

City of
Bayswater

Long-Term Financial Plan

2024/25 – 2033/34



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INTRODUCTION

The updated 10 year Long Term Financial Plan (the 'Plan') covers the period 2024/25 to 2033/2034 inclusive. The Plan is updated annually and not only helps define the City's ability to fund the Strategic Community Plan but also guides the annual budget and business planning process.

Local Government (Administration) Regulations 1996 in conjunction with the introduction of an Integrated Planning and Reporting Framework and Guidelines outline the planning and reporting methodology required.

The following figure illustrates how the Plan informs and integrates with other Plans in the Framework:



The 2024/2025 adopted budget is the first year of the Plan. In conjunction with relevant assumptions it creates the base for forecasting operating income and expenditure over the ten year horizon.

Asset Management Plans form the basis of ongoing capital expenditure requirements which are funded through a combination of operating income, capital grants, borrowings and reserve transfers. Although the City currently has capacity to borrow, additional borrowings are being prioritised for future underground power projects, and the use of reserves has been done within known capital adequacy limits. Capital expenditure requirements can vary significantly from one year to the next so forecasting over the longer term helps build financial sustainability.

The Plan uses a number of assumptions and only includes those future projects and programs that have been costed through the City's asset management planning process. The Plan and associated model are a forecasting and planning tool and is limited by the accuracy of the assumptions and other inputs.

The outputs of the Plan help measure the City's ability to fund the Strategic Community Plan but also provide guidance to ensure the City continues to operate in an ongoing financially sustainable manner. These outputs include the Key Performance Indicators (KPI's) as previously stipulated in the Local Government (Financial Management) Regulations 1996.

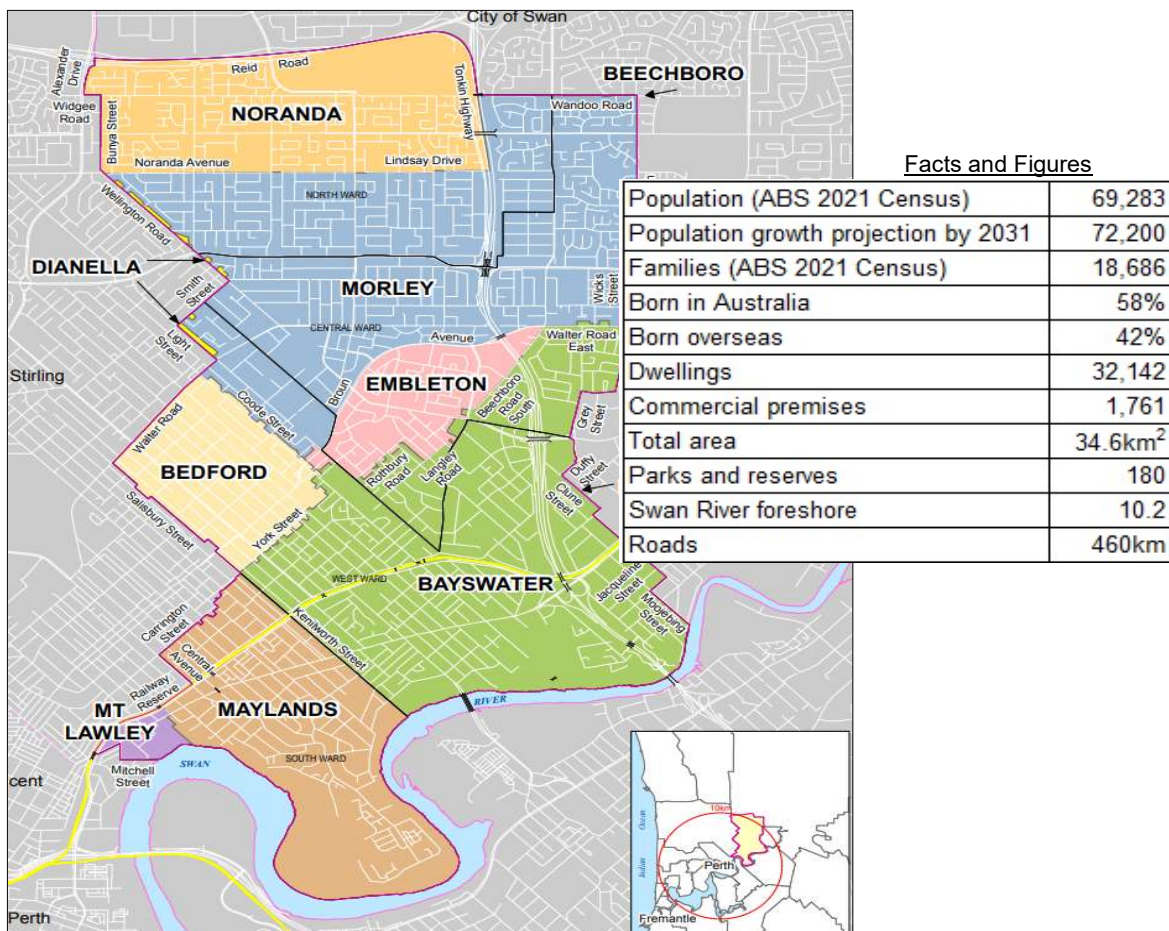
CITY PROFILE

The City of Bayswater is strategically located approximately six kilometres from Perth's CBD and represents a vibrant, multicultural community of around 70,000 residents and over 2,000 businesses.

As a local government, the City prides itself on the quality of customer service that we provide, our willingness to innovate and our ability to deliver cost-effective programs and initiatives that contribute to the quality of life of all who live, work and play within our city.

The City of Bayswater places great emphasis on the quality of the built and natural environments. The quality of our streetscapes, myriad green vistas and over 160 parks and reserves contribute to supporting the City's Garden City ethos. We have stewardship of over ten kilometres of Swan River foreshore, which represents a great leisure and recreational resource for our community and visitors alike. The City's foreshore includes the pristine Riverside Gardens – home to regionally significant events such as the Autumn River Festival and Avon Descent finish line – and the revitalised Eric Singleton Bird Sanctuary nature reserve.

Our strategic location and great transport links to Perth's CBD, Perth International Airport and beyond, makes the City a great location in which local businesses can thrive and grow. That location and its excellent transport networks have attracted significant developments, including the Galleria Shopping Centre in Morley. Galleria is one of the State's largest retail destinations serving a main trade population in excess of 250,000 potential shoppers supported by other exciting retail and tourism developments. The upgrading of the rail network through parts of Perth (Metronet) also had a significant impact on the City including a new Bayswater Station, and new Morley and Noranda stations.



EXECUTIVE SUMMARY

The outputs of the Plan prove the City to be a financially sustainable entity with the financial capacity to continue to deliver ongoing operational and asset renewal activities. However, capital projects, which are further explained below, will rely on cash reserves until the City's operating result improves.

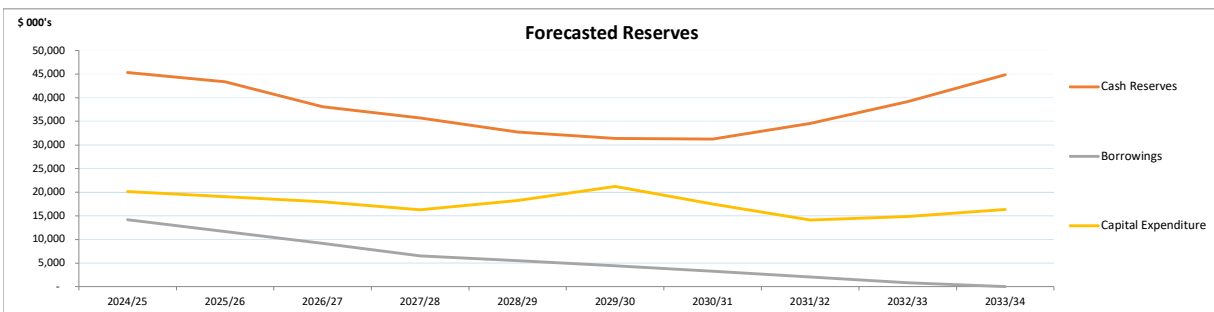
Financial sustainability is largely measured through several KPI's which target the City's financial performance, debt management, ongoing cash flow and asset renewal capabilities. The regulatory KPI's, which are currently under review, in summary generally meet at least the basic standards that have been provided under guidelines issued by the Department of Local Government, Sport and Cultural Industries (DLGSCI) and in some cases the City has excelled beyond the advanced standards. **The main exception to this relates to the Operating Surplus Ratio which improves as operational income grows at a faster rate than operating expenditure and meets the basic level by Year 7.** This requires prudent financial management through future budget cycles to ensure the City remains financially sustainable and in a position to meet future challenges.

