

Adopted
26/04/2023



Shire of Victoria Plains
Long Term Financial Plan
For the Period 2023-24 to 2032-33

Many Localities – One Perfect Lifestyle – A Place to Grow



Shire of Victoria Plains - Long Term Financial Plan

For the Period 2023-24 to 2032-33

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Shire of Victoria Plains - Long Term Financial Plan

Executive Summary

Introduction

This Long Term Financial Plan (the Plan) has been prepared in conjunction with Accwest Pty Ltd for the Shire of Victoria Plains.

The Plan has been developed using an Excel spreadsheet model. Underlying the forecasts in the Plan are based a series of assumptions, which are detailed in pages 6 & 7. The model has been developed to easily change these assumptions and then see the impact of these changes on the financial activity.

Key Inputs

1. The Corporate Business Plan

Activities from the approved Corporate Business Plan have been incorporated into the model. All initiatives related to 2022-23 were included in the 2022-23 Budget.

2. The Asset Management Plan

Asset Management Infrastructure Pty Ltd prepared an Asset Management Plan for the Shire in 2022. The data from this plan has been used in part as the basis for the proposed capital spend from 2023-24 to 2032-33. The Budget has been used as the basis for 2022-23.

3. Advice from Senior Staff

Senior staff have provided both guidance and input around the key assumptions and access to the relevant input data.

4. Financial Data Inputs

The Plan applies the financial data from the 2021-22 financial statements and the 2022-23 Budget. The 2022-23 Budget is used as the baseline for much of the operational forecasts. Forecasts of financial activity are for the financial years 2023-24 to 2032-33, a 10 year forecast.

What the LTFP Tells Us

The key findings are on Pages 8 to 13. The Plan has been prepared on the basis of having a minimal closing surplus/(deficit), which is important to note with regard to the adjustments to the capital spend.

1. Capacity to Fund the Asset Management Plan

Key observations from the LTFP over the financial years 2023-24 to 2032-33 are:

- operating activities (excluding non-cash items and general rates) will cost on average \$3.5 million per annum
- financing activities will cost on average \$0.2 million per annum (noting that loans will be extinguished in 2029-30)
- general rates will return on average \$4.9 million per annum
- net investing activities before investment in the asset management program will return on average \$1.5 million per annum
- the net available to spend on capital renewal and new assets per annum is \$2.7 million
- the required average spend under the Asset Management Plan is \$6.3 million per annum

The result of this is that the required capital spend under the Asset Management Plan is on average \$3.6 million per annum more than the amounts available to spend based on the Plan. This means conscious and priority decisions need to be made in terms of funding the capital and maintenance programs.

Amounts held in reserve funds have been factored in to increase significantly over the 10 year period including plant and equipment with the intent to maximise trade value keeping councils asset fleet current and reducing operating costs.

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Executive Summary

Rates

The LTFP factors in a 10.30% rate increase for 2023/24 which can be argued as substantial but when taking into account the current inflation (CPI) of 6.7% (RBA forecast at June 2023), actually represents a modest net increase of 3.6%. This can be further represented using the Local Government Cost Index (LGCI), a more relevant measure than CPI which is forecast to be 7.4% at June 2023. Decisions made to have a reduced rate increase will mean that some activities and projects may not be funded for completion.

It should be noted that given the inflation amount, anything less than 6.7% to 7.4% will actually see shire rate income going backwards in real terms.

Out year rate increases have factored in the forecast inflationary amounts.

2. Capacity to Maintain Cash Balances

A key principle factored into the development of the Plan is the maintenance of cash balances to ensure that the Shire can pay its commitments when they fall due.

An analysis of cash movements and balances is on Page 15. From this analysis, the key points to note are:

- unrestricted cash (total cash and term investment holdings less reserves) is negative from 2023-24 until 2025-26 but is relatively minor and will be managed.
- unrestricted cash moves into the positive from 2026-27 when the impact of loan finalisations flow through.
- unrestricted cash balances only become substantial in 2032-33

Given the volatility of economic factors, the further out years become less predictable to forecast which represents a higher unrestricted cash balance. This will be tightened as strategic documents crystallise which will formulate a more robust LTFP.

3. Reserves

Reserve balances as at 30 June 2022 were \$0.540 million and with transfers in and interest earnings, the balance at the end of 2022-23 is forecast to be \$1.236 million.

Recognising the need to commence stronger financial planning over the out years, this LTFP provides for a significant increase in Reserve Funds over the 10 year period, more than doubling its forecast balance in 2022-23.

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Background

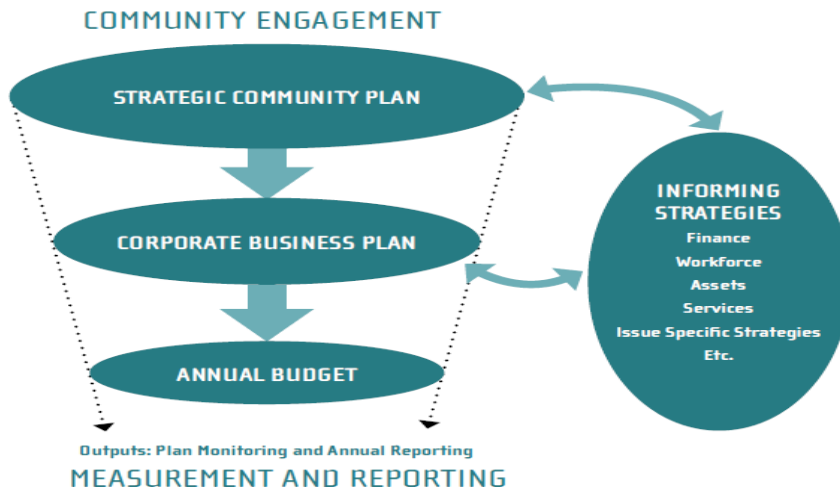
The Integrated Planning and Reporting Framework and Guidelines (IPRF) were developed in 2010 as part of the State Government's Local Government Reform Program. The IPRF was developed to give local governments a framework for establishing local priorities and to link this information to operational functions.

