	(51,930)	(52,983)	(54,059)	(55,156)	(56,259)
Materials & contracts	(34,783)	(35,129)	(37,129)	(37,019)	(38,206)	(41,085)	(40,985)	(40,960)	(41,983)	(43,033)
Borrowing costs	(4,232)	(3,985)	(3,619)	(3,296)	(2,974)	(2,616)	(2,236)	(1,896)	(1,515)	(1,212)
Bonds and Deposits refunded	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	-	-
Other	(12,597)	(12,864)	(13,135)	(13,424)	(13,708)	(13,997)	(14,293)	(14,584)	(14,879)	(15,176)
Net cash provided in operating activities	40,232	39,876	39,648	41,739	42,061	41,126	43,357	45,510	46,808	48,224

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from investing activities										
Receipts:										
Sale of investments	-	-	-	-	-	-	-	-	-	-
Sale of infrastructure, property, plant & equipment	1,557,705	1,595,227	1,935,120	1,484,041	1,366,057	1,678,908	1,481,382	1,931,625	1,987,772	2,027,528
Sale of interests in joint ventures/associates										
Other										
Payments:										
Purchase of investments	(9,950)	-	(5,255)	(5,315)	(5,790)	(14,688)	(15,552)	(17,779)	(20,296)	(21,337)
Purchase of infrastructure property, plant & equipment	(32,327)	(38,987)	(31,723)	(34,191)	(32,730)	(22,794)	(23,991)	(24,310)	(23,530)	(24,001)
Purchase of real estate										
Purchase of interests in joint ventures/associates										
Other	(140)	(144)	(148)	(152)	(156)	(161)	(165)	(169)	(174)	(179)
Net cash used in Investing activities	(40,859)	(37,536)	(35,191)	(38,173)	(37,310)	(35,964)	(38,227)	(40,326)	(42,013)	(43,490)
Cash flows from financing activities										
Receipts:										
Borrowings and advances	6,276	2,276	2,276	2,276	1,400	1,200	1,200	1,200	1,200	1,200
Other										
Payments:										
Borrowings and advances	(5,649)	(5,753)	(5,596)	(5,841)	(6,150)	(6,362)	(6,330)	(6,384)	(5,995)	(5,935)
Lease Liabilities	-	-	-	-	-	-	-	-	-	-
Other										
Net cash provided by financing activities	627	(3,477)	(3,320)	(3,565)	(4,750)	(5,162)	(5,130)	(5,184)	(4,795)	(4,735)
Net increase/(decrease) in cash and cash equivalents	-	(1,137)	1,137	-	-	-	-	-	-	(0)
Cash and cash equivalents at beginning of reporting period	15,000	15,000	13,863	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Cash and cash equivalents at end of reporting period	15,000	13,863	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000

Attachment 9 – Income Statement – Water Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income										
Rates & Annual Charges	6,599	6,827	7,063	7,303	7,554	7,816	8,087	8,363	8,650	8,944
User Charges & Fees	28,164	29,128	30,115	31,125	32,160	33,220	34,305	35,415	36,552	37,722
Interest Received	959	904	721	351	360	293	301	330	443	458
Other Operating Revenues	375	392	410	428	447	468	489	512	535	559
Operating Grants & Contributions	426	433	439	446	453	460	467	474	482	489
Capital Grants & Contributions	2,498	2,572	2,587	2,627	2,766	2,909	2,992	3,025	3,138	3,232
	39,021	40,256	41,335	42,281	43,741	45,166	46,642	48,120	49,799	51,403
Expenditure										
Employee Costs	5,091	5,186	5,312	5,442	5,575	5,711	5,851	5,994	6,141	6,288
Borrowing Costs	3,743	3,605	3,456	3,258	3,075	2,895	2,677	2,451	2,222	2,000
Materials & Contracts	11,747	12,166	12,429	12,687	12,915	13,555	13,655	13,889	14,388	14,819
Depreciation	8,069	8,229	8,452	8,788	9,284	9,450	9,741	9,939	10,080	10,281
Other Expenses	1,437	1,485	1,535	1,587	1,640	1,695	1,752	1,811	1,872	1,934
	30,087	30,671	31,184	31,760	32,488	33,305	33,675	34,084	34,702	35,323
Net Operating Result	8,934	9,585	10,151	10,520	11,253	11,861	12,966	14,035	15,097	16,081
Capital Grants/Contributions	2,498	2,572	2,587	2,627	2,766	2,909	2,992	3,025	3,138	3,232
Net Operating Result before Capital Grants & Contributions	6,436	7,013	7,563	7,893	8,486	8,952	9,974	11,010	11,959	12,849

