WAVERLEY COUNCIL

DRAFT LONG TERM FINANCIAL PLAN (LTFP 5.2) 2020/21–30/31

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1. INTRODUCTION

The Long Term Financial Plan (LTFP) is a core element of Council's strategic planning process. The LTFP addresses the financial resourcing capacity requirements to deliver our Community Strategic Plan 2018-2029. The LTFP enables the community's aspirations and demand for services to be tested against the financial opportunities and limitations likely to be encountered within the next 10 years, it includes financial modelling and the planning assumptions that have been identified as affecting the financial capacity of the Council. The LTFP enables the community and the Council to set priorities to meet future needs.

The projections contained in the LTFP are subject to change due to a variety of external factors as well as major decisions made by Council. It is necessary to regularly review and monitor a variety of factors and if necessary revise the projections contained in the LTFP. The LTFP is revised annually as part of Council's annual budget process in keeping with the legislative requirements under the Integrated Planning and Reporting (IP&R) framework.

On 11 March 2020, the Wold Health Organisation (WHO) officially called novel coronavirus (COVID-19) a pandemic. With the COVID-19 forcing many countries closed their borders and lockdown cities, restricted many businesses' operation and community movements have put in place to manage the spread of the virus spread. In this volatile and challenging times brought about by novel coronavirus (COVID-19) pandemic, it is difficult to predict the real magnitude of the financial impact on the economy and Council in the future. The revision of this Plan assumes the pandemic continues in the 2020/21 financial year and as consequence the Council continues to provide support and assistances to the community and businesses to help them through these difficult times.

Council's revenue streams have also been impacted by the COVID-19 pandemic and associated restrictions. Despite this, Council is committed to:

- maintaining the service delivery,
- maintaining organisational capability,
- meeting its obligations to our staff,
- prudently managing Council's and the community's resources
- reprioritising resource allocation to where they are most needed
- providing financial assistance to our local community and businesses
- maintaining our long term financial sustainability while at the same time building our fiscal resilience to enable Council to respond to unexpected crises.

2. OBJECTIVES

Legislated Principles

Section 8B of the Local Government Act 1993 states that the following principles of sound financial management apply to councils:

a) Council spending should be responsible and sustainable, aligning general revenue and expenses.
b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.

c) Councils should have effective financial and asset management, including sound policies and processes for the following:
    i. Performance management and reporting,
    ii. Asset maintenance and enhancement,
    iii. Funding decisions,
    iv. Risk management practices.
d) Councils should have regard to achieving intergenerational equity, including ensuring the following:
    i. Policy decisions are made after considering their financial effects on future generations,
    ii. The current generation funds the cost of its services.

The LTFP is developed to give effect to Community Strategic Plan, deliver Council's program and aspiration over time, and provide strong stewardship for community assets and resources. It contains a set of long-range financial projections based on an informed set of assumptions.

In addition to the legislated principles of sound financial management, the objectives of Waverley Council's LTFP are to:

- Respond to the changing aspirations and needs of the Waverley community, particularly as those are identified and prioritised in the Waverley Community Strategic Plan 2018-2029,
- provide a transparent account of Council's financial situation to the community,
- identify the financial opportunities and challenges confronting Council,
- Support the implementation of Council's Community Strategic Plan as an integral component of Council's Resourcing Strategy,
- achieve a balanced budget over the long term,
- provide early warning of potential financial unsustainability,
- model sound financial structures to prevent unsustainability,
- provide a basis for sound and strategic decision making that is in the community's overall best interests, and
- meet the requirements of the Division of Local Government's (DLG) Integrated Planning & Reporting (IP&R) framework.

3. STRUCTURE

The LTFP presents financial forecasts which draws from Council's Strategic Asset Management Plan 5 (SAMP 5), Environmental Action Plan 4 (EAP 4) and other strategic documents.

4. CURRENT FINANCIAL POSITION OF COUNCIL

Waverley Council operates at present from a good financial position. The 2018/19 audited Annual Financial Statements show that Waverley Council's key ratios are currently generally considered to be healthy as shown in the table 1 below:

Table 1 : Local Government Key Performance Measures					
Indicator	**Quantitative Measure**	**Industry Benchmark**	**Waverley 2018/19**	**Waverley 2017/18**	**Waverley 2016/17**
Operating Performance Ratio	Measures a Council's ability to contain operating expenditure within operating revenue	> 0	0.78%	1.76%	2.37%
Own Source Operating Revenue Ratio	Measures the level of a Council's fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions	> 60%	87.13%	86.46%	86.48%
Unrestricted Current Ratio	The Unrestricted Current Ratio is specific to local government and is designed to represent a Council's ability to meet debt payments as they fall due	> 1.5x	11.13x	10.15x	12.43x
Debt Service Cover Ratio	This ratio measures the availability of operating cash to service debt including interest, principal and lease payments	> 2x	42.77x	23.78x	20.27x
Cash Expense Cover Ratio	This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow	> 3 mths	15.22 mths	14.82 mths	14.5 mths
Building & Infrastructure Asset Renewals Ratio	This ratio compares the proportion spent on infrastructure asset renewals and the asset's deterioration measured by its accounting depreciation. Asset renewal represents the replacement or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets or the refurbishment of old assets that increase capacity or performance.	>=100%	82.57%	94.13%	77.08%
Infrastructure Backlog Ratio	This ratio shows what proportion the backlog is against total value of a Council's infrastructure	< 2%	1.01%	1.05%	1.10%

In response to the COVID-19 pandemic, Council has developed and implemented response strategies to manage the pandemic impacts for both the community and the Council's businesses. Following a Council resolution on 7 April 2020, the Business Support Package has been established to support small business and residents through this challenging time. The Support Package provides for fee waiver of outdoor seating dining, Health and Safety licence inspections, outdoor fitness permit fee, Mobile Vendor licence fee, Rent relief to the community, residential and commercial tenants, and financial hardship arrangements to both our customers and suppliers, including waiving of interest charge on outstanding debts, credit extensions, Suppliers early payment term of 15 days and

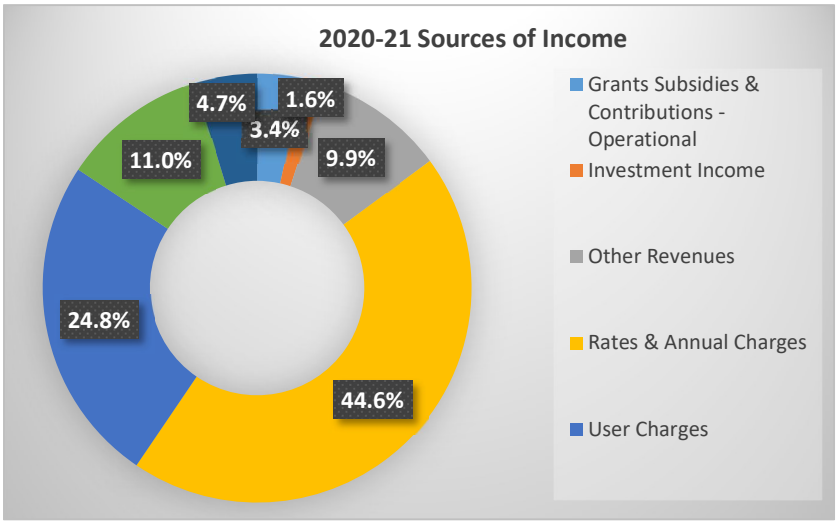
Commercial Waste service adjustment or postponement. Council has also switched-off the on-street parking meters and relaxing on the parking patrol to further support local business and community.

The unprecedented steps to stop the spread of the virus worldwide have also had a significant impact on both the Australian and world economy. The 2020/21 budget forecasts have been revised to reflect the financial impacts caused by the COVID-19 pandemic and the modification of the budget year's programs to reflect the impact on Council's financial sustainability both in the short term and the long run.

The 2020/21 Budget forecasts Council's total income to be $147.83 million, a reduction of more than $14.18 million (or 10.2%) on its operating income compared to the original forecast which was developed before the COVID-19 outbreak.

Income - $'000	**Pre-COVID-19 2020/21 Original Draft**	**Revised Draft 2020/21 Budget (COVID-19)**	**$ Variance on original draft budget**	**% variance on original draft**
Operating Income	**138,831**	**124,649**	**(14,181)**	**-10.2%**
Grants Subsidies & Contributions - Operational	4,945	5,064	119	2.4%
Investment Income	2,653	2,348	(306)	-11.5%
Other Revenues	19,237	14,615	(4,622)	-24.0%
Rates & Annual Charges	65,962	65,962		0.0%
User Charges	46,034	36,661	(9,373)	-20.4%
Capital Income	**22,537**	**23,183**	**646**	**2.9%**
Grants Subsidies & Contributions - Capital	15,595	16,241	646	4.1%
Proceeds from the disposal of assets	6,942	6,942		0.0%
Total Income	**161,368**	**147,832**	**(13,536)**	**-8.4%**

The following chart shows the major categories of revenue for Council in 2020/21:



Rates and Annual Charges have remained static as a percentage of total revenues. At 45%, Rates and Annual Charges is the most important category of Council revenue. IPART sets the maximum allowable increases in rates each year based on a review of the Local Government Cost Index that they have developed. The maximum allowable increase for 2020/21 is at 2.6%.

The 2020/21 budget estimates that Council's total expenditure, excluding depreciation expense will be $168.16 million, including loan repayments, will be $168.60 million as illustrated in the chart below.

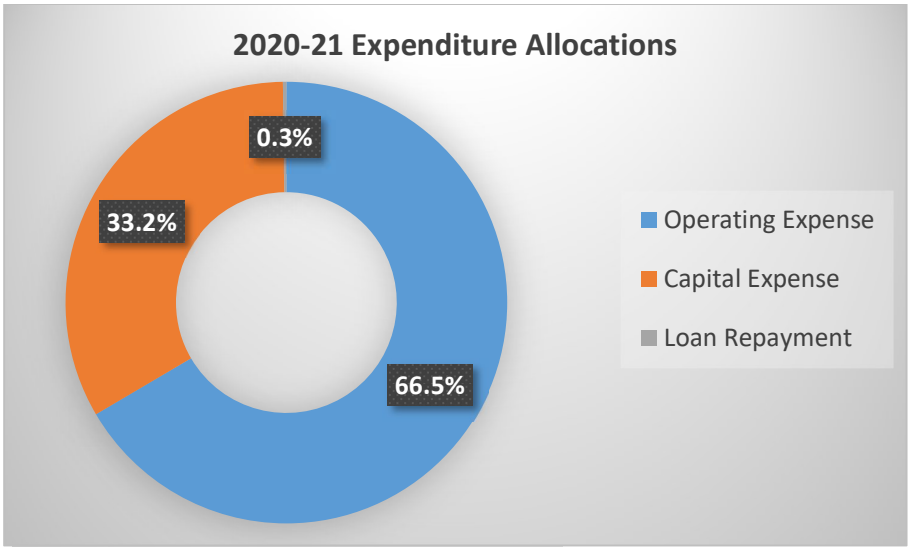
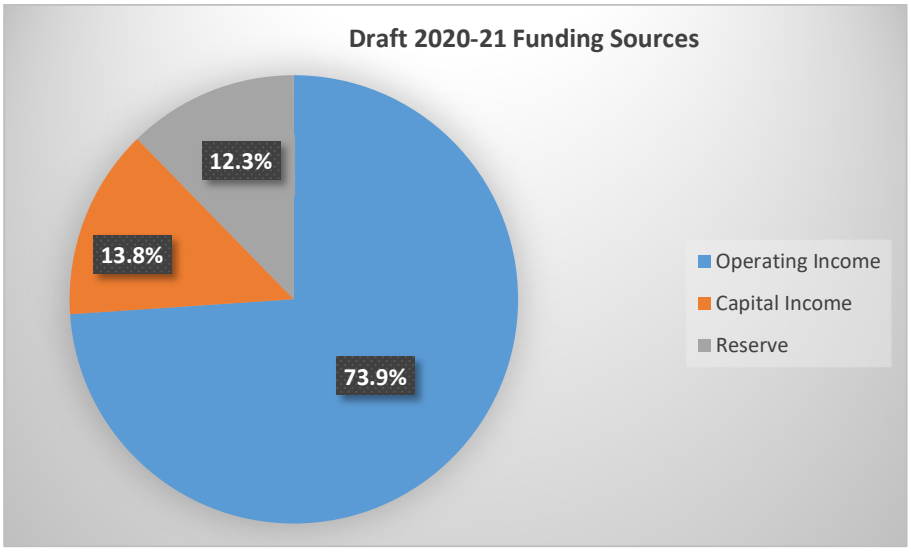


Table below shows the expense forecasted for 2020/21 compares to compares to the pre-COVID-19 forecasts and 2018/19 actual:

Expense - $'000	Pre-COVID-19 2020/21 Original Draft	Revised Draft 2020/21 Budget (COVID-19)	% variance on original draft	% variance on 18/19 Actual
Operating Expense	**(118,052)**	**(112,194)**	**-5.0%**	**2.0%**
Borrowing Expenses	(78)	(78)	0.0%	-14.2%
Employee Costs	(69,607)	(68,004)	-2.3%	6.2%
Materials & Contracts	(25,419)	(21,728)	-14.5%	-7.1%
Operating Expenses	(22,948)	(22,384)	-2.6%	-0.3%
Capital Expense	**(58,698)**	**(55,966)**	**-4.7%**	**125.8%**
Capital Purchases	(3,459)	(3,459)	0.0%	-41.0%
Capital Works Program	(55,239)	(52,507)	-4.9%	177.4%
Loan	**(435)**	**(435)**	**0.0%**	**5.6%**
Loan Repayment - Principle	(435)	(435)	0.0%	5.6%
Total Expense	**(177,185)**	**(168,595)**	**-4.8%**	**24.7%**

Council projects an operating surplus before depreciation of $12.46 million. This operating surplus will be used to fund the loan repayment and partly funding the capital works program. The following chart shows the funding sources for the 2020/21 expense program.



5. LTFP ASSUMPTIONS

In developing this LTFP, projections on future financial forecasts have been based on a number of assumptions. These assumptions are explained below.

5.1 Population

The Waverley Community Strategic Plan forecasts Waverley's population to grow from 72,106 in 2016 to 80,100 in 2031.

5.2 Economic Growth

Economic growth within the local government area is expected to remain effectively static over the life of the LTFP, with limited scope for the introduction of new industries or services. Table 2 below illustrates the gross product measures for the last 10 year period between 2006 and 2016.