The key elements of the IPRF are:

The Strategic Community Plan which establishes the community's vision for the local government's future and its aspirations and service expectations over a 10 + year time frame

The Corporate Business Plan, which is an internal business planning tool that translates the Strategic Community Plan priorities into operations using the resources available, and is done on a 4 yearly basis

The elements of the IPRF are:



Other plans that inform the IPRF are the Workforce Management Plan (WMP), Asset Management Plan (AMP) and Long-Term Financial Plan (LTFP).

The LTFP presents a financial analysis of strategic objectives defined in the integrated planning framework documents. It is an integral part of Council's strategic planning process and provides the resourcing capability to implement the Strategic Community Plan and Corporate Business Plan. The Asset Management and Workforce Plans have informed the LTFP, by providing key asset requirements and the people required to provide services to be delivered to the community.

The LTFP provides a guide and establishes a framework for decision making and an insight to the financial sustainability of the Council, by addressing the operating and capital requirements anticipated over the next ten years.

Consistent with the Strategic Community Plan, the LTFP covers a 10-year term. Financial planning over this horizon is difficult and relies on a variety of assumptions that may be subject to change during this period. The LTFP will therefore be closely monitored, and regularly revised, to reflect these changing circumstances.

The benefits of a LTFP include:

- Good financial management process, gives the Council visibility around its medium to long-term financial position
- Identifies potential financial risks that can be addressed early
- Provides relevant financial information for future decision making
- Currently required to calculate one of the ratios in the financial statements

Shire of Victoria Plains - Long Term Financial Plan

Assumptions Used in the Model

Key assumptions relating to revenue and expenditure have been made as part of the financial modelling to underpin the forecasts.

The 2022/23 budget has been used as the LTFP's starting point. A number of market-driven and internal assumptions are then applied to project revenue and expenditure over the forecast period. The assumptions are detailed below.

Inflation indicators

The current inflation rate based on the All Groups (Perth) consumer price index at December 2022 has been applied for 5 years then a downward incremental annual adjustment until 2032-33.

Capital expenditure

The Asset Management Plan recently prepared by Asset Infrastructure Management Pty Ltd has been used to identify the required capital spend over the years of the LTFP.

Specific purpose capital grants identified in the Asset Management Plan as sources of funding have been included in Non-Operating Grant revenue.

Disposal of assets

All assets disposed of and changed over have been fully depreciated at the date of disposal. The proceeds identified in the Asset Management Plan are all gains on disposal in the model.

Minimum cash holdings

The plan is premised on there being a minimum cash holding at the end of each year in addition to its balance held in Reserves. This assumption is made to ensure that the Council has sufficient cash holdings at year end to meet its financial obligations, noting that rate notices are issued early in the new year bolstering cash holdings above the minimum holding.

Revaluation of assets

There are no revaluations of land, buildings or infrastructure factored into the plan as any revaluation would have no impact on the operating components of the plan.

Operating grants

the annual operating grants including the financial assistance grants and road maintenance grants fluctuate from year to year. An assessment has been made of the average grant amounts over recent years and grants of around 20% of operating costs have been applied.

Loans

Loans currently in place with the Western Australian Treasury Corporation have prescribed interest and principal repayments that are applied.

1 new loans has been included, as identified in the 2022-23 Budget.

Shire of Victoria Plains - Long Term Financial Plan

Inflation Assumptions

Category	Comments	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27	Forecast 2027-28	Forecast 2028-29	Forecast 2029-30	Forecast 2030-31	Forecast 2031-32	Forecast 2032-33
Revenue from operating activities (excluding rates)											
Specified area and ex gratia rates	A consistent rate has been applied. The average increase in recent years has been around 4.7%	10.30%	8.15%	8.16%	6.62%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Operating grants, subsidies and contributions	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Fees and charges	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Interest earnings	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Other revenue	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Profit on asset disposals	As per the Asset Management Plan. Profits equate to the proceeds as it is assumed that all assets are fully depreciated prior to disposal										
Expenditure from operating activities											
Employee costs	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Materials and contracts	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Utility charges	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Depreciation on non-current assets	Based on the asset holding as per the Asset Management Plan using relevant depreciation rates										
Interest expenses	As per the current loans wih WATC										
Insurance expenses	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Other expenditure	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Loss on asset disposals	Not applicable, all disposed assets are fully depreciated.										
Investing activities											
Non-operating grants, subsidies and contributions	Shire of Victoria Plains defined index	8.30%	8.30%	8.30%	8.30%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Proceeds from disposal of assets	As per the Asset Management Plan										
Purchase of property, plant and infrastructure	As per the Asset Management Plan										
Financing activities											
Repayment of borrowings	As per the current loans wih WATC										
Proceeds from new borrowings	Not applicable										
Transfers to cash backed reserves (restricted assets)	Refer the Reserves Table										
Transfers from cash backed reserves (restricted assets)	Refer the Reserves Table										

