

LONG TERM FINANCIAL PLAN

2025/26 - 2034/35



TABLE OF CONTENTS

Introduction	3
Purpose	3
Scope	3
Objectives	3
Community Engagement	3
Link to Council’s Planning Framework	4
Executive Summary	5
Projected Comprehensive Income Statement	6
Projected Comprehensive Income Statement Commentary	7
Projected Balance Sheet	12
Projected Balance Sheet Commentary	13
Projected Cash Flow Statement	14
Projected Cash Flow Statement Commentary	15
Projected Statement of Capital Works	16
Projected Statement of Capital Works Commentary	17
Projected Statement of Human Resources	18
Key Financial Indicators	19

INTRODUCTION

Council has developed a Long Term Financial Plan to provide the financial management framework upon which sound financial decisions are made. Section 91 of the Local Government Act 2020 requires Council to develop, adopt and keep in force a Long Term Financial Plan.

PURPOSE

The Long-Term Financial Plan (the Financial Plan) is a high-level, informing strategy.

The purpose of the Financial Plan is to;

- Aid in decision-making for West Wimmera Shire Council's approach to delivering infrastructure and services to the community in a financially sustainable manner.
- Establish a framework for the next 10 years to plan for the achievement of the goals and objectives outlined in the Council Plan.
- To assess and plan for the financial sustainability of Council into the future.

SCOPE

In accordance with section 91(2) of the Act, the scope of the Financial Plan is for a period of 10 financial years. The Financial Plan covers the years 2025/26 to 2034/35.

A range of conservative assumptions and estimates have been used in projecting Council's long-term financial position. These assumptions are outlined in further sections of the document. The plan will be reviewed and updated annually to reflect the current circumstances of Council.

OBJECTIVES

The Financial Plan objectives include:

- To ensure Council maintains a sound financial position whilst meeting the service needs of the community now and into the future.
- To enable adequate investment in capital works and meet the asset renewal requirements of Council's infrastructure as outlined in asset management planning.
- To meet the financial requirements of the goals, objectives and initiatives outlined in the Council Plan.

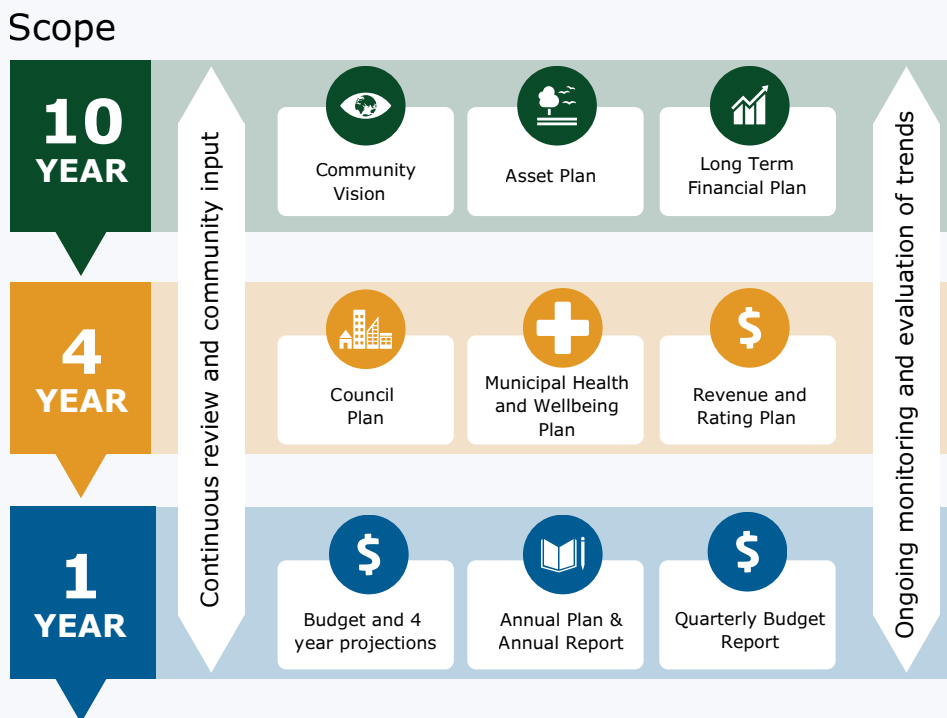
COMMUNITY ENGAGEMENT

In accordance with section 55(1)(g) of the Local Government Act 2020, the Financial Plan has been developed using deliberative engagement principles consistent with Council's Community Engagement Policy.