Table 2: Waverley Council area - Gross Regional Product measures

Year ending June	Headline GRP $m	% change from previous year	Local industry GRP $m	Local residents GRP $m	Local industry to residents ratio
2016	4,363	+1.7	4,440	7,341	0.60
2015	4,289	+4.6	4,348	7,138	0.61
2014	4,099	+3.3	4,209	6,883	0.61
2013	3,968	+0.3	4,062	6,579	0.62
2012	3,956	-1.1	4,141	6,666	0.62
2011	3,998	+1.0	4,154	6,596	0.63
2010	3,958	+1.3	3,954	6,206	0.64
2009	3,907	-1.9	3,943	6,150	0.64
2008	3,984	+3.0	4,025	6,274	0.64
2007	3,866	+1.3	3,769	5,848	0.64
2006	3,816	-0.8	3,638	5,583	0.65

Source: National Institute of Economic and Industry Research (NIEIR) ©2016. Compiled and presented in economy.id by .id, the population experts. https://home.id.com.au.

5.3 Levels of service to the community

The LTFP is based in the main on the maintenance of existing Council services to the community at the existing service levels as well as incorporating works arising from the Strategic Asset Management Plan 5, Environmental Action Plan 4 and other strategic plans.

5.4 Capital works program

Council's extensive capital works program aims to deliver much needed renewal of infrastructure assets including roads, community buildings, open space, parks & reserves and transportation facilities. The total proposed value of works in Council's 2020/21 capital works program is $40.37 million.

The LTFP capital works program 2020/21 to 2030/31 outlines all infrastructure renewal works arising from Council's Strategic Asset Management Plan (SAMP 5) and capital enhancements from Environmental Action Plan (EAP 4) and other strategic plans (see Appendix 2 for further detail). The program includes a number of major capital projects, for example:

- Bondi Pavilion upgrade
- Bondi Junction Cycleway & Streetscape
- Waverley Park Indoor Cricket Nets Facility
- Council Accommodation and Services Project
- Campbell Parade Streetscape Upgrade Project
- Bronte, Tamarama and Bondi surf club projects
- Structural renewal of Bondi, Bronte and Tamarama Promenade & sea walls

The financial projection of future capital works will depend on the nature, timing and funding of specific projects. The majority of infrastructure projects are costed in accordance with current design estimates. Any significant cost revisions in subsequent years will be reflected in the LTFP.

5.5 Debt Policy

Council's level of debt is low, with total outstanding loans of $2.49 million as at 30 June 2021. An increase in debt will therefore be considered from time to time if it will allow Council to spread the burden of costs more equitably across current and future generations in alignment with benefits and/or reduce the growth in renewal costs that may arise from delay in investment in assets. Assuming Council has capacity to service more debt, the use of debt financing is more likely to increase during the life of this plan:

- for investments which can generate sufficient financial returns to repay the debt, or
- where cash flow issues are holding up necessary works and can be reliably resolved by loans which can be repaid, or
- where it will allows Council to spread the burden of cost more equitably across generations in alignment with benefits, or
- where it represents a cost-effective method of financing in particular circumstances.

Debt is only to be considered by Council as a means of financing capital investments, not operational costs, and where there is a reliable source of income for repayment.

5.6 Reserve Funding

Council holds limited externally restricted cash reserves, covering Domestic Waste, Housing Contribution, Stormwater Management Services Charge, Section 94A and Planning Agreement Contributions. These funds are only to be used for the purpose for which they were raised.

Internally restricted reserves include money held for such items as employee leave entitlements, bonds and deposits, vehicle replacement, infrastructure assets. These funds are to be used for the purpose for which they are held.

5.7 Revenue

5.7.1 Rates

Rate is a major source of Council's income, representing approximately 31.4% of the total revenue in the draft 2020/21 budget. This income projection is based on the Independent Pricing and

Regulatory Tribunal (IPART) announced rate peg of 2.6% for 2020/21. The rate pegging assumption for the subsequent years are in line with the projected CPI for the life of the LTFP.

The approved annual rate pegging limit since 2004/05 is shown in the table 3 below, along with the actual rate increase adopted by Council. This table shows that over this period the average annual rate pegging limit has been 2.9%, this was higher than the average annual CPI of 2.4%. Council's average increase of 4.9% is the result of a special rate variation approved for 2011/12 to 2013/14 financial years.

Table 3: Allowable increase in Rates and CPI

Year	Rate Pegging limit %	Waverley Council's increase %	CPI (weighted average all capital cities) %
2004/05	3.5%	3.5%	2.5%
2005/06	3.5%	3.5%	4.0%
2006/07	3.6%	3.6%	2.1%
2007/08	3.4%	3.4%	4.4%
2008/09	3.2%	3.2%	1.4%
2009/10	3.5%	3.5%	3.1%
2010/11	2.6%	2.6%	3.5%
2011/12	2.8%	14.5%	1.2%
2012/13	3.6%	13.5%	2.4%
2013/14	3.4%	12.5%	3.0%
2014/15	2.3%	2.3%	1.5%
2015/16	2.4%	2.4%	1.0%
2016/17	1.8%	1.8%	1.9%
2017/18	1.5%	1.5%	2.1%
2018/19	2.3%	2.3%	1.9%
2019/20	2.7%	2.7%	2.0%
2020/21	2.6%	2.6%	1.8%
Total cumulative increase	**48.7%**	**79.4%**	**39.8%**
Average annual increase (16 years - 2004/05 to 2010/21)	**2.9%**	**4.8%**	**2.3%**

5.7.2 Domestic Waste charges

The Domestic Waste Management charge is based on the full cost recovery for the provision of the waste and recyclable collection service. The LTFP has provided for a sufficient reserve which will be used to fund any waste bins, garbage truck and fleet equipment replacements.

5.7.3 Stormwater Management Service Charges

The Stormwater Management Service Charge (SMSC) is intended as a mechanism for NSW councils to raise income to invest in improving the stormwater systems in urban areas, under the Local Government Amendment (Stormwater) Act 2005 No70, since 2006. Waverley Council is levying this Charge for the first time since 2019/20 financial year. The Charge is capped in the legislation and these has been no change to it since its inception.

The revenue raised from SMSC will be allocated to projects/activities in relation to capacity and water quality as well as works that arise from the Catchment Flood Study.

5.7.4 User Charges and Fees

Council provides a wide range of facilities and services for which it receives revenue from user fees and charges. Council sets its fees and charges in accordance with the provisions of the Local Government Act 1993 using the seven guiding principles defined in the "Pricing Policy" and is updated annually.

Some of the fees are classified as statutory fees which are fixed by regulations, legislation or a State/Federal Authority. Where Council has the legislative authority to vary fees and charges the CPI has generally been applied, where considered appropriate.

Often, the fee received does not fully offset the costs associated with the service or facility as they are aimed at providing a broad community benefit and if higher fees were charged many residents may be unable to enjoy the use of the facility and service. Revenue growth in these areas is limited due to Council seeking to provide services accessible to the wider community. Historically the revenue received from the majority of this group of fees and charges have increased in line with CPI. Accordingly, the LTFP model includes a projected increase for this income group in line with the projected CPI growth.

During the course of the LTFP, Council will undertake a cost of service review and a funding reviews. The reviews will examine the actual cost of services and how funding mechanisms align with economic principles such as who benefits, the public/private benefit split, the exacerbator/pollutor pays principle, whether there are positive or negative externalities to be addressed and what funding mechanisms are available. These reviews are likely to inform the Pricing of Services and the setting of fees and charges in the future.

5.7.5 Interest and investment revenue

All cash investments made by councils in NSW are subject to Section 625 of the Local Government Act and associated regulations and circulars. All such investments must also be in accordance with the Council's Investment Policy.

Waverley's Investment Policy limits the proportion of investments Council can make in various types of facilities by limiting:

- the overall credit exposure of the portfolio, and
- the credit rating of individual financial institutions, and
- the term to maturity of the overall portfolio.

Council's Investment Policy is reviewed on an annual basis and was last revised in June 2017. Monthly reports, prepared by independent financial advisors, on the performance of investments and compliance with the Policy are provided to Council's monthly meeting. Waverley Council's investments yielded positive returns overall in 2017/18 and exceeded the benchmark return on an annual basis.

The level of interest revenue earned will vary with regard to total funds held in Council's investment portfolio. Interest revenue is also subject to external factors such as monetary policy decision and economic and investment market conditions. Over the longer term, economic conditions can vary considerably, which in turn affect interest rate. The graph below depicts movements in the official Australian cash rate.

In preparing longer term future interest revenue projections, Council received advice from its external investment advisers that the LTFP Projects future interest earning is between 0.5 - 0.6 point higher than the projected 90 days bank bill rate, averaging at 1.7% per annum over the next 11 years.

5.7.6 Other revenues

Other revenue increases have been projected to increase in line with projected CPI growth.

5.7.7 Grants and contributions

Council receives grants from the State and Federal Governments. These are either for discretionary or non-discretionary purposes. The majority of grants provided to Council are for specific purposes, such as infrastructure maintenance & upgrade, provision of community services and environmental programs. Grants and contributions in general are not subject to indexation.

5.7.8 Section 7.12 (94A) developer contributions

Section 7.12 of the Environmental Planning and Assessment Act 1979 enables councils to levy contributions for public amenities and services required as a consequence of development. Developer contributions are essential to providing key facilities and services for local residents. The s94A contributions are held as an externally restricted asset and they are allocated to fund the capital works program projects.

The level and timing of contributions fluctuate according to a variety of factors including economic growth and the level of development activity. In the LTFP, it is assumed that economic growth and development activities are relatively static throughout the life of the 11 years, recognising that there will be market fluctuations from time-to-time.

5.7.9 Section 7.4 Planning Agreements developer contributions

Section 7.4 of the Environmental Planning and assessment Act 1979 enables councils to seek contributions for public amenities and services required as a consequence of development. Planning Agreements can take a number of formats, including dedication of land free of cost, payment of a monetary contribution, or provision of any other material public

benefit, or any combination of them, to be used for or applied towards a public purpose. The Waverley Planning Agreement Policy 2014 outlines a value sharing approach in which Council seeks a share of value uplift generated from new development which exceeds current floor space ratio controls.

Planning Agreements are a form of developer contributions, which are essential to providing key facilities and services for local residents.

The Planning Agreement contributions are held as an externally restricted asset and they are allocated to fund the capital works program projects.

The level and timing of Planning Agreement contributions for the LTFP 5.2 document fluctuate according to a variety of factors including economic growth and the level of development activity. There is a delay between when a contribution is agreed and when it is paid, given that contributions are not required to be paid until the occupation certificate is issued. Furthermore, given that Planning Agreements are voluntary in nature, this adds another level of uncertainty for the stability of this income stream. In the LTFP, it is assumed that economic growth and development activities are relatively static throughout the life of the 11 years, recognising that there will be market related fluctuations from time-to-time.

5.8 Expenditure

5.8.1 Employee costs

Employee costs include the payment of salary and wages, all leave types, superannuation, and training and workers compensation expenses. Overall employee costs comprise around 45% of Council's total expenditures. The 2020/21 projection includes the Award increase of 2.5%, and thereafter it is assumed the award rate will be in line with CPI growth.

For Council employees in the accumulation scheme, Council is required to make compulsory employer superannuation contributions in accordance with the compulsory employer superannuation contribution limits. As a result of legislative changes, this contribution will progressively increase from its current level of 9.5% to 12% in 2025/26. The current rate of 9.5% will remain until 30 June 2021 and then increase by 0.5% in subsequent financial years until it reaches 12%.

For workers compensation, the budget provision is based on Council's provider insurance company's estimates for 2020/21. The subsequent year projects a gradual reduction on workers compensation in 2021/22 and returns to the 2017/18 level in 2023/24.Thereafter it will increase in line with the forecast salary increase.

5.8.2 Materials and contracts

Expenditure on materials and contracts has generally been indexed below CPI growth by 0.5% in the LTFP forecasts.

5.8.3 Loan Borrowing Costs

Whilst inflation remains low, interest rates are forecast to also remain low. The LTFP includes an average rate of 2.5% for loans with a 10 year term. This is considered conservative as it is slightly above forecast borrowing rates for 2020/21. This conservative position is considered appropriate.

Council has not determined any new borrowing in the LTFP at this time but has signalled that it may utilise borrowing as a funding source within the LTFP period as set out in section 5.5, Debt Policy.

5.8.4 Depreciation

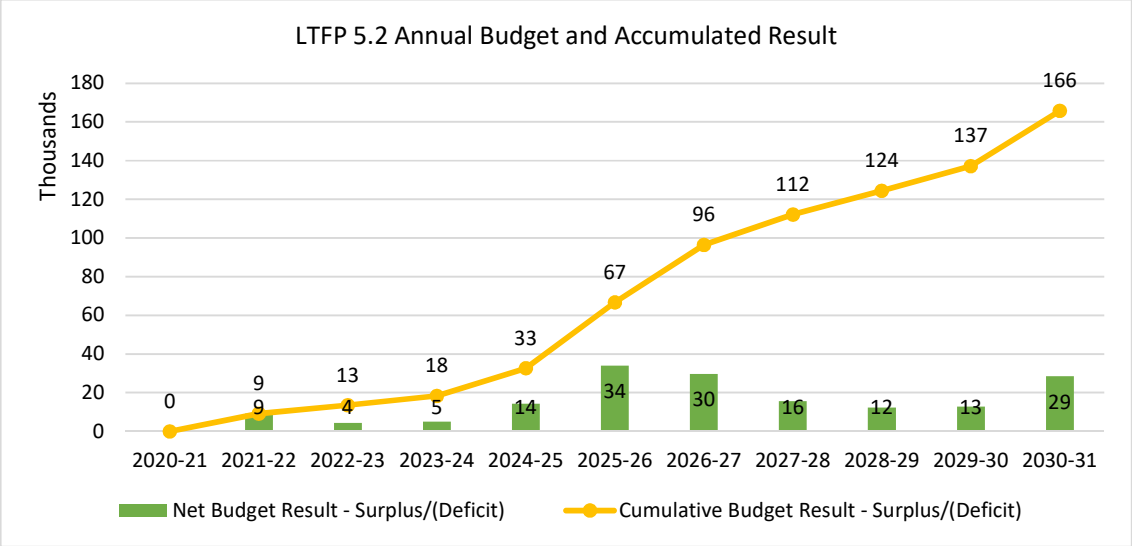
The LTFP projects annual depreciation expenditure be varied on the basis of the estimated capital expenditure levels in future years.