Attachment 10 – Funding Statement – Water Fund

<i>Source and Application of Funds</i>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Result (Income Statement)	8,934	9,585	10,151	10,520	11,253	11,861	12,966	14,035	15,097	16,081
<i>Add Back non-funded items:</i>										
Depreciation	8,069	8,229	8,452	8,788	9,284	9,450	9,741	9,939	10,080	10,281
<i>Add non-operating funding sources</i>										
Transfers from Externally Restricted Cash	13,304,830	18,803,628	32,652,538	44,990,097	19,373,838	29,104,433	22,060,128	17,410,128	20,700,128	20,700,128
Transfers from Internally Restricted Cash										
Proceeds from sale of assets										
Loan Funds Utilised										
Repayments from Deferred Debtors										
Funds Available	30,307	36,618	51,255	64,298	39,911	50,415	44,767	41,384	45,877	47,062
<i>Funds were applied to:</i>										
Purchase and construction of assets	14,474	19,490	28,840	41,976	15,157	25,384	17,923	13,326	16,945	17,246
Repayment of principal on loans	2,051	2,189	2,338	2,536	2,719	2,899	3,117	3,343	3,572	3,822
Transfers to Externally Restricted Cash	13,783	14,938	20,077	19,786	22,035	22,132	23,727	24,715	25,360	25,994
Transfers to Internally Restricted Cash										
Funds Used	30,307	36,618	51,255	64,298	39,911	50,415	44,767	41,385	45,877	47,062
Increase/(Decrease) in Available Working Capital	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0	0

Attachment 11 – Balance Sheet – Water Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current assets										
Cash and cash equivalents	1,374	1,000	1,000	1,000	2,000	1,000	2,000	2,000	2,000	2,000
Investments	30,091	28,489	22,824	11,516	12,202	9,494	9,731	12,939	14,970	15,419
Receivables	4,136	4,224	4,240	4,150	4,305	4,378	4,530	4,732	4,915	5,111
Inventories	-	-	-	-	-	-	-	-	-	-
Contract assets										
Other	42	43	44	45	46	48	49	50	51	53
Total current assets	35,643	33,756	28,108	16,711	18,553	14,921	16,309	19,721	21,936	22,583
Non-current assets										
Investments	36,693	34,741	27,832	14,043	14,879	11,578	11,866	15,778	18,255	20,080
Receivables	-	-	-	-	-	-	-	-	-	-
Infrastructure, property, plant and equipment	588,657	599,918	620,306	653,494	659,367	675,301	683,483	686,871	693,736	763,110
Investments Accounted for using the equity method	-	-	-	-	-	-	-	-	-	-
Intangible assets	22	22	22	22	22	22	22	22	22	22
Right of use assets										
Investments Accounted for using the equity method										
Other										
Total non-current assets	625,372	634,680	648,160	667,559	674,268	686,901	695,372	702,671	712,013	783,212
Total assets	661,015	668,436	676,268	684,270	692,821	701,821	711,681	722,392	733,948	805,795
LIABILITIES										
Current liabilities										
Payables	756	782	801	820	837	876	887	905	937	965
Borrowings	2,189	2,338	2,536	2,719	2,899	3,117	3,343	3,572	-	-
Provisions										
Total current liabilities	2,945	3,121	3,338	3,539	3,736	3,993	4,230	4,477	937	965

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current liabilities										
Payables										
Borrowings	49,612	47,274	44,738	42,018	39,119	36,002	32,659	29,087	26,178	23,560
Provisions										
Total non-current liabilities	49,612	47,274	44,738	42,018	39,119	36,002	32,659	29,087	26,178	23,560
Total liabilities	52,557	50,395	48,075	45,557	42,855	39,995	36,888	33,564	27,115	24,525
Net assets	608,457	618,042	628,193	638,713	649,965	661,827	674,793	688,828	706,834	781,270
EQUITY										
Retained earnings	245,736	255,321	265,472	275,992	287,244	299,106	312,072	326,107	344,113	418,549
Revaluation reserves	362,721	362,721	362,721	362,721	362,721	362,721	362,721	362,721	362,721	362,721
Council equity interest	608,457	618,042	628,193	638,713	649,965	661,827	674,793	688,828	706,834	781,270
Total equity	608,457	618,042	628,193	638,713	649,965	661,827	674,793	688,828	706,834	781,270