Key Performance Indicators	Yr - 1	Yr - 2	Yr - 3	Yr - 4	Yr - 5	Yr - 6	Yr - 7	Yr - 8	Yr - 9	Yr - 10
Operating Surplus Ratio - Target 0% to 15%	-4.7%	-3.9%	-3.3%	-1.6%	-1.3%	-0.7%	0.1%	0.9%	1.8%	2.9%
Current Ratio - Target > or = to 1	1.30	1.30	1.30	1.29	1.29	1.28	1.27	1.27	1.26	1.28
Own Source Revenue Coverage - Target > 40%	91.7%	92.5%	93.1%	94.5%	94.9%	95.4%	96.2%	97.0%	97.9%	99.0%
Debt Service Coverage Ratio - Target > or = 5	3.1	3.4	3.6	9.5	10.0	10.6	11.6	12.6	20.3	30.3
Asset Sustainability Ratio - Target > 90% to 100%	89.2%	88.7%	97.6%	86.7%	105.0%	96.9%	97.4%	76.0%	80.8%	85.2%
Asset Consumption Ratio - Target 50% - 75%	58.0%	57.2%	57.1%	56.2%	56.2%	55.4%	55.2%	54.3%	54.0%	53.2%
Asset Renewal Funding Ratio - Target 95 - 100%	100.0%									

The following chart illustrates that in peak periods the capital program is heavily supported by reserves.

It should be noted however that the outlying years (2029/2030 - 2033/2034) are more difficult to forecast, especially in regard to capital expenditure requirements. Often asset management forecasts will change based on updated condition assessments and upgrade projects that are driven by community expectations.

Any capacity for new borrowings should be maintained to support future underground power projects, consistent with the Loan Borrowings Policy.



KEY ASSUMPTIONS

The following table lists the assumptions used with years 6 to 10 consistent with year 5.

	Year 1	Year 2	Year 3	Year 4	Year 5+
CPI Forecast	3.00%	2.50%	2.50%	2.50%	2.50%
WALGCI Index	3.10%	2.80%	2.80%	2.80%	2.80%
Revenue Parameters					
Rates - annual increase (incl. Differentials)	5.00%	3.50%	3.50%	3.50%	3.50%
Rates - Growth	0.50%	0.50%	0.50%	0.50%	0.50%
Fees & Charges Waste	3.00%	2.50%	2.50%	2.50%	2.50%
Fees & Charges Other	3.00%	2.50%	2.50%	2.50%	2.50%
Fees & Charges Recreation	3.00%	2.50%	2.50%	2.50%	2.50%
Fines	3.00%	2.50%	2.50%	2.50%	2.50%
Operating Grants	3.00%	2.50%	2.50%	2.50%	2.50%
Other Revenue	2.50%	2.75%	2.50%	2.50%	2.50%
Non-operating Grants % of Capital Works	Based on FCWP review				
Interest Revenue Return	5.00%	4.00%	4.00%	3.50%	3.00%
Expenditure Parameters					
Materials and Contracts	3.00%	2.50%	2.50%	2.50%	2.50%
Waste costs - increases (zero emissions)	3.00%	2.50%	2.50%	2.50%	2.50%
Utility Costs	3.00%	2.50%	2.50%	2.50%	2.50%
Fuel Costs	3.00%	2.50%	2.50%	2.50%	2.50%
Employee Costs EBA	3.00%	3.00%	3.00%	3.00%	3.00%
Employee Costs other (superannuation)	0.50%	0.50%	0.00%	0.00%	0.00%
Insurances	10.00%	3.00%	3.00%	3.00%	3.00%
Interest Expenses	Based on current interest rates applied by WATC				
Other Expenses	3.00%	2.50%	2.50%	2.50%	2.50%

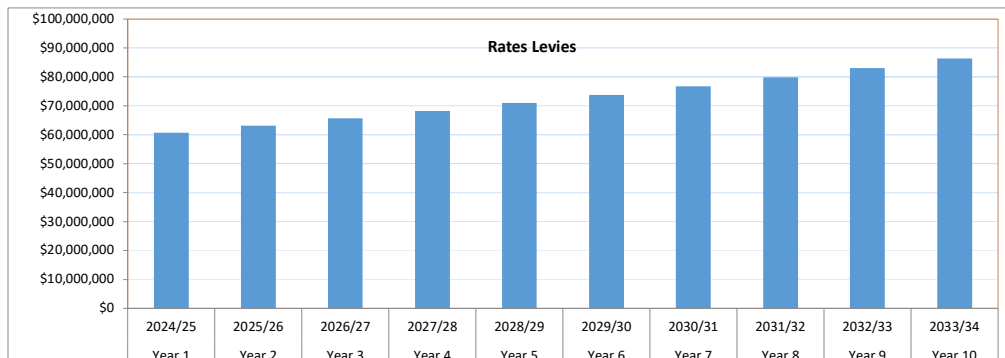
Revenue Assumptions

Rates - Annual Increase (Rate in the Dollar and Minimum Payments)

The increase each year is determined as part of the annual budget process and largely depends on cost pressures as the City attempts to achieve an operating surplus and a balanced budget. The City has traditionally maintained rate in the dollar increases slightly more than Perth CPI which is a key assumption in the Plan, with rate increases 1% higher than CPI in years 2 to 10 in order to support the strategy of growing operating income at a faster rate than operating expenditure.

Rates - Growth Increase

The City comprises an area that is close to the Perth CBD and is very much developed, so natural growth in the rates base is minor. Further development around the rail network and stations and other planning precincts within the City will help grow the rates base.



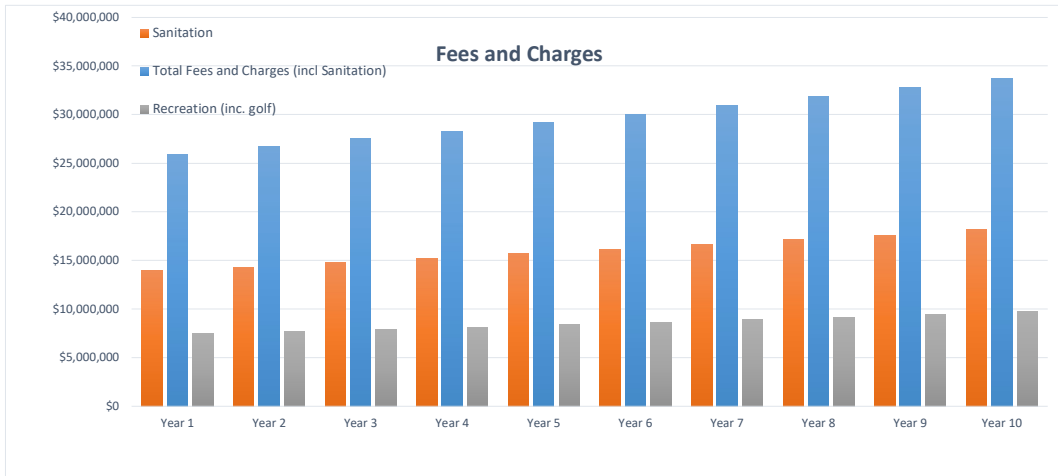
KEY ASSUMPTIONS (cont.)

Grants, Subsidies and Contributions

Operating grants are based on the State Treasury CPI forecast. Non-Operating Capital grants are based on the expected grants tied to individual projects identified as part of the Forward Capital Works Program (FCWP).

Fees and Charges

These are largely cost recovery or statutory (set by legislation) and the increase is linked to the State Treasury CPI forecast. The majority of fees and charges relate to Sanitation or Waste charges that account for 54% and are not a profit making service for the City. Waste management is very much a fee for service with any surpluses transferred to the General Waste Reserve. The City also has three large recreation centres and two golf courses that generate significant fee income.



Interest Earnings

Based on current rates of return and also considers trends in expected cash rates.