Community consultation has been conducted in conjunction with the development of the Council Plan 2025-2029 to ensure a strong link between Council's strategic objectives, community vision and the Financial Plan.

LINK BETWEEN THE LONG TERM FINANCIAL PLAN AND COUNCIL'S PLANNING FRAMEWORK

Council's planning framework comprises the key plans that guide our work and decision making and connects the long term community needs and aspirations. The Council Plan is aligned with the 2041 Community Vision. The purpose of the Financial Plan is to ensure the financial sustainability of West Wimmera Shire Council and to provide the appropriate level of resources to meet Council's future needs in providing services, infrastructure and facilities to the community.



Community Vision

The Community Vision describes the community's main priorities and aspirations over the next 20 years.



Long Term Financial Plan

The Financial Plan defines the broad financial framework for Council over the next ten years. The Financial Plan identifies council's current and projected financial capacity to continue delivering services, facilities and infrastructure to the community, whilst maintaining sound financial management principles.



EXECUTIVE SUMMARY

The Financial Plan will guide the future strategies and actions of Council to ensure that it continues to operate in a sustainable manner. It is not intended to specifically indicate what services/proposals Council should allocate funds to, rather it identifies Council's current and projected financial capacity to continue delivering high quality services, facilities and infrastructure, whilst operating within its means.

The financial forecast is for Council to be in a balanced financial position for the year ended 30 June 2026, with net assets of \$276.65 million, including \$6.19 million in cash. Of this balance, approximately \$5 million is restricted or subject to intended allocations, leaving an unrestricted cash balance of around \$1.19 million. In applying the assumptions detailed in this document, the Financial Plan forecasts continuing modest cash surpluses to steadily improve Council's long-term financial sustainability and to meet demand for services and infrastructure. With further borrowings conservatively forecast in 2026 financial year to be repaid over the following 5 years.

As outlined in the below projected financial statements, Council is forecasting a continued operating deficit over the life of the Financial Plan. Conservative assumptions have been made with regards to non-recurrent grant funding as these can fluctuate greatly and are largely unknown from year to year.

This Financial Plan highlights the ongoing challenges facing Council into the future. With a very low rates effort when compared with other Councils and the current rate-capping environment, Council's ability to raise own-source revenue is limited. Therefore, external funding for both operational and capital requirements remain vitally important for the future sustainability of Council. In accordance with the Revenue and Rating Plan, Council will continue to actively seek external funding from all available avenues. Council will also continue to focus on improving operating efficiencies in business operations.

Council's largest asset class is our infrastructure and road network, and it is integral to long-term sustainability that Council continues to meet renewal demands of these assets in accordance with asset management plans. Community support and assistance remains Council's top priority.