Attachment 12 – Cash Flow Statement – Water Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities										
Receipts:										
Rates and annual charges	6,590	6,819	7,054	7,294	7,545	7,807	8,077	8,353	8,639	8,941
User charges and fees	28,064	29,018	30,002	31,010	32,042	33,098	34,180	35,288	36,422	37,602
Investment revenue and interest	956	938	829	567	336	354	288	268	404	419
Grants and contributions	2,924	3,004	3,027	3,073	3,219	3,369	3,459	3,500	3,619	3,746
Bonds and Deposits received	-	-	-	-	-	-	-	-	-	-
Other	375	392	410	428	447	468	489	512	535	559
Payments:										
Employee benefits and on-costs	(5,091)	(5,186)	(5,312)	(5,442)	(5,575)	(5,711)	(5,851)	(5,994)	(6,141)	(6,294)
Materials & contracts	(11,739)	(12,143)	(12,414)	(12,672)	(12,901)	(13,521)	(13,648)	(13,875)	(14,361)	(14,863)
Borrowing costs	(3,743)	(3,605)	(3,456)	(3,258)	(3,075)	(2,895)	(2,677)	(2,451)	(2,222)	(2,000)
Bonds and Deposits refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,437)	(1,485)	(1,535)	(1,587)	(1,640)	(1,695)	(1,752)	(1,811)	(1,872)	(1,935)
Net cash provided in operating activities	16,899	17,752	18,604	19,415	20,399	21,274	22,566	23,789	25,024	26,175
Cash flows from investing activities										
Receipts:										
Sale of investments	-	3,554	12,574	25,097	-	6,010	-	-	-	-
Sale of infrastructure, property, plant & equipment										
Sale of interests in joint ventures/associates										
Other										
Payments:										
Purchase of investments	-	-	-	-	(1,522)	-	(526)	(7,120)	(4,507)	(4,958)
Purchase of infrastructure property, plant & equipment	(14,474)	(19,490)	(28,840)	(41,976)	(15,157)	(25,384)	(17,923)	(13,326)	(16,945)	(17,394)
Purchase of real estate										
Purchase of interests in joint ventures/associates										
Other										
Net cash used in Investing activities	(14,474)	(15,936)	(16,266)	(16,878)	(16,679)	(19,374)	(18,449)	(20,446)	(21,452)	(22,352)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities										
Receipts:										
Borrowings and advances	-	-	-	-	-	-	-	-	-	-
Other										
Payments:										
Borrowings and advances	(2,051)	(2,189)	(2,338)	(2,536)	(2,719)	(2,899)	(3,117)	(3,343)	(3,572)	(3,822)
Lease Liabilities										
Other										
Net cash provided by financing activities	(2,051)	(2,189)	(2,338)	(2,536)	(2,719)	(2,899)	(3,117)	(3,343)	(3,572)	(3,822)
Net increase/(decrease) in cash and cash equivalents	374	(374)	-	-	1,000	(1,000)	1,000	-	-	0
Cash and cash equivalents at beginning of reporting period	1,000	1,374	1,000	1,000	1,000	2,000	1,000	2,000	2,000	2,000
Cash and cash equivalents at end of reporting period	1,374	1,000	1,000	1,000	2,000	1,000	2,000	2,000	2,000	2,000

Attachment 13 – Income Statement – Sewer Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income										
Rates & Annual Charges	35,449	36,664	37,902	39,167	40,488	41,866	43,288	44,740	46,243	47,792
User Charges & Fees	3,858	3,964	4,072	4,200	4,331	4,466	4,603	4,725	4,849	4,975
Interest Received	1,434	1,515	1,357	1,378	1,507	1,702	1,892	2,110	2,248	2,394
Other Operating Revenues	18	19	19	20	20	20	21	21	22	22
Operating Grants & Contributions	426	433	439	446	453	460	467	474	482	489
Capital Grants & Contributions	1,637	1,685	1,696	1,714	1,812	1,905	1,959	1,981	2,054	2,122
	42,823	44,279	45,484	46,924	48,611	50,419	52,230	54,050	55,897	57,794
Expenditure										
Employee Costs	6,645	6,821	7,602	8,388	8,578	8,774	8,374	8,580	8,791	9,011
Borrowing Costs	-	-	-	-	-	-	-	-	-	-
Materials & Contracts	12,828	13,294	13,020	13,046	12,993	13,451	14,450	14,873	15,443	15,983
Depreciation	12,303	12,463	12,887	13,429	13,660	13,841	14,046	14,239	14,538	14,828
Other Expenses	2,344	2,421	2,501	2,584	2,669	2,758	2,849	2,943	3,041	3,142
	34,121	35,000	36,010	37,447	37,900	38,824	39,719	40,635	41,812	42,963
Net Operating Result	8,703	9,278	9,474	9,477	10,711	11,595	12,511	13,415	14,085	14,831
Capital Grants/Contributions	1,637	1,685	1,696	1,714	1,812	1,905	1,959	1,981	2,054	2,122
Net Operating Result before Capital Grants & Contributions	7,066	7,593	7,778	7,763	8,899	9,690	10,552	11,435	12,031	12,708