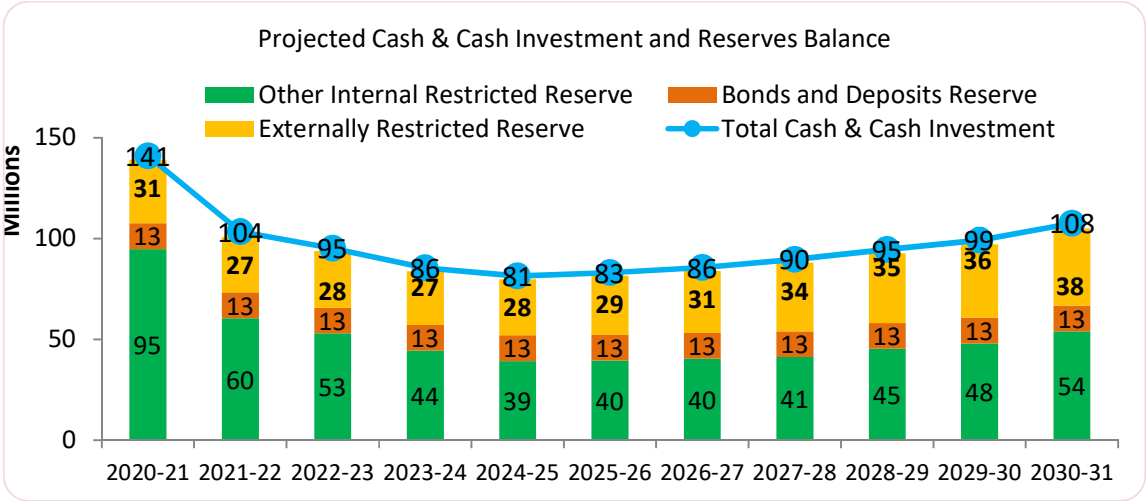
5.8.5 Other operating expenses

Generally, the LTFP projects the majority of items categorised as other operating expenses to increase in line with CPI. It should be noted that some expenses are cyclical in nature (for example, conduct of a council election every four years in general) or tied to grant funding which is not increased by CPI.

6. PROJECTED BUDGET RESULTS

In the LTFP, Council will continue to deliver a balanced budget, with operating surplus before depreciation and a cumulative budget surplus of $165K for the 11 years to 2030/31. The internal restricted reserves have been consumed to fund Council's program spending throughout the LTFP period. It is sensible to hold a reasonable level of reserve funds to be responsive to unforeseen needs and meet its priorities, as illustrated in the graphs below:





The LTFP is obviously not just about whether the budget will balance on a year by year basis. It is about whether financial sustainability can be achieved over the longer term. With a forecast operating deficit position, after depreciation, Council will not achieve the OLG's benchmark Operating Performance Ratio of greater than 0% as illustrated in table 5, it summarises Council's key financial indicators against the Local Government industry benchmark:

Table 5 – Local government industry indicators

Year	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	benchmark
Unrestricted Current Ratio	5.4	3.7	3.5	3.2	2.9	3	3.3	3.7	4.1	4.4	4.8	> 1.5x
Debt Service Cover Ratio	24	31	38	38	38	36	158					> 2x
Cash Expense Cover Ratio	8	5	6	5	4	4	5	5	6	6	7	> 3 months
Own Source Operating Revenue ratio	86%	89%	90%	91%	88%	86%	89%	90%	91%	91%	93%	> 60%
Operating Performance ratio	-8%	-5%	-3%	-3%	-3%	-4%	-3%	-3%	-2%	-2%	-3%	> 0%

Council has a robust process to ensure all infrastructure assets are maintained to the community satisfactory condition level, see the Strategic Asset Management Plan 5 (SAMP 5) on Council's website, for further detail. The Council will maintain a backlog ratio below the benchmark of two percent as set out by the Office of Local Government.

Financial Results

The LTFP forecasts that Council faces a number of financial sustainability challenges in sustaining Council's current level of operations and capital program up to 2030/31. Internal restricted reserves are forecasted to apply to fund Council's program spending to balance the budget.

The annual review of the LTFP allows Council to vary its approach to sustainable financial management as it works through the planning period.

There are several options available to Council to address the financial constraints/challenges face in the LTFP 5.2. Like all councils, Waverley can access funds through variety of sources including:

- Rates and other levies/charges
- Fees and Charges
- Loans
- Grants
- Council also has the ability to apply reserves.

Council can also continuously improve our operations to gain efficiencies. A balanced solution is likely to involve maintenance of or an increase in all of the above sources of income alongside continuous initiatives to control costs in some service areas.

In general, in looking at solutions on the income side, the income source that has the largest capacity to form part of a viable solution is rates. Other sources of income are unlikely to yield much more than minor increases in funds compared to the quantum of necessary increased funding, unless significant funding changes are warranted after the funding and cost of service reviews.

Council previously had in place an Environment Levy to fund programs delivering positive environmental outcomes, this Levy was discontinued in 2010/11. It is recommended that Council explore options for the reintroduction of an Environmental Levy to fund key environmental outcomes and initiatives including gross pollutant traps, bush land revegetation programs, energy efficient lighting upgrades and a range of other initiatives.

Other alternative funding solutions are to explore the possibility to use borrowing in future years to part fund some capital expenditure projects that provide significant intergeneration benefits. The benefit of using borrowing is to spread burden across generations so that costs are matched with benefits. The Council accommodation project is a project that may be part funded by borrowing under this criteria.

7. PRODUCTIVITY AND EFFICIENCIES

In preparing the 2020/21 budget, Council has committed to undertake a thorough review of Council services in order to improve the productivity and efficiency of our operation, as well as containing costs and exploring additional revenue streams to deliver existing service levels. It is estimated that this review will result in annual savings of approximately $1.25 million. It is anticipated that Council will continue to achieve productivity efficiencies to offset rising costs over the life of the LTFP.

An assumed Workers Compensation Premium efficiency target to return to the 2017/18 level of around $2 million mark from the 2020/21 level of $3.09 million through a WH&S improvement program has been built into the LTFP.

8. OPPORTUNITIES AND THREATS

In projecting Council's future financial position, a number of anticipated future challenges which may have an adverse impact on Council have been considered. These are summarised below.

- **Rate pegging:** NSW councils are subjected to rate pegging. Rate pegging is the maximum percentage limit by which NSW councils may increase the total income they receive from rates. The rate pegging percentage is set each year by IPART. A general observation that rate pegging has constrained the capacity of NSW councils to raise total revenue so that they can keep pace with cost increase and service expansions to meet community expectations. Decisions on rate pegging and rate variations above the peg can therefore pose a significant threat to the modelled financial outcomes. Waverley's experience is that rates revenue generates approximately 31% of the total revenue.

- **Non-rates revenue:** The Council is heavily dependent on variable non-rates sources of revenue, these represents over 56% of the total revenue. Many of these income items are volatile to economic condition, e.g. the building construction market, property rental market.

- **Parking Income:** Income from parking fees and fines accounts for approximately 19% of Waverley's total income. Market condition and Council's policies decision on public parking will have significant implications for Waverley's long term financial outlook.

- **Cost shifting from Federal and State Governments:** Cost shifting is a challenge confronting Local Government. Cost shifting occurs when there is a transfer of services from a Federal or State Government to Local Government without the provision of adequate funding required to provide the service. The LTFP assumes the current cost will increase annually by CPI, but no growth in cost shifting in the life of the LTFP.

- **Developer contributions:** In 2005 the Environmental Planning and Assessment Act was amended to introduce, among other things, a system for the negotiation of planning agreements between developers and planning authorities. The increased use of planning agreements, as well as changes in the application of section 94 contributions, have positively impacted on the Council's long term financial outlook. This income stream account for approximately 6.5% of Council's total revenue. The contributions can be significantly affected by construction market conditions.

- **Direct labour costs:** All councils in NSW, except the City of Sydney, are covered by the Local Government State Award which is centrally negotiated and largely beyond Council's control. Direct employee costs (namely salaries/wages, superannuation, leave and overtime) represent over 55% Council's operating expenditure (when depreciation is excluded). Salary/wage rates struck under the Award negotiations can have a significant impact on financial outcomes, especially when the Award increase is above rate pegging. This has the potential to significantly affect the reliability of the funding model.

- **Workers' compensation costs:** Variations in workforce safety performance pose a significant risk to the budget. In 2020/21 budget year, the workers compensation premium is estimated to be $3.1 million. Council is undertaking a program of improvements in WH&S in an effort to reverse this premium increase. The LTFP assumes that our workers compensation premiums will be gradually reduced in the next two years to the 2017/18 level. Threats to this may arise, however, from the exposure of the Council to high injury

rates due to our ageing outdoor workforce and our high exposure to manual handling areas - e.g. in childcare and resource recovery.

9. SENSITIVITY ANALYSIS

Council's LTFP covers an 11 year period based on assumptions regarding future financial trends. These assumptions include future rate variation limits (i.e. rate pegging), increase in CPI and employment costs. Many of these factors can fluctuate over time as they are influenced by a variety of circumstances, such as government policies, economic conditions and changing community expectations. As it is not possible to accurately predict movements in these factors in individual years over the long term, they have been projected on the basis of recent trends or forecasted CPI based on available information in the time when the plan is prepared. A full list of the assumptions underlying the projections in the LTFP is contained in Appendix 1 to the LTFP.

Over an 11 year period, these assumptions may be subject to change outside the parameters used in developing the assumptions for the LTFP. Any major change in these assumptions will have an impact on the financial projections contained therein. The level of impact depends not only on the level of change but also on the nature of the assumption.

A minor variance in some of the assumptions will have a relatively small impact on the projections contained in the LTFP. For example, increases in the level of grant income received for specific purposes would result in a corresponding increase in expenditure. Conversely, a change in the annual rate pegging limit or employee award rate will have a significant impact on future financial projections. Sensitivity analysis has been undertaken to assess the impact of changes in the factors which have been used to project future revenue and expenditure.

Sensitivity analysis involves developing different scenarios by varying the critical assumptions, such as the items described in the Opportunities and Threats section above. The different scenarios demonstrate the impact of these changes on Council's financial projections. Table 6 below examine the financial impact of those items:

Table 6: Positive & Negative Effects of Modelled Sensitivities on Financial Outcomes for LTFP 5.2

Item	**Optimistic Scenario**		**Pessimistic Scenario**	
	Positive effect on modelled results - $'000		**Negative effect on modelled results - $'000**	
Rate Peg	Increase higher than current projection by 0.3%	9,325	Increase lower than current projection by 0.3%	(9,135)
S94A contributions	Increase due to growth in building development in LGA	3,479	Reduce due to growth less than projected	(27,283)
Planning Agreement contributions	Increase due to achieving additional 50% of the current projection	5,951	Achieve only 50% of the current projections	(5,951)

Staff Award rate	Increase lower than CPI by 0.5% for the next agreements	19,321	Increase higher than CPI by 0.5% for the next agreement	(19,903)
Grant Income	Realised at current projection	0	Grant for capital works program projects is lower than the projected level by 70%	(54,121)
Staff turnover rate	Consistent with current rate	8,457	Staff turnover rate improve	0
Rental Returns	Realised at current projection	4,477	Realised at current projection	0
Temporary Positions	Realised at current projection	0	Continue after the current term expiry	(11,512)
Total		**51,012**		**(127,904)**

A base model, optimistic and pessimistic model have been considered in the sensitivity analysis, see Appendix 3, 4 and 5.

10. MONITORING FINANCIAL PERFORMANCE

It is important that Council regularly assesses its financial performance and position against the projections contained in the LTFP. The planned model has been developed so that its implementation will meet a set of financial indicators:

- Balanced Budget
- Operating Performance Ratio
- Own Source Operating Revenue Ratio
- Unrestricted Current Ratio
- Debt Service Cover Ratio
- Cash Expense Cover Ratio
- Infrastructure Backlog Ratio

The annual budgets are set to maintain service delivery, organisational capability and financial stability and short-term responses to the COVID-19 pandemic. Consequently, budget control and monitoring is paramount for Council achieving the outcomes of this plan. Budgets are monitored internally on an on-going basis. Monthly financial reports are reported to the Executive Leadership Team (ELT) and Quarterly Budget Reviews are reported to Council and illustrate the progress against the adopted budgets.

11. CONCLUSION

Council has a strong record in responsible financial management and a clear plan for continuing this track record to achieve the productivity and efficiency targets set in this LTFP through a thorough review of Council's services.

The Council will continue to operate within the principle of a balanced budget, and strive to provide excellent services to its community. The Council will evaluate its performance as it works through the LTFP planning period, as has a range of options to allow it to manage financial sustainability.

LIST OF APPENDICES

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Appendix 1	LTFP 5 Capital Works Program and funding sources
Appendix 2	LTFP 5 Assumptions
Appendix 3	Base Case Scenario budget statements
Appendix 4	Optimistic Scenario budget statements
Appendix 5	Pessimistic Scenario budget statements

