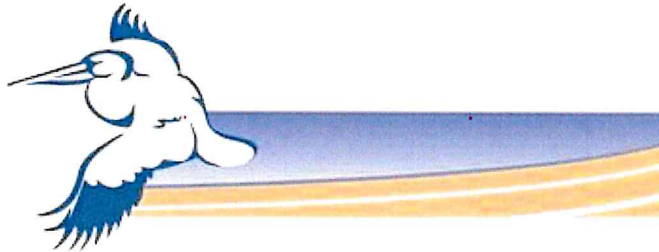


DISTRICT COUNCIL OF TUMBY BAY



DISTRICT COUNCIL of TUMBY BAY

LONG-TERM FINANCIAL PLAN

2020/21 TO 2029/30

REVIEW TWO

2022/2023 to 2029/2030

**Adopted 8/03/2022
Motion Number 11c/32022**



PURPOSE OF THE LONG-TERM FINANCIAL PLAN

The Long-Term Financial Plan has been developed in accordance with the requirements of the Local Government Act 1999, and forms part of Council's Strategic planning documents.

The purpose of the plan is to measure the Council's capacity to achieve the theme's and strategies set out in the Strategic Plan, and to ensure that the Council is adequately providing for Asset renewal as identified in the various Asset Management Plans.

The plan also includes various financing options for a number of proposed new capital works which have been identified in Council's Asset Management Plans.

The ten year plan has been set based on the premise that Council wishes to be financially sustainable over the ten year period, and takes into consideration Council's position in relation to the three key financial indicators adopted by Council.

ASSUMPTIONS

The following assumptions were used in the formulation of the Long-Term Financial Plan: -

REVENUE

General Rates

General rate revenue has been increased by 1.8% more than the modelled Local Government cost increases to ensure the long-term sustainability of the Council, in doing this the Council will reach a point of sustainability mid-way through the planning period. Proposed rate increases are detailed below:

<u>Adopted Plan</u>		<u>Review Two</u>	
2022/2023	3.8% Increase	2022/2023	6.5% Increase
2023/2026	3.8% Increase	2023/2026	7.0% Increase
2026/2030	3.8% Increase	2026/2030	4.0% Increase

The plan allows for modest growth in ratable properties over the ten-year period.

Review Two – Comment

Having considered the current economic climate and recent CPI movements, Council have re-set the CPI assumptions in the plan to the following increases:

2022/2023	2.5%
2023/2030	3.0%

Due to continued cost pressures being experienced by Council and the urgent need to address the trend of significant operating deficits, the following rate increase have been included in the reviewed plan:

2022/2023	- CPI 2.5%	Rate Increase	- 6.5%	(CPI + 4%)
2023/2026	- CPI 3%	Rate Increase	- 7.0%	(CPI + 4%)
2026/2030	- CPI 3%	Rate Increase	- 4.0%	(CPI + 1%)

The revised plan will enable Council to maintain its current level of services, achieve an acceptable operating position for the 2025/2026 financial year and beyond and provide sufficient funding for critical asset renewal in a timely manner.

Other Revenues

Council also receives revenue from several other sources including statutory charges, user charges, reimbursements and other revenues; these items have been increased by the following amounts to mirror estimated Local Government cost increases:

<u>Adopted Plan</u>		<u>Review Two</u>	
2022/2023	2.0% Increase	2022/2023	2.5% Increase
2023/2030	2.0% Increase	2023/2030	3.0% Increase

Review Two – Comment

Other income has been increased to 2.5% indexation for 2022/2023 and 3.0% for the remaining term.

Operating Grants

Local Government Grants Commission general purpose grants have been reduced by 3% annually based on recent advice from the Commission.

Local Government Grants Commission road grants and supplementary road funding has been indexed at 2.0% for the life of the plan, however funding past 2021/2022 is yet to be confirmed for the supplementary component of this funding.

Roads to Recovery grants of have been included for the duration of the plan; with the current funding program expiring in 2023/2024.

Review Two – Comment

Whilst included for the duration of the current plan, a federal commitment to the continuation of the SA supplementary road grant funding past 2022/2023 is yet to be confirmed.

Investment Income

Interest earned on investments has been calculated at an interest rate of 1% over the period of the plan.

Review Two – Comment

Interest earned on investments has been revised for the remaining term

2022/2025	0.5%
2025/2030	1.0%

EXPENDITURE

Operating Expenditure

Operating expenditure has been based on the following estimated Local Government cost increases:

Adopted Plan		Review Two	
2022/2023	2.0% Increase	2022/2023	2.5% Increase
2023/2030	2.0% Increase	2023/2030	3.0% Increase

Review Two – Comment

Operating expenditure has been increased to 2.5% indexation for 2022/2023 and 3.0% for the remaining term.