PROJECTED COMPREHENSIVE INCOME STATEMENT

For the 10 years ending 30 June 2035

	Forecast Actual	Budget	Projections								
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Rates and charges	8,942	9,215	9,427	9,645	9,867	10,096	10,330	10,570	10,816	11,068	11,327
Statutory fees and fines	150	172	175	179	183	186	190	194	198	202	206
User fees	779	596	608	620	632	645	658	671	685	698	712
Grants - Operating	10,271	10,619	10,831	11,048	11,269	11,494	11,724	11,959	12,198	12,442	12,691
Grants - Capital	4,028	4,007	4,087	4,169	4,252	4,337	4,424	4,513	4,603	4,695	4,789
Contributions - monetary	189	302	302	302	302	302	302	302	302	302	302
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(263)	115	227	227	227	227	227	227	227	227	227
Other income	1,886	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,428
Total Income	25,982	26,454	27,086	27,617	28,161	28,716	29,283	29,863	30,456	31,062	31,681
Expenses											
Employee costs	(11,385)	(11,071)	(11,536)	(11,882)	(12,238)	(12,604)	(12,981)	(13,370)	(13,770)	(14,183)	(14,607)
Materials and services	(10,080)	(9,047)	(9,273)	(9,505)	(9,743)	(9,986)	(10,236)	(10,492)	(10,754)	(11,023)	(11,298)
Depreciation	(8,050)	(8,369)	(8,400)	(8,610)	(8,825)	(9,046)	(9,272)	(9,504)	(9,741)	(9,985)	(10,235)
Borrowing costs	-	(80)	(32)	(25)	(18)	(11)	(4)	0	0	0	0
Other expenses	(464)	(730)	(748)	(767)	(786)	(806)	(826)	(847)	(868)	(889)	(912)
Total Expenses	(29,979)	(29,297)	(29,990)	(30,789)	(31,610)	(32,453)	(33,319)	(34,212)	(35,134)	(36,080)	(37,052)
Surplus/(deficit) for the year	(3,997)	(2,843)	(2,904)	(3,171)	(3,449)	(3,737)	(4,036)	(4,349)	(4,678)	(5,018)	(5,371)
Other comprehensive income											
Items that will not be reclassified to surplus or deficit in future periods:											
Net asset revaluation increment /(decrement)	5,555	10,296	-	-	-	-	-	-	-	-	-
Total comprehensive result	1,558	7,453	(2,904)	(3,171)	(3,449)	(3,737)	(4,036)	(4,349)	(4,678)	(5,018)	(5,371)

PROJECTED COMPREHENSIVE INCOME STATEMENT COMMENTARY

This section outlines the various components of the Projected Comprehensive Income Statement and the financial assumptions which have been used in the development of the Financial Plan.

INCOME

Rates and Charges

Rates and Charges income is the amount that Council will receive as a result of property rates and kerbside waste and recycling collection charges. The Victorian State Government introduced the Fair Go Rates System in 2017 which stipulates Councils must adhere to an annual rate cap unless they receive an exemption from the Minister. The annual rate cap for 2025/26 was 3%. Council must also levy rates in accordance with its Revenue and Rating Plan.

Assumptions:

- 2.5% rate cap projected for future years
- Waste collection charges to be in line with rate increases

Escalation factor % Increase	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Rates and Charges	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Statutory Fees and Fines

Statutory Fees and Fines comprise income generated for Council as a result of Federal or State legislation or Council by-laws, including planning fees, building fees and animal registrations.

Assumptions:

- 2.0% increase projected for future years

Escalation factor % Increase	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Statutory Fees and Fines	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

User Fees

User Fees comprise income in relation to the provision of Council services and facilities, including venue hire, fees and waste transfer station fees.

Assumptions:

- 2.0% increase projected for future years

Escalation factor % Increase	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
User Fees	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Grants - Operating

Operating Grants are Federal and State Government grants received for operational purposes. To be considered recurrent, the grant funding agreement must be for a term greater than two years. Included within this category is the Grants Commission Financial Assistance funding, Commonwealth Home Support Program funding and funding for aged care, maternal health, children’s services and other funding for various Council services. The majority of Council's operating grants a recurrent (meaning the funding is for a period of at least 2 years).

Assumptions:

- Operating Grants are projected to increase at 2% each year for future years

Grants - Capital

Capital Grants are those received by Federal and State Government, along with other funding bodies for the purpose of capital works/projects, such as the Roads to Recovery Program funding. As most capital funding programs are non-recurrent, Council traditionally sees significant fluctuations in capital funding levels from year-to- year and uncertainty around future funding availability presents a challenge for financial forecasting.