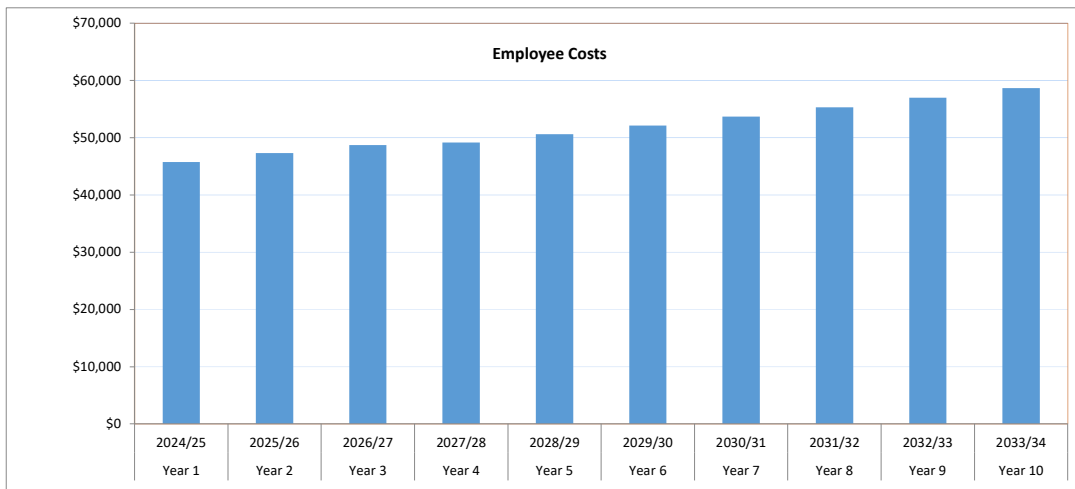
Other Revenue

Based on the State Treasury CPI forecast.

Expenditure Assumptions

Employee Costs

Employee cost estimates consider the Enterprise Bargaining Agreement (EBA) relevant to the City and other known increases.



KEY ASSUMPTIONS (cont.)

Materials and Contracts

Based on the State Treasury CPI forecast.



Utility Charges

Assumed to continue in line with the CPI.

Interest Rates

Based on Western Australian Treasury Corporation rates.

Insurance Costs

Expected to continue close to CPI beyond the first year although difficult to predict.

Other Expenditure

Based on the State Treasury CPI forecast.

Operating Expenditure - How is it Utilised?

Previous Plan's divided operating expenditure into the following three categories, which is useful but subjective and is to be used as a guide only. The unallocated expenditure, that is not reported, largely comprises those corporate support and administrative costs.

Statutory - Expenditure relates to service provision that is imposed by legislative requirements.

Discretionary - Expenditure relates to service provision that is optional and is not imposed by legislative requirements. This includes Library Services, Recreation and Parks & Gardens.

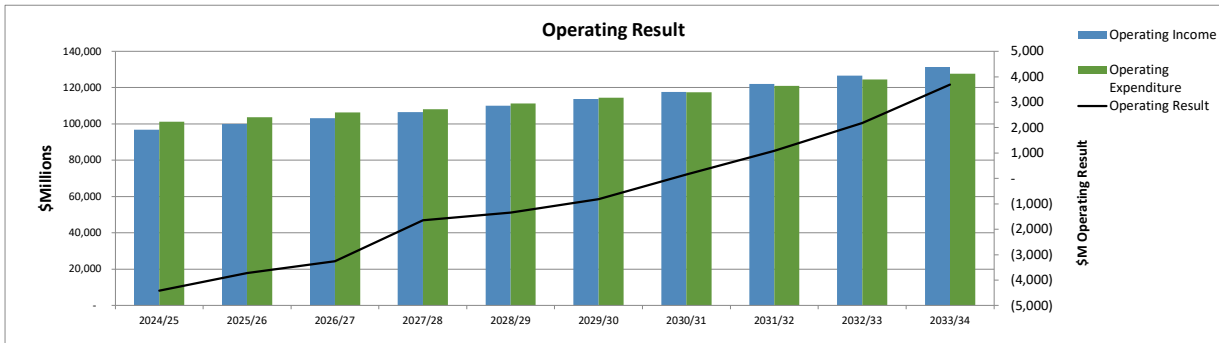
Asset Maintenance - Expenditure relates to maintaining Council's existing assets and infrastructure.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$'M	\$'M	\$'M	\$'M	\$'M	\$'M	\$'M	\$'M	\$'M	\$'M
Statutory Services	25.1	25.9	26.6	27.3	28.1	28.9	29.6	30.5	31.3	32.2
Discretionary Services	33.1	34.1	35.1	36.0	37.0	38.0	39.1	40.2	41.3	42.4
Asset Maintenance	15.4	15.8	22.9	23.4	23.9	24.3	24.8	25.3	25.8	26.4

KEY ASSUMPTIONS (cont.)

Operating Result

The challenge for the City is improving the operating result which has a significant starting deficit position. The only way in which to improve is by growing operating income at a faster rate than operating expenditure. The primary operating income relates to rates income which needs to increase by at least 1% more than CPI to achieve a surplus position within the next 7 years. The City is also embarking on service reviews to focus on the benefits of each service measured against respective costs. Focusing on reducing operating expenditure in conjunction with growing income should be a key strategy for the City.



Balanced Budget

A balanced budget each year with consistent with budgeting practices.

Land transactions

There will likely be land transactions over the next 10 years however they are largely opportunistic and dependent on market conditions and none have been built into the Plan. Understating the number of land transactions has minimal impact as surplus land proceeds are likely to be transferred to the Strategic Land Reserve which in turn funds future land acquisitions. So effectively land transactions are self-funded through the reserve.

Borrowings

No new borrowings have been included in the Plan. Based on the Indicative Additional Borrowing Capacity Calculator provided by the DLGSCI and the Western Australian Treasury Corporation it appears the City is in a strong position to seek new borrowings if required. New borrowings would need to align to the Loan Borrowing Policy.

Future Underground Power Projects

As part of the state government expansion of underground power there are a number of projects earmarked within the City's borders. The timing and construction costs are not reliably known and it is expected the costs will significantly increase per property as compared to the initial Maylands project. Future underground power projects are subject to future decisions by Council and as they are considered and approved by Council they will then be included in future Plans. Underground power projects will be funded through service charges and supported from a cashflow perspective by loan borrowings, so overall they will have a nil net impact on the City.

Divestment Cash Assets

Although the City will have cash assets at its disposal these have been excluded from the Plan. It is likely that those funds will be transferred to reserves during the 2024-25 year which will significantly improve the City's total reserve position. This is subject to a future Council decision.

Capital Projects

All capital works programs scheduled over the next 10 years have been included in the Plan and recognised within the 'Purchase and construction of infrastructure' and 'Purchase and property, plant and equipment' line items in the Statement of Financial Activity. This is largely driven by the Asset Management Planning process.

KEY ASSUMPTIONS (cont.)

Service Levels

Although service reviews will be a key part of business planning in coming years the Plan assumes service levels are maintained at current levels.

Fair Value Adjustments and EMRC

Fair value adjustments in relation to the revaluation of Property, Plant, Equipment and Infrastructure and equity adjustments relating to the City's Joint Venture arrangement with the Eastern Metropolitan Regional Council (EMRC) cannot be reliably estimated and have not been included in the Plan. These are non-cash adjustments and have a nil net impact.

Reserves

The forecasted reserve position each year is illustrated in the table below. An allocation is made in years 1 to 4 from the Renewal/Upgrade reserves to fund a proportion of their respective capital programs as well as a contribution from the Major Capital Works Reserve (MCWR). Future surpluses have then been transferred to replenish the MCWR although any such surpluses would be subject to future Council decisions. Reserve transfers also include a 1% transfer of the rates revenue to the MCWR and transfers to the Rates Smoothing Reserve for future election and revaluation costs.