LTFP 5.2 Capital Works Program for period 2020/21 to 2030/31

LTFP 5.1 No.	LTFP 5.2 No	Project Description	Draft 20/21 Budget	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25	Proposed 2025/26	Proposed 2026/27	Proposed 2027/28	Proposed 2028/29	Proposed 2029/30	Proposed 2030/31	Total Proposed Costs	% of grant funding
		Building Infrastructure	**18,992,100**	**36,942,400**	**14,263,925**	**14,261,450**	**10,362,900**	**7,209,000**	**3,901,616**	**7,981,000**	**7,020,703**	**3,820,345**	**3,597,300**	**128,352,739**	**12.5%**
	1	Bondi Lifeguard Facilities	500,000	0	0	0	0	0	0	0	0	0	0	500,000	0.0%
2	2	Bondi Pavilion Conservation Upgrade Project	11,750,000	22,700,000	0	0	0	0	0	0	0	0	0	34,450,000	0.0%
3	3	Bronte Surf Club & Community Facilities	450,000	4,205,000	4,000,000	0	0	0	0	0	0	0	0	8,655,000	46.6%
4	4	Council Accommodation and Services Project	200,000	550,000	5,500,000	5,750,000	0	0	0	0	0	0	0	12,000,000	0.0%
	5	Mill Hill Upgrade	0	1,500,000	0	0	0	0	0	0	0	0	0	1,500,000	0.0%
6	6	Boot Factory Remediation	1,970,000	2,630,000	0	0	0	0	0	0	0	0	0	4,600,000	0.0%
8	7	SAMP 5 Building Renewal Program (excl. social & affordable housing properties)	2,197,100	3,207,400	2,730,800	4,036,450	3,612,900	2,959,000	3,219,500	5,481,000	3,702,819	3,820,345	3,597,300	38,564,614	3.2%
	8	Waverley Woolahra School of Arts	200,000											200,000	0.0%
10	9	South Bronte Amenities Upgrade - (refresh only in 2020/21)	50,000	0	0	0	0	0	0	0	0	0	0	50,000	0.0%
11	10	Tamarama Surf Club upgrade	0	0	0	0	0	0	682,116	2,500,000	3,317,884	0	0	6,500,000	39.5%
12	11	Bondi Diggers/Waverley Sub-Depot	0	0	308,125	2,500,000	2,500,000	0	0	0	0	0	0	5,308,125	0.0%
13	12	North Bondi Tunnel Storage	500,000	0	0	0	0	0	0	0	0	0	0	500,000	100.0%
	13	Bondi Surf Bathers SLSC Conservation and Upgrade Project	250,000	0	0	250,000	4,250,000	4,250,000	0	0	0	0	0	9,000,000	50.0%
15	14	2A Edmund St (Social housing)	350,000	2,150,000	0	0	0	0	0	0	0	0	0	2,500,000	0.0%
	15	SAMP5 Tunnel 1 (design)	100,000	0	0	0	0	0	0	0	0	0	0	100,000	0.0%
	16	Waverley Park Indoor Cricket Nets Facility	275,000	0	1,725,000	1,725,000	0	0	0	0	0	0	0	3,725,000	84.6%
	17	Level 4 Office Eastgate	200,000											200,000	0.0%
		Living Infrastructure	**948,313**	**1,150,000**	**1,150,000**	**1,150,000**	**1,150,000**	**1,150,000**	**1,150,000**	**1,150,000**	**1,150,000**	**1,150,000**	**1,150,000**	**12,448,313**	**6.7%**
	18	Thomas Hogan ERAP	23,500	0	0	0	0	0	0	0	0	0	0	23,500	0.0%
	19	Sports Field Improvement Program (also in Rec)	51,900	0	0	0	0	0	0	0	0	0	0	51,900	0.0%
	20	Turf: High Wear Replacement with Hybrid Surface	50,000	0	0	0	0	0	0	0	0	0	0	50,000	0.0%
	21	Greening Steep Slopes	140,000	0	0	0	0	0	0	0	0	0	0	140,000	0.0%
	22	Gaerlock Reserve Steep Slope Planting	25,000	0	0	0	0	0	0	0	0	0	0	25,000	0.0%
20	23	SAMP5 Living Infrastructure _ Landscaping	0	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	6,500,000	0.0%
21	24	SAMP5 Living Infrastructure _Trees	260,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,260,000	37.2%
22	25	SAMP5 Living Infrastructure _Turf	200,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	3,200,000	0.0%
	26	Thomas Hogan Park - Landscaping	197,913											197,913	0.0%
		Parking Infrastructure	**600,000**	**0**	**800,000**	**0**	**0**	**0**	**0**	**0**	**0**	**2,500,000**	**0**	**3,900,000**	**0.0%**
	27	Off Street Parking Infrastructure (Ticketless Parking)	600,000	0	800,000	0	0	0	0	0	0	0	0	1,400,000	0.0%
	28	On Street Parking Infrastructure (Meter Replacement)	0	0	0	0	0	0	0	0	0	2,500,000	0	2,500,000	0.0%
		Public Domain Infrastructure	**2,295,000**	**4,402,000**	**3,445,000**	**3,591,000**	**8,670,000**	**12,676,000**	**11,130,000**	**7,870,000**	**4,520,000**	**6,220,000**	**980,000**	**65,799,000**	**47.2%**
27	29	Bondi Stormwater Harvesting System Extension	0	0	0	380,000	0	0	0	0	0	0	0	380,000	0.0%
29	30	Coastal Fencing Renewal	275,000	100,000	240,000	240,000	0	0	0	240,000	240,000	240,000	0	1,575,000	0.0%

LTFP 5.1 No.	LTFP 5.2 No	Project Description	Draft 20/21 Budget	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25	Proposed 2025/26	Proposed 2026/27	Proposed 2027/28	Proposed 2028/29	Proposed 2029/30	Proposed 2030/31	Total Proposed Costs	% of grant funding
	31	Clarke Reserve Fencing	90,000											90,000	0.0%
30	32	SAMP5 - Bus Shelters, Seats and Benches, bike furniture, bins, bollards, wheelstops etc.	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	3,300,000	0.0%
31	33	SAMP5 - Other: Fences, Stairs, Edging, walls / Retaining walls	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	3,850,000	0.0%
32	34	SAMP5 Lighting & Electrical Infrastructure Renewal	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,650,000	0.0%
33	35	SAMP5 Water Equipment Renewal	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	880,000	0.0%
34	36	SAMP5 Structural renewal of Bondi Promenade & sea walls	0	0	0	0	5,000,000	7,500,000	5,000,000	5,000,000	0	5,000,000	0	27,500,000	75.0%
35	37	SAMP5 Structural renewal of Bronte Promenade & sea walls	0	0	0	0	2,000,000	3,000,000	3,500,000	0	0	0	0	8,500,000	75.0%
36	38	SAMP5 Park Drive Retaining Wall	250,000	250,000	500,000	500,000	0	0	0	0	500,000	0	0	2,000,000	0.0%
37	39	SAMP5 Tamarama promenade & sea walls	0	0	0	0	0	1,000,000	0	0	2,800,000	0	0	3,800,000	75.0%
38	40	Waverley Cemetery Renewal and enhancements	0	0	150,000	200,000	0	0	500,000	500,000	0	0	0	1,350,000	0.0%
39	41	Waverley Park Landscape Lighting Upgrades	0	500,000	500,000	250,000	0	0	0	0	0	0	0	1,250,000	0.0%
40	42	Waverley signage strategy Implementation	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000	22.0%
	43	Cemetery Residence and Maintenance building Options.	0	0	75,000	75,000	0	0	0	0	0	0	0	150,000	0.0%
	44	Eastern Ave and Diamond Bay Boardwalk	600,000	1,600,000	0	0	0	0	0	0	0	0	0	2,200,000	45.5%
42	45	SAMP5 Bondi Park Lighting renewal & upgrades	200,000	972,000	1,000,000	966,000	690,000	196,000	1,150,000	1,150,000	0	0	0	6,324,000	0.0%
		Recreational & Public Spaces Infrastructure	**2,301,611**	**6,536,000**	**2,375,000**	**1,610,000**	**3,704,400**	**1,296,000**	**2,090,000**	**496,400**	**1,902,000**	**3,543,904**	**1,991,721**	**27,847,036**	**13.8%**
43	46	Bondi POM Landscape works	120,000	5,200,000	1,125,000	0	1,500,000	750,000	1,500,000	0	0	1,500,000	0	11,695,000	0.0%
44	47	Public Art Commissions - every two years	50,000	50,000	100,000	0	100,000	0	100,000	0	100,000	0	100,000	600,000	0.0%
45	48	SAMP5 Park & Playground Renewal and Upgrades	0	736,000	900,000	1,360,000	454,400	296,000	240,000	246,400	1,552,000	1,593,904	1,641,721	9,020,425	25.3%
	49	Barracluff Playground Upgrade	1,048,315											1,048,315	0.0%
	50	Marlborough Reserve Playground upgrade	543,296											543,296	0.0%
	51	Varna Park playground upgrade	240,000											240,000	0.0%
	52	Inclusive Play Study	20,000											20,000	0.0%
	53	Bondi Beach Playground	200,000											200,000	0.0%
46	54	SAMP5 Renewal Heritage Significant Element & Contemplation Shelters	0	0	0	0	1,400,000	0	0	0	0	200,000	0	1,600,000	50.0%
	55	North Bondi Mosaic Renewal	0	300,000	0	0	0	0	0	0	0	0	0	300,000	0.0%
	56	Onslow Street Reserve Park and Playground Upgrade	20,000	0	0	0	0	0	0	0	0	0	0	20,000	0.0%
	57	Belgrave Street Reserve Park and Playground Upgrade	20,000	0	0	0	0	0	0	0	0	0	0	20,000	0.0%
	58	Waverley Park Slope Stabilistation and Path to Netball Courts	20,000	0	0	0	0	0	0	0	0	0	0	20,000	0.0%
	59	Waverley Park Playground Upgrade	20,000	0	0	0	0	0	0	0	0	0	0	20,000	0.0%
47	60	SAMP5 Recreational Asset Renewal	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	2,500,000	30.9%
		Road Infrastructure	**27,310,901**	**12,196,456**	**12,044,718**	**14,644,776**	**10,820,000**	**8,270,000**	**9,670,000**	**8,620,000**	**9,170,000**	**9,370,000**	**8,250,000**	**130,366,851**	**28.0%**
48	61	Bike Plan Implementation	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000	0.0%
49	62	Parks Accessway Upgrades & Road Closures - Stairs/Ramps		0	600,000	0	0	0	0	0	0	0	0	600,000	0.0%
50	63	Campbell Parade Streetscape Upgrade Project	0	0	2,000,000	2,000,000	0	0	0	0	0	0	0	4,000,000	0.0%

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51	64	Coastal Walk & Clifftop Upgrades	0	0	200,000	1,800,000	0	0	0	0	0	0	0	2,000,000	0.0%
	65	Paul Street Bike Network	0	50,000	0	0	0	0	0	0	0	0	0	50,000	0.0%
	66	Bondi Junction Cycleway & Streetscape	9,637,963	0	0	0	0	0	0	0	0	0	0	9,637,963	89.6%
	67	Residential Amenity Fund Program	500,000	500,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	9,500,000	0.0%
	68	Newland Street Design	0	100,000	0	0	0	0	0	0	0	0	0	100,000	0.0%
	69	Charing Cross Streetscape	2,134,000	0	0	0	0	0	0	0	0	0	0	2,134,000	0.0%
53	70	Local Village Streetscape Improvements	0	3,266,000	1,250,000	1,250,000	1,250,000	0	1,250,000	0	1,250,000	1,250,000		10,766,000	13.9%
54	71	Road safety & traffic calming	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	550,000	0.0%
55	72	SAMP5 Roads Renewal Program	2,531,557	1,877,496	1,925,488	1,974,776	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	22,309,317	42.2%
56	73	SAMP5 Stormwater Drainage Renewal Program	500,000	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,030,000	11,030,000	50.0%
57	74	SAMP5 Footpath Renewal Program	1,730,000	1,780,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	19,710,000	0.0%
58	75	SAMP5 Kerb and Gutter Renewal Program	947,381	972,960	999,230	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	10,919,571	21.1%
59	76	SAMP5 Pedestrian Bridges Renewal Program	0	0	0	0	150,000	150,000	0	0	0	0	0	300,000	0.0%
60	77	SAMP5 Renewal Roundabouts / Speedhumps Traffic Islands/ Line Marking Renewal Program	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,650,000	50.0%
61	78	School Zone Safety Program	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	500,000	0.0%
63	79	South Head Cemetery Renewal and Enhancements	0	0	200,000	0	200,000	0	200,000	0	200,000	0	0	800,000	50.0%
64	80	Street Signage Renewal Program	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	770,000	0.0%
65	81	Waverley LGA Mall Renewal Program	0	500,000	500,000	0	0	0	500,000	500,000	0	0	0	2,000,000	0.0%
66	82	Notts Avenue Pedestrian Safety and Streetscape Upgrade	6,380,000	0	0	0	0	0	0	0	0	0	0	6,380,000	0.0%
67	83	Bronte Cutting Safety Upgrade	100,000	0	0	0	0	0	0	0	0	0	0	100,000	0.0%
	84	Pedestrian crossing including school zone safety program	100,000	0	0	0	0	0	0	0	0	0	0	100,000	0.0%
	85	OSH Pedestrian Crossing Upgrades	0	330,000	0	0	0	0	0	0	0	0	0	330,000	0.0%
69	86	40Km/H Speed Zone Implementation	900,000	0	150,000	1,500,000	1,500,000	0	0	0	0	0	0	4,050,000	59.3%
72	87	Safety by design in public places	250,000	1,000,000	500,000	1,000,000	500,000	1,000,000	500,000	1,000,000	500,000	1,000,000	1,000,000	8,250,000	66.0%
	88	Arden St Safety Upgrade	330,000											330,000	0.0%
	89	Military Road Pinchpoints	1,000,000											1,000,000	0.0%
		Sustainability Infrastructure	**59,145**	**1,169,732**	**425,169**	**373,024**	**64,072**	**210,821**	**611,702**	**259,414**	**611,454**	**1,125,000**	**200,000**	**5,109,535**	**9.7%**
72	90	North Bondi GPT	0	390,000	0	0	0	0	0	0	0	0	0	390,000	0.0%
73	91	Calga Reserve SQID	0	0	0	0	0	0	350,000	0	0	0	0	350,000	0.0%
74	92	Facilities Sustainable Energy upgrades	0	125,000	0	150,000	0	125,000	125,000	125,000	125,000	125,000	0	900,000	40.0%
75	93	Malborough Park GPT	0	0	378,000	0	0	0	0	0	0	0	0	378,000	0.0%
76	94	SAMP5 Renewal of Solar Energy Infrastructure	5,110	5,222	5,337	34,785	5,575	5,697	5,823	5,951	6,082	500,000	100,000	679,582	20.0%
77	95	SAMP5 Renewal of SQID's & Harvesting Systems	37,699	67,861	39,006	4,119	37,282	65,555	130,880	113,858	450,000	300,000	0	1,246,261	0.0%
78	96	SAMP5 Renewal of Tanks & Pumps	16,336	11,649	2,826	4,119	21,215	14,568	0	14,605	30,373	200,000	100,000	415,692	0.0%
	97	Water Quality Improvement Project – Dickson Park Bio Swale	0	0	0	180,000	0	0	0	0	0	0	0	180,000	0.0%