Assumptions:

- Capital Grants are projected to increase at 2% each year for future years

Escalation factor % Increase	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Grants - Operating	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Grants - Capital	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Contributions - Monetary

Contributions are funds received by Council from community groups, funding bodies and other sources generally in relation to contributions towards specific projects.

Assumptions:

- An escalation factor of 2.5% has been applied to monetary contributions for the period of the Financial Plan

Escalation factor % Increase	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Contributions - Monetary	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Net Gain (Loss) on Sale of Property, Infrastructure, Plant & Equipment

Each year, Council replaces a range of vehicles and items of plant as part of a planned and ongoing replacement program. This is governed through Council's asset management strategies and policies.

Assumptions:

- No escalation factor has been applied to the net gain (loss) on sale of assets for each year

Escalation factor % Increase	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Net gain on PPE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Other Income

Other income comprises income that cannot be classed into the above categories, and includes items such as reimbursements, investment interest and lease income.

Assumptions:

- Other income is projected to increase at 2% has been applied for the period of the Financial Plan

Escalation factor % Increase	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Other Income	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

EXPENSES

Employee Costs

Employee costs include salaries, wages and other costs of employing staff such as Work Cover, superannuation, leave entitlements and Fringe Benefits Tax. Staff are integral to the successful delivery of Council's services and programs to the community. Council has an Enterprise Agreement in place which governs the annual wage increase for employees. At the time of writing this Plan, a new Enterprise Agreement was in negotiation.

Assumptions:

- 3% increase in Employee costs

Escalation factor % Increase	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Employee costs	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Materials and Services

Materials and services expenses comprise goods and services purchased for the general operations and activities of Council and the cost of non-recurrent operational items funded through Council's major projects budget process. Examples of Council's materials and services include contractor payments, maintenance expenditure, administration, insurance, utilities, IT services and consultants.

Assumptions:

- Materials and services is projected to increase by 2.5% each year of the Financial Plan

Escalation factor % Increase	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Materials and services	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Depreciation

The value of an asset decreases over time due to use, wear and tear or obsolescence. This decrease is measured as depreciation. Depreciation provides an annual allocation of the current replacement cost of Council assets over their remaining useful lives.

Assumptions:

- Depreciation is projected to increase by 2.5% each year of the Financial Plan
- It is critical that Council continues to renew existing assets in the capital works program, as failure to do so may reduce the service potential of assets and increase whole of life costs

Escalation factor % Increase	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Depreciation	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Other Expenses

Other expenses relate to a range of costs incurred to support the wide range of community services delivered by Council that are not classed in the above categories, such as audit fees, elected member allowances and bank fees.

Assumptions:

- Other expenses are projected to increase by 2.5% annually

Escalation factor % Increase	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Other expenses	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