<u>Reserve (\$'000's) Forecast</u>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Transport Renewal/Upgrade Reserve	3,707	2,733	1,273	594	612	630	649	668	688	709
Recreation Renewal/Upgrade Reserve	3,967	3,818	3,626	3,522	3,628	3,736	3,849	3,964	4,083	4,205
Fleet and Plant Renewal/Upgrade Reserve	1,927	1,475	1,019	613	631	650	670	690	711	732
Information and Communications Technology (ICT)	4,037	3,070	2,288	1,424	1,467	1,511	1,556	1,603	1,651	1,700
Buildings and Facilities Reserve	3,790	2,859	1,771	1,833	1,888	1,944	2,003	2,063	2,125	2,188
Major Capital Works Reserve	9,641	9,852	9,189	8,131	4,261	2,055	626	3,044	6,734	7,963
Cash-in-Lieu (POS) Reserve	1,158	1,204	1,252	1,296	1,335	1,375	1,416	1,459	1,503	1,548
Underground Power Reserve	838	1,721	0	0	0	0	0	0	0	0
Strategic Property Reserve	997	1,037	1,078	1,116	1,150	1,184	1,220	1,256	1,294	1,333
Long Service Leave and Entitlements Reserve	1,794	1,866	1,940	2,008	2,068	2,130	2,194	2,260	2,328	2,398
Rates Smoothing Reserve	629	294	521	470	380	324	571	482	416	684
Morley Library Seed Reserve	1,049	1,090	1,134	1,174	1,209	1,245	1,283	1,321	1,361	1,402
FOGO Reserve	2,534	2,635	2,740	2,836	2,921	3,009	3,099	3,192	3,288	3,387
General Waste Management Reserve	5,733	5,962	6,201	6,418	6,610	6,809	7,013	7,223	7,440	7,663
Climate Action Reserve	3,295	3,547	3,809	4,062	4,304	4,553	4,810	5,074	5,346	5,627
Bayswater Bowling Club Capital Improvements Re	12	0	0	0	0	0	0	0	0	0
Bayswater Tennis Club Reserve	128	133	139	143	148	152	157	161	166	106
Noranda Netball Courts Reserve	78	81	84	87	90	93	96	98	0	0
Bayswater City Soccer Club Rooms Redev Reserve	10	10	10	11	11	12	12	12	13	13
Total	45,322	43,388	38,075	35,739	32,713	31,412	31,222	34,572	39,144	44,866

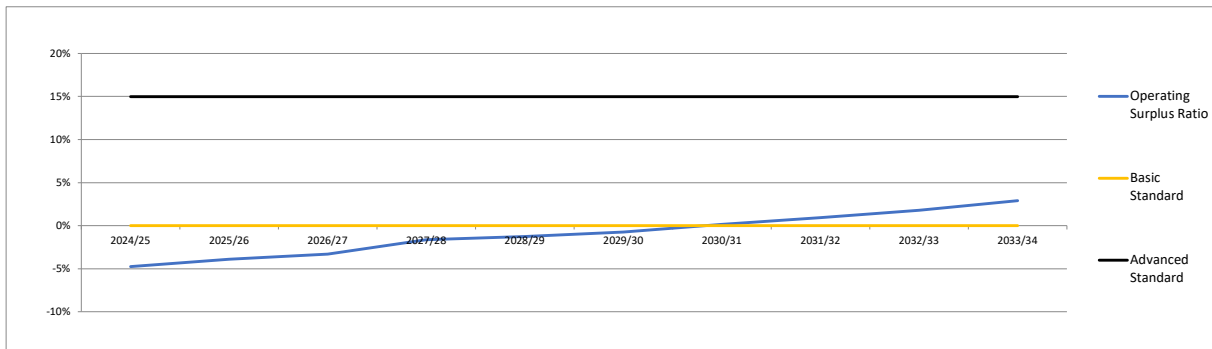
KEY PERFORMANCE INDICATORS (KPI'S)

The KPI's are consistent with those previously stipulated in the Local Government (Financial Management) Regulations 1996 and are currently under review.

Operating Surplus Ratio

A measure of financial performance with the focus on the ability to consistently achieve a positive operating surplus ratio. The ratio reflects the extent to which own source revenue can be made available to fund proposed capital expenditure, increase reserves or reduce debt. **The trend of this ratio is heavily dependent on the growth in rates income and a direct outcome of increasing operating income at a faster rate than operating expenditure.**

$$\text{Operating Surplus Ratio} = \frac{(\text{Operating Revenue minus Operating Expenses})}{\text{Own Source Operating Revenue}}$$

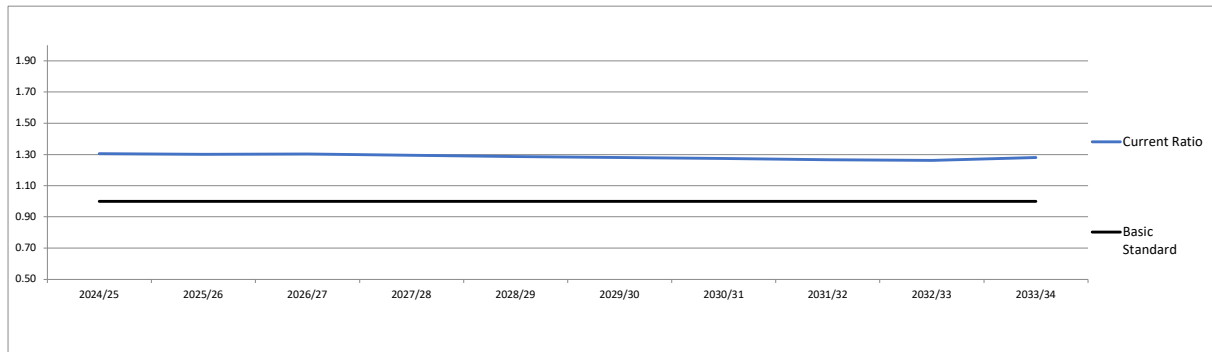


The City's ratio is less than the basic standard for 7 years and steadily improves over the 10 years.

Current Ratio

A measure of the City's liquidity, being the ability to quickly convert assets to cash.

$$\text{Current Ratio} = \frac{(\text{Current Assets minus Restricted Assets})}{(\text{Current Liabilities minus Liabilities Associated with Restricted Assets})}$$



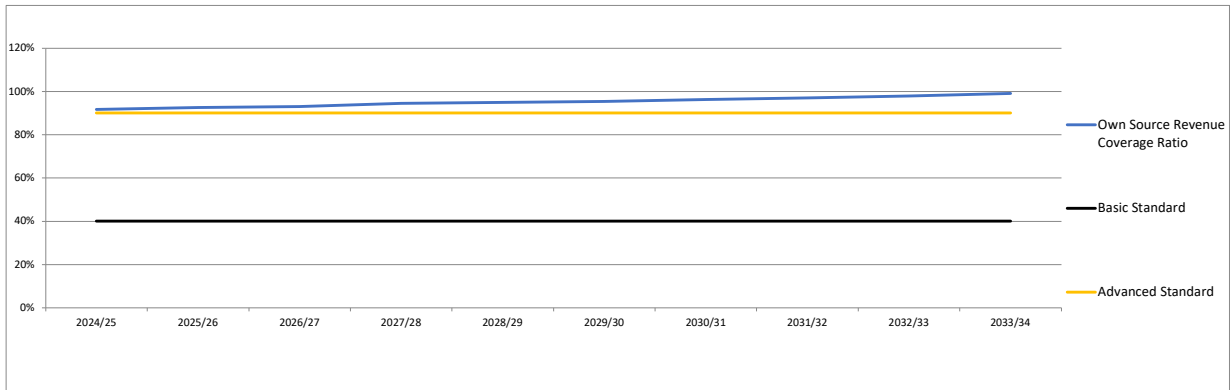
The City maintains a reasonable position and any excess closing balance funds will further improve the ratio. It should also be noted that the City has the ability to meet all obligations as at the reporting date. Loan repayments, although factored into the ratio, are not due at the reporting date unlike other current assets and liabilities.

KEY PERFORMANCE INDICATORS (cont.)