Wages

In determining likely increases in annual wage payments the following items have been taken into consideration:

- No Increase in Current Staffing
- Enterprise Bargaining Agreement
- Senior Staff Contracts

On this basis the following increases have been applied within the plan.

Adopted Plan		Review Two	
2022/2023	2.0% Increase	2022/2023	2.5% Increase
2023/2030	2.0% Increase	2023/2030	3.0% Increase

Review Two – Comment

Further refinement of staff structure and responsibilities within the administration department have occurred over the past twelve months, and funding approved for additional resources in the technical works area, these changes and associated cost increases have been reflected in the reviewed plan.

Finance Charges

Finance Charges have been calculated at variable interest rates ranging from 4% to 6.75% over the period of the plan and may include both fixed term and cash advance loan facilities with the LGFA.

Review Two – Comment

Council currently holds 7 fixed term loans with the LGFA:

Fixed terms vary between 5 years and 20 years

Fixed interest rates vary between 2.09% and 4.35%

Depreciation

Depreciation has been calculated using the 'Straight Line Method' based on the Current Replacement Cost (CRC) of an asset and its expected life. In applying depreciation amounts to the various assets CRC has been indexed in line with anticipated asset revaluations to ensure depreciation rates are keeping pace with the increased cost of asset provision and renewal. These rates therefore vary from asset to asset – see chart below for details.

Adopted Plan

<u>Year</u>	<u>22/23</u>	<u>23/24</u>	<u>24/25</u>	<u>25/26</u>	<u>26/27</u>	<u>27/28</u>	<u>28/29</u>	<u>29/30</u>
Buildings	0.0%	0.0%	0.0%	0.0%	10.4%	0.0%	0.0%	0.0%
Plant	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Infrastructure	6.1%	0.0%	0.0%	6.1%	0.0%	0.0%	6.1%	0.0%

Review Two

<u>Year</u>	<u>22/23</u>	<u>23/24</u>	<u>24/25</u>	<u>25/26</u>	<u>26/27</u>	<u>27/28</u>	<u>28/29</u>	<u>29/30</u>
Buildings	10.3%	0.0%	0.0%	0.0%	10.4%	0.0%	0.0%	0.0%
Plant	2.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Infrastructure	5.1%	0.0%	0.0%	8.7%	0.0%	0.0%	9.3%	0.0%

Review Two – Comment

Depreciation on all assets is forecast to increase in line with CPI indexation.

CAPITAL EXPENDITURE

Renewal

The Capital Renewal requirements as estimated in the Asset Management Plans have been included in the Long-Term Financial Plan. The plan aims for a 100% renewal program at the optimum time to ensure assets do not deteriorate to a point where additional works are required. In the case of long-lived assets such as CWMS, bridges and urban storm water systems, funds will be set aside to offset future renewal programs.

New Assets

The plan includes the provision of new assets identified within the Council's Asset Management Plans. Due to the size and nature of these assets it is envisaged that a combination of grant and loan funds along with accumulated reserves will be utilized in their provision. Dependence on varying degrees of

grant funding may dictate at what time during this planning period these projects are able to proceed.

Review Two – Comment

The following major assets projects will have been completed by 30 June 2022:

- ***Graham Smelt Causeway Bridge Upgrade***
- ***TB CWMS Treatment Plant Upgrade***
- ***Sandbag Seawall adjacent Ritz Car Park***

SELF FUNDED ACTIVITIES

Funding for the Tumby Bay and Port Neill Community Wastewater Management Schemes has been included within the LTFP and includes future asset renewal in line with Asset Management Plans. As per legislative requirements any funds raised through service charges applied for the schemes must be quarantined for future use within the scheme. These funds are managed by Council through the provision of reserve accounts, with any excess funds allocated to reserve and available for future asset renewals as required.

Review Two – Comment

The recently completed TB CWMS Treatment Plant Upgrade was funded through the utilization of accumulated CWMS reserves and a capital contribution from Downer Australia in their role as principal contractor for the Electranet HV Transmission Line Upgrade Project.

LOAN BORROWING

Council enters this planning period with relatively few loan borrowings and with a number of these loans in the category of self-servicing loans. It is envisaged that new borrowings will be required to fund the replacement of the bridge on the Graham Smelt Causeway and some items within the plant replacement program.

Review Two – Comment

The following loan borrowings have been revised:

Graham Smelt Causeway Bridge Upgrade

Adopted Plan \$1.62M over 15 Years

Review Two \$1.68M over 15 Years

Major Plant Replacements

Adopted Plan \$300K over 5 Years

Review Two \$500K over 5 Years

FINANCIAL INDICATORS

South Australian Councils are required to use nationally consistent approach of measuring their financial sustainability by using three key indicators:

- Operating Surplus Ratio
- Net Financial Liabilities Ratio
- Asset Renewal Funding Ratio

Operating Surplus Ratio

The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of total operating income.