LTFP 5.1 No.	LTFP 5.2 No	Project Description	Draft 20/21 Budget	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25	Proposed 2025/26	Proposed 2026/27	Proposed 2027/28	Proposed 2028/29	Proposed 2029/30	Proposed 2030/31	Total Proposed Costs	% of grant funding
79	98	Varna Park SQID	0	570,000	0	0	0	0	0	0	0	0	0	570,000	0.0%
		Grand Total	**52,507,070**	**62,396,588**	**34,503,812**	**35,630,250**	**34,771,372**	**30,811,821**	**28,553,318**	**26,376,814**	**24,374,157**	**27,729,249**	**16,169,021**	**373,823,473**	**23.7%**
		Capital Works Program Funding Sources:	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**TOTAL**	
		Grants/Contributions	11,370,424	6,707,394	5,762,825	5,444,321	11,240,029	14,270,262	9,641,818	7,603,136	6,689,600	6,826,436	3,129,324	**88,685,571**	
		Planning Agreement funds	740,365	3,943,700	3,692,500	4,314,500	1,780,580	607,200	1,734,617	172,480	2,148,900	2,240,733	1,271,026	**22,646,600**	
		S94 Contribution funds	4,921,085	3,805,818	3,608,343	4,274,224	4,219,464	3,702,225	3,880,080	4,819,695	3,912,823	4,175,261	4,991,739	**46,310,755**	
		Unexpended Grant reserve	710,777	0	0	0	0	0	0	0	0	0	0	**710,777**	
		Affordable Housing Contribution reserve	163,235	1,010,500	0	0	0	0	0	0	0	0	0	**1,173,735**	
		Stormwater Management Reserve	144,525	750,000	715,121	563,293	500,000	500,000	500,000	500,000	500,000	500,000	306,080	**5,479,019**	
		Investment Strategy Reserve	14,030,406	25,880,000	5,500,000	5,750,000	0	0	0	0	0	0	0	**51,160,406**	
		Sales of surplus land reserve	0	0	308,125	2,500,000	2,500,000	0	0	0	0	0	0	**5,308,125**	
		Car Parking reserve	600,000	0	800,000	0	0	0	0	0	0	0	0	**1,400,000**	
		Meter parking reserve	0	0	0	0	0	0	0	0	0	2,298,540	0	**2,298,540**	
		Social Housing reserve	186,765	301,000	0	0	0	0	0	0	0	0	0	**487,765**	
		SAMP Parks Reserve	37,732	84,323	69,250	69,250	70,500	66,750	71,750	48,000	48,000	70,500	70,500	**706,555**	
		SAMP Footpath Reserve	9,555	0	0	0	0	0	0	0	0	0	0	**9,555**	
		SAMP Malls Reserve	0	500,000	500,000	0	0	0	500,000	500,000	0	0	0	**2,000,000**	
		SAMP Coastal & Retaining Reserve	151,250	1,027,000	1,132,000	1,098,000	690,000	196,000	1,150,000	1,282,000	132,000	132,000	0	**6,990,250**	
		SAMP Cemetery Reserve	0	123,365	373,365	323,365	223,365	123,365	723,365	623,365	223,365	123,365	123,365	**2,983,654**	
		SAMP Other Reserve	458,128	70,000	127,750	127,750	127,750	127,750	127,750	127,750	127,750	577,750	216,306	**2,216,434**	
		Cemetery Reserve	86,000	0	0	0	0	0	0	0	0	0	0	**86,000**	
		Carry Over Reserve	2,955,881	671,899	799,384	507,955	0	0	0	0	0	0	0	**4,935,119**	
		Centralised reserve	6,954,166	1,702,861	1,488,391	2,075,933	2,485,336	2,351,081	2,583,306	2,725,981	2,765,799	1,978,686	948,085	**28,059,624**	
		Looking Good Reserve	2,000	51,396	0	0	0	0	0	0	0	0	0	**53,396**	
		Infrastructure Building Reserve	32,234	67,861	39,006	4,119	37,282	65,555	130,880	113,858	450,000	300,000	0	**1,240,796**	
		Council General Revenue	8,952,542	15,699,471	9,587,752	8,577,538	10,897,066	8,801,632	7,509,753	7,860,549	7,375,920	8,505,978	5,112,596	**98,880,797**	
		Total	**52,507,070**	**62,396,588**	**34,503,812**	**35,630,250**	**34,771,372**	**30,811,821**	**28,553,318**	**26,376,814**	**24,374,157**	**27,729,249**	**16,169,021**	**373,823,473**	

General Assumptions

Long term financial plan (LTFP 5.2)	Forecasts									
Financial year	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029/30**	**2030/31**
CPI - Prudential (January 2020)	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Revenue:										
Council Rate - IPART Fact Sheet "Council Notifications received by IPART for 2020/21 plus 0.5%	2.40%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Council Rate - New Assessments number	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Increase in number of Rate paying properties	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Rate Increase	**2.40%**	**2.50%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
Pensioner rebates & Rate abandonment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Domestic Waste Charge	0.00%	1.02%	1.88%	2.17%	2.13%	2.33%	2.15%	1.64%	2.30%	2.05%
Domestic Waste Charge $	576	582	593	606	619	633	647	657	672	686
Stormwater management service levy	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Car Park Revenue - increase by CP1 every 3 years	1.90%			2.50%			2.50%			2.50%
Parking Meter Revenue - increase by CPI increase	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Residential parking permit - increase by CPI plus 1% growth	2.90%	3.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Parking Fine income - increase by CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Plus Increase due to Growth	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Parking Fine Income	**1.90%**	**2.00%**	**2.50%**	**2.50%**	**2.50%**	**2.50%**	**2.50%**	**2.50%**	**2.50%**	**2.50%**
Commercial Properties rental income - increase by CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Plus market review every four years			1.00%				1.00%			
Total Commercial Properties rental income	**1.90%**	**2.00%**	**3.50%**	**2.50%**	**2.50%**	**2.50%**	**3.50%**	**2.50%**	**2.50%**	**2.50%**
User Charges - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Operating Grant & Contribution - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other Operational Revenue - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Capital Revenue:										
S7.12 Fixed Developer Contributions income increase in line with CPI (construction cost increase)	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Planning Agreement income (as per schedule below)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Capital Grant & Contribution - Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asset Sale	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Expenditure:										
Employee Costs										
Direct Employment Costs:										
Award % increases	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Annual step increase in salary system as per Staff Establishment	0.49%	0.40%	0.29%	0.24%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%
Service Margin - staff become eligible each year	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Position Regrading/Market Adjustments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Additional staffing numbers	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Increase in provision for ELE	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
Total Direct Employee Costs % increase	***3.09%***	***3.00%***	***2.89%***	***2.84%***	***2.67%***	***2.60%***	***2.60%***	***2.60%***	***2.60%***	***2.60%***
Workers Compensation Premium	0%	-15%	-15.00%	-21.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other Employment Costs - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Materials - increased by 0.5% lower than CPI	1.40%	1.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Contracts - increased by 0.5% lower than CPI	1.40%	1.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Borrowing Costs - based on TCorp's advice "Forecast Borrowing Interest Rate" on January 2020	1.50%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other Operating Expense - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Long term financial plan (LTFP 5.2)	Forecasts									
Financial year	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029/30**	**2030/31**
Internal Charges - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Capital Expenditure:										
Office Furniture & Equipment - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Library Resources - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Infrastructure Improvements - increased based on CPI	1.90%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Other assumptions

Other Income

S7.4 Planning Agreements	2,402,872	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
S7.12 Fixed Developer Contributions	*3,566,500*	*3,637,830*	*3,728,776*	*3,821,995*	*3,917,545*	*4,015,484*	*4,115,871*	*4,218,768*	*4,324,237*	*4,432,343*
Election cost every four years	450,000				486,000				524,880	

Expense Cease

Temporary positions cease as per their expiry date where applicable

LTFP 5.1 - Sensitivity Analysis

- **Optimistic Assumptions**
  1. Rate peg is higher than current projection by 0.3%;
  2. S7.4 Planning Agreements income increase by 50% due to growth in building development
  3. S7.12 Fixed Developer Contribution income increase 1.5% more than CPI due to growth in building construction activities
  4. Staff Award rate is lower than 2.5% by 0.5%;
  5. Consistent staff turnover rate, hence, the step progress increase is not required.
  6. Improved rental returns from the Strategic Property Review which will generate additional $500,000 p/y from 2023/24 and CPI then onwards

- **Pessimistic Assumptions**
  1. Rate Peg is lower than current projection by 0.3%;
  2. S7.12 Fixed Developer Contributions (s94A) reduce by 20% due to growth less than projected
  3. S7.4 Planning Agreements income achieve only 50% of the current projections
  4. Staff Award rate is higher than 2.5% by 0.5%
  5. Grant income is lower than the current projected level by 70%
  6. Temporary positions continue after the current term expiry.

WAVERLEY COUNCIL - PROPOSED BUDGET	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
INCOME STATEMENT											
Operating Income											
Rates & Annual Charges	64,845,850	65,974,885	67,365,776	69,195,317	71,131,451	73,114,767	75,192,033	77,293,926	79,349,738	81,601,156	83,863,192
Investment Income	2,347,560	944,881	733,943	593,510	523,759	474,200	492,553	530,644	574,142	614,198	656,449
User Charges	36,661,127	46,816,153	47,967,546	49,360,144	50,611,362	51,802,427	53,024,037	54,369,158	55,654,256	56,972,326	58,418,710
Other Revenues	14,614,621	19,343,305	19,727,087	20,216,393	20,717,938	21,232,022	21,758,949	22,299,063	22,852,676	23,420,146	24,001,768
Grants Subsidies & Contributions	5,063,644	4,156,821	4,200,979	4,257,282	4,314,993	4,374,148	4,434,780	4,496,925	4,560,626	4,625,920	4,692,845
Total Operating Income	**123,532,802**	**137,236,045**	**139,995,331**	**143,622,646**	**147,299,503**	**150,997,564**	**154,902,352**	**158,989,716**	**162,991,438**	**167,233,746**	**171,632,964**
Operating Expenditure											
Employee Costs	(68,004,271)	(72,875,997)	(74,984,418)	(77,534,315)	(80,133,340)	(83,279,526)	(85,441,222)	(87,659,024)	(89,934,402)	(92,268,860)	(94,729,099)
Materials & Contracts	(21,727,805)	(25,858,916)	(23,020,685)	(23,510,457)	(24,267,323)	(24,496,119)	(24,917,784)	(25,541,415)	(26,237,354)	(26,345,871)	(30,030,533)
Borrowing Costs	(77,517)	(65,406)	(52,954)	(40,152)	(26,991)	(13,459)	(1,536)	-	-	-	-
Other Operating Expenses	(21,267,546)	(22,425,621)	(22,463,961)	(22,973,434)	(23,596,825)	(24,620,531)	(24,786,860)	(25,354,174)	(26,036,862)	(27,160,193)	(27,346,650)
Depreciation & Amortisation	(21,904,503)	(22,888,467)	(23,200,809)	(23,569,223)	(23,930,970)	(24,212,879)	(24,394,784)	(24,524,371)	(24,626,413)	(24,730,600)	(24,664,792)
Total Operating Expenditure	**(132,981,642)**	**(144,114,407)**	**(143,722,827)**	**(147,627,581)**	**(151,955,449)**	**(156,622,514)**	**(159,542,186)**	**(163,078,984)**	**(166,835,031)**	**(170,505,524)**	**(176,771,074)**
Operating Result Before Capital Income - Surplus/(Deficit)	**(9,448,840)**	**(6,878,362)**	**(3,727,496)**	**(4,004,935)**	**(4,655,946)**	**(5,624,950)**	**(4,639,834)**	**(4,089,268)**	**(3,843,593)**	**(3,271,778)**	**(5,138,110)**
Capital Income											
Grants Subsidies & Contributions	16,241,213	12,776,766	11,000,655	10,273,097	16,162,024	19,287,807	14,757,302	12,819,007	12,008,368	12,250,673	8,661,667
Sale of Assets	6,941,614	1,022,269	656,583	982,086	1,408,581	1,374,282	845,975	1,153,305	1,120,754	268,559	1,440,676
Total Capital Income	**23,182,827**	**13,799,035**	**11,657,238**	**11,255,183**	**17,570,605**	**20,662,089**	**15,603,277**	**13,972,312**	**13,129,122**	**12,519,232**	**10,102,343**
Operating Result - Surplus/(Deficit)	**13,733,987**	**6,920,673**	**7,929,742**	**7,250,248**	**12,914,659**	**15,037,139**	**10,963,443**	**9,883,044**	**9,285,529**	**9,247,454**	**4,964,233**
Capital Expenditure											
Other Capital Purchases	(3,459,386)	(5,273,656)	(2,912,184)	(4,706,114)	(5,623,301)	(6,231,182)	(4,120,254)	(4,045,268)	(4,896,348)	(1,743,084)	(5,500,732)
Capital Works Program	(52,507,070)	(62,396,588)	(34,503,812)	(35,630,250)	(34,771,372)	(30,811,821)	(28,553,318)	(26,376,814)	(24,374,157)	(27,729,249)	(16,169,021)
Total Capital Expenditure	**(55,966,456)**	**(67,670,244)**	**(37,415,996)**	**(40,336,364)**	**(40,394,673)**	**(37,043,003)**	**(32,673,572)**	**(30,422,082)**	**(29,270,505)**	**(29,472,333)**	**(21,669,753)**
Cash Flow to Fund - In/(Out)	**(42,232,469)**	**(60,749,571)**	**(29,486,254)**	**(33,086,116)**	**(27,480,014)**	**(22,005,864)**	**(21,710,129)**	**(20,539,038)**	**(19,984,976)**	**(20,224,879)**	**(16,705,520)**
Financed By:											
Borrowings											
External Loan	-	-	-	-	-	-	-	-	-	-	-
Less: Loan Repayments on External Loan	(435,095)	(447,206)	(459,658)	(472,460)	(485,621)	(499,153)	(123,406)	-	-	-	-
Net Borrowing	**(435,095)**	**(447,206)**	**(459,658)**	**(472,460)**	**(485,621)**	**(499,153)**	**(123,406)**	**-**	**-**	**-**	**-**
Reserve Movements											
Transfers to Reserves	(21,689,917)	(8,738,245)	(14,350,638)	(15,122,889)	(12,521,836)	(14,378,450)	(16,946,613)	(17,546,146)	(17,967,348)	(18,271,241)	(19,172,576)
Transfer from Reserves	42,452,978	47,055,728	21,100,007	25,117,172	16,570,803	12,704,597	14,415,129	13,576,469	13,338,200	13,778,303	11,241,979
Net Reserve Movements	**20,763,061**	**38,317,483**	**6,749,369**	**9,994,283**	**4,048,967**	**(1,673,853)**	**(2,531,484)**	**(3,969,677)**	**(4,629,148)**	**(4,492,938)**	**(7,930,597)**
Depreciation & Amortisation Expenses (Contra)	**21,904,503**	**22,888,467**	**23,200,809**	**23,569,223**	**23,930,970**	**24,212,879**	**24,394,784**	**24,524,371**	**24,626,413**	**24,730,600**	**24,664,792**
Net Budget Result - Surplus/(Deficit)	**0**	**9,173**	**4,267**	**4,930**	**14,302**	**34,009**	**29,765**	**15,656**	**12,289**	**12,783**	**28,675**
Cumulative Budget Result - Surplus/(Deficit)	**0**	**9,173**	**13,440**	**18,370**	**32,672**	**66,681**	**96,446**	**112,102**	**124,391**	**137,174**	**165,849**