Own Source Revenue Coverage Ratio

A measure of the City's ability to cover its costs through its own revenue raising.

$$\text{Own Source Revenue Coverage Ratio} = \frac{\text{Own Source Operating Revenue}}{\text{Operating Expense}}$$

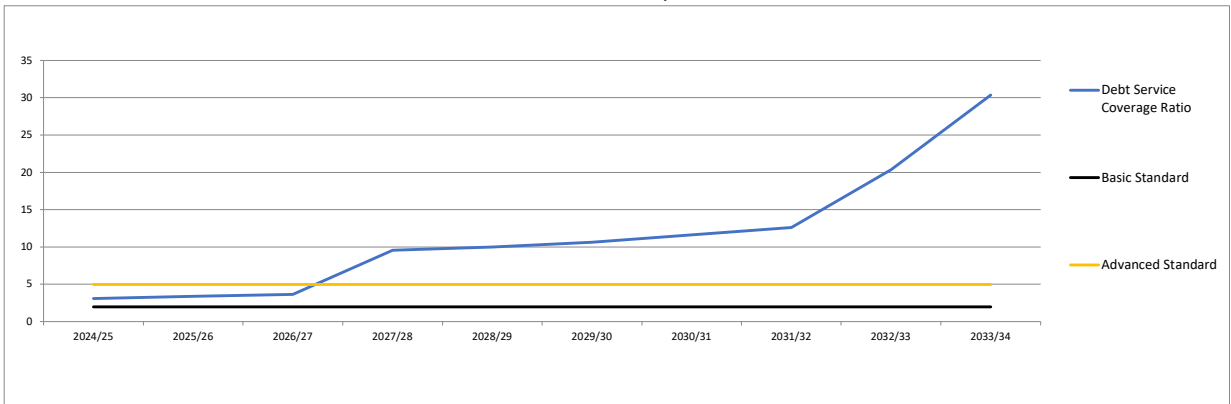


The City's ratio is better than the advanced standard although the advanced and basic standard are aimed at all Local Governments including those in the regions that are heavily reliant on external grant funding. Ideally this ratio for local governments in the metropolitan area should be closer to 100%.

Debt Service Coverage Ratio

A measure of the City's ability to service annual debt repayments.

$$\text{Debt Service Coverage Ratio} = \frac{\text{Annual Operating Surplus before Interest and Depreciation}}{\text{Principal and Interest}}$$



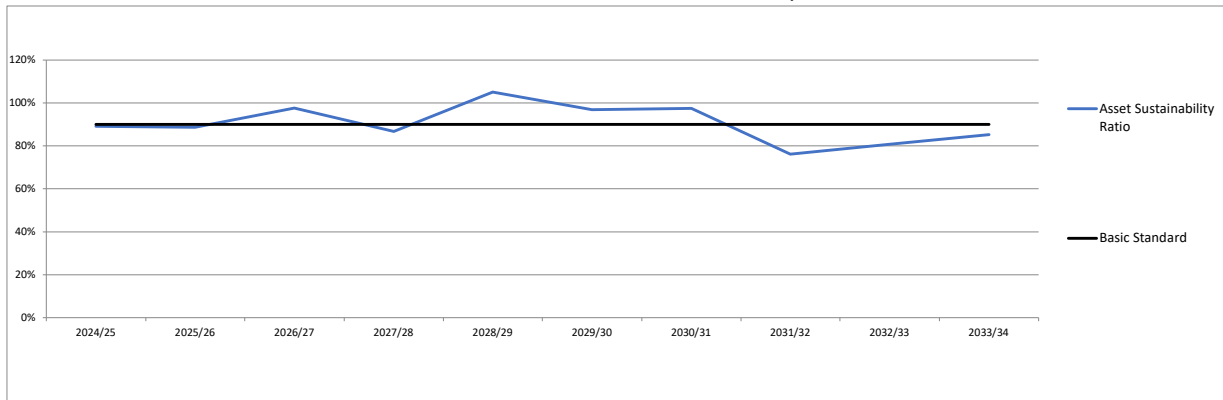
The City exceeds the advanced standard reflecting the City's ability to service current borrowings.

KEY PERFORMANCE INDICATORS (cont.)

Asset Sustainability Ratio

A measure of the City's ability to renew or replace assets as they reach the end of their useful lives.

$$\text{Asset Sustainability Ratio} = \frac{\text{Capital Renewal and Replacement Expenditure}}{\text{Depreciation}}$$

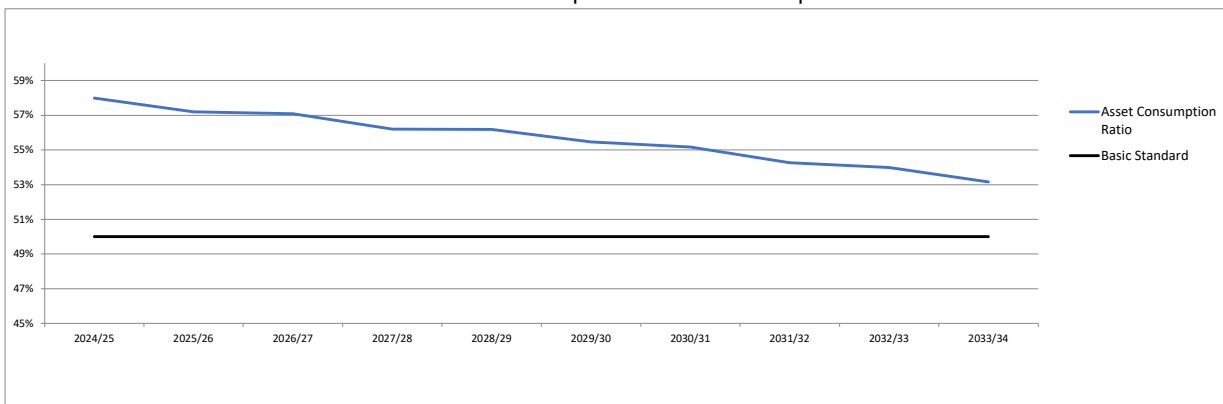


The ratio can be very volatile due to significant capital renewal works on the City buildings and parks in particular years. Over the ten years the ratio on average is 90% which is consistent with basic standard.

Asset Consumption Ratio

A measure of the aged condition of the City's stock of physical assets.

$$\text{Asset Consumption Ratio} = \frac{\text{Depreciated Replacement Cost of Depreciable Assets}}{\text{Current Replacement Cost of Depreciable Assets}}$$



It is expected future fair value adjustments would lead to a more positive ratio although the ratio is comfortably above the basic standard.

KEY PERFORMANCE INDICATORS (cont.)

Asset Renewal Funding Ratio

A measure of the financial capacity to fund asset renewal as required.

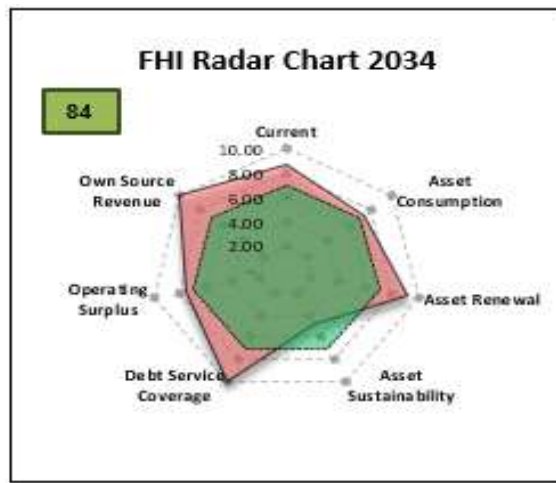
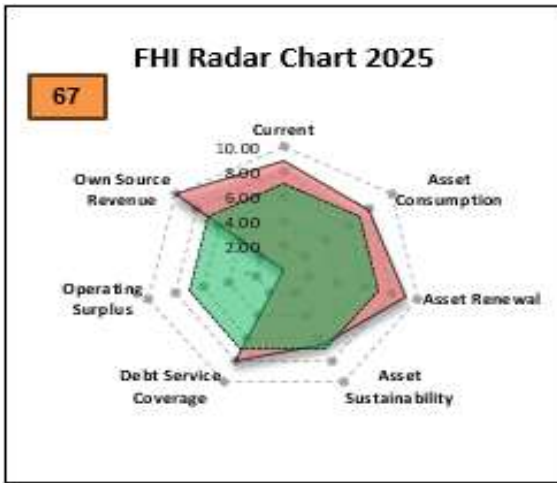
$$\text{Asset Renewal Funding Ratio} = \frac{\text{NPV of Planned Capital Renewals over 10 Years}}{\text{NPV of Required Capital Renewals over 10 Years}}$$

Asset Renewal Funding Ratio = 100.00%
 Basic Standard >75%

All asset renewal and replacement requirements identified through the asset management process have been provided for within the Plan, hence the outcome of 100% in year 1.

Financial Health Indicator (FHI)

The FHI is based on a combination of the abovementioned ratios with a different weighting given to each. Although the FHI and respective ratios are now redundant and under review, it is a useful gauge of financial sustainability and the importance of the operating surplus or deficit position. The FHI is 67 in Year 1 and climbs to 84 by the final year so has a positive trend that relies on a strategy of **growing operating income at a faster rate than operating expenditure** and ultimately being in an operating surplus position.