PROJECTED BALANCE SHEET

For the 10 years ending 30 June 2031

	Forecast Actual	Budget	Projections								
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Current assets											
Cash and cash equivalents	5,250	6,195	4,886	5,123	5,294	5,249	5,109	5,370	5,343	5,225	5,009
Trade and other receivables	1,184	525	2,301	2,342	2,395	2,444	2,493	2,538	2,598	2,650	2,703
Inventories	135	135	135	135	135	135	135	135	135	135	135
Total current assets	6,569	6,855	7,322	7,600	7,823	7,827	7,737	8,043	8,075	8,010	7,847
Non-current assets											
Property, infrastructure, plant & equipment	271,292	278,011	274,131	270,171	265,996	261,745	257,288	252,834	248,343	243,608	238,623
Total non-current assets	271,292	278,011	274,131	270,171	265,996	261,745	257,288	252,834	248,343	243,608	238,623
Total assets	277,861	284,866	281,453	277,771	273,819	269,572	265,025	260,877	256,418	251,618	246,470
Liabilities											
Current liabilities											
Trade and other payables	2,100	1,800	1,843	1,889	1,946	2,000	2,055	2,106	2,170	2,230	2,291
Trust funds and deposits	480	180	180	180	180	180	180	180	180	180	180
Unearned income/revenue	1,416	-	-	-	-	-	-	-	-	-	-
Provisions	2,229	2,340	2,454	2,570	2,690	2,812	2,938	3,067	3,199	3,334	3,473
Interest-bearing loans and borrowings	500	500	693	700	707	714	(0)	(0)	(0)	(0)	(0)
Total current liabilities	6,725	4,820	5,170	5,339	5,523	5,706	5,173	5,353	5,549	5,744	5,944
Non-current liabilities											
Provisions	377	396	415	435	456	477	498	520	543	566	590
Interest-bearing loans and borrowings	1,500	3,000	2,121	1,421	714	-	-	-	-	-	-
Total non-current liabilities	1,877	3,396	2,536	1,856	1,170	477	498	520	543	566	590
Total liabilities	8,602	8,216	7,706	7,196	6,693	6,183	5,671	5,873	6,092	6,310	6,534
Net assets	269,259	276,650	273,746	270,575	267,126	263,389	259,353	255,004	250,326	245,308	239,937
Equity											
Accumulated surplus	33,836	30,931	28,027	24,856	21,407	17,670	13,634	9,285	4,607	(411)	(5,782)
Reserves	235,423	245,719	245,719	245,719	245,719	245,719	245,719	245,719	245,719	245,719	245,719
Total equity	269,259	276,650	273,746	270,575	267,126	263,389	259,353	255,004	250,326	245,308	239,937

PROJECTED BALANCE SHEET COMMENTARY

This section outlines the various components of the Projected Balance Sheet.

Assets

Current assets refer to Council 'liquid' assets - cash and cash equivalents include cash held in the bank, petty cash and the value of investments in term deposits.

Trade and other receivables are monies owed to council by ratepayers and other debtors. Inventories refers to Council's stock on hand, including fuel, culverts and quarry stocks.

Other Assets includes items such as prepayments for expenses that Council had paid in advance of service delivery, and accrued income.

Investments in associates, joint arrangement and subsidiaries refers to the fair value of Council's investment in the Wimmera Library Corporation and the Wimmera Development Association.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the fair value of Council's property, infrastructure and plant assets as well as capital work in progress.

Liabilities

Current liabilities refer to the financial obligations of Council which are due to be settled within 12 months. Trade and other payables are those to whom Council owes monies as at 30 June each year.

Trust funds and deposits refer to funds Council is holding as deposit, in trust or on behalf of another entity.

Provisions refer to future employee entitlements and include accrued long service leave, annual leave and other leave entitlements.

Equity

Reserves contain both discretionary reserves and an asset revaluation reserve. Council maintains several discretionary reserves for which funds are allocated each year to plan for anticipated future expenditure. Council's reserves include quarry restoration, election expenditure, plant replacement, capital improvement, rates revaluation and carried-forward capital projects. The asset revaluation reserve represents the difference between the previously recorded value of assets and their current valuations. Asset valuations are required to be considered annually and formally revalued if there is a material change.