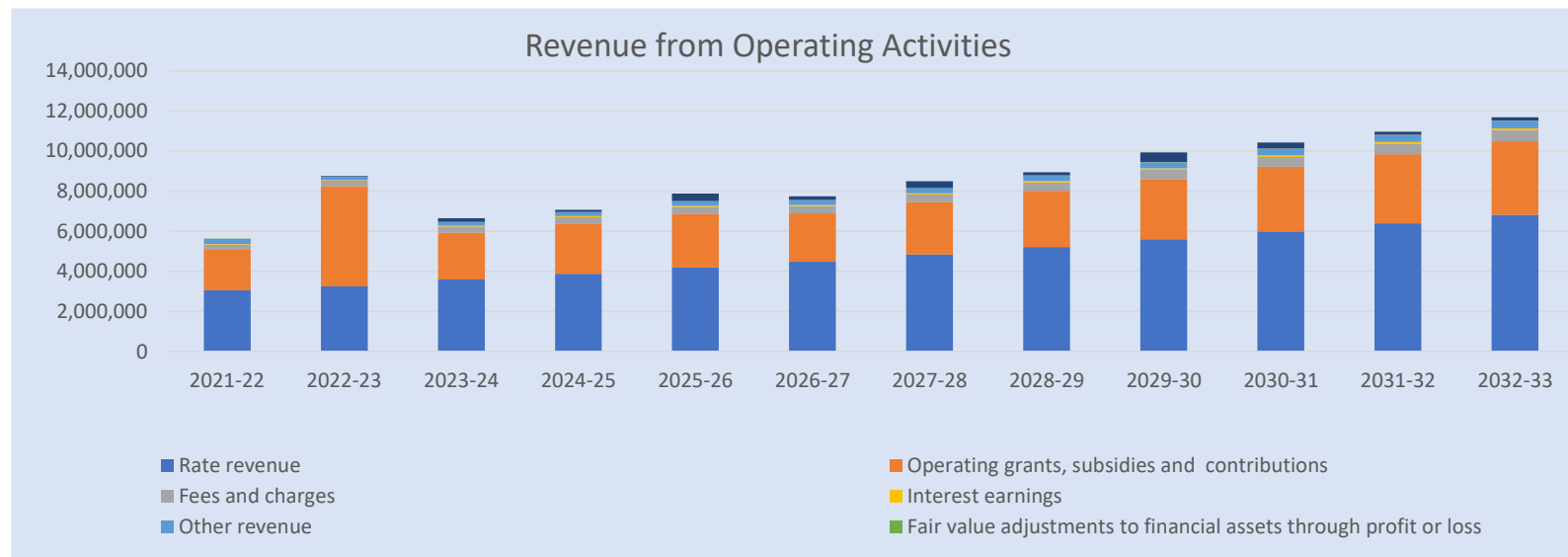
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Key Findings

Sources of Revenue

1. Operating Revenue

Sources of operating revenue are in the following chart.



The principal sources of revenue are operating grants and rate revenue, and are forecast to be around 90% of total revenue for the 10 year forecast.

Operating grants in 2022-23 included more than \$4.25 million of specific purpose grants for flood damage. There is no forecast for specific purpose funding of this nature for the 10 year forecast. Any future additional funding would be offset by corresponding outgoings, having no impact on the result.

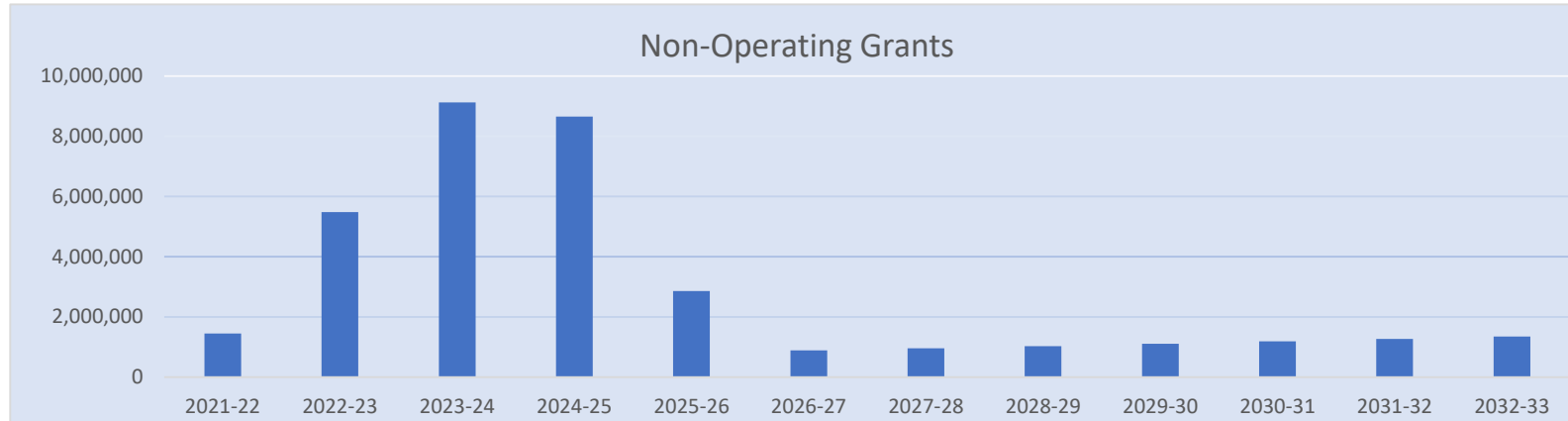
Operating revenue from 2023-24 to 2031-32 increases from \$6.4 million to 11.7million per annum, with an average annual increase of around 7.0%.

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Key Findings

2. Non-Operating Grants

Non-operating grants for capital expenditure projects are in the following chart.



Key annual grants include the Roads to Recovery and Regional Road Group programs. Over the past few years, these have averaged \$0.6 million. The forecasts for 2023-24 onwards are based on similar funding levels, indexed for inflation.

Included in the 2022-23 Budget is funding for the Wheatbelt Secondary Freight Network which was not able to be completed due to significant increases in the tender prices. As a result these construction works have slipped to the right into 2023-24 and 2024-25 and commensurate funding as depicted in the graph.

LRCIP funding will continue as included in the 2023-24 Budget and the shire is planning for an additional \$700,000 grant through this program which needs to be secured through a competitive bidding process.