“This indicator is by far the most important indicator for Councils. If a Council consistently achieves a modest positive operating surplus ratio, and has soundly based projections showing that it can continue to do so in the future, having regard to asset management and its community’s service level needs, then it is financially sustainable.” – LGA Financial Sustainability Paper 9.

The Local Government Association suggests Council’s should be targeting “To achieve, on average, an operating surplus ratio of between 0% and 10%”.

In Council Policy 5.25 Revenue and Financing, Council has set itself a target to achieve an operating break-even position, or better, over any five year period. This LTFP provides Council the opportunity to reach this target in the final four years of the planning period. (See Chart – Page 7)

Review Two – Comment

In considering this year’s review, Council has placed significant emphasis on long term sustainability and responsible financial management. To achieve these goals and consistently deliver a positive operating position it is proposed that rates will be increased at 4% above projected CPI in the first four years and 1% above CPI for the remaining term. This proposal would see Council reach a sustainable operating position for the 2025/2026 financial year and beyond. (See Chart – Page 9)

Net Financial Liabilities Ratio

The net financial liabilities ratio is calculated by expressing net financial liabilities at the end of a financial year as a percentage of operating income for the year.

“Net financial liabilities is a broader and more appropriate measure of indebtedness than the level of borrowings, because it includes items such as employee long-service leave entitlements and other amounts payable in future as well as taking account of a Council’s cash holdings and invested monies” – LGA Financial Sustainability Paper 9.

The Local Government Association suggests a Council’s net financial liabilities ratio is between zero and 100% of total operating income, but possibly higher in some circumstances.

In Council Policy 5.24 Treasury, Council has set itself a limit of 100%. This LTFP shows Council’s ratio peaking at 39% early in the planning period and closing out in an asset positive position with a ratio of (39%), well below Council’s accepted position. (See Chart – Page 8)

Review Two - Comment

The current review document shows Council’s ratio peaking at 36% next year and closing out in an asset positive position with a ratio of (51%), well below Council’s accepted position. (See chart – Page 10)

Asset Renewal Funding Ratio

This ratio indicates the extent to which non-financial assets are being renewed and replaced, compared with the asset renewal and replacement expenditure identified as warranted in a Council’s infrastructure and asset management

plan's (I&'s). It is calculated by measuring capital expenditure on renewal or replacement of assets for a period, divided by the optimal level of such expenditure proposed in a Council's I&'s.

"If capital expenditure on renewing or replacing existing assets is at a level consistent with proposed or soundly prepared I&'s that is based on long-run affordable service levels, then it is likely that a Council is reasonably optimizing timing of asset renewal activity. Any material underspending on renewal and replacement over the medium term is likely to adversely impact on the cost-effective achievement of preferred, affordable service levels and could potentially undermine a Council's financial sustainability." – LGA Financial Sustainability Paper 9.

The Local Government Association suggests capital outlays on renewing/replacing assets are greater than 90% but less than 110% of the level proposed in the Infrastructure and Asset Management Plan's (I&'s). This plan enables Council to maintain a ratio of 100% throughout the planning period. (See Chart – Page 10)

Review Two – Comment

The current review document maintains a ratio of 100% throughout the planning period. (See Chart – Page 11)

STRATEGIC PLAN

It is recognized that the Long-Term Financial Plan does not necessarily cover off on all actions and activities mentioned in Council's Strategic Plan, however every endeavor has been made to include all information considered relevant to the plan at this time. Future review of the plan will be carried out on an annual basis.

The current plan includes the following major projects:

- Tumby Bay Township Master Plan Project
- Graham Smelt Causeway Bridge
- Tumby Bay CWMS Upgrade

Review Two - Comment

The following projects included in the original plan will have been completed by 30 June 2022:

Graham Smelt Causeway Bridge Upgrade

TB CWMS Treatment Plant Upgrade

In addition, Council has utilized money from the LRCIP program to complete a Sandbag Seawall adjacent the Ritz Café carpark.

Due to financial limitations the proposed Tumby Bay Township Master Plan Project has been now been removed from the revised plan.

ANALYSIS OF LONG-TERM FINANCIAL PLAN

Council has endeavored to approach the formulation of its Long-Term Financial Plan with two clear objectives; sustainability of essential service delivery and sound infrastructure management. However in achieving this it is also

paramount that Council provides adequate funds within its “Future Projects Reserve” to firstly safeguard against unexpected financial impacts; and secondly, provide funding for future improvements within our communities. Council strongly believes the LTFP provides a degree of certainty in both areas, whilst maintaining an acceptable level of projected rate increases across the plan.