Attachment 14 – Funding Statement – Sewer Fund

<i>Source and Application of Funds</i>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Result (Income Statement)	8,703	9,278	9,474	9,477	10,711	11,595	12,511	13,415	14,085	14,831
<i>Add Back non-funded items:</i>										
Depreciation	12,303	12,463	12,887	13,429	13,660	13,841	14,046	14,239	14,538	14,828
<i>Add non-operating funding sources</i>										
Transfers from Externally Restricted Cash	4,777	25,483	31,565	12,530	11,432	12,603	11,997	18,505	15,433	14,661
Transfers from Internally Restricted Cash	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of assets										
Loan Funds Utilised										
Repayments from Deferred Debtors										
Funds Available	25,784	47,225	53,925	35,436	35,802	38,039	38,554	46,159	44,055	44,320
<i>Funds were applied to:</i>										
Purchase and construction of assets	10,109	25,929	33,178	14,459	11,508	12,931	12,213	18,587	15,581	14,849
Repayment of principal on loans	-	-	-	-	-	-	-	-	-	-
Transfers to Externally Restricted Cash	15,675	21,296	20,748	20,978	24,295	25,108	26,341	27,572	28,474	29,470
Transfers to Internally Restricted Cash	-	-	-	-	-	-	-	-	-	-
Funds Used	25,784	47,225	53,925	35,437	35,803	38,039	38,554	46,159	44,055	44,320
Increase/(Decrease) in Available Working Capital	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0

Attachment 15 – Balance Sheet – Sewer Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current assets										
Cash and cash equivalents	2,000	1,000	1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Investments	57,930	56,246	50,581	54,409	61,051	67,514	74,938	79,613	86,354	92,399
Receivables	2,941	2,992	3,009	3,135	3,288	3,442	3,608	3,743	3,903	4,059
Inventories	-	-	-	-	-	-	-	-	-	-
Contract assets										
Other	61	63	63	63	63	65	70	72	74	77
Total current assets	62,932	60,301	54,652	59,607	66,402	73,021	80,616	85,428	92,331	98,534
Non-current assets										
Investments	52,926	51,387	46,212	49,709	55,777	61,681	68,464	72,735	78,894	84,417
Receivables										
Infrastructure, property, plant and equipment	600,107	613,573	633,864	634,894	632,742	631,832	630,000	634,348	635,392	636,662
Investments Accounted for using the equity method										
Intangible assets	27	27	27	27	27	27	27	27	27	27
Right of use assets										
Investments Accounted for using the equity method										
Other										
Total non-current assets	653,060	664,987	680,103	684,629	688,546	693,541	698,491	707,110	714,313	721,106
Total assets	715,992	725,288	734,755	744,236	754,948	766,561	779,106	792,538	806,644	819,640
LIABILITIES										
Current liabilities										
Payables	482	499	493	497	498	515	550	566	587	605
Borrowings	-	-	-	-	-	-	-	-	-	-
Provisions										
Total current liabilities	482	499	493	497	498	515	550	566	587	605

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current liabilities										
Payables										
Borrowings	-	-	-	-	-	-	-	-	-	-
Provisions										
Total non-current liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	482	499	493	497	498	515	550	566	587	605
Net assets	715,510	724,788	734,262	743,740	754,451	766,046	778,557	791,972	806,057	819,035
EQUITY										
Retained earnings	283,641	292,919	302,393	311,871	322,582	334,177	346,688	360,103	374,188	387,166
Revaluation reserves	431,869	431,869	431,869	431,869	431,869	431,869	431,869	431,869	431,869	431,869
Council equity interest	715,510	724,788	734,262	743,740	754,451	766,046	778,557	791,972	806,057	819,035
Total equity	715,510	724,788	734,262	743,740	754,451	766,046	778,557	791,972	806,057	819,035