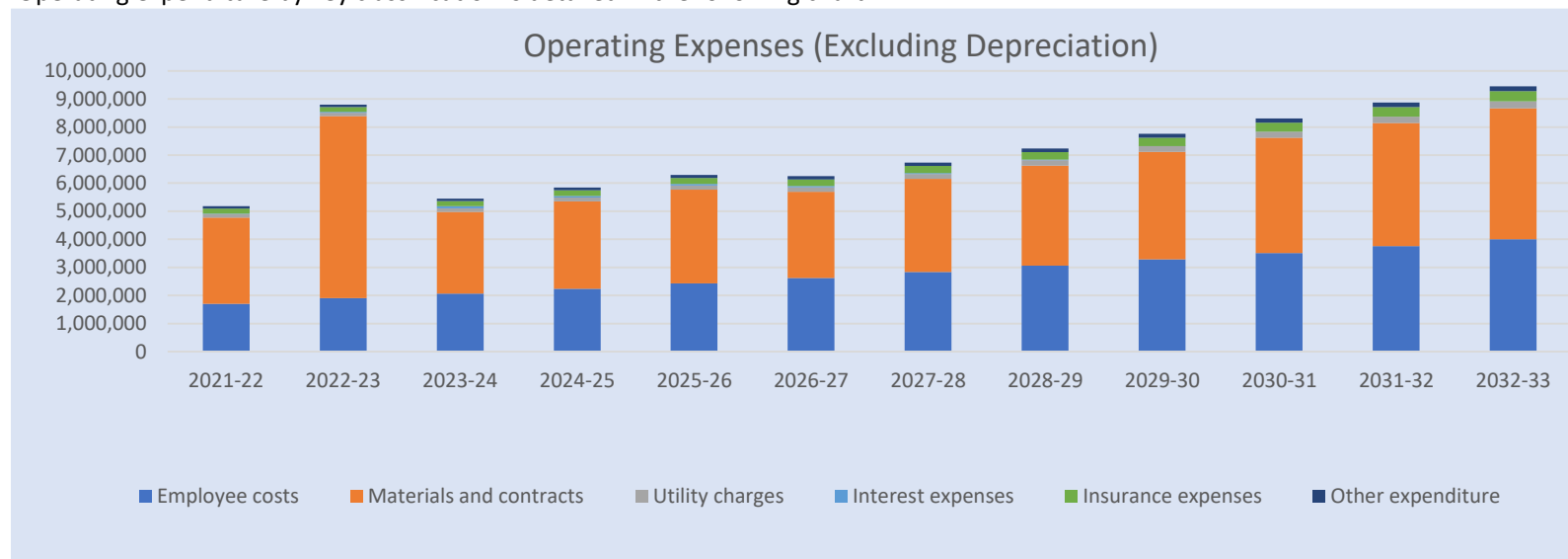
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Key Findings

How Funds will be Spent

1. Operating Expenditure

Operating expenditure by key classification is detailed in the following chart.



Principal costs are employee related costs and materials and contracts, which account for more than 90% of total costs (ex depreciation) over the 10 year forecast period.

Materials and contracts expense in 2022-23 include more than \$4.2 million for flood damage, which are funded by operating grants. There is no forecast for specific purpose expenses of this nature for the 10 year forecast due to the uncertainty of flooding events occurring. Expenditure is forecast to deliver services at the same level of service.

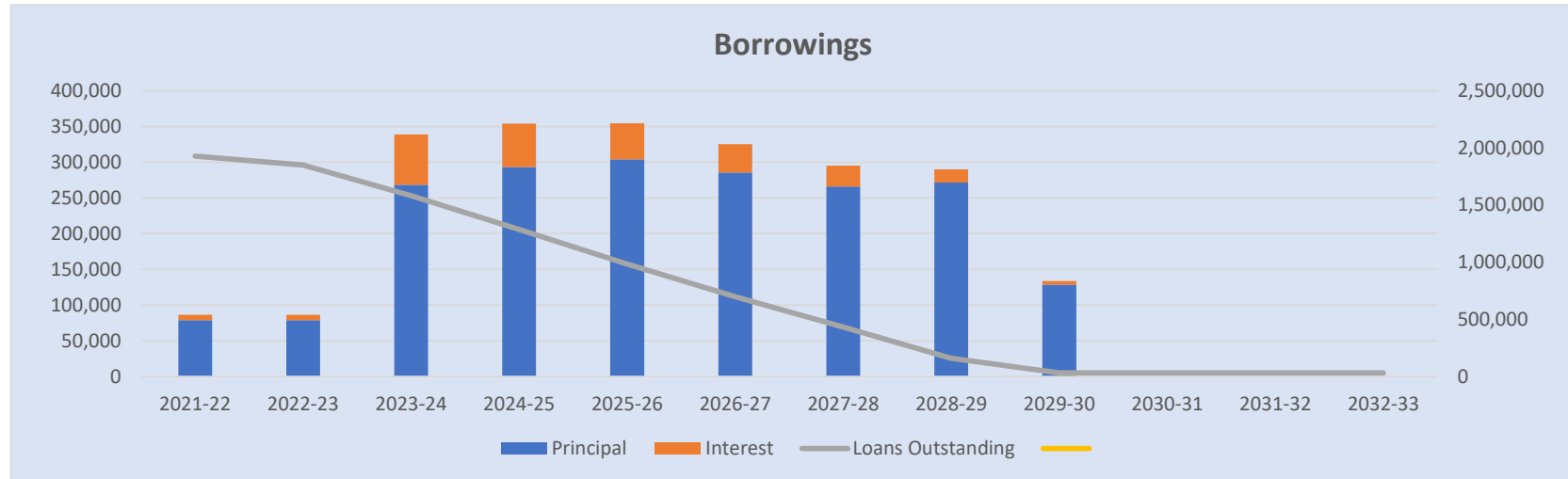
Operating expenses (excluding depreciation) from 2023-24 to 2032-33 moves from \$5.1 million to \$9.5 million per annum, an average annual increase of 6.9%.

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Key Findings

2. Repayment of Loans

The Shire currently has 3 loans with the Western Australian Treasury Corporation, with the final loan due for finalisation in October 2029. There was one new loans included in the budget for 2022-23, totalling \$1.5 million.



No new loans have been included in the LTFP.