PROJECTED CASH FLOW STATEMENT

For the 10 years ending 30 June 2031

	Forecast Actual	Budget	Projections								
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities											
Rates and charges	8,742	9,215	8,837	9,629	9,847	10,077	10,311	10,553	10,793	11,047	11,305
Statutory fees and fines	163	172	181	197	200	204	209	213	217	221	226
User fees	779	596	627	681	694	708	723	737	752	767	782
Grants - operating	10,554	9,203	10,154	11,033	11,248	11,476	11,705	11,942	12,176	12,422	12,670
Grants - capital	2,388	4,687	3,831	4,163	4,244	4,330	4,417	4,506	4,594	4,687	4,781
Contributions - monetary	189	302	302	302	302	302	302	302	302	302	302
Interest received	291	-	309	309	309	309	309	309	309	309	309
Other receipts	1,804	1,126	1,163	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261
Net GST refund / payment	1,520	932	1,110	1,244	1,270	1,308	1,336	1,383	1,430	1,459	1,487
Employee costs	(10,862)	(10,934)	(11,381)	(11,720)	(12,066)	(12,431)	(12,804)	(13,191)	(13,580)	(13,991)	(14,411)
Materials and services	(12,103)	(10,252)	(10,181)	(10,437)	(10,693)	(10,963)	(11,237)	(11,520)	(11,803)	(12,101)	(12,403)
Trust funds and deposits repaid	(29)	-	-	-	-	-	-	-	-	-	-
Other payments	(473)	(730)	(821)	(842)	(863)	(885)	(907)	(930)	(952)	(976)	(1,001)
Net cash provided by/(used in) operating activities	2,963	4,317	4,131	5,820	5,754	5,698	5,625	5,566	5,498	5,408	5,309
Cash flows from investing activities											
Payments for property, infrastructure, plant and equipment	(7,765)	(5,042)	(4,972)	(5,115)	(5,115)	(5,275)	(5,297)	(5,555)	(5,775)	(5,775)	(5,775)
Proceeds from sale of property, infrastructure, plant and equipment	-	250	250	250	250	250	250	250	250	250	250
Net cash provided by/(used in) investing activities	(7,765)	(4,792)	(4,722)	(4,865)	(4,865)	(5,025)	(5,047)	(5,305)	(5,525)	(5,525)	(5,525)
Cash flows from financing activities											
Finance costs	-	(80)	(32)	(25)	(18)	(11)	(4)	0	0	0	0
Proceeds from borrowings	2,000	2,000	-	-	-	-	-	-	-	-	-
Repayment of borrowings	-	(500)	(686)	(693)	(700)	(707)	(714)	-	-	-	-
Net cash provided by/(used in) financing activities	2,000	1,420	(718)	(718)	(718)	(718)	(718)	0	0	0	0
Net increase/(decrease) in cash & cash equivalents	(2,802)	945	(1,309)	237	171	(45)	(140)	261	(27)	(117)	(216)
Cash and cash equivalents at the beginning of the financial year	8,052	5,250	6,195	4,886	5,123	5,294	5,249	5,109	5,370	5,343	5,225
Cash and cash equivalents at the end of the financial year	5,250	6,195	4,886	5,123	5,294	5,249	5,109	5,370	5,343	5,225	5,009

PROJECTED CASH FLOW STATEMENT COMMENTARY

This section outlines the various components of the Projected Cash Flow Statement.

Net cash flows provided by/used in operating activities

Operating activities refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works.

The net cash flows from operating activities does not equal the operating result for the year, as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cashflow Statement.

Net cash flows provided by/used in investing activities

Investing activities refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property, and equipment.

Net cash flows provided by/used in financing activities

Financing activities refers to cash generated or used in the financing of Council's functions and include borrowings from financial institutions and advancing or repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

Council does not currently have borrowings, nor does the Financial Plan propose any new borrowings.