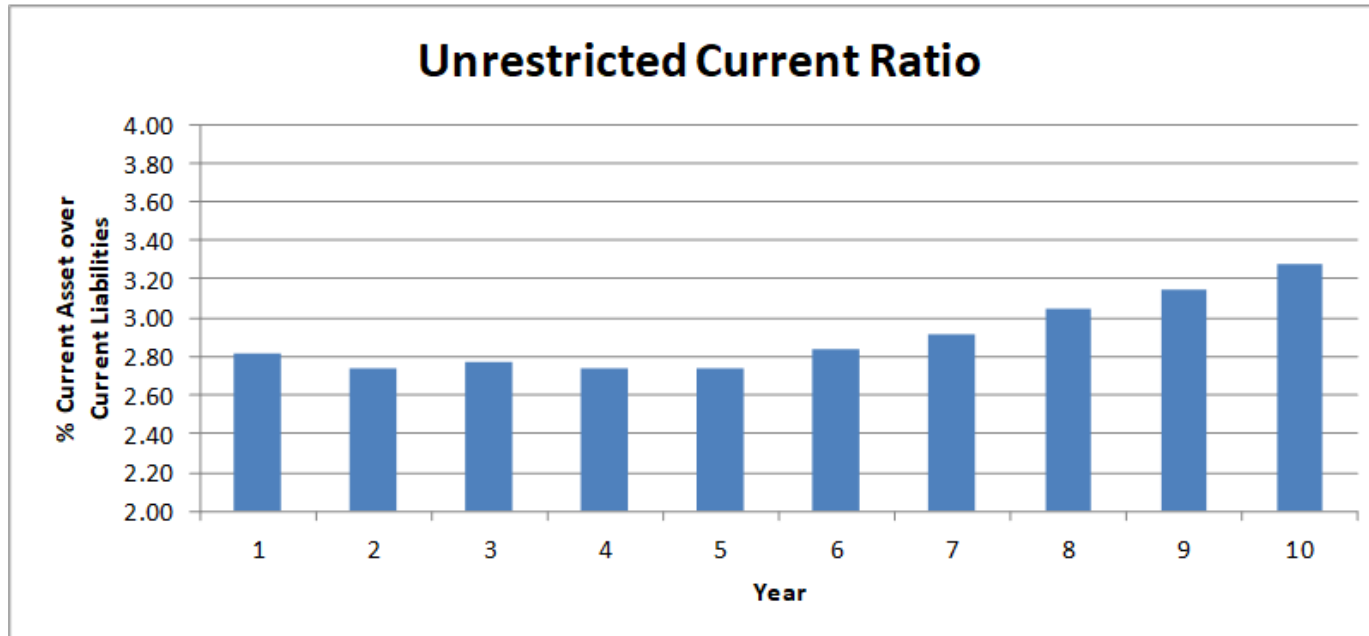
Attachment 16 – Cash Flow Statement – Sewer Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities										
Receipts:										
Rates and annual charges	35,401	36,614	37,851	39,114	40,433	41,809	43,229	44,680	46,181	47,728
User charges and fees	3,836	3,940	4,047	4,171	4,302	4,435	4,572	4,698	4,821	4,951
Investment revenue and interest	1,376	1,538	1,415	1,333	1,439	1,636	1,815	2,062	2,178	2,251
Grants and contributions	2,063	2,118	2,135	2,160	2,265	2,365	2,426	2,455	2,535	2,586
Bonds and Deposits received	-	-	-	-	-	-	-	-	-	-
Other	18	19	19	20	20	20	21	21	22	22
Internal transfers										
Payments:										
Employee benefits and on-costs	(6,645)	(6,821)	(7,602)	(8,388)	(8,578)	(8,774)	(8,374)	(8,580)	(8,791)	(9,011)
Materials & contracts	(12,800)	(13,279)	(13,026)	(13,043)	(12,992)	(13,436)	(14,420)	(14,859)	(15,424)	(15,887)
Borrowing costs	-	-	-	-	-	-	-	-	-	-
Bonds and Deposits refunded	-	-	-	-	-	-	-	-	-	-
Other	(2,344)	(2,421)	(2,501)	(2,584)	(2,669)	(2,758)	(2,849)	(2,943)	(3,041)	(3,141)
Net cash provided in operating activities	20,906	21,706	22,338	22,783	24,219	25,297	26,420	27,533	28,481	29,500
Cash flows from investing activities										
Receipts:										
Sale of investments	-	3,223	10,839	-	-	-	-	-	-	-
Sale of infrastructure, property, plant & equipment										
Sale of interests in joint ventures/associates										
Other										
Payments:										
Purchase of investments	(10,797)	-	-	(7,324)	(12,711)	(12,367)	(14,207)	(8,946)	(12,900)	(13,528)
Purchase of infrastructure property, plant & equipment	(10,109)	(25,929)	(33,178)	(14,459)	(11,508)	(12,931)	(12,213)	(18,587)	(15,581)	(15,971)
Purchase of real estate										
Purchase of interests in joint ventures/associates										
Other										
Net cash used in Investing activities	(20,906)	(22,706)	(22,338)	(21,783)	(24,219)	(25,297)	(26,420)	(27,533)	(28,481)	(29,499)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities										
Receipts:										
Borrowings and advances	-	-	-	-	-	-	-	-	-	-
Other										
Payments:										
Borrowings and advances	-	-	-	-	-	-	-	-	-	-
Lease Liabilities										
Other										
Net cash provided by financing activities	-	-	-	-	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	-	(1,000)	-	1,000	-	-	-	-	-	0
Cash and cash equivalents at beginning of reporting period	2,000	2,000	1,000	1,000	2,000	2,000	2,000	2,000	2,000	2,000
Cash and cash equivalents at end of reporting period	2,000	1,000	1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000

Attachment 17 – Unrestricted Current Ratio – Consolidated

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
2.82	2.74	2.77	2.74	2.74	2.84	2.92	3.05	3.15	3.28