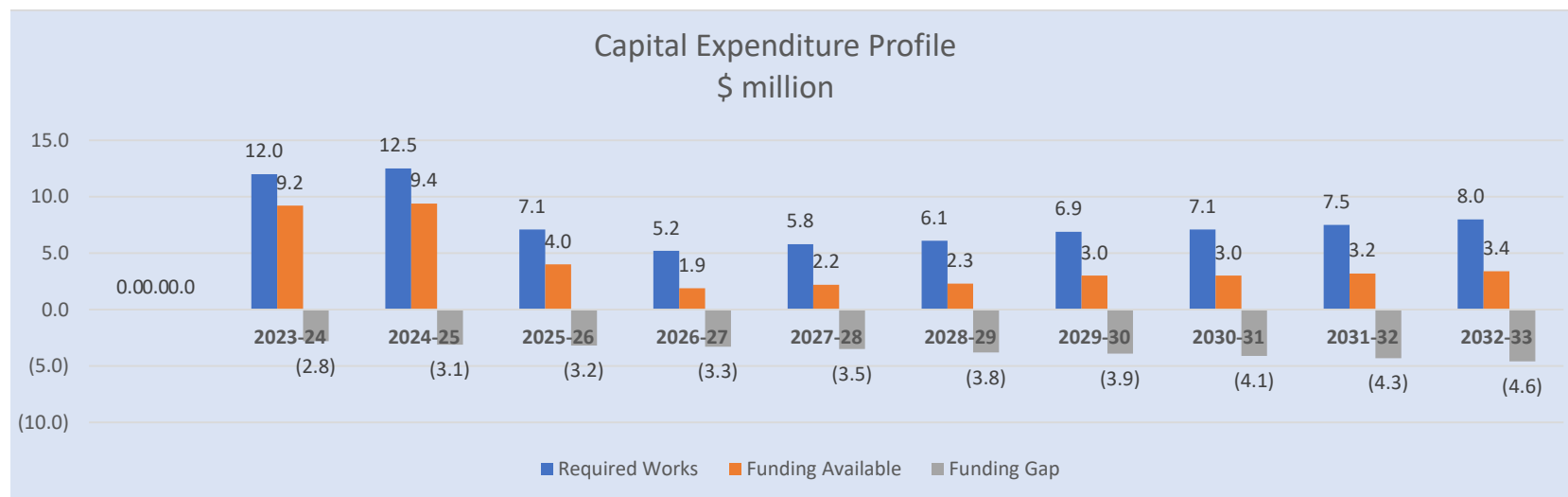
Shire of Victoria Plains - Long Term Financial Plan

Key Findings

3. Capital Expenditure

The recently completed Asset Management Plan has identified the required capital works program required to maintain the Shire's assets.

Based on the model forecasts, there is a funding gap between the required capital spend and the funds available for capital expenditure in every year of the Plan. The average per annum gap is \$3.6 million with available funds being able to fund 43% of the required program.



This is not an uncommon challenge for most local authorities given the vast network of infrastructure, property, plant and equipment required to be renewed and maintained, hence the primary reason for strategic documents such as the community plan and corporate business plan to be constantly reviewed. These inform the budget in a given year of the priority activities and projects to be undertaken in conjunction with community requirements.

Appropriately, deemed areas of priority include:

- The Plant Replacement Program
- New Computer Operating System
- Tourism - Caravan Park relocation and Development
- Fast tracking the delayed Road Construction Program
- Staff Housing
- Recreation Plan and Facilities

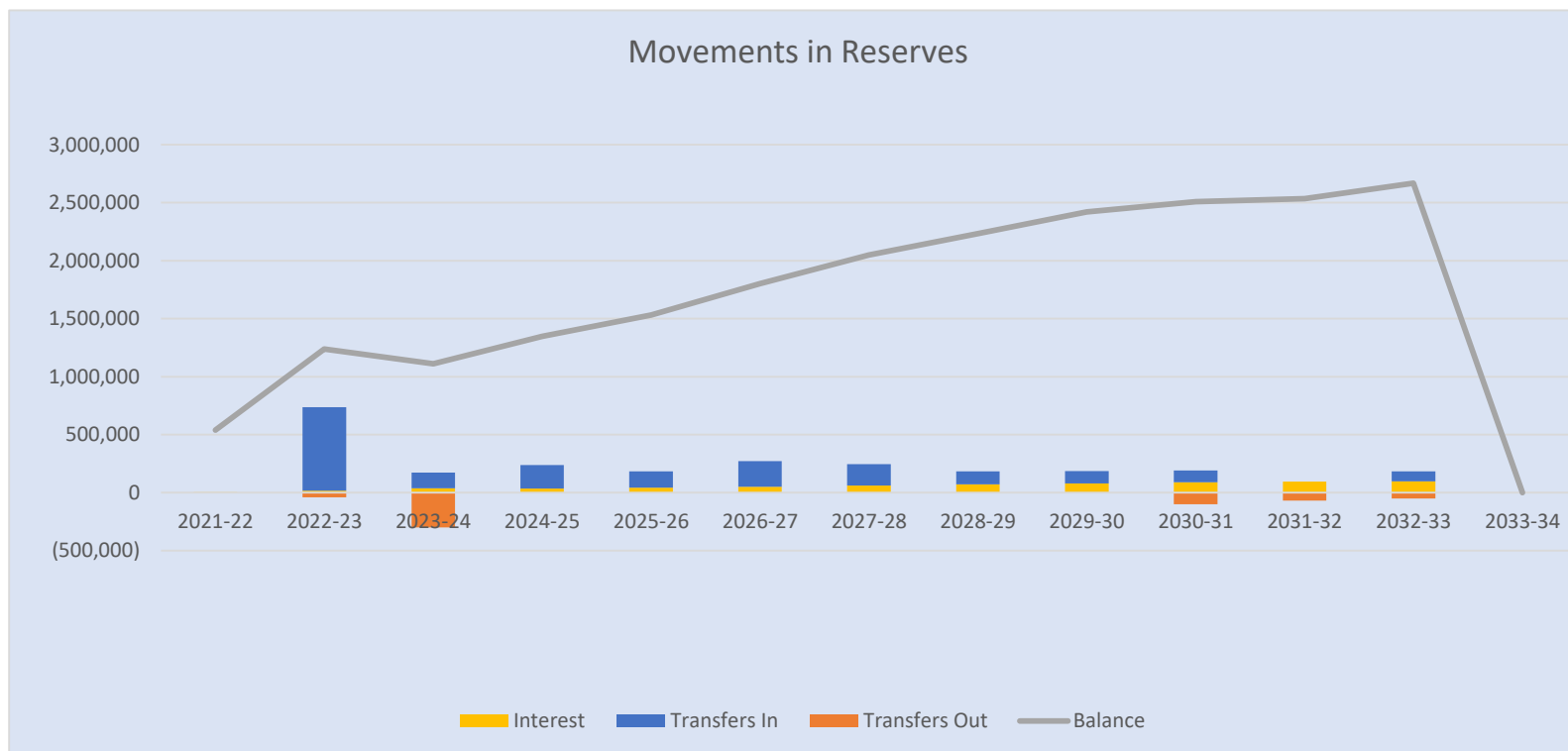
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Key Findings

Reserves

1. Total Reserves

With the exception of amounts to be transferred in and out of reserves as per the 2022-23 budget, the only movement in reserves is interest.