WAVERLEY COUNCIL - PROPOSED BUDGET	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
BALANCE SHEET											
CURRENT ASSETS											
Cash & Cash Equivalents	7,969,830	8,749,550	7,272,361	7,491,655	7,469,970	7,489,222	7,508,338	7,637,660	7,811,838	7,960,103	8,435,688
Investments	106,971,209	72,593,320	65,084,400	56,560,178	51,408,277	51,652,053	59,914,831	67,658,667	77,006,395	86,117,576	95,716,431
Receivables	7,085,433	7,863,774	7,847,816	7,890,440	8,152,539	8,358,456	8,388,427	8,474,623	8,581,373	8,731,330	8,791,134
Other	201,907	201,907	201,907	201,907	201,907	201,907	201,907	201,907	201,907	201,907	201,907
Total Current Assets	**122,228,379**	**89,408,551**	**80,406,485**	**72,144,181**	**67,232,693**	**67,701,638**	**76,013,503**	**83,972,857**	**93,601,513**	**103,010,916**	**113,145,161**
NON-CURRENT ASSETS											
Investments	26,122,057	22,182,463	22,942,014	21,471,953	22,574,887	24,004,964	18,273,670	14,499,511	9,780,931	5,162,688	3,494,430
Receivables	1,742,332	1,804,221	1,891,045	1,901,052	1,912,410	1,924,051	1,935,984	1,948,215	1,960,751	1,973,601	1,986,772
Infrastructure, Property, Plant & Equipment	996,909,605	1,041,691,383	1,055,906,570	1,072,673,711	1,089,137,414	1,101,967,538	1,110,246,326	1,116,144,037	1,120,788,129	1,125,529,862	1,122,534,824
Investment Property	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000
Total Non-Current Assets	**1,183,247,994**	**1,224,152,066**	**1,239,213,629**	**1,254,520,716**	**1,272,098,710**	**1,286,370,553**	**1,288,929,979**	**1,291,065,762**	**1,291,003,811**	**1,291,140,151**	**1,286,490,026**
Total Assets	**1,305,476,373**	**1,313,560,618**	**1,319,620,113**	**1,326,664,897**	**1,339,331,404**	**1,354,072,191**	**1,364,943,482**	**1,375,038,619**	**1,384,605,324**	**1,394,151,067**	**1,399,635,186**
CURRENT LIABILITIES											
Payables	22,251,074	23,766,907	22,284,688	22,469,801	22,621,919	22,738,452	22,711,194	22,863,253	23,082,833	23,317,926	23,771,139
Borrowings	422,922	422,922	422,922	422,922	422,922	123,406	(0)	(0)	(0)	(0)	(0)
Provisions	15,443,501	15,538,447	15,610,076	15,691,959	15,777,310	15,863,578	15,922,091	15,982,124	16,043,719	16,106,915	16,173,588
Total Current Liabilities	**38,117,498**	**39,728,276**	**38,317,687**	**38,584,682**	**38,822,151**	**38,725,436**	**38,633,284**	**38,845,377**	**39,126,552**	**39,424,841**	**39,944,727**
NON-CURRENT LIABILITIES											
Borrowings	2,064,582	1,617,376	1,157,718	685,258	199,637	-	-	-	-	-	-
Provisions	725,343	725,343	725,343	725,343	725,343	725,343	725,343	725,343	725,343	725,343	725,343
Total Non-Current Liabilities	**2,789,925**	**2,342,719**	**1,883,061**	**1,410,601**	**924,980**	**725,343**	**725,343**	**725,343**	**725,343**	**725,343**	**725,343**
Total Liabilities	**40,907,423**	**42,070,995**	**40,200,748**	**39,995,283**	**39,747,131**	**39,450,780**	**39,358,628**	**39,570,721**	**39,851,896**	**40,150,185**	**40,670,071**
NET ASSETS	**1,264,568,950**	**1,271,489,623**	**1,279,419,366**	**1,286,669,614**	**1,299,584,272**	**1,314,621,411**	**1,325,584,855**	**1,335,467,899**	**1,344,753,428**	**1,354,000,882**	**1,358,965,115**
EQUITY											
Retained Earning	719,442,238	733,176,225	740,096,898	748,026,641	755,276,889	768,191,547	783,228,686	794,192,130	804,075,174	813,360,703	822,608,157
Revaluation Reserves	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725
Retained Earning	**1,250,834,963**	**1,264,568,950**	**1,271,489,623**	**1,279,419,366**	**1,286,669,614**	**1,299,584,272**	**1,314,621,411**	**1,325,584,855**	**1,335,467,899**	**1,344,753,428**	**1,354,000,882**
Net Operating Result - Surplus/(Deficit)	13,733,987	6,920,673	7,929,742	7,250,248	12,914,659	15,037,139	10,963,443	9,883,044	9,285,529	9,247,454	4,964,233
TOTAL EQUITY	**1,264,568,950**	**1,271,489,623**	**1,279,419,366**	**1,286,669,614**	**1,299,584,272**	**1,314,621,411**	**1,325,584,855**	**1,335,467,899**	**1,344,753,428**	**1,354,000,882**	**1,358,965,115**
Total Cash, Cash Equivalents & Investment Securities attributable to:											
- External Restrictions	31,398,079	27,458,485	28,218,036	26,747,975	27,850,909	29,280,986	30,885,741	34,044,572	34,571,822	36,441,181	38,341,457
- Internal Restrictions	107,640,983	73,263,094	65,754,174	57,229,952	52,078,051	52,321,827	53,248,556	54,059,402	58,161,300	60,784,879	66,815,200
- Unrestricted	2,024,034	2,803,753	1,326,565	1,545,859	1,524,173	1,543,426	1,562,541	1,691,863	1,866,041	2,014,306	2,489,891
Total	**141,063,096**	**103,525,333**	**95,298,775**	**85,523,786**	**81,453,134**	**83,146,239**	**85,696,839**	**89,795,838**	**94,599,164**	**99,240,367**	**107,646,549**

WAVERLEY COUNCIL - PROPOSED BUDGET	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
CASH FLOW STATEMENT											
CASH FLOW FROM OPERATION ACTIVITES											
Receipts											
Rates	46,627,675	47,730,613	48,949,086	50,449,283	51,957,898	53,524,867	55,140,295	56,811,167	58,529,403	60,293,460	62,113,563
Domestic Waste Charge	18,180,315	18,181,319	18,369,618	18,723,535	19,126,438	19,537,042	19,993,822	20,430,915	20,772,735	21,250,601	21,691,780
User Charges & Fees	36,649,622	46,540,808	47,929,972	49,341,875	50,581,002	51,770,331	52,989,289	54,336,042	55,624,809	56,938,826	58,381,656
Investments Income	2,449,402	1,061,771	751,521	605,213	529,572	478,330	491,024	527,470	570,517	610,860	652,928
Grants & Contributions	21,325,843	17,032,375	15,242,552	14,552,433	20,328,583	23,581,254	19,302,559	17,363,298	16,588,598	16,868,746	13,442,646
Other Operating Receipts	14,816,548	18,625,694	19,682,370	20,170,772	20,664,577	21,175,990	21,700,762	22,241,404	22,794,457	23,359,119	23,939,082
	140,049,404	**149,172,580**	**150,925,120**	**153,843,112**	**163,188,070**	**170,067,813**	**169,617,751**	**171,710,296**	**174,880,520**	**179,321,612**	**180,221,655**
Payments											
Employee Benefits & On-Costs	64,973,931	68,334,443	70,903,572	73,803,555	76,833,563	79,898,748	82,006,119	84,138,273	86,325,868	88,570,346	90,936,534
Materials & Contracts	25,375,092	29,329,096	27,598,169	27,136,879	27,425,815	27,737,043	28,206,983	28,879,348	29,648,601	29,947,031	33,101,482
Borrowing Costs	89,794	78,024	65,928	53,490	40,704	27,558	13,959	1,600	-	-	-
Other Operating Expenses	21,233,350	22,224,714	22,457,310	22,885,049	23,488,677	24,442,934	24,758,005	25,255,754	25,918,427	26,965,313	27,314,303
	111,672,167	**119,966,276**	**121,024,979**	**123,878,974**	**127,788,759**	**132,106,283**	**134,985,065**	**138,274,976**	**141,892,896**	**145,482,690**	**151,352,319**
Net Cash provided by (or used in) Operating Activities	**28,377,237**	**29,206,304**	**29,900,141**	**29,964,138**	**35,399,311**	**37,961,530**	**34,632,686**	**33,435,321**	**32,987,624**	**33,838,922**	**28,869,336**
CASH FLOW FROM INVESTING ACTIVITIES											
Receipts											
Proceeds from sale of Infrastructure, Property, Plant and Equipment	6,941,614	1,022,269	656,583	982,086	1,408,581	1,374,282	845,975	1,153,305	1,120,754	268,559	1,440,676
Proceeds from sale of Investment Securities	23,922,425	38,317,483	7,508,920	9,994,283	5,151,901	0	0	0	0	0	0
	30,864,040	**39,339,752**	**8,165,503**	**10,976,369**	**6,560,482**	**1,374,282**	**845,975**	**1,153,305**	**1,120,754**	**268,559**	**1,440,676**
Payments											
Purchase of Infrastructure, Property, Plant & equipment	55,728,862	67,319,130	38,323,623	40,248,753	40,392,924	37,143,553	32,804,655	30,489,627	29,305,052	29,466,278	21,903,830
Purchase Investment Properties	-	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Securities	3,159,365	-	759,551	-	1,102,934	1,673,853	2,531,484	3,969,677	4,629,148	4,492,938	7,930,597
	58,888,227	**67,319,130**	**39,083,174**	**40,248,753**	**41,495,858**	**38,817,406**	**35,336,139**	**34,459,304**	**33,934,200**	**33,959,216**	**29,834,427**
Net Cash provided by (or used in) Investing Activities	**(28,024,187)**	**(27,979,378)**	**(30,917,671)**	**(29,272,384)**	**(34,935,376)**	**(37,443,124)**	**(34,490,164)**	**(33,305,999)**	**(32,813,446)**	**(33,690,657)**	**(28,393,751)**
CASH FLOW FROM FINANCING ACTIVITIES											
Receipts											
Proceeds from Borrowings and Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayments of Borrowings & Advances	435,095	447,206	459,658	472,460	485,621	499,153	123,406	-	-	-	-
	435,095	**447,206**	**459,658**	**472,460**	**485,621**	**499,153**	**123,406**	-	-	-	-
Net Cash provided by (or used in) Financing Activities	**(435,095)**	**(447,206)**	**(459,658)**	**(472,460)**	**(485,621)**	**(499,153)**	**(123,406)**	**-**	**-**	**-**	**-**
Net Increase (Decrease) in cash held	**(82,045)**	**779,720**	**(1,477,189)**	**219,294**	**(21,686)**	**19,253**	**19,116**	**129,322**	**174,178**	**148,265**	**475,585**
Cash Assets & Investments at the beginning of the reporting period	**8,051,875**	**7,969,830**	**8,749,550**	**7,272,361**	**7,491,655**	**7,469,970**	**7,489,222**	**7,508,338**	**7,637,660**	**7,811,838**	**7,960,103**
Cash at the end of the reporting period	**7,969,830**	**8,749,550**	**7,272,361**	**7,491,655**	**7,469,970**	**7,489,222**	**7,508,338**	**7,637,660**	**7,811,838**	**7,960,103**	**8,435,688**
											0
Plus Other Current Investments	106,971,209	72,593,320	65,084,400	56,560,178	51,408,277	51,652,053	59,914,831	67,658,667	77,006,395	86,117,576	95,716,431