Attachment 18 – Capital Works

Asset Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000
Artworks	34	35	36	36	37	38	38	39	40	41
Bridges	776	1,168	776	776	0	0	0	0	0	0
Community Land	0	0	0	0	0	0	349	0	0	0
Equipment	120	74	76	78	79	81	83	85	86	88
Fleet	4,921	5,733	4,539	5,281	4,844	4,279	5,992	5,892	4,737	4,264
Intangibles: Software	142	146	150	154	158	162	166	170	175	178
Kerb & Gutter	82	83	85	87	88	90	92	94	96	98
Non Specialised Buildings	6,230	8,861	8,009	1,103	817	832	846	861	877	891
Operational Land	1,336	300	300	300	0	0	0	0	0	0
Other Infrastructure	3,793	6,072	125	10,000	10,226	0	0	0	0	0
Other Structures Rec Services	0	114	116	119	121	124	126	129	131	134
Roads	15,330	15,637	15,654	15,144	14,918	15,179	15,446	15,717	15,994	16,266
Sewer Infrastructure	13,138	25,864	33,178	14,459	11,508	12,931	12,213	18,587	15,581	15,893
Stormwater Drainage	1,425	1,432	1,438	1,445	1,452	1,459	1,466	1,474	1,481	1,511
Street Furniture	47	48	49	50	51	52	53	54	55	56
Water Infrastructure	16,367	19,470	28,818	41,954	15,135	25,361	17,550	13,302	16,920	17,258
Grand Total	63,742	85,037	93,350	90,985	59,434	60,587	54,422	56,404	56,174	56,678

Attachment 19 – Sensitivity Analysis – Consolidated

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General Fund Rates	O	+2.00%	1,224	1,245	1,299	1,325	1,352	1,379	1,406	1,434	1,463	1,492
	A		62,248	64,955	66,255	67,580	68,931	70,310	71,716	73,150	74,613	76,106
	W	-1.00%	(612)	(622)	(650)	(663)	(676)	(689)	(703)	(717)	(732)	(746)
User Charges & Fees (non statutory)	O	+1.00%	514	529	545	561	577	594	611	628	646	664
	A		54,012	55,584	57,199	58,869	60,585	62,341	64,146	65,973	67,851	69,768
	W	-2.00%	(1,029)	(1,059)	(1,089)	(1,121)	(1,154)	(1,187)	(1,222)	(1,257)	(1,292)	(1,329)
Interest Received	O	+2.00%	3,694	3,717	3,532	3,342	3,431	3,514	3,637	3,788	3,942	4,044
	A		6,464	6,506	6,181	5,849	6,004	6,150	6,366	6,629	6,899	7,077
	W	-2.00%	(3,694)	(3,717)	(3,532)	(3,342)	(3,431)	(3,514)	(3,637)	(3,788)	(3,942)	(4,044)
Employee Costs	O	-1.00%	(586)	(600)	(621)	(642)	(658)	(674)	(684)	(701)	(719)	(736)
	A		60,393	61,652	63,566	65,508	66,880	68,281	69,113	70,576	72,070	73,580
	W	+0.50%	293	300	310	321	329	337	342	351	359	368
Borrowing Costs	O	-2.00%	(40)	(165)	(211)	(256)	(302)	(330)	(354)	(378)	(402)	(426)
	A		7,978	7,574	7,059	6,537	6,027	5,487	4,889	4,324	3,715	3,194
	W	+2.00%	40	165	211	256	302	330	354	378	402	426
Materials & Contracts	O	-1.00%	(578)	(590)	(611)	(611)	(625)	(665)	(673)	(679)	(700)	(720)
	A		59,367	60,665	62,770	62,784	64,251	68,345	69,121	69,777	71,944	73,968
	W	+1.00%	578	590	611	611	625	665	673	679	700	720