Review Two – Comment

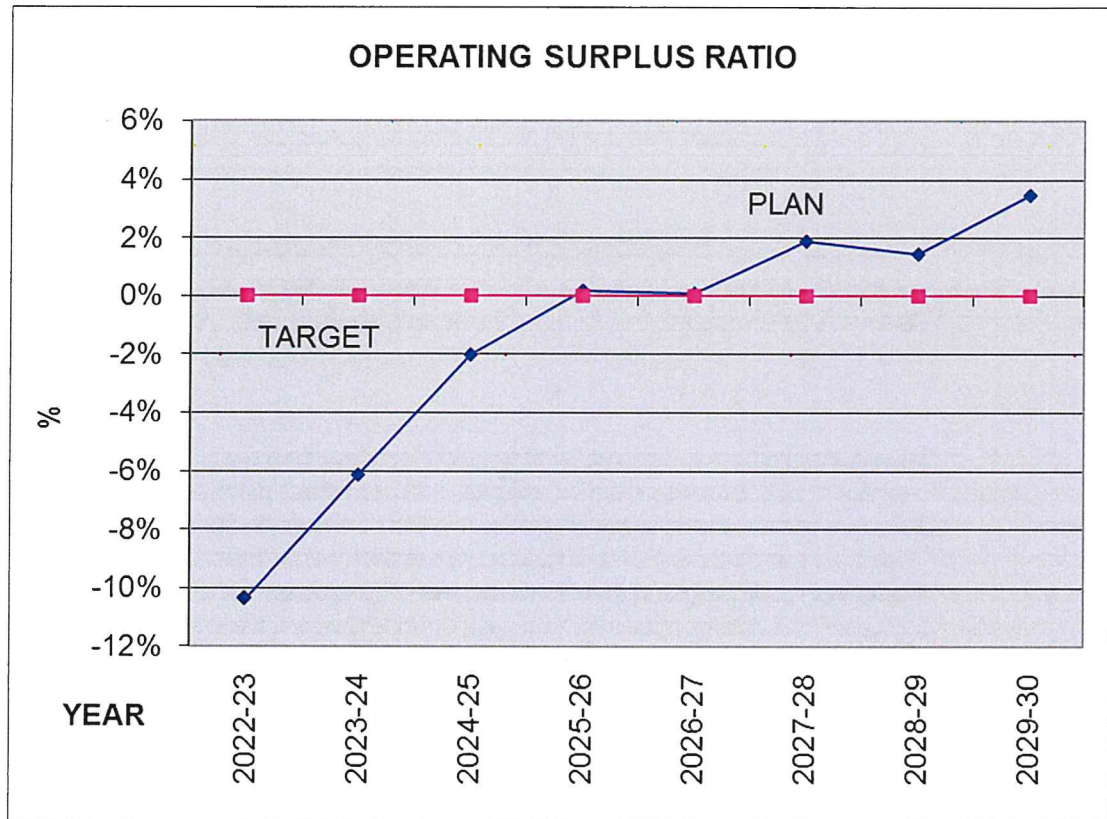
The current review continues to support the objectives detailed above and aims to deliver a positive and sustainable operating position into the future.