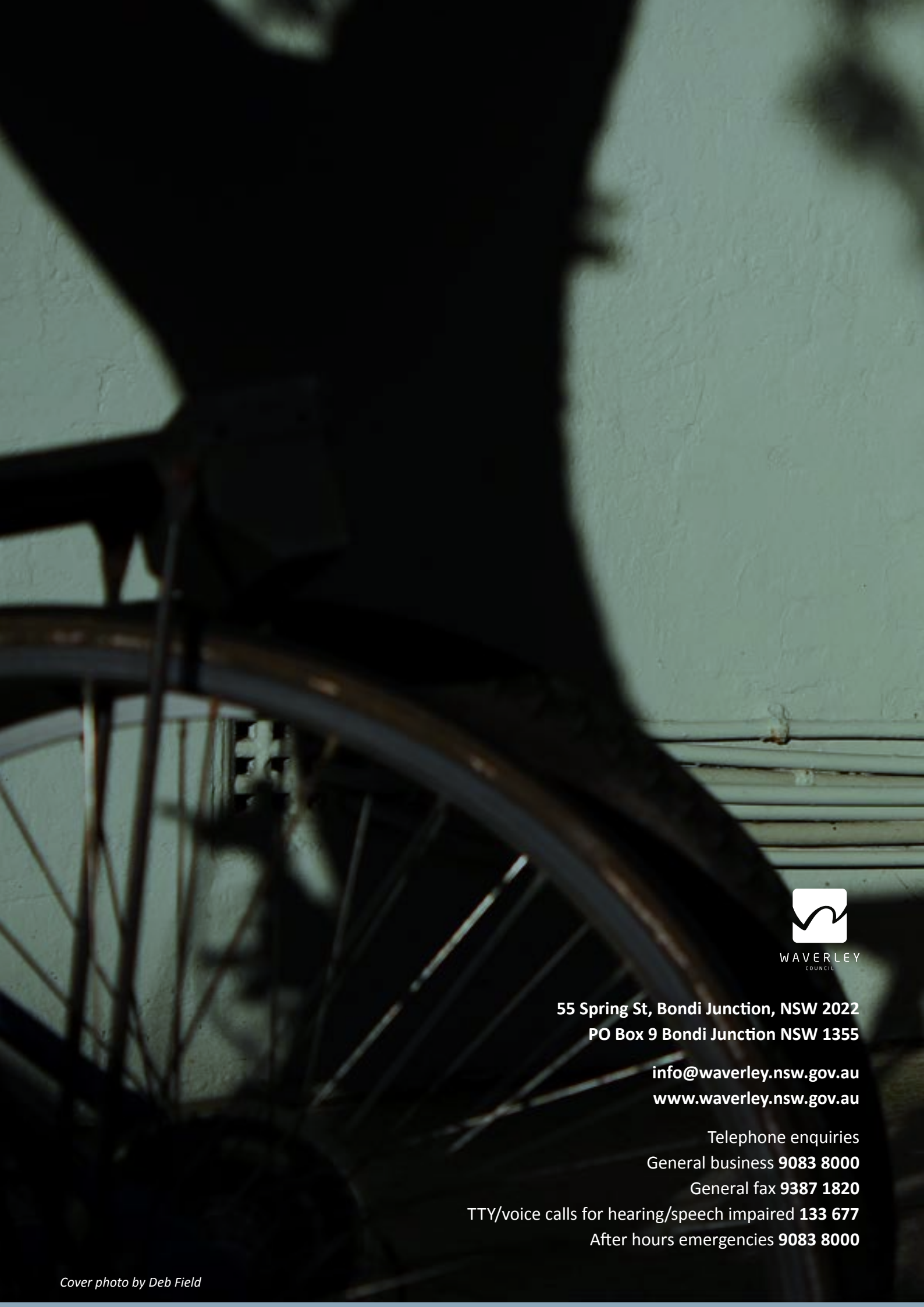
WAVERLEY COUNCIL - PROPOSED BUDGET	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Plus Other Non-Current Investments	26,122,057	22,182,463	22,942,014	21,471,953	22,574,887	24,004,964	18,273,670	14,499,511	9,780,931	5,162,688	3,494,430
Total Cash & Investment Securities	**141,063,096**	**103,525,333**	**95,298,775**	**85,523,786**	**81,453,134**	**83,146,239**	**85,696,839**	**89,795,838**	**94,599,164**	**99,240,367**	**107,646,549**
Statement of Changes in Equity											
Equity - Opening Balance	1,250,834,963	1,264,568,950	1,271,489,623	1,279,419,366	1,286,669,614	1,299,584,272	1,314,621,411	1,325,584,855	1,335,467,899	1,344,753,428	1,354,000,882
Net Operating Result for the Year	13,733,987	6,920,673	7,929,742	7,250,248	12,914,659	15,037,139	10,963,443	9,883,044	9,285,529	9,247,454	4,964,233
Equity - Closing Balance	1,264,568,950	1,271,489,623	1,279,419,366	1,286,669,614	1,299,584,272	1,314,621,411	1,325,584,855	1,335,467,899	1,344,753,428	1,354,000,882	1,358,965,115
RESERVE BALANCE											
External Restriction											
Voluntary Planning Agreement	11,541,832	9,728,776	7,353,856	3,906,287	2,991,977	3,250,373	2,380,664	3,072,391	1,786,982	409,010	0
Section 94A	1,610,323	1,371,005	1,400,492	855,044	457,575	672,895	808,299	104,475	410,420	559,396	(0)
Affordable Housing	4,423,395	3,649,633	3,796,031	3,892,357	3,988,609	4,084,786	4,180,887	4,276,910	4,372,853	4,468,715	4,564,495
Unexpended Grants/Subsidy	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912
Domestic Waste Reserve	12,055,828	11,153,592	14,277,745	16,704,375	18,945,461	19,713,836	21,850,191	24,803,327	26,076,785	28,926,032	31,335,437
Stormwater Management Service Reserve	376,789	165,567	-	-	77,375	169,184	275,788	397,557	534,870	688,116	1,051,613
Total External Restricted Reserve	**31,398,079**	**27,458,485**	**28,218,036**	**26,747,975**	**27,850,909**	**29,280,986**	**30,885,741**	**34,044,572**	**34,571,822**	**36,441,181**	**38,341,457**
Internal Restriction											
Employees Leave Entitlements	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437
Replacement - Plant & Vehicles	5,091,659	4,952,451	5,245,021	4,614,207	3,110,110	2,555,531	2,215,553	1,509,637	2,032,379	2,834,795	1,919,516
Computer	1,751,057	1,800,905	1,714,453	1,381,701	1,536,249	1,650,397	1,684,145	1,694,693	1,371,941	1,556,789	1,738,837
Centralised Reserve	8,631,482	6,928,621	5,440,230	5,534,297	4,207,627	3,856,546	5,505,833	6,415,509	6,669,710	7,591,024	8,180,921
Infrastructure Asset Renewal Reserve	18,473,811	12,651,939	12,936,881	12,875,440	11,731,591	12,132,102	10,527,003	9,913,654	12,335,147	14,681,251	19,588,846
Election Reserve	450,000	82,620	213,840	349,920	486,000	89,230	230,948	377,914	524,880	96,368	249,423
Sale Surplus Lands	5,826,469	5,826,469	5,518,344	3,018,344	518,344	518,344	518,344	518,344	518,344	518,344	518,344
Looking Good	51,396	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Deposits & Bonds	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208
Parking Meters	2,298,540	2,482,140	2,669,412	2,860,429	3,055,267	3,254,002	3,456,711	3,663,474	3,874,373	1,790,950	2,010,369
Off-Street Parking Facilities	1,688,137	2,089,637	1,691,137	2,092,637	2,494,137	2,895,637	3,297,137	3,698,637	4,100,137	4,501,637	4,903,137
Housing Stock	1,888,479	1,973,030	2,057,731	2,143,508	2,230,382	2,317,950	2,408,131	2,500,978	2,596,605	2,695,092	2,796,514
Social Housing	396,287	190,318	288,123	389,213	493,682	601,656	713,244	828,556	947,736	1,070,875	1,198,046
Carry Overs	1,979,238	1,307,339	507,955	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Waverley Cemetery	388,300	131,497	124,919	374,128	618,534	854,304	1,095,379	1,341,878	1,593,920	1,851,626	2,115,119
Investment Strategy	40,750,646	14,870,646	9,370,646	3,620,646	3,620,646	3,620,646	3,620,646	3,620,646	3,620,646	3,620,646	3,620,646
Total Internal Restriction	**107,640,983**	**73,263,094**	**65,754,174**	**57,229,952**	**52,078,051**	**52,321,827**	**53,248,556**	**54,059,402**	**58,161,300**	**60,784,879**	**66,815,200**
Total Restricted Reserve Balance	**139,039,062**	**100,721,579**	**93,972,210**	**83,977,927**	**79,928,960**	**81,602,813**	**84,134,297**	**88,103,974**	**92,733,122**	**97,226,060**	**105,156,657**

WAVERLEY COUNCIL - PROPOSED BUDGET	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
INCOME STATEMENT											
Operating Income											
Rates & Annual Charges	64,845,850	66,116,115	67,655,581	69,642,920	71,746,507	73,907,383	76,172,785	78,473,883	80,740,478	83,214,791	85,712,386
Investment Income	2,347,560	944,881	733,943	593,510	523,759	474,200	492,553	530,644	574,142	614,198	656,449
User Charges	36,661,127	46,816,153	47,967,546	49,360,144	50,611,362	51,802,427	53,024,037	54,369,158	55,654,256	56,972,326	58,418,710
Other Revenues	14,614,621	19,343,305	19,727,087	20,728,893	21,243,251	21,770,468	22,310,856	22,864,768	23,432,523	24,014,489	24,610,969
Grants Subsidies & Contributions	5,063,644	4,156,821	4,200,979	4,257,282	4,314,993	4,374,148	4,434,780	4,496,925	4,560,626	4,625,920	4,692,845
Total Operating Income	**123,532,802**	**137,377,275**	**140,285,136**	**144,582,749**	**148,439,872**	**152,328,626**	**156,435,011**	**160,735,378**	**164,962,025**	**169,441,724**	**174,091,359**
Operating Expenditure											
Employee Costs	(68,004,271)	(72,310,146)	(73,872,315)	(75,900,488)	(77,971,721)	(80,656,870)	(82,405,235)	(84,191,734)	(86,017,206)	(87,882,530)	(89,853,740)
Materials & Contracts	(21,727,805)	(25,858,916)	(23,020,685)	(23,510,457)	(24,267,323)	(24,496,119)	(24,917,784)	(25,541,415)	(26,237,354)	(26,345,871)	(30,030,533)
Borrowing Costs	(77,517)	(65,406)	(52,954)	(40,152)	(26,991)	(13,459)	(1,536)	-	-	-	-
Other Operating Expenses	(21,267,546)	(22,425,621)	(22,463,961)	(22,973,434)	(23,596,825)	(24,620,526)	(24,786,862)	(25,354,174)	(26,036,863)	(27,160,195)	(27,346,648)
Depreciation & Amortisation	(21,904,503)	(22,888,467)	(23,200,809)	(23,569,223)	(23,930,970)	(24,212,879)	(24,394,784)	(24,524,371)	(24,626,413)	(24,730,600)	(24,664,792)
Total Operating Expenditure	**(132,981,642)**	**(143,548,556)**	**(142,610,724)**	**(145,993,754)**	**(149,793,830)**	**(153,999,853)**	**(156,506,201)**	**(159,611,694)**	**(162,917,836)**	**(166,119,196)**	**(171,895,713)**
Operating Result Before Capital Income - Surplus/(Deficit)	**(9,448,840)**	**(6,171,281)**	**(2,325,588)**	**(1,411,005)**	**(1,353,958)**	**(1,671,227)**	**(71,190)**	**1,123,684**	**2,044,189**	**3,322,528**	**2,195,646**
Capital Income											
Grants Subsidies & Contributions	16,241,213	14,030,702	11,858,490	10,939,813	16,891,341	20,083,626	15,623,717	13,760,311	13,029,062	13,355,476	9,855,526
Sale of Assets	6,941,614	1,022,269	656,583	982,086	1,408,581	1,374,282	845,975	1,153,305	1,120,754	268,559	1,440,676
Total Capital Income	**23,182,827**	**15,052,971**	**12,515,073**	**11,921,899**	**18,299,922**	**21,457,908**	**16,469,692**	**14,913,616**	**14,149,816**	**13,624,035**	**11,296,202**
Operating Result - Surplus/(Deficit)	**13,733,987**	**8,881,690**	**10,189,485**	**10,510,894**	**16,945,964**	**19,786,681**	**16,398,502**	**16,037,300**	**16,194,005**	**16,946,563**	**13,491,848**
Capital Expenditure											
Other Capital Purchases	(3,459,386)	(5,273,656)	(2,912,184)	(4,706,114)	(5,623,301)	(6,231,182)	(4,120,254)	(4,045,268)	(4,896,348)	(1,743,084)	(5,500,732)
Capital Works Program	(52,507,070)	(62,396,588)	(34,503,812)	(35,630,250)	(34,771,372)	(30,811,821)	(28,553,318)	(26,376,814)	(24,374,157)	(27,729,249)	(16,169,021)
Total Capital Expenditure	**(55,966,456)**	**(67,670,244)**	**(37,415,996)**	**(40,336,364)**	**(40,394,673)**	**(37,043,003)**	**(32,673,572)**	**(30,422,082)**	**(29,270,505)**	**(29,472,333)**	**(21,669,753)**
Cash Flow to Fund - In/(Out)	**(42,232,469)**	**(58,788,554)**	**(27,226,511)**	**(29,825,470)**	**(23,448,709)**	**(17,256,322)**	**(16,275,070)**	**(14,384,782)**	**(13,076,500)**	**(12,525,770)**	**(8,177,905)**
Financed By:											
Borrowings											
External Loan	-	-	-	-	-	-	-	-	-	-	-
Less: Loan Repayments on External Loan	(435,095)	(447,206)	(459,658)	(472,460)	(485,621)	(499,153)	(123,406)	-	-	-	-
Net Borrowing	**(435,095)**	**(447,206)**	**(459,658)**	**(472,460)**	**(485,621)**	**(499,153)**	**(123,406)**	**-**	**-**	**-**	**-**
Reserve Movements											
Transfers to Reserves	(21,689,917)	(9,939,681)	(15,100,638)	(15,622,889)	(13,021,836)	(14,878,450)	(17,446,613)	(18,046,146)	(18,467,348)	(18,771,241)	(19,672,576)
Transfer from Reserves	42,452,978	47,055,728	21,100,007	25,117,172	16,570,803	12,704,597	14,415,129	13,576,469	13,338,200	13,778,303	11,241,979
Net Reserve Movements	**20,763,061**	**37,116,047**	**5,999,369**	**9,494,283**	**3,548,967**	**(2,173,853)**	**(3,031,484)**	**(4,469,677)**	**(5,129,148)**	**(4,992,938)**	**(8,430,597)**
Depreciation & Amortisation Expenses (Contra)	**21,904,503**	**22,888,467**	**23,200,809**	**23,569,223**	**23,930,970**	**24,212,879**	**24,394,784**	**24,524,371**	**24,626,413**	**24,730,600**	**24,664,792**
Net Budget Result - Surplus/(Deficit)	**0**	**768,754**	**1,514,010**	**2,765,576**	**3,545,607**	**4,283,551**	**4,964,824**	**5,669,912**	**6,420,765**	**7,211,892**	**8,056,290**
Cumulative Budget Result - Surplus/(Deficit)	**0**	**768,754**	**2,282,764**	**5,048,340**	**8,593,947**	**12,877,498**	**17,842,322**	**23,512,234**	**29,932,999**	**37,144,891**	**45,201,181**