The LTP now incorporates a significant increase in Reserve Funds from \$1.2 million in 2022-23 to a planned \$2.7 million in 2033-34 or a 125% increase. This includes an increase to the Plant Replacement Reserve to approximately \$858,000 within 5 years, Housing (\$450,000) and Infrastructure (\$408,000) Reserves as part of the strategic intent of maintaining key shire assets.

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Rate Setting Statement by Nature or Type

	Actual 2021-22	Budget 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27	Forecast 2027-28	Forecast 2028-29	Forecast 2029-30	Forecast 2030-31	Forecast 2031-32	Forecast 2032-33
OPERATING ACTIVITIES												
Net current assets at start of financial year - surplus/(deficit)	893,669	68,099	(0)	(9,824)	(8,479)	15,204	4,328	1,439	(11,147)	922	(5,844)	(534)
Revenue from operating activities (excluding rates)												
Specified area and ex gratia rates	170,339	89,739	98,982	107,049	115,785	123,451	133,327	143,593	154,219	165,169	176,400	187,866
Operating grants, subsidies and contributions	2,050,614	4,995,078	2,346,334	2,503,729	2,674,189	2,408,796	2,601,500	2,801,816	3,009,150	3,222,800	3,441,950	3,665,677
Fees and charges	229,478	264,952	286,943	310,759	336,552	364,486	393,645	423,956	455,328	487,657	520,817	554,671
Interest earnings	26,428	44,068	47,725	51,687	55,977	60,623	65,472	70,514	75,732	81,109	86,624	92,255
Other revenue	255,639	177,830	192,590	208,575	225,887	244,635	264,206	284,550	305,607	327,305	349,561	372,283
Fair value adjustments to financial assets through profit or loss	4,937	0	5,347	5,790	6,271	6,791	7,335	7,899	8,484	9,086	9,704	10,335
Profit on asset disposals	0	25,619	185,000	100,500	379,500	179,500	325,000	149,000	475,000	310,000	149,000	176,000
	2,737,435	5,597,286	3,162,920	3,288,089	3,794,160	3,388,283	3,790,485	3,881,328	4,483,520	4,603,125	4,734,057	5,059,086
Expenditure from operating activities												
Employee costs	(1,697,752)	(1,910,137)	(2,068,679)	(2,240,379)	(2,426,331)	(2,627,716)	(2,837,933)	(3,056,454)	(3,282,632)	(3,515,699)	(3,754,766)	(3,998,826)
Materials and contracts	(3,080,963)	(6,483,298)	(2,912,264)	(3,109,774)	(3,347,136)	(3,072,186)	(3,317,961)	(3,573,444)	(3,837,879)	(4,110,368)	(4,389,873)	(4,675,215)
Utility charges	(124,017)	(116,653)	(126,335)	(136,820)	(148,177)	(160,475)	(173,313)	(186,658)	(200,471)	(214,705)	(229,304)	(244,209)
Depreciation on non-current assets	(4,055,604)	(4,046,982)	(4,431,212)	(4,591,956)	(4,580,756)	(4,503,102)	(4,442,358)	(4,385,600)	(4,352,170)	(4,322,383)	(4,293,614)	(4,277,689)
Interest expenses	(9,616)	(32,885)	(70,510)	(60,646)	(50,376)	(39,681)	(29,177)	(18,435)	(5,045)	0	0	0
Insurance expenses	(179,698)	(173,165)	(187,537)	(203,103)	(219,960)	(238,217)	(257,274)	(277,085)	(297,589)	(318,718)	(340,390)	(362,516)
Other expenditure	(87,139)	(79,835)	(86,461)	(93,638)	(101,410)	(109,827)	(118,613)	(127,746)	(137,199)	(146,940)	(156,932)	(167,133)
Loss on asset disposals	0	(29,944)	0	0	0	0	0	0	0	0	0	0
	(9,234,789)	(12,872,899)	(9,882,998)	(10,436,316)	(10,874,144)	(10,751,203)	(11,176,629)	(11,625,422)	(12,112,984)	(12,628,812)	(13,164,880)	(13,725,587)
Non-cash amounts excluded from operating activities	4,069,412	4,051,307	3,258,166	4,498,995	4,209,422	4,332,445	4,126,344	4,245,666	3,886,245	4,021,391	4,153,470	4,110,302
Amount attributable to operating activities	(1,534,273)	(3,156,207)	(3,461,912)	(2,659,056)	(2,879,042)	(3,015,272)	(3,255,472)	(3,496,990)	(3,754,366)	(4,003,374)	(4,283,197)	(4,556,733)
INVESTING ACTIVITIES												
Non-operating grants, subsidies and contributions	1,445,581	5,480,864	9,126,615	8,659,151	2,862,083	887,968	959,006	1,032,849	1,109,280	1,188,039	1,268,826	1,351,299
Proceeds from self supporting loans	21,091	21,332	21,598	22,706	23,872	25,098	26,387	21,816	0	0	0	0
Proceeds from disposal of assets	0	90,000	185,000	100,500	379,500	179,500	325,000	149,000	475,000	310,000	149,000	176,000
Purchase of property, plant and infrastructure	(2,821,246)	(6,940,747)	(9,232,216)	(9,378,817)	(3,969,067)	(1,870,742)	(2,245,916)	(2,329,875)	(2,955,446)	(3,038,018)	(3,195,373)	(3,363,579)
Amount attributable to investing activities	(1,354,574)	(1,348,551)	100,996	(596,460)	(703,612)	(778,176)	(935,523)	(1,126,210)	(1,371,166)	(1,539,979)	(1,777,547)	(1,836,279)
FINANCING ACTIVITIES												
Repayment of borrowings	(78,899)	(78,718)	(268,430)	(293,161)	(304,058)	(285,483)	(265,777)	(271,303)	(128,514)	0	0	0
Proceeds from new borrowings	200,000	1,500,000	0	0	0	0	0	0	0	0	0	0
Transfers to cash backed reserves (restricted assets)	(651)	(737,186)	(173,029)	(236,977)	(183,509)	(272,672)	(246,194)	(183,290)	(186,608)	(190,419)	(94,017)	(184,291)
Transfers from cash backed reserves (restricted assets)	0	40,000	300,000	0	0	0	0	0	0	(100,000)	(70,000)	(50,000)
Amount attributable to financing activities	120,450	724,096	(141,459)	(530,138)	(487,567)	(558,155)	(511,971)	(454,593)	(315,122)	(290,419)	(164,017)	(234,291)
Budgeted deficiency before general rates	(2,768,397)	(3,780,662)	(3,502,374)	(3,785,655)	(4,070,221)	(4,351,603)	(4,702,966)	(5,077,792)	(5,440,654)	(5,833,772)	(6,224,761)	(6,627,304)
Estimated amount to be raised from general rates	2,885,436	3,166,410	3,492,550	3,777,176	4,085,425	4,355,931	4,704,405	5,066,645	5,441,576	5,827,928	6,224,227	6,628,802
Net current assets at end of financial year - surplus/(deficit)	117,039	(0)	(9,824)	(8,479)	15,204	4,328	1,439	(11,147)	922	(5,844)	(534)	1,498