FINANCIAL STATEMENTS

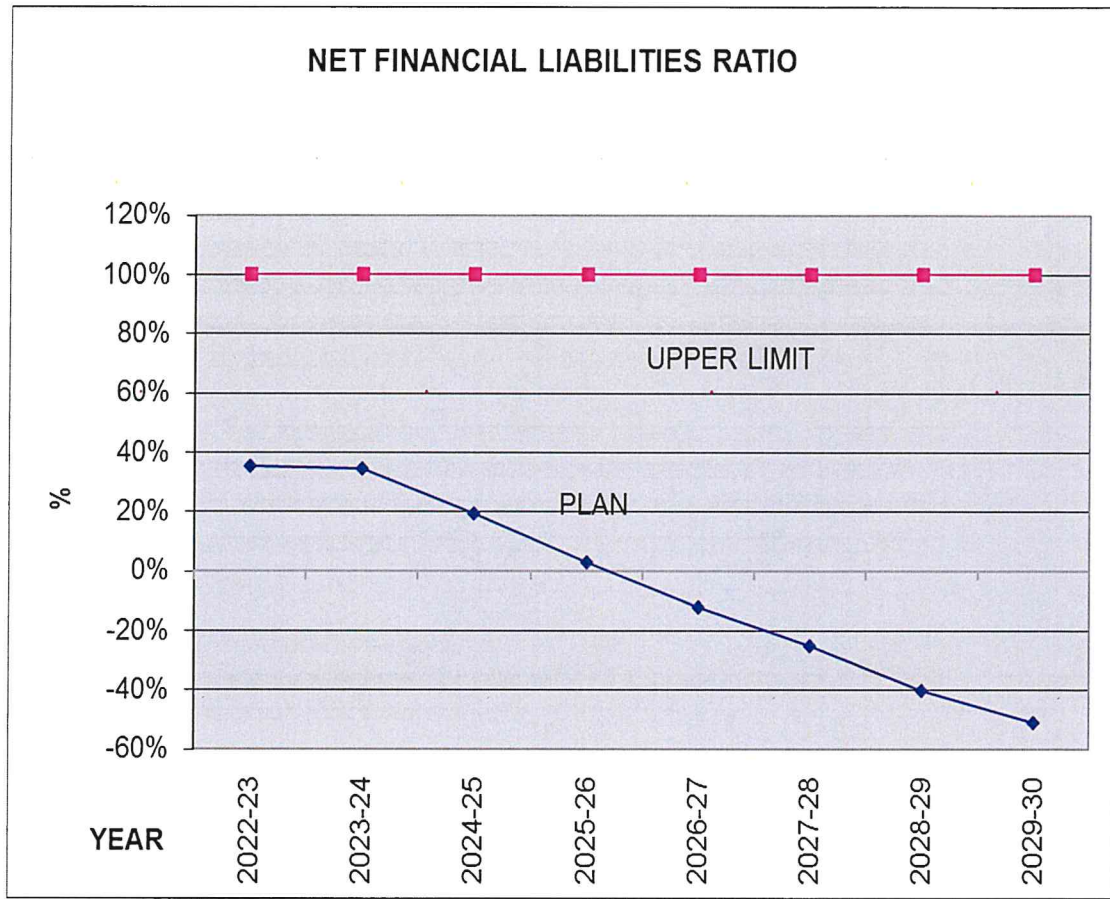
Review Two – Comment

The financial statements included at the back end of the plan have been modified to better reflect the budget templates used by Council. (See Statements – Page 12)