PROJECTED STATEMENT OF CAPITAL WORKS

For the 10 years ending 30 June 2031

	Forecast Actual		Budget		Projections						
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property											
Land improvements	-	670	600	150	150	270	270	200	300	300	300
Total land	-	670	600	150	150	270	270	200	300	300	300
Buildings	301	594	500	500	500	500	500	500	500	500	500
Total buildings	301	594	500	500	500	500	500	500	500	500	500
Total property	301	1,264	1,100	650	650	770	770	700	800	800	800
Plant and equipment											
Plant, machinery and equipment	1,643	-	300	800	750	750	750	750	750	750	750
Fixtures, fittings and furniture	23	-	-	50	50	75	75	100	100	100	100
Total plant and equipment	1,666	-	300	850	800	825	825	850	850	850	850
Infrastructure											
Roads	5,226	3,672	3,000	3,000	3,000	3,000	3,000	3,000	3,100	3,100	3,100
Bridges	20	-	-	30	30	30	50	50	50	50	50
Footpaths and cycleways	100	66	70	70	70	70	70	100	100	100	100
Drainage	12	40	50	50	50	50	50	200	200	200	200
Recreational, leisure and community facilities	385	-	-	-	-	-	-	-	-	-	-
Other infrastructure	55	-	-	-	50	50	50	150	150	150	150
Total infrastructure	5,798	3,778	3,120	3,150	3,200	3,200	3,220	3,500	3,600	3,600	3,600
Total capital works expenditure	7,765	5,042	4,520	4,650	4,650	4,795	4,815	5,050	5,250	5,250	5,250
Represented by:											
New asset expenditure	-	-	-	-	-	-	-	-	-	-	-
Asset renewal expenditure	7,180	5,042	4,520	4,650	4,650	4,795	4,815	5,050	5,250	5,250	5,250
Asset expansion expenditure	-	-	-	-	-	-	-	-	-	-	-
Asset upgrade expenditure	585	-	-	-	-	-	-	-	-	-	-
Total capital works	7,765	5,042	4,520	4,650	4,650	4,795	4,815	5,050	5,250	5,250	5,250

PROJECTED STATEMENT OF CAPITAL WORKS COMMENTARY

The Financial Plan forecasts to meet 58% of the minimum renewal requirements (based on forecast depreciation) for infrastructure as outlined in the most recent revaluation and condition assessment conducted in November 2023. This report identifies the degradation curve of Council's road assets and is used for the long-term planning of renewal requirements. It is important to ensure existing assets and infrastructure are maintained at appropriate levels to service the community's needs. During this revaluation, it was noted that overall, Council's road network is in excellent condition, reflecting the significant renewal work which has been conducted by Council in prior years.

Expenditure on new and expanded assets is being driven by a number of regular programs derived from strategies and plans, including new footpaths, improved drainage and open space enhancements.

Section 92 of the Local Government Act 2020 requires Council to develop a 10-year Asset Plan for adoption by 31st October 2025. Information from the Asset Plan, in conjunction with Council's existing asset management plans, policies and strategies, will inform Council's capital expenditure priorities. In the absence of the Asset Plan at the time of developing the Financial Plan, estimates and assumptions have been made with regards to longer term projections for buildings and asset classes other than roads. Similarly, as the 2025-29 Council Plan actions and initiatives are yet to be finalised, it is assumed capital works completed in the past are reflective of future investment levels and specific projects identified in the plan will be integrated into the Financial Plan in the future.

External capital funding services include capital grants and contributions. Forecast assumptions for capital funding sources are conservative.

Council's capital works program underpins the needs and priorities as determined by Council's capital evaluation process. It is imperative that Council continue to maintain and improve asset management plans that ensure the community's levels of service are met through the delivery of efficient and effective services.



PROJECTED STATEMENT OF HUMAN RESOURCES

For the 10 years ending 30 June 2031

	Forecast	Budget	Projections								
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Staff Expenditure											
Employee costs - operating	11,385	11,071	11,536	11,882	12,238	12,604	12,981	13,370	13,770	14,183	14,607
Employee costs - capital	1,366	1,407	1,449	1,493	1,538	1,584	1,631	1,680	1,731	1,783	1,836
Total staff expenditure	12,751	12,478	12,986	13,375	13,775	14,188	14,613	15,050	15,501	15,965	16,444
Staff Numbers	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Employees	107.0	100.2	99.7	99.7	99.7	99.7	99.7	99.7	99.7	99.7	99.7
Total Staff Numbers	107.0	100.2	99.7	99.7	99.7	99.7	99.7	99.7	99.7	99.7	99.7

KEY FINANCIAL INDICATORS

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be interpreted in the context of the organisation's objectives.

The financial performance indicators below are the prescribed financial performance indicators contained in Part 3 of Schedule 3 of the Local Government (Planning and Reporting) Regulations 2020. Results against these indicators will be reported in Council's Performance Statement included in the Annual Report.