O = Optimistic

A = Adopted

W = Worse case

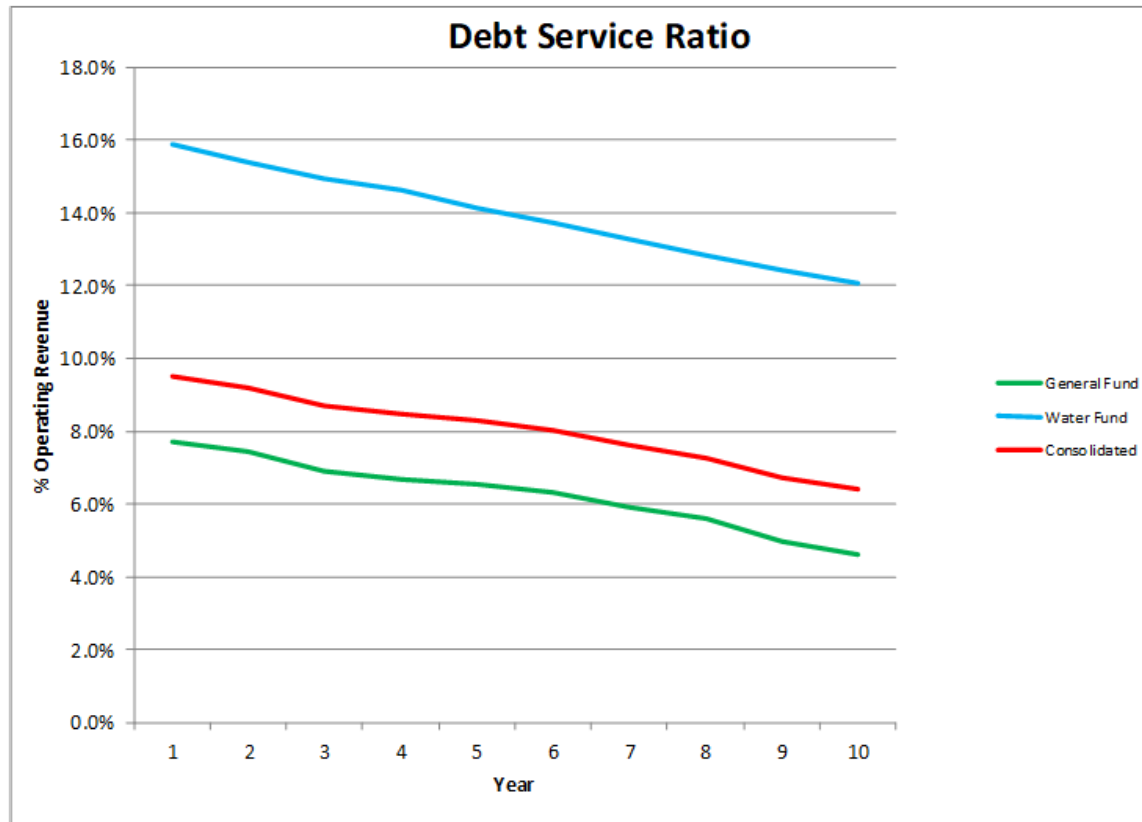
Attachment 20 – Rate Notice estimate

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Rates - minimum										
Residential - @ 2% increase	\$1,143.80	\$1,193.60	\$1,217.50	\$1,241.90	\$1,266.70	\$1,292.00	\$1,317.80	\$1,344.20	\$1,371.10	\$1,398.50
		*4.35%								
Waste Management										
Domestic Waste Service Charge *	\$192.40	\$198.20	\$204.10	\$210.20	\$216.50	\$223.00	\$229.70	\$236.60	\$243.70	\$251.00
Domestic Waste Management Charge	\$75.00	\$77.30	\$79.60	\$82.00	\$84.50	\$87.00	\$89.60	\$92.30	\$95.10	\$98.00
Waste Minimisation and Recycling Charge *	\$83.00	\$85.50	\$88.10	\$90.70	\$93.40	\$96.20	\$99.10	\$102.10	\$105.20	\$108.40
Organic Waste Collection Charge	\$107.00	\$110.20	\$113.50	\$116.90	\$120.40	\$124.00	\$127.70	\$131.50	\$135.40	\$139.50
Landfill Management Charge	\$59.50	\$61.30	\$63.10	\$65.00	\$67.00	\$69.00	\$71.10	\$73.20	\$75.40	\$77.70
	\$516.90	\$532.50	\$548.40	\$564.80	\$581.80	\$599.20	\$617.20	\$635.70	\$654.80	\$674.60
Sewer Access Charge	\$890.20	\$903.55	\$917.10	\$930.86	\$944.82	\$958.99	\$973.37	\$987.97	\$1,002.79	\$1,017.83
Water Access Charge										
20mm service	\$189.40	\$192.24	\$195.12	\$198.05	\$201.02	\$204.04	\$207.10	\$210.21	\$213.36	\$216.56
Water Volumetric										
@ 200 KI	\$660.00	\$672.00	\$684.00	\$696.00	\$708.00	\$720.00	\$732.00	\$744.00	\$756.00	\$768.00
Water Volumetric /KI	\$3.30	\$3.36	\$3.42	\$3.48	\$3.54	\$3.60	\$3.66	\$3.72	\$3.78	\$3.84
Total for a Residential Property	\$3,400.30	\$3,493.89	\$3,562.12	\$3,631.61	\$3,702.34	\$3,774.23	\$3,847.47	\$3,922.08	\$3,998.05	\$4,075.49