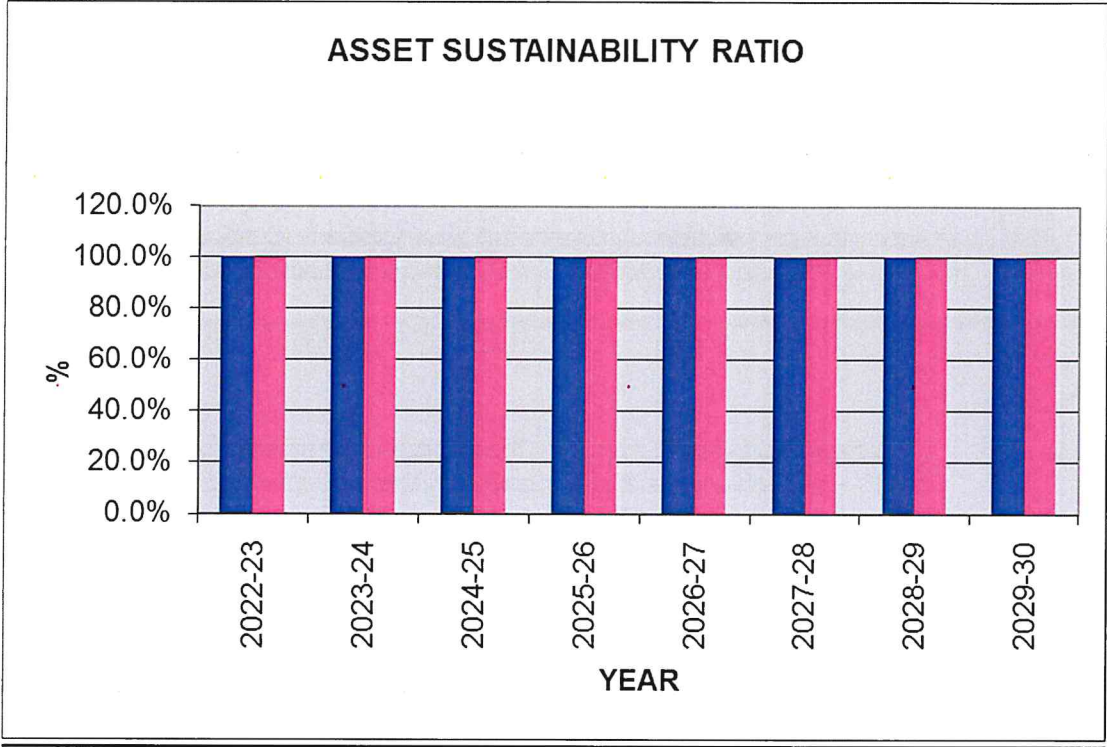
FINANCIAL CHARTS



FINANCIAL CHARTS



FINANCIAL CHARTS



TARGET - PLAN

DISTRICT COUNCIL OF TUMBY BAY

2020-2030 LTFP STATEMENT OF COMPREHENSIVE INCOME - REVIEW 2 - ADOPTED

	2022	2023	2024	2025	2026	2027	2028	2029	2030
	REVIEW 1	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN
	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE									
Rates	5,472,700	5,781,507	6,137,624	6,517,334	6,922,258	7,190,658	7,469,577	7,759,430	8,060,649
Statutory charges	73,000	74,825	77,070	79,382	81,763	84,216	86,743	89,345	92,025
User charges	277,200	242,842	229,332	226,021	232,802	239,786	246,979	254,389	262,020
Other grants, subsidies and contributions	1,071,000	1,153,981	1,153,988	1,186,791	1,183,063	1,185,466	1,188,671	1,192,678	1,240,155
Investment Income	22,200	20,149	20,237	18,389	31,801	39,580	47,913	57,434	69,156
Reimbursements	8,500	8,713	8,974	9,243	9,520	9,806	10,100	10,403	10,715
Other Revenues	29,100	10,133	10,436	10,750	11,072	11,404	11,746	12,099	12,462
Gain (loss) - joint ventures & associates									
TOTAL REVENUES	6,953,700	7,292,148	7,637,661	8,047,911	8,472,280	8,760,917	9,061,730	9,375,778	9,747,183
EXPENSES									
Employee Costs	2,021,000	2,112,134	2,205,180	2,300,603	2,378,687	2,447,191	2,526,588	2,588,944	2,664,728
Materials, contracts & other services	2,941,200	3,132,895	3,102,880	3,117,454	3,141,331	3,289,536	3,356,595	3,469,212	3,560,504
Finance Costs	147,700	162,733	148,766	132,814	111,393	91,100	74,620	58,683	50,138
Depreciation, Amortisation & Impairment	2,415,100	2,641,629	2,650,028	2,658,679	2,824,829	2,923,203	2,932,203	3,124,004	3,133,190
TOTAL EXPENSES	7,525,000	8,049,390	8,106,855	8,209,550	8,456,240	8,751,030	8,890,005	9,240,843	9,408,561
OPERATING SURPLUS/(DEFICIT)	(571,300)	(757,243)	(469,193)	(161,639)	16,040	9,887	171,724	134,935	338,621
Asset disposal & fair value adjustments	284,600	111,300	461,615	313,600	71,300	302,260	199,470	134,820	128,050
Amounts specifically for new or upgraded assets	1,986,100	-	-	67,200	-	-	-	-	-
Physical resources received free of charge									
TOTAL COMPREHENSIVE INCOME	1,699,400	(645,943)	(7,578)	219,161	87,340	312,147	371,194	269,755	466,671

DISTRICT COUNCIL OF TUMBAY BAY
2020-2030 LTFP STATEMENT OF CASH FLOWS - REVIEW 2 - ADOPTED

		2022 REVIEW 1	2023 PLAN	2024 PLAN	2025 PLAN	2026 PLAN	2027 PLAN	2028 PLAN	2029 PLAN	2030 PLAN
		\$	\$	\$	\$	\$	\$	\$	\$	\$
CASHFLOWS FROM OPERATING ACTIVITIES										
RECEIPTS										
Rates		5,472,700	5,781,507	6,137,624	6,517,334	6,922,258	7,190,658	7,469,577	7,759,430	8,060,649
Statutory charges		73,000	74,825	77,070	79,382	81,763	84,216	86,743	89,345	92,025
User charges		277,200	242,842	229,332	226,021	232,802	239,786	246,979	254,389	262,020
Other grants, subsidies and contributions		1,071,000	1,153,981	1,153,988	1,186,791	1,183,063	1,185,466	1,188,671	1,192,678	1,240,155
Investment Income		22,200	20,149	20,237	18,389	31,801	39,580	47,913	57,434	69,156
Reimbursements		8,500	8,713	8,974	9,243	9,520	9,806	10,100	10,403	10,715
Other Revenues		29,100	(2,492)	(5,092)	(5,245)	(5,402)	(5,564)	(5,731)	(5,903)	(6,080)
TOTAL RECEIPTS		6,953,700	7,279,523	7,622,132	8,031,916	8,455,805	8,743,948	9,044,252	9,357,776	9,728,641
PAYMENTS										
Employee costs		2,032,000	2,098,959	2,188,975	2,283,911	2,361,495	2,429,483	2,508,348	2,570,158	2,645,378
Materials, contracts & other services		2,941,200	3,118,895	3,085,660	3,099,718	3,123,063	3,270,719	3,337,214	3,449,249	3,539,943
Finance costs		147,700	162,733	148,766	132,814	111,393	91,100	74,620	58,683	50,138
TOTAL PAYMENTS		5,120,900	5,380,587	5,423,401	5,516,443	5,595,950	5,791,302	5,920,182	6,078,090	6,235,459
NET CASH PROVIDED BY (OR USED IN) OPERATING ACTI		1,832,800	1,898,936	2,198,731	2,515,473	2,859,855	2,952,646	3,124,070	3,279,685	3,493,181
CASH FLOWS FROM INVESTING ACTIVITIES										
RECEIPTS										
Grants specifically for new or upgraded assets		1,986,100	-	-	67,200	-	-	-	-	-
Sale of replaced assets		284,600	111,300	461,615	313,600	71,300	302,260	199,470	134,820	128,050
Sale of surplus assets		-	-	-	-	-	-	-	-	-
Sale of Real Estate Developments		-	-	-	-	-	-	-	-	-
Distributions received associated entities		-	-	-	-	-	-	-	-	-
Repayments of loans by community groups		23,100	31,172	32,743	33,810	25,611	8,379	-	-	-
TOTAL RECEIPTS		2,293,800	142,472	494,358	414,610	96,911	310,639	199,470	134,820	128,050
PAYMENTS										
Expenditure on renewal/replacement of assets		1,870,800	1,323,916	2,639,177	1,662,098	1,593,487	1,944,448	2,121,698	1,920,827	2,433,397
Expenditure on new/upgraded assets		4,317,800	43,800	44,400	177,400	40,900	21,551	-	-	-
Expenditure on real estate for sale		-	-	-	-	-	-	-	-	-
Loans made to community groups		80,000	-	-	-	-	-	-	-	-
TOTAL PAYMENTS		6,268,600	1,367,716	2,683,577	1,839,498	1,634,387	1,965,999	2,121,698	1,920,827	2,433,397
NET CASH USED IN INVESTMENT ACTIVITIES		(3,974,800)	(1,225,244)	(2,189,219)	(1,424,888)	(1,537,476)	(1,655,360)	(1,922,228)	(1,786,007)	(2,305,347)
CASH FLOWS FROM FINANCING ACTIVITIES										
RECEIPTS										
Proceeds from Borrowings		1,761,200	-	500,000	-	-	-	-	-	-
PAYMENTS										
Repayments of Borrowings		379,900	449,360	515,696	584,015	596,127	468,979	459,971	310,738	171,138
NET CASH FROM FINANCING ACTIVITIES		1,381,300	(449,360)	(15,696)	(584,015)	(596,127)	(468,979)	(459,971)	(310,738)	(171,138)
NET INCREASE (DECREASE) IN CASH HELD		(760,700)	224,333	(6,183)	506,570	726,252	828,307	741,870	1,182,940	1,016,696
CASH AT BEGINNING OF YEAR		2,369,000	1,608,300	1,832,633	1,826,449	2,333,019	3,059,271	3,887,578	4,629,448	5,812,388
PROJECTED CASH AT END OF YEAR		1,608,300	1,832,633	1,826,449	2,333,019	3,059,271	3,887,578	4,629,448	5,812,388	6,829,084