		Forecast	Budget	Projections								
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating position												
Adjusted underlying result		-25.2%	-17.7%	-17.6%	-18.5%	-19.3%	-20.1%	-20.9%	-21.7%	-22.6%	-23.4%	-24.3%
Liquidity												
Working capital	(current assets as a percentage of current liabilities)	97.7%	142.2%	141.6%	142.3%	141.6%	137.2%	149.6%	150.3%	145.5%	139.5%	132.0%
Unrestricted cash	(unrestricted cash compared to current liabilities)	70.9%	54.0%	25.0%	28.7%	30.8%	29.0%	29.3%	33.2%	31.6%	28.5%	23.9%
Obligations												
Loans and borrowings	(as a percentage of rate revenue)	22.4%	38.0%	29.9%	22.0%	14.4%	7.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Indebtedness	(Non-current liabilities compared to own-source revenue)	16.1%	28.7%	20.8%	15.0%	9.3%	3.7%	3.8%	3.9%	4.0%	4.1%	4.2%
Asset renewal and upgrade	(compared to depreciation)	96.5%	60.2%	53.8%	54.0%	52.7%	53.0%	51.9%	53.1%	53.9%	52.6%	51.3%
Stability												
Rates concentration	(Rates compared to adjusted underlying revenue)	37.3%	37.0%	37.0%	37.1%	37.2%	37.3%	37.5%	37.6%	37.7%	37.9%	38.0%
Rates effort	(Rates compared to property values)	0.14%	0.15%	0.15%	0.15%	0.16%	0.16%	0.17%	0.17%	0.17%	0.18%	0.18%
Efficiency												
Expenditure level	(expenditure per assessment)	\$ 6,280	\$ 6,137	\$ 6,282	\$ 6,449	\$ 6,621	\$ 6,798	\$ 6,979	\$ 7,166	\$ 7,359	\$ 7,558	\$ 7,761
Revenue level	(average rate per assessment)	\$ 1,873	\$ 1,930	\$ 1,975	\$ 2,020	\$ 2,067	\$ 2,115	\$ 2,164	\$ 2,214	\$ 2,266	\$ 2,318	\$ 2,373

KEY FINANCIAL INDICATORS COMMENTARY

Adjusted Underlying Result

An indicator of the sustainable operating required to enable Council to continue to provide core services and meet its objectives. A steady trend projected over the long-term.

Working Capital

The proportion of current liabilities represented by current assets. Working capital is slightly in decline due to increasing current liabilities (provisions).

Unrestricted Cash

This indicator represents unrestricted cash as a percentage of current liabilities. Slight decrease over time projected due to slightly increasing current liabilities.

Loans and Borrowings

Council does not currently have borrowings and none are projected in the Financial Plan.

Indebtedness

This indicator looks at non-current liabilities as a percentage of Council's own-sourced revenue. The trend is slightly increasing over time indicating a higher rate of increase in liabilities than that of rate and other internal income.

Asset Renewal

An indicator to demonstrate if asset renewals and upgrades are in line with annual depreciation. Long-term trend is in slight decline however it is noted that Council is still exceeding the minimum renewal requirements per asset management plans.

Rates Concentration

Rates concentration is projected to increase slightly over time, predominantly due to no increase to capital grants being projected in years 5-10. The trend indicates that Council will become more reliant on rate revenue compared to all other revenue sources.

Rates Effort

This indicator shows rate revenue as a percentage of Capital Improved Value (CIV) of rateable properties. The long-range decline projected is due to the historic rise in CIV of properties significantly outweighing the increase in property rates.

Expenditure Level

Expenditure when compared to number of property assessments is increasing over time, noting the number of property assessments is projected to remain constant for the life of the Financial Plan.

Revenue Level

Revenue level is projected to increase over time, again, noting the number of property assessments is projected to remain constant for the life of the Financial Plan.



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