Shire of Victoria Plains - Long Term Financial Plan

Movements in Cash and Cash Equivalents

	Actual 2021-22	Budget 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27	Forecast 2027-28	Forecast 2028-29	Forecast 2029-30	Forecast 2030-31	Forecast 2031-32	Forecast 2032-33
Opening Balance	2,281,843	1,376,392	1,845,319	941,127	1,189,531	1,429,095	1,725,953	2,011,781	2,237,841	2,454,149	2,678,451	2,819,473
Cash attributable to operating activities	(2,637,861)	(3,314,045)	(4,628,291)	(2,746,199)	(2,953,976)	(3,118,865)	(3,350,605)	(3,586,665)	(3,879,807)	(4,128,816)	(4,412,058)	(4,701,499)
Cash attributable to investing activities	(1,466,079)	(819,883)	100,996	(596,460)	(703,612)	(778,176)	(935,523)	(1,126,210)	(1,371,166)	(1,539,979)	(1,777,547)	(1,836,279)
Cash attributable to financing activities	121,101	1,346,706	31,570	(293,161)	(304,058)	(285,483)	(265,777)	(271,303)	(128,514)	(100,000)	(70,000)	(50,000)
Cash attributable to rates	2,965,855	3,256,149	3,591,532	3,884,225	4,201,210	4,479,382	4,837,732	5,210,238	5,595,795	5,993,097	6,400,627	6,816,668
Closing cash balance	1,264,859	1,845,319	941,127	1,189,531	1,429,095	1,725,953	2,011,781	2,237,841	2,454,149	2,678,451	2,819,473	3,048,363
Year movement	(1,016,984)	468,927	(904,192)	248,404	239,564	296,859	285,827	226,060	216,308	224,301	141,022	228,890
Balance of Reserves	539,517	1,236,700	1,109,729	1,346,706	1,530,215	1,802,887	2,049,081	2,232,371	2,418,979	2,509,398	2,533,415	2,667,706
Term Deposit (classified as Financial Assets)	111,505	111,505	111,505	111,505	111,505	111,505	111,505	111,505	111,505	111,505	111,505	111,505
Unrestricted Cash Balance	836,847	720,124	(57,097)	(45,670)	10,385	34,571	74,205	116,975	146,675	280,558	397,563	492,162