DISTRICT COUNCIL OF TUMBY BAY
2020-2030 LTFP BALANCE SHEET & EQUITY - REVIEW 2 - ADOPTED

		2022	2023	2024	2025	2026	2027	2028	2029	2030
		REVIEW 1	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN
		\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS										
Current Assets										
Cash and cash equivalents		1,608,300	1,832,633	1,826,449	2,333,019	3,059,271	3,887,578	4,629,448	5,812,388	6,829,084
Trade & other receivables		505,000	517,625	533,154	549,148	565,623	582,591	600,069	618,071	636,613
Other financial assets		16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Inventories		19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000
TOTAL CURRENT ASSETS		2,148,300	2,385,258	2,394,603	2,917,167	3,659,894	4,505,169	5,264,517	6,465,460	7,500,698
Non-current Assets										
Financial Assets		116,900	85,728	52,985	19,175	(6,436)	(14,815)	(14,815)	(14,815)	(14,815)
Equity in Council Business		-	-	-	-	-	-	-	-	-
Infrastructure Property, Plant and Equipment		108,378,600	109,746,316	112,429,892	114,269,390	115,903,777	117,869,776	119,991,475	121,912,302	124,345,699
Less Accumulated Depreciation		(39,412,100)	(42,053,729)	(44,703,757)	(47,362,436)	(50,187,265)	(53,110,467)	(56,042,670)	(59,166,674)	(62,299,864)
Other Non-current Assets		867,000	867,000	867,000	867,000	867,000	867,000	867,000	867,000	867,000
TOTAL NON-CURRENT ASSETS		69,950,400	68,645,315	68,646,120	67,793,129	66,577,077	65,611,494	64,800,990	63,597,813	62,898,020
TOTAL ASSETS		72,098,700	71,030,572	71,040,723	70,710,297	70,236,970	70,116,663	70,065,507	70,063,273	70,398,718
LIABILITIES										
Current Liabilities										
Trade & Other Payables		560,000	574,000	591,220	608,957	627,225	646,042	665,423	685,386	705,948
Borrowings		337,000	337,000	337,000	337,000	337,000	337,000	337,000	337,000	337,000
Provisions		522,000	535,050	551,102	567,635	584,664	602,203	620,270	638,878	658,044
TOTAL CURRENT LIABILITIES		1,419,000	1,446,050	1,479,322	1,513,591	1,548,889	1,585,246	1,622,693	1,661,264	1,700,992
NON-CURRENT LIABILITIES										
Long-term Borrowings		3,971,300	3,521,940	3,506,244	2,922,229	2,326,102	1,857,123	1,397,152	1,086,414	915,276
Long-term Provisions		5,000	5,125	5,279	5,437	5,600	5,768	5,941	6,120	6,303
TOTAL NON-CURRENT LIABILITIES		3,976,300	3,527,065	3,511,523	2,927,666	2,331,702	1,862,891	1,403,093	1,092,534	921,579
TOTAL LIABILITIES		5,395,300	4,973,115	4,990,844	4,441,257	3,880,591	3,448,137	3,025,786	2,753,797	2,622,571
NET ASSETS		66,703,400	66,057,457	66,049,879	66,269,040	66,356,379	66,668,527	67,039,721	67,309,475	67,776,147
EQUITY										
Accumulated Surplus		10,943,100	10,087,374	10,103,876	9,834,901	9,214,975	8,718,372	8,367,838	7,475,399	6,946,744
Asset Revaluation Reserve		54,789,000	54,789,000	54,789,000	54,789,000	54,789,000	54,789,000	54,789,000	54,789,000	54,789,000
Reserves beginning of year		1,721,000	971,300	1,181,083	1,157,003	1,645,139	2,352,404	3,161,155	3,882,883	5,045,076
Transfers to Reserves		210,100	264,877	123,550	488,136	707,265	808,751	721,728	1,162,193	995,327
Transfers from Reserves		(959,800)	(55,094)	(147,630)	-	-	-	-	-	-
Reserves at end of year		971,300	1,181,083	1,157,003	1,645,139	2,352,404	3,161,155	3,882,883	5,045,076	6,040,403
TOTAL EQUITY		66,703,400	66,057,457	66,049,879	66,269,040	66,356,379	66,668,527	67,039,721	67,309,475	67,776,147