SENSITIVITY ANALYSIS

Assumptions play a pivotal role in the Plan as they do during the annual budgeting process.

A number of key assumptions underpin the Plan which are based on the most objective information available at the time. The key assumptions have been tested through scenario modelling and sensitivity analysis to understand their overall financial impact.

One of the key assumptions tested relates to the increase in rate revenue through both the natural growth of the rates base as well as the annual increase as adopted by Council. In this case an additional 1% increase per annum (e.g. annual increases are closer to 5% as opposed to 4%) will result in additional revenue of \$42M over the 10 years due to the compounding nature of the calculation. If rates income has an additional 1% increase to that assumed in the Plan in the first year only then the additional income generated over the 10 year period is approx. \$7M. On the other hand, if the assumed rates increase was overstated then this obviously has a negative impact on the operating result and the City would need to find alternative income sources and/or reduce costs.

Further scenarios are provided in the following table:

Updated Annual Surplus / (Deficit) \$M's	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
1. Additional 1 % increase in rates each year.	0.58	1.21	1.91	2.66	3.47	4.36	5.31	6.35	7.46	8.67	41.98
2. Additional 1% increase - 2024/5 only	0.58	0.60	0.63	0.65	0.68	0.70	0.73	0.76	0.79	0.82	6.94
3. Additional 1% increase each year - Non-Waste Fees & Charges	0.11	0.22	0.34	0.47	0.60	0.74	0.90	1.06	1.23	1.41	7.06
4 - Additional 1% in Employee Costs each year	-0.44	-0.92	-1.43	-1.94	-2.51	-3.11	-3.76	-4.45	-5.18	-5.95	-29.68
5 - Additional 1% - all other operating expenditure each year	-0.35	-0.76	-1.19	-1.65	-2.13	-2.65	-3.20	-3.78	-4.40	-5.05	-25.16

RISK MANAGEMENT

The City is committed to ensuring effective risk management is part of its operations and activities.

The City's Risk Management Policy outlines the City's commitment and approach to managing risks. Aligning with ISO 31000:2018 Risk Management - Guidelines the City's Risk Management Framework and processes provide guidance to integrate risk management principles into the City's operational functions. Identified risks are documented, analysed, assigned, monitored and reported against.

Risk is managed in accordance with the City's risk acceptance level, as endorsed by Council. To ensure robust risk management at all levels of planning and decision-making, risks are assessed at the strategic, operational and project levels and considers the safety, reputational, financial, environmental, service and compliance impacts. Risk are regularly reviewed, monitored and where appropriate, reported to the Audit and Risk Management Committee and Executive Leadership Team in-line with the Risk Management Framework. This ensures that adequate progress is made to address the prioritised risks, and that the management systems and controls in place for risk management are effective.

The City faces a broad range of risks in varied situations, the citywide approach to risk management is in the early stages of implementation as part of the business planning process in line with the Integrated Planning and Reporting Framework (IPRF). A key Strategic Risk is that the City does not have adequate financial capacity to deliver planned services and maintain assets, which is partially mitigated through the IPRF process.

ASSET MANAGEMENT

Under the provisions of the Local Government Act 1995 and a range of other legislative provisions of the State of Western Australia, the City is charged with the responsibility to maintain a diverse range of assets on behalf of the Community.

The City currently manages assets non-financial with a net value of approximately \$800M and it is critical that these assets are managed in accordance with industry best practice to ensure that the appropriate level of service is provided to the Community. These assets are managed through the City's asset management process.

The asset management process includes the use of condition assessments and predictive modelling to identify when existing assets need to be renewed or upgraded to maintain required service levels.

Over the next 10 years \$176M has been allocated to fund the City's Forward Capital Works Program, which predominantly relates to renewal. The FCWP is funded by \$6M from the sale of existing assets, \$43M from external funding sources and the remainder from the City's Reserve and Municipal funds.

One of the benefits of the Plan is the ability to measure the City's capacity to fund future significant projects. Such significant projects depending on the level of funding required will be sourced through a combination of capital grants, reserves and Municipal funds. The Plan can be used to ascertain how much can be (or needs to be) funded by each of the income sources although future non-current grants are difficult to accurately predict. The City always seeks to maximise external funding to help support the capital programs.

The FCWP lists the forecast expenditure by asset name and class is separately reported (below) and is based on the cost in today's dollars which have then been indexed for inclusion in the Statement of Financial Activity.

The FCWP is an informing plan for the future and it will be reviewed annually as part of the Council led business planning and budget process, with projects subject to change during the review process.

The list of projects comprising the FCWP includes those individual projects with a value of more than \$250K over the ten years, otherwise those less than \$250K have been grouped within each asset class.

Long-Term Financial Plan Financial Activity Statement

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Year 6 2029/30	Year 7 2030/31	Year 8 2031/32	Year 9 2032/33	Year 10 2033/34
Operating Activities										
Additional surplus b/fwd										
Net Current Assets at Start of Financial Year - includes unspent loan borrowings	965,365	-	-	-	-	-	-	-	-	-
	965,365	-	-	-	-	-	-	-	-	-
Revenue from Operating Activities (excl rates)										
General Rates	60,395,664	62,811,491	65,323,950	67,936,908	70,654,385	73,480,560	76,419,782	79,476,574	82,655,637	85,961,862
Interim Rates	300,000	314,057	326,620	339,685	353,272	367,403	382,099	397,383	413,278	429,809
Rates	60,695,664	63,125,548	65,650,570	68,276,593	71,007,656	73,847,963	76,801,881	79,873,956	83,068,915	86,391,671
Operating grants, subsidies and contributions	3,703,937	3,797,000	3,892,000	3,989,000	4,089,000	4,191,000	4,296,000	4,403,000	4,513,000	4,626,000
Fees and charges	25,883,686	26,714,494	27,506,494	28,319,494	29,156,494	30,019,494	30,908,494	31,824,494	32,769,494	33,739,494
Interest earning	5,496,744	5,327,851	5,001,796	4,825,317	4,598,812	4,507,712	4,494,608	4,736,404	5,049,587	5,419,509
Other revenue	969,386	996,000	1,021,000	1,047,000	1,073,000	1,100,000	1,128,000	1,156,000	1,185,000	1,215,000
Sub Total Excl Rates	96,749,417	99,960,893	103,071,860	106,457,403	109,924,962	113,666,169	117,628,983	121,993,855	126,585,996	131,391,675
Expenditure from Operating Activities										
Employee costs	-45,733,058	-47,334,000	-48,754,000	-49,147,480	-50,622,000	-52,141,000	-53,705,000	-55,316,000	-56,975,000	-58,684,000
Materials and contracts	-35,448,632	-36,060,000	-36,962,000	-38,012,091	-39,292,000	-40,574,000	-41,588,000	-42,978,000	-44,382,000	-45,492,000
Utility charges	-4,044,956	-4,146,000	-4,250,000	-4,356,000	-4,465,000	-4,577,000	-4,691,000	-4,808,000	-4,928,000	-5,051,000
Depreciation and amortisation	-13,593,021	-13,865,000	-14,142,000	-14,425,000	-14,714,000	-15,008,000	-15,308,000	-15,614,000	-15,926,000	-16,245,000
Insurance expense	-1,278,656	-1,317,000	-1,357,000	-1,398,000	-1,440,000	-1,483,000	-1,527,000	-1,573,000	-1,620,000	-1,669,000
Interest expense	-624,936	-509,926	-394,920	-294,789	-244,827	-192,988	-139,019	-82,580	-29,835	0
Other expenditure	-445,398	-457,000	-468,000	-480,000	-492,000	-504,000	-517,000	-530,000	-543,000	-557,000
Loss on asset disposal	-244,836	-250,957	-257,231	-263,662	-270,253	-277,009	-283,935	-291,033	-298,309	-305,767
Sub Total - Operating Expenditure	-\$ 101,413,492	-\$ 103,939,883	-\$ 106,585,151	-\$ 108,377,022	-\$ 111,540,080	-\$ 114,756,998	-\$ 117,758,954	-\$ 121,192,613	-\$ 124,702,144	-\$ 128,003,767
Discontinued Operations	553,098									
Non Cash Items										
Movement in Service Charge Debtors (UGP)	2,547,079	2,547,079								
Discontinued Operations including Non-Current movement	-933,592									
Loss on asset disposal	244,836	250,957	257,231	263,662	270,253	277,009	283,935	291,033	298,309	305,767
Depreciation	13,593,021	13,865,000	14,142,000	14,425,000	14,714,000	15,008,000	15,308,000	15,614,000	15,926,000	16,245,000
Amount Attributable to Operating Activities	\$ 11,340,367	\$ 12,684,047	\$ 10,885,941	\$ 12,769,043	\$ 13,369,135	\$ 14,194,180	\$ 15,461,964	\$ 16,706,275	\$ 18,108,161	\$ 19,938,675
Investing Activities										
Non-operating grants, subsidies and contributions	10,935,544	6,516,711	3,982,567	1,852,144	2,509,376	6,270,063	2,425,150	1,697,482	1,767,566	1,776,904
Purchase and construction of infrastructure	-15,148,481	-12,588,753	-11,165,785	-9,346,274	-9,559,220	-13,061,982	-9,426,748	-7,648,414	-8,361,981	-9,538,072
Purchase and property, plant and equipment	-10,340,774	-6,470,717	-6,812,215	-6,946,704	-8,702,937	-8,138,538	-8,075,212	-6,467,645	-6,516,074	-6,803,437
Proceeds from disposal of assets	446,004	597,553	569,546	518,277	586,787	711,444	750,103	438,762	575,808	505,538
Amount Attributable to Investing Activities	-\$ 14,107,706	-\$ 11,945,206	-\$ 13,425,886	-\$ 13,922,558	-\$ 15,165,994	-\$ 14,219,013	-\$ 14,326,708	-\$ 11,979,814	-\$ 12,534,680	-\$ 14,059,067
Financing Activities										
Repayment of borrowings (principal)	-2,451,100	-2,543,435	-2,640,414	-1,046,522	-1,088,949	-1,133,096	-1,179,033	-1,226,832	-846,948	0
Payments for principal portion of lease liabilities	-126,381	-129,541	-132,779	-136,099	-139,501	-142,989	-146,563	-150,227	-153,983	-157,833
Transfers to reserves (restricted assets)	-36,839,617	-3,612,789	-2,713,470	-2,338,451	-2,106,809	-2,045,803	-2,037,471	-3,699,402	-5,005,265	-5,787,358
Transfers from reserves (restricted assets)	41,219,072	5,546,923	8,026,608	4,674,587	5,132,118	3,346,720	2,227,811	350,000	432,715	65,583
Amount Attributable to Financing Activities	\$ 1,801,974	-\$ 738,841	\$ 2,539,945	\$ 1,153,515	\$ 1,796,859	\$ 24,832	-\$ 1,135,256	-\$ 4,726,461	-\$ 5,573,481	-\$ 5,879,608
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Long-Term Financial Plan
Statement of Comprehensive Income