* based on typical bin sizes and collection frequency

Attachment 21 – Debt Service Ratio

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Financial Goals
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
General Fund	7.7%	7.4%	6.9%	6.7%	6.5%	6.3%	5.9%	5.6%	5.0%	4.6%	10.0%
Water Fund	15.9%	15.4%	15.0%	14.6%	14.1%	13.7%	13.3%	12.8%	12.4%	12.1%	25.0%
Consolidated	9.52%	9.21%	8.70%	8.48%	8.27%	8.00%	7.60%	7.28%	6.72%	6.40%	15.00%

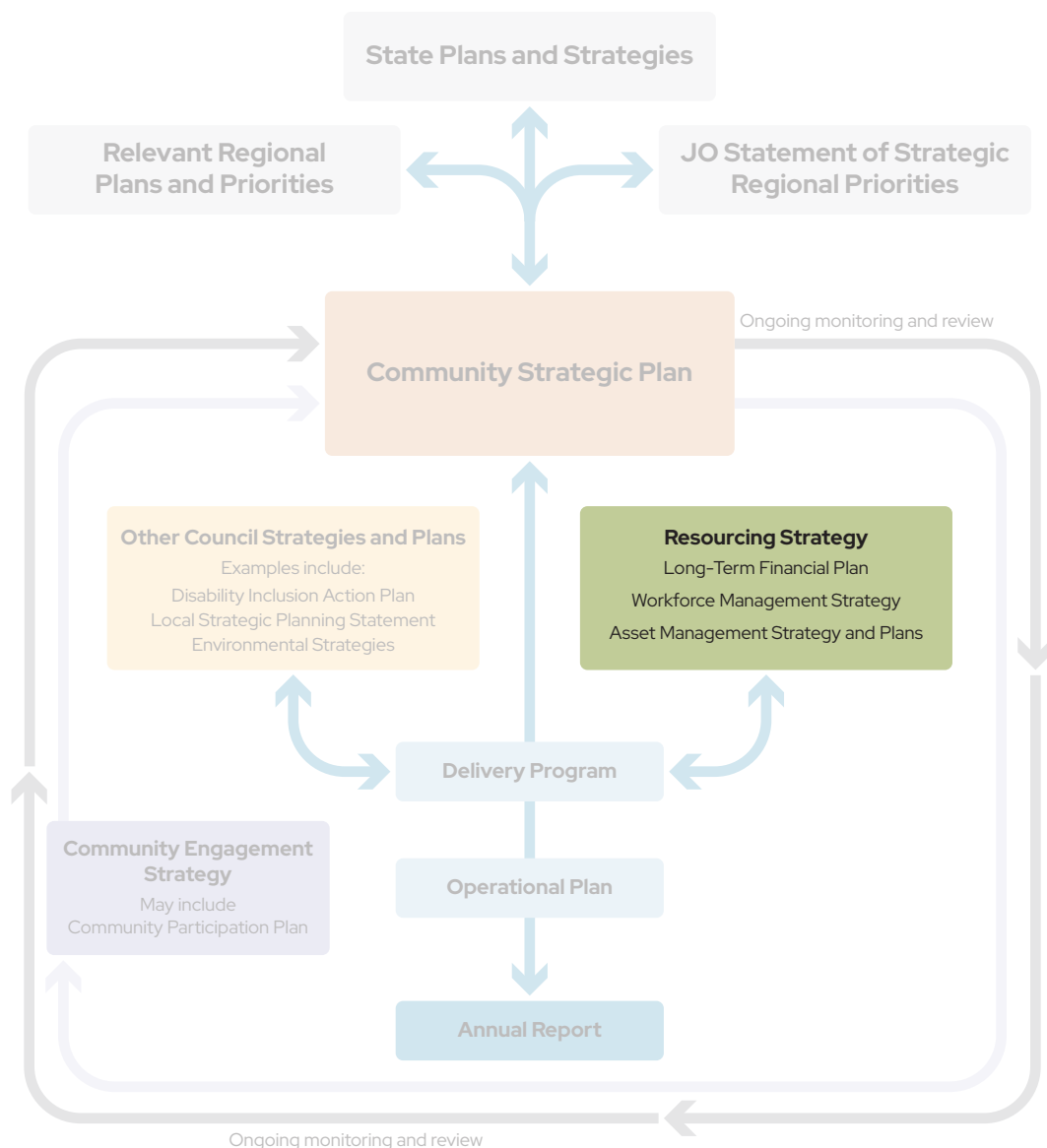




Connection to the Integrated Planning and Reporting Framework

For Tweed Shire Council this document is the 10-year Resourcing Strategy which includes the *Long Term Financial Plan*, *Workforce Management Strategy* and *Asset Management Strategy* and plans as part of the NSW Government’s [Integrated Planning and Reporting framework](#).

Find out more about planning and reporting for the Tweed community at: tweed.nsw.gov.au/planning-reporting-to-community



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