DISTRICT COUNCIL OF TUMBY BAY

2020-2030 LTFP BUDGET STATEMENT OF FINANCIAL INDICATORS - REVIEW 2 - ADOPTED

	2023	2024	2025	2026	2027	2028	2029	2030
	<u>PLAN</u>	<u>PLAN</u>	<u>PLAN</u>	<u>PLAN</u>	<u>PLAN</u>	<u>PLAN</u>	<u>PLAN</u>	<u>PLAN</u>
Operating Surplus Ratio								
<u>Adjusted Operating Surplus</u>	(10%)	(6%)	(2%)	0%	0%	2%	1%	3%
Total Operating Revenue								
Net Financial Liabilities Ratio								
<u>Net Financial Liabilities</u>	36%	34%	19%	3%	(12%)	(25%)	(40%)	(51%)
Total Operating Revenue								
Asset Funding Renewal Ratio								
<u>Net Asset Renewals</u>	100%	100%	100%	100%	100%	100%	100%	100%
Asset Management Plan								

DISTRICT COUNCIL OF TUMBY BAY

2020-2030 LTFP BUDGET UNIFORM PRESENTATION OF FINANCES - REVIEW 2 - ADOPTED

	2023	2024	2025	2026	2027	2028	2029	2030
	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN
Operating Revenues	7,292,148	7,637,661	8,047,911	8,472,280	8,760,917	9,061,730	9,375,778	9,747,183
less Operating Expenses	(8,049,390)	(8,106,855)	(8,209,550)	(8,456,240)	(8,751,030)	(8,890,005)	(9,240,843)	(9,408,561)
Adjusted Operating Surplus / (Deficit) before Capital Amounts	(757,243)	(469,193)	(161,639)	16,040	9,887	171,724	134,935	338,621
less Net Outlays on Existing Assets								
Capital Expenditure on renewal and replacement of Existing Assets	1,323,916	2,639,177	1,662,098	1,593,487	1,944,448	2,121,698	1,920,827	2,433,397
less Depreciation, Amortisation and Impairment	(2,641,629)	(2,650,028)	(2,658,679)	(2,824,829)	(2,923,203)	(2,932,203)	(3,124,004)	(3,133,190)
less Proceeds from Sale of Replaced Assets	(111,300)	(461,615)	(313,600)	(71,300)	(302,260)	(199,470)	(134,820)	(128,050)
	(1,429,013)	(472,467)	(1,310,181)	(1,302,642)	(1,281,015)	(1,009,974)	(1,337,997)	(827,843)
less Net Outlays on New and Upgraded Assets								
Capital Expenditure on New and Upgraded Assets	43,800	44,400	177,400	40,900	21,551	-	-	-
less Grants and Contributions specifically for New and Upgraded Assets	-	-	(67,200)	-	-	-	-	-
less Proceeds from Sale of Surplus Assets	-	-	-	-	-	-	-	-
less net movements in inventories								
	43,800	44,400	110,200	40,900	21,551	-	-	-
Net Lending / (Borrowing) for Financial Year	627,971	(41,127)	1,038,341	1,277,781	1,269,351	1,181,699	1,472,931	1,166,465