	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29	Year 6 2029/30	Year 7 2030/31	Year 8 2031/32	Year 9 2032/33	Year 10 2033/34
Revenue										
Rates	60,695,664	63,125,548	65,650,570	68,276,593	71,007,656	73,847,963	76,801,881	79,873,956	83,068,915	86,391,671
Operating grants, subsidies and contributions	3,703,937	3,797,000	3,892,000	3,989,000	4,089,000	4,191,000	4,296,000	4,403,000	4,513,000	4,626,000
Fees and charges	25,883,686	26,714,494	27,506,494	28,319,494	29,156,494	30,019,494	30,908,494	31,824,494	32,769,494	33,739,494
Interest earning	5,496,744	5,327,851	5,001,796	4,825,317	4,598,812	4,507,712	4,494,608	4,736,404	5,049,587	5,419,509
Other revenue	969,386	996,000	1,021,000	1,047,000	1,073,000	1,100,000	1,128,000	1,156,000	1,185,000	1,215,000
	96,749,417	99,960,893	103,071,860	106,457,403	109,924,962	113,666,169	117,628,983	121,993,855	126,585,996	131,391,675
Expenses										
Employee costs	-45,733,058	-47,334,000	-48,754,000	-49,147,480	-50,622,000	-52,141,000	-53,705,000	-55,316,000	-56,975,000	-58,684,000
Materials and contracts	-35,448,632	-36,060,000	-36,962,000	-38,012,091	-39,292,000	-40,574,000	-41,588,000	-42,978,000	-44,382,000	-45,492,000
Utility charges	-4,044,956	-4,146,000	-4,250,000	-4,356,000	-4,465,000	-4,577,000	-4,691,000	-4,808,000	-4,928,000	-5,051,000
Depreciation and amortisation	-13,593,021	-13,865,000	-14,142,000	-14,425,000	-14,714,000	-15,008,000	-15,308,000	-15,614,000	-15,926,000	-16,245,000
Insurance expense	-1,278,656	-1,317,000	-1,357,000	-1,398,000	-1,440,000	-1,483,000	-1,527,000	-1,573,000	-1,620,000	-1,669,000
Interest expense	-624,936	-509,926	-394,920	-294,789	-244,827	-192,988	-139,019	-82,580	-29,835	0
Other expenditure	-445,398	-457,000	-468,000	-480,000	-492,000	-504,000	-517,000	-530,000	-543,000	-557,000
	-\$ 101,168,656	-\$ 103,688,926	-\$ 106,327,920	-\$ 108,113,361	-\$ 111,269,827	-\$ 114,479,988	-\$ 117,475,019	-\$ 120,901,580	-\$ 124,403,835	-\$ 127,698,000
Operating Surplus / (Deficit)	-4,419,239	-3,728,032	-3,256,059	-1,655,957	-1,344,865	-813,820	153,964	1,092,275	2,182,161	3,693,675
Discontinued Operations	553,098	0	0	0	0	0	0	0	0	0
Non-operating grants, subsidies and contributions	10,935,544	6,516,711	3,982,567	1,852,144	2,509,376	6,270,063	2,425,150	1,697,482	1,767,566	1,776,904
Profit / (Loss) on asset disposal	-244,836	-250,957	-257,231	-263,662	-270,253	-277,009	-283,935	-291,033	-298,309	-305,767
Net Result	\$ 6,824,567	\$ 2,537,722	\$ 469,277	-\$ 67,475	\$ 894,258	\$ 5,179,234	\$ 2,295,179	\$ 2,498,724	\$ 3,651,418	\$ 5,164,812
Total comprehensive income	\$ 6,824,567	\$ 2,537,722	\$ 469,277	-\$ 67,475	\$ 894,258	\$ 5,179,234	\$ 2,295,179	\$ 2,498,724	\$ 3,651,418	\$ 5,164,812