WAVERLEY COUNCIL - PROPOSED BUDGET	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
BALANCE SHEET											
CURRENT ASSETS											
Cash & Cash Equivalents	7,969,830	9,458,061	9,481,277	12,434,943	15,923,669	20,171,681	25,105,880	30,868,720	37,429,761	44,754,324	53,233,610
Investments	106,971,209	72,593,320	65,084,400	56,560,178	51,408,277	51,652,053	59,914,831	67,658,667	77,006,395	86,117,576	95,716,431
Receivables	7,085,433	7,898,923	7,876,934	7,931,153	8,199,295	8,411,738	8,448,715	8,542,112	8,656,353	8,814,396	8,882,762
Other	201,907	201,907	201,907	201,907	201,907	201,907	201,907	201,907	201,907	201,907	201,907
Total Current Assets	**122,228,379**	**90,152,212**	**82,644,518**	**77,128,181**	**75,733,149**	**80,437,379**	**93,671,333**	**107,271,407**	**123,294,417**	**139,888,203**	**158,034,710**
NON-CURRENT ASSETS											
Investments	26,122,057	23,383,899	24,893,450	23,923,389	25,526,323	27,456,400	22,225,106	18,950,947	14,732,367	10,614,124	9,445,866
Receivables	1,742,332	1,804,221	1,891,045	1,901,052	1,912,410	1,924,051	1,935,984	1,948,215	1,960,751	1,973,601	1,986,772
Infrastructure, Property, Plant & Equipment	996,909,605	1,041,691,383	1,055,906,570	1,072,673,711	1,089,137,414	1,101,967,538	1,110,246,326	1,116,144,037	1,120,788,129	1,125,529,862	1,122,534,824
Investment Property	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000	158,474,000
Total Non-Current Assets	**1,183,247,994**	**1,225,353,502**	**1,241,165,065**	**1,256,972,152**	**1,275,050,146**	**1,289,821,989**	**1,292,881,415**	**1,295,517,198**	**1,295,955,247**	**1,296,591,587**	**1,292,441,462**
Total Assets	**1,305,476,373**	**1,315,505,714**	**1,323,809,583**	**1,334,100,333**	**1,350,783,295**	**1,370,259,368**	**1,386,552,749**	**1,402,788,605**	**1,419,249,664**	**1,436,479,790**	**1,450,476,172**
CURRENT LIABILITIES											
Payables	22,251,074	23,766,907	22,284,688	22,469,801	22,621,919	22,736,919	22,708,061	22,858,448	23,076,282	23,309,553	23,760,864
Borrowings	422,922	422,922	422,922	422,922	422,922	123,406	(0)	(0)	(0)	(0)	(0)
Provisions	15,443,501	15,522,526	15,578,786	15,645,990	15,716,490	15,790,035	15,837,178	15,885,347	15,934,566	15,984,858	16,038,081
Total Current Liabilities	**38,117,498**	**39,712,355**	**38,286,396**	**38,538,712**	**38,761,332**	**38,650,360**	**38,545,239**	**38,743,795**	**39,010,848**	**39,294,411**	**39,798,945**
NON-CURRENT LIABILITIES											
Borrowings	2,064,582	1,617,376	1,157,718	685,258	199,637	-	-	-	-	-	-
Provisions	725,343	725,343	725,343	725,343	725,343	725,343	725,343	725,343	725,343	725,343	725,343
Total Non-Current Liabilities	**2,789,925**	**2,342,719**	**1,883,061**	**1,410,601**	**924,980**	**725,343**	**725,343**	**725,343**	**725,343**	**725,343**	**725,343**
Total Liabilities	**40,907,423**	**42,055,074**	**40,169,457**	**39,949,313**	**39,686,312**	**39,375,704**	**39,270,582**	**39,469,138**	**39,736,192**	**40,019,755**	**40,524,288**
NET ASSETS	**1,264,568,950**	**1,273,450,640**	**1,283,640,126**	**1,294,151,020**	**1,311,096,983**	**1,330,883,664**	**1,347,282,167**	**1,363,319,467**	**1,379,513,472**	**1,396,460,035**	**1,409,951,883**
EQUITY											
Retained Earning	719,442,238	733,176,225	742,057,915	752,247,401	762,758,295	779,704,258	799,490,939	815,889,442	831,926,742	848,120,747	865,067,310
Revaluation Reserves	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725	531,392,725
Retained Earning	**1,250,834,963**	**1,264,568,950**	**1,273,450,640**	**1,283,640,126**	**1,294,151,020**	**1,311,096,983**	**1,330,883,664**	**1,347,282,167**	**1,363,319,467**	**1,379,513,472**	**1,396,460,035**
Net Operating Result - Surplus/(Deficit)	13,733,987	8,881,690	10,189,485	10,510,894	16,945,964	19,786,681	16,398,502	16,037,300	16,194,005	16,946,563	13,491,848
TOTAL EQUITY	**1,264,568,950**	**1,273,450,640**	**1,283,640,126**	**1,294,151,020**	**1,311,096,983**	**1,330,883,664**	**1,347,282,167**	**1,363,319,467**	**1,379,513,472**	**1,396,460,035**	**1,409,951,883**
Total Cash, Cash Equivalents & Investment Securities attributable to:											
- External Restrictions	31,398,079	28,659,921	30,169,472	29,199,411	30,802,345	32,732,422	34,837,177	38,496,008	39,523,258	41,892,617	44,292,893
- Internal Restrictions	107,640,983	73,263,094	65,754,174	57,229,952	52,078,051	52,321,827	53,248,556	54,059,402	58,161,300	60,784,879	66,815,200
- Unrestricted	2,024,034	3,512,265	3,535,481	6,489,146	9,977,873	14,225,885	19,160,083	24,922,924	31,483,965	38,808,527	47,287,814
Total	**141,063,096**	**105,435,281**	**99,459,127**	**92,918,510**	**92,858,269**	**99,280,134**	**107,245,817**	**117,478,334**	**129,168,523**	**141,486,024**	**158,395,907**

WAVERLEY COUNCIL - PROPOSED BUDGET	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
CASH FLOW STATEMENT											
CASH FLOW FROM OPERATION ACTIVITES											
Receipts											
Rates	46,627,675	47,868,285	49,235,097	50,893,037	52,568,775	54,313,008	56,116,257	57,986,133	59,914,920	61,901,495	63,956,826
Domestic Waste Charge	18,180,315	18,181,319	18,369,618	18,723,535	19,126,438	19,537,042	19,993,822	20,430,915	20,772,735	21,250,601	21,691,780
User Charges & Fees	36,649,622	46,540,808	47,929,972	49,341,875	50,581,002	51,770,331	52,989,289	54,336,042	55,624,809	56,938,826	58,381,656
Investments Income	2,449,402	1,061,771	751,521	605,213	529,572	478,330	491,024	527,470	570,517	610,860	652,928
Grants & Contributions	21,325,843	18,254,720	16,110,213	15,224,228	21,056,347	24,375,374	20,167,138	18,302,732	17,607,350	17,971,432	14,634,256
Other Operating Receipts	14,816,548	18,625,694	19,682,370	20,670,447	21,189,579	21,714,083	22,252,289	22,806,770	23,373,978	23,953,093	24,547,902
	140,049,404	**150,532,598**	**152,078,791**	**155,458,336**	**165,051,713**	**172,188,168**	**172,009,818**	**174,390,061**	**177,864,310**	**182,626,307**	**183,865,348**
Payments											
Employee Benefits & On-Costs	64,973,931	67,784,513	69,806,839	72,184,407	74,686,795	77,297,646	78,999,560	80,710,546	82,458,812	84,245,187	86,133,850
Materials & Contracts	25,375,092	29,329,096	27,598,169	27,136,879	27,425,815	27,729,744	28,190,525	28,853,321	29,612,583	29,900,586	33,044,159
Borrowing Costs	89,794	78,024	65,928	53,490	40,704	27,558	13,959	1,600	-	-	-
Other Operating Expenses	21,233,350	22,224,714	22,457,310	22,885,049	23,488,677	24,442,930	24,758,005	25,255,754	25,918,427	26,965,315	27,314,301
	111,672,167	**119,416,346**	**119,928,246**	**122,259,826**	**125,641,990**	**129,497,879**	**131,962,050**	**134,821,222**	**137,989,822**	**141,111,088**	**146,492,310**
Net Cash provided by (or used in) Operating Activities	**28,377,237**	**31,116,252**	**32,150,545**	**33,198,510**	**39,409,723**	**42,690,289**	**40,047,769**	**39,568,839**	**39,874,487**	**41,515,220**	**37,373,037**
CASH FLOW FROM INVESTING ACTIVITIES											
Receipts											
Proceeds from sale of Infrastructure, Property, Plant and Equipment	6,941,614	1,022,269	656,583	982,086	1,408,581	1,374,282	845,975	1,153,305	1,120,754	268,559	1,440,676
Proceeds from sale of Investment Securities	23,922,425	37,116,047	7,508,920	9,494,283	5,151,901	0	0	0	0	0	0
	30,864,040	**38,138,316**	**8,165,503**	**10,476,369**	**6,560,482**	**1,374,282**	**845,975**	**1,153,305**	**1,120,754**	**268,559**	**1,440,676**
Payments											
Purchase of Infrastructure, Property, Plant & equipment	55,728,862	67,319,130	38,323,623	40,248,753	40,392,924	37,143,553	32,804,655	30,489,627	29,305,052	29,466,278	21,903,830
Purchase Investment Properties	-	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Securities	3,159,365	-	1,509,551	-	1,602,934	2,173,853	3,031,484	4,469,677	5,129,148	4,992,938	8,430,597
	58,888,227	**67,319,130**	**39,833,174**	**40,248,753**	**41,995,858**	**39,317,406**	**35,836,139**	**34,959,304**	**34,434,200**	**34,459,216**	**30,334,427**
Net Cash provided by (or used in) Investing Activities	**(28,024,187)**	**(29,180,814)**	**(31,667,671)**	**(29,772,384)**	**(35,435,376)**	**(37,943,124)**	**(34,990,164)**	**(33,805,999)**	**(33,313,446)**	**(34,190,657)**	**(28,893,751)**
CASH FLOW FROM FINANCING ACTIVITIES											
Receipts											
Proceeds from Borrowings and Advances	-	-	-	-	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments											
Repayments of Borrowings & Advances	435,095	447,206	459,658	472,460	485,621	499,153	123,406	-	-	-	-
	435,095	**447,206**	**459,658**	**472,460**	**485,621**	**499,153**	**123,406**	**-**	**-**	**-**	**-**
Net Cash provided by (or used in) Financing Activities	**(435,095)**	**(447,206)**	**(459,658)**	**(472,460)**	**(485,621)**	**(499,153)**	**(123,406)**	**-**	**-**	**-**	**-**
Net Increase (Decrease) in cash held	**(82,045)**	**1,488,231**	**23,216**	**2,953,666**	**3,488,727**	**4,248,012**	**4,934,199**	**5,762,840**	**6,561,041**	**7,324,562**	**8,479,286**
Cash Assets & Investments at the beginning of the reporting period	**8,051,875**	**7,969,830**	**9,458,061**	**9,481,277**	**12,434,943**	**15,923,669**	**20,171,681**	**25,105,880**	**30,868,720**	**37,429,761**	**44,754,324**
Cash at the end of the reporting period	**7,969,830**	**9,458,061**	**9,481,277**	**12,434,943**	**15,923,669**	**20,171,681**	**25,105,880**	**30,868,720**	**37,429,761**	**44,754,324**	**53,233,610**
											0
Plus Other Current Investments	106,971,209	72,593,320	65,084,400	56,560,178	51,408,277	51,652,053	59,914,831	67,658,667	77,006,395	86,117,576	95,716,431

WAVERLEY COUNCIL - PROPOSED BUDGET	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Plus Other Non-Current Investments	26,122,057	23,383,899	24,893,450	23,923,389	25,526,323	27,456,400	22,225,106	18,950,947	14,732,367	10,614,124	9,445,866
Total Cash & Investment Securities	**141,063,096**	**105,435,281**	**99,459,127**	**92,918,510**	**92,858,269**	**99,280,134**	**107,245,817**	**117,478,334**	**129,168,523**	**141,486,024**	**158,395,907**
Statement of Changes in Equity											
Equity - Opening Balance	1,250,834,963	1,264,568,950	1,273,450,640	1,283,640,126	1,294,151,020	1,311,096,983	1,330,883,664	1,347,282,167	1,363,319,467	1,379,513,472	1,396,460,035
Net Operating Result for the Year	13,733,987	8,881,690	10,189,485	10,510,894	16,945,964	19,786,681	16,398,502	16,037,300	16,194,005	16,946,563	13,491,848
Equity - Closing Balance	1,264,568,950	1,273,450,640	1,283,640,126	1,294,151,020	1,311,096,983	1,330,883,664	1,347,282,167	1,363,319,467	1,379,513,472	1,396,460,035	1,409,951,883
RESERVE BALANCE											
External Restriction											
Voluntary Planning Agreement	11,541,832	10,810,068	9,110,148	6,112,579	5,648,269	6,356,665	5,936,956	7,078,683	6,243,274	5,315,302	5,356,292
Section 94A	1,610,323	1,371,005	1,400,492	855,044	457,575	672,895	808,299	104,475	410,420	559,396	(0)
Affordable Housing	4,423,395	3,769,777	3,991,175	4,137,501	4,283,753	4,429,930	4,576,031	4,722,054	4,867,997	5,013,859	5,159,639
Unexpended Grants/Subsidy	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912	1,389,912
Domestic Waste Reserve	12,055,828	11,153,592	14,277,745	16,704,375	18,945,461	19,713,836	21,850,191	24,803,327	26,076,785	28,926,032	31,335,437
Stormwater Management Service Reserve	376,789	165,567	-	-	77,375	169,184	275,788	397,557	534,870	688,116	1,051,613
Total External Restricted Reserve	**31,398,079**	**28,659,921**	**30,169,472**	**29,199,411**	**30,802,345**	**32,732,422**	**34,837,177**	**38,496,008**	**39,523,258**	**41,892,617**	**44,292,893**
Internal Restriction											
Employees Leave Entitlements	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437	5,153,437
Replacement - Plant & Vehicles	5,091,659	4,952,451	5,245,021	4,614,207	3,110,110	2,555,531	2,215,553	1,509,637	2,032,379	2,834,795	1,919,516
Computer	1,751,057	1,800,905	1,714,453	1,381,701	1,536,249	1,650,397	1,684,145	1,694,693	1,371,941	1,556,789	1,738,837
Centralised Reserve	8,631,482	6,928,621	5,440,230	5,534,297	4,207,627	3,856,546	5,505,833	6,415,509	6,669,710	7,591,024	8,180,921
Infrastructure Asset Renewal Reserve	18,473,811	12,651,939	12,936,881	12,875,440	11,731,591	12,132,102	10,527,003	9,913,654	12,335,147	14,681,251	19,588,846
Election Reserve	450,000	82,620	213,840	349,920	486,000	89,230	230,948	377,914	524,880	96,368	249,423
Sale Surplus Lands	5,826,469	5,826,469	5,518,344	3,018,344	518,344	518,344	518,344	518,344	518,344	518,344	518,344
Looking Good	51,396	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Deposits & Bonds	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208	12,771,208
Parking Meters	2,298,540	2,482,140	2,669,412	2,860,429	3,055,267	3,254,002	3,456,711	3,663,474	3,874,373	1,790,950	2,010,369
Off-Street Parking Facilities	1,688,137	2,089,637	1,691,137	2,092,637	2,494,137	2,895,637	3,297,137	3,698,637	4,100,137	4,501,637	4,903,137
Housing Stock	1,888,479	1,973,030	2,057,731	2,143,508	2,230,382	2,317,950	2,408,131	2,500,978	2,596,605	2,695,092	2,796,514
Social Housing	396,287	190,318	288,123	389,213	493,682	601,656	713,244	828,556	947,736	1,070,875	1,198,046
Carry Overs	1,979,238	1,307,339	507,955	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Waverley Cemetery	388,300	131,497	124,919	374,128	618,534	854,304	1,095,379	1,341,878	1,593,920	1,851,626	2,115,119
Investment Strategy	40,750,646	14,870,646	9,370,646	3,620,646	3,620,646	3,620,646	3,620,646	3,620,646	3,620,646	3,620,646	3,620,646
Total Internal Restriction	**107,640,983**	**73,263,094**	**65,754,174**	**57,229,952**	**52,078,051**	**52,321,827**	**53,248,556**	**54,059,402**	**58,161,300**	**60,784,879**	**66,815,200**
Total Restricted Reserve Balance	**139,039,062**	**101,923,015**	**95,923,646**	**86,429,363**	**82,880,396**	**85,054,249**	**88,085,733**	**92,555,410**	**97,684,558**	**102,677,496**	**111,108,093**



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Cover photo by Deb Field