FORWARD CAPITAL WORKS PROGRAM - ASSET/PROJECT BY ASSET CLASS	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Grand Total
Buildings											
Aged Persons Homes - Mertome ILUs (Mmertome Gardens)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	250,000
Bayswater Library - King William Street		165,000	35,000	45,000	15,000						260,000
Bayswater Waves	776,250	155,000	59,500	704,000	165,750	647,700	155,500	104,000	33,000	67,550	2,868,250
Civic Centre	618,000	10,000	290,000		130,000		130,000			170,000	1,348,000
Community Grant Program	80,295	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	1,520,295
General Allocation	210,000	220,000	220,000	220,000	2,070,000	2,020,000	2,020,000	2,020,000	2,020,000	2,020,000	13,040,000
Grand Prom Reserve - Bedford Bowling Club							265,000				265,000
Halliday Park - Lacrosse Clubroom				500,000							500,000
Maylands Brickworks Reserve	250,000										250,000
Maylands Hall - 198 Guildford Road	17,000	44,000	90,000				20,000	120,000			291,000
Maylands Sport & Recreation - Maylands Bowling & Dragon Boat	155,000					145,000					300,000
Morley Sport and Recreation Centre	400,000	885,000	915,000	645,000	75,000	14,000	20,000				2,954,000
Noranda Sporting Complex - Morley Noranda Recreation Club		160,000	180,000								340,000
Paddy Walker Works Depot	45,000	60,000	85,000	20,000	220,000		820,000	40,000			1,290,000
RA Cook Reserve - RA Cook Pavilion			45,000	25,000				175,000			265,000
The RISE - 28 Eighth Avenue - Operations	35,000	170,000	263,854	120,000	215,000	20,000		34,420	47,000		905,274
Waste Transfer Station - Collier Road	1,000,000		60,000			20,000					1,080,000
Wotton Reserve - Public Toilets					800,000						800,000
Other Projects less than \$250,000 in value	967,000	732,000	931,000	995,000	681,000	350,000	95,000	333,000	192,000	298,000	5,574,000
Buildings - Total	4,578,545	2,786,000	3,359,354	3,459,000	4,556,750	3,421,700	3,710,500	3,011,420	2,477,000	2,740,550	34,100,819
Drainage											
18 Fourth Avenue East drainage					320,333						320,333
34 Mephan Street (Gibbney Reserve) drainage										701,239	701,239
Other Projects less than \$250,000 in value	66,125	66,125	178,371	166,537	66,125	135,429	120,421	109,060	66,125	65,550	1,039,868
Drainage - Total	66,125	66,125	178,371	166,537	386,458	135,429	120,421	109,060	66,125	766,789	2,061,439
Footpaths											
Clavering Road						435,277			76,000		511,277
Crimea Street		239,262	204,019								443,282
Drake Street	760,000										760,000
Emberson Road										284,256	284,256
Embeson Road				446,253							446,253
McGilvray Avenue								184,464	76,608		261,072
Mcgilvray Avenue			603,680								603,680
Noranda Avenue								266,246			266,246
Wandoo Road							255,898				255,898
Other Projects less than \$250,000 in value	568,213	369,047	232,750	336,768	488,288	335,448	315,526	200,260	376,248	551,467	3,774,016
Footpaths - Total	1,328,213	608,309	1,040,449	783,021	488,288	770,725	571,424	650,970	528,856	835,723	7,605,979
Furniture and Equipment (includes ICT)											
Bayswater Waves	17,350	49,500			123,850	9,350	49,500			115,350	364,900
City Of Bayswater	408,060	344,060	344,660	20,000	178,800	295,600	180,400	291,000	28,800	80,400	2,171,780
Civic Centre	309,100	253,000	26,400	272,800	328,050	474,100	253,000	26,400	272,800	328,050	2,543,700
Next DC		89,100		280,500	4,950		89,100		330,000	4,950	798,600
Other Projects less than \$250,000 in value	623,243	487,016	478,503	422,079	459,075	560,555	428,027	522,785	430,265	422,490	4,834,038
Furniture and Equipment (includes ICT) - Total	1,357,753	1,222,676	849,563	995,379	1,094,725	1,339,605	1,000,027	840,185	1,061,865	951,240	10,713,018
Other Transport											
De Havilland View, Aero Dr, Wirraway Loop, Catalina Cove, Airways Blvd, Wing Ct, Kittyhawk View	303,482										303,482
Eighth Avenue										704,480	704,480
Kittyhawk View, Dakota Ave, Viastra Ln, Hinker Loop, Halifax Rd					325,962						325,962

FORWARD CAPITAL WORKS PROGRAM - ASSET/PROJECT BY ASSET CLASS	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Grand Total
Progress Street								518,000			518,000
Tourer Ct, Clarkson Rd, Sopwith Elbow									281,002		281,002
Other Projects less than \$250,000 in value	145,640	194,024	445,873	271,752	210,152	210,152	378,753	210,152	421,944	317,224	2,805,666
Other Transport - Total	449,122	194,024	445,873	271,752	536,114	210,152	378,753	728,152	702,946	1,021,704	4,938,591
Parks											
All residential properties				1,500,000							1,500,000
ARBOR PARK	18,000	570,110							6,000		594,110
BARDON PARK	17,000		11,200					476,400	6,000		510,600
Bowden St Basin			500,000								500,000
City Of Bayswater	625,000	375,000	420,000	420,000	420,000	420,000	420,000	420,000	420,000	420,000	4,360,000
City of Bayswater Drainage assets		100,000			100,000		100,000		100,000		400,000
Cloughton					400,000						400,000
CRIMEA PARK			5,000				503,750				508,750
DE LACY RESERVE	6,500					379,000				6,500	392,000
Elstead		200,000	20,000				50,000				270,000
EMBERSON RESERVE	15,000		8,234	75,000		5,000	363,000			15,000	481,234
Foreshore Maintenance Aerodrome									358,590		358,590
FRANK DRAGO RESERVE			15,000			250,125	14,500		75,750	3,000	358,375
Frank Drago Tennis					200,000					50,000	250,000
GRAND PROM	100,000	32,000		83,000		25,000	15,000		100,000		355,000
GRAND PROMENADE RESERVE		6,500				305,250				6,500	318,250
HOUGHTON PARK		6,500	8,234		80,000	10,000			502,500		607,234
Maylands Lakes	250,000	250,000	1,000,000								1,500,000
MAYLANDS PENINSULA GOLF COURSE			1,593,533	1,573,533	1,573,533		40,000				4,780,600
Maylands Waterland						4,000,000					4,000,000
Mills Avenue Pocket Park	680,000										680,000
Noranda Sport Tennis					150,000		200,000		100,000		450,000
NORANDA SPORTING COMPLEX		399,711			6,500				22,000		428,211
PAT O`HARA RESERVE		365,000				19,000					384,000
R A COOK RESERVE		6,500				19,000	405,000				430,500
RA Cook	48,000			50,000			105,000		100,000		303,000
RIVERSIDE GARDENS	1,700,000	2,339,600			24,000		18,000			888,375	4,969,975
ROBERT THOMPSON PARK					6,000	250,000					256,000
RUDLOC RESERVE	550,000	350,000			8,070	3,000	60,000				971,070
Tranby Foreshore	100,000	450,000	270,000								820,000
Transby South							750,000				750,000
WELD SQUARE RESERVE	8,234				6,000	195,000			60,000		269,234
WOTTON RESERVE			75,000		6,000					225,000	306,000
Other Projects less than \$250,000 in value	709,543	1,647,700	1,124,370	709,450	709,014	1,121,466	845,123	1,194,115	963,890	610,580	9,635,251
Parks - Total	4,807,277	7,098,621	5,050,571	4,410,983	3,689,117	7,001,841	3,889,373	2,090,515	2,814,730	2,224,955	43,077,983
Plant and Equipment											
Various	1,729,476	2,114,351	2,061,681	1,765,850	1,929,067	2,134,544	1,945,302	1,334,021	1,543,291	1,469,963	18,027,546
Plant and Equipment - Total	1,729,476	2,114,351	2,061,681	1,765,850	1,929,067	2,134,544	1,945,302	1,334,021	1,543,291	1,469,963	18,027,546
Roads - Total											
Bassendean Road						301,785					301,785
Benara Road		68,040		1,220,184							1,288,224
Broun Avenue			650,272		635,712						1,285,984
Broun Avenue to Coode Street		215,174	154,157								369,331
Caledonian Ave								355,328			355,328
Camboon Road	268,387										268,387

FORWARD CAPITAL WORKS PROGRAM - ASSET/PROJECT BY ASSET CLASS	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Grand Total
Collier Road to Wright Street								359,386			359,386
Crimea Street	338,938	137,211					395,584	608,496			1,480,229
Embleton Avenue									805,112		805,112
Grey Street			330,990								330,990
Malaga Drive					668,935						668,935
McGilvray Avenue	660,938					538,552					1,199,490
Morley Drive East			318,808				241,976				560,784
Paine Road	100,595				180,134						280,729
Pat O'Hara Reserve	504,000				4,480						508,480
Railway Pde							523,743				523,743
River Road								253,921			253,921
Slade Street							296,625				296,625
LCURS - Road Safety Treatments	2,000,000	2,000,000	1,000,000								5,000,000
Wellington Road						586,040	360,080				946,120
Whatley Crescent							192,584			748,496	941,080
Other Projects less than \$250,000 in value	1,945,753	1,594,652	1,199,050	1,614,786	1,859,720	1,718,783	959,832	1,476,909	1,422,579	1,853,459	15,645,523
Roads - Total	5,818,609	4,015,078	3,653,277	2,834,970	3,348,981	3,145,160	2,970,424	2,698,712	2,583,018	2,601,955	33,670,184
Grand Total	20,135,119	18,105,183	16,639,140	14,687,492	16,029,500	18,159,155	14,586,224	11,463,036	11,777,831	12,612,879	154,195,559

The numbers in this table are based on today's values and have been indexed within the Statement of Financial Activity/Long Term Financial Plan.

The above numbers do not include the purchase of land or the Carry Forward Projects from 23/24.