Shire of Victoria Plains - Long Term Financial Plan

Reserves

Reserve	Movement	Purpose	Funding Strategy	Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
				2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Long Service Leave Reserve	Opening Balance	to be used to fund annual and long service leave requirements	To be advised by Council	4,477	4,482	4,616	4,758	4,908	5,067	35,235	56,431	58,394	70,476	78,052	80,976
	Interest			6	134	142	150	159	168	1,196	1,963	2,082	2,576	2,924	3,110
	Transfers to			0	0	0	0	0	30,000	20,000	0	10,000	5,000	0	5,000
	Transfers (from)			0	0	0	0	0	0	0	0	0	0	0	0
	Closing Balance			4,483	4,616	4,758	4,908	5,067	35,235	56,431	58,394	70,476	78,052	80,976	89,086
Plant Reserve	Opening Balance	to be used for the purchase of major plant	To be advised by Council	66,275	66,355	674,346	395,082	507,535	603,932	723,931	858,503	938,371	1,001,834	973,453	1,009,924
	Interest			81	1,991	20,736	12,453	16,397	19,999	24,572	29,868	33,463	36,619	36,471	38,784
	Transfers to			0	606,000	100,000	100,000	80,000	100,000	110,000	50,000	30,000	35,000	0	40,000
	Transfers (from)			0	0	(300,000)	0	0	0	0	0	0	(100,000)	0	(50,000)
	Closing Balance			66,356	674,346	395,082	507,535	603,932	723,931	858,503	938,371	1,001,834	973,453	1,009,924	1,038,708
Housing Reserve	Opening Balance	to be used for the procurement of staff housing	To be advised by Council	98,676	98,795	151,759	206,426	267,932	296,588	341,409	372,997	400,974	435,273	456,183	433,274
	Interest			119	2,964	4,667	6,506	8,656	9,821	11,588	12,977	14,299	15,910	17,091	16,639
	Transfers to			0	50,000	50,000	55,000	20,000	35,000	20,000	15,000	20,000	5,000	0	10,000
	Transfers (from)			0	0	0	0	0	0	0	0	0	0	(40,000)	0
	Closing Balance			98,795	151,759	206,426	267,932	296,588	341,409	372,997	400,974	435,273	456,183	433,274	459,913
Sewerage Scheme - Calingiri Reserve	Opening Balance	to be used to maintain and improve the Calingiri sewerage scheme	To be advised by Council	57,146	57,214	58,930	60,742	62,657	64,681	66,823	69,091	71,495	74,045	76,752	79,628
	Interest			69	1,716	1,812	1,915	2,024	2,142	2,268	2,404	2,550	2,707	2,876	3,058
	Transfers to			0	0	0	0	0	0	0	0	0	0	0	0
	Transfers (from)			0	0	0	0	0	0	0	0	0	0	0	0
	Closing Balance			57,215	58,930	60,742	62,657	64,681	66,823	69,091	71,495	74,045	76,752	79,628	82,686
Refuse Site Reserve	Opening Balance	to be used to fund future refuse site development	To be advised by Council	253,909	254,215	221,841	238,663	258,185	266,526	285,352	300,038	317,477	338,798	361,182	374,714
	Interest			306	7,626	6,822	7,522	8,341	8,826	9,686	10,439	11,321	12,384	13,532	14,390
	Transfers to			0	0	10,000	12,000	0	10,000	5,000	7,000	10,000	10,000	0	5,000
	Transfers (from)			0	(40,000)	0	0	0	0	0	0	0	0	0	0
	Closing Balance			254,215	221,841	238,663	258,185	266,526	285,352	300,038	317,477	338,798	361,182	374,714	394,104
Building Maintenance Reserve	Opening Balance	to be used for the long term maintenance of Shire buildings	To be advised by Council	15,169	15,187	40,643	71,893	84,159	96,878	112,086	120,890	135,096	151,914	164,467	160,629
	Interest			18	456	1,250	2,266	2,719	3,208	3,804	4,206	4,818	5,553	6,162	6,169
	Transfers to			0	25,000	30,000	10,000	10,000	12,000	5,000	10,000	12,000	7,000	0	12,000
	Transfers (from)			0	0	0	0	0	0	0	0	0	0	(10,000)	0
	Closing Balance			15,187	40,643	71,893	84,159	96,878	112,086	120,890	135,096	151,914	164,467	160,629	178,798
Infrastructure Reserve	Opening Balance	to be used for future infrastructure development to ensure long term Shire sustainability	To be advised by Council	14,666	14,684	55,125	101,820	130,029	164,230	204,668	236,615	274,847	309,648	360,966	354,490
	Interest			18	441	1,695	3,209	4,201	5,438	6,947	8,232	9,801	11,318	13,524	13,613
	Transfers to			0	40,000	45,000	25,000	30,000	35,000	25,000	30,000	25,000	40,000	0	15,000
	Transfers (from)			0	0	0	0	0	0	0	0	0	0	(20,000)	0
	Closing Balance			14,684	55,125	101,820	130,029	164,230	204,668	236,615	274,847	309,648	360,966	354,490	383,103
Gymnasium Reserve	Opening Balance	to be used for future purchases and replacement of gymnasium equipment	To be advised by Council	7,411	7,420	7,643	7,878	8,126	8,389	8,667	8,961	9,273	9,604	9,955	10,328
	Interest			9	223	235	248	263	278	294	312	331	351	373	397
	Transfers to			0	0	0	0	0	0	0	0	0	0	0	0
	Transfers (from)			0	0	0	0	0	0	0	0	0	0	0	0
	Closing Balance			7,420	7,643	7,878	8,126	8,389	8,667	8,961	9,273	9,604	9,955	10,328	10,725
Sewerage Scheme - Yerecoin Reserve	Opening Balance	to be used to maintain and improve the Yerecoin sewerage scheme	To be advised by Council	21,137	21,162	21,797	22,467	23,175	23,924	24,716	25,555	26,444	27,387	28,388	29,452
	Interest			25	635	670	708	749	792	839	889	943	1,001	1,064	1,131
	Transfers to			0	0	0	0	0	0	0	0	0	0	0	0
	Transfers (from)			0	0	0	0	0	0	0	0	0	0	0	0
	Closing Balance			21,162	21,797	22,467	23,175	23,924	24,716	25,555	26,444	27,387	28,388	29,452	30,583
Total	Opening Balance			538,866	539,514	1,236,700	1,109,729	1,346,706	1,530,215	1,802,887	2,049,081	2,232,371	2,418,979	2,509,398	2,533,415
	Interest			651	16,186	38,029	34,977	43,509	50,672	61,194	71,290	79,608	88,419	94,017	97,291
	Transfers to			0	721,000	135,000	202,000	140,000	222,000	185,000	112,000	107,000	102,000	0	87,000
	Transfers (from)			0	(40,000)	(300,000)	0	0	0	0	0	0	(100,000)	(70,000)	(50,000)
	Closing Balance			539,517	1,236,700	1,109,729	1,346,706	1,530,215	1,802,887	2,049,081	2,232,371	2,418,979	2,509,398	2,533,415	2,667,706

Shire of Victoria Plains - Long Term Financial Plan

Asset Management Plan Summary

		Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27	Forecast 2027-28	Forecast 2028-29	Forecast 2029-30	Forecast 2030-31	Forecast 2031-32	Forecast 2032-33
Shire of Victoria Plains defined index		108.30%	117.29%	127.02%	137.57%	148.57%	160.01%	171.85%	184.05%	196.57%	209.35%
Transport Works Programme Summary	Maintenance	996,360	1,079,058	1,168,620	1,265,615	1,366,864	1,472,113	1,581,049	1,693,304	1,808,448	1,925,998
	New	0	0	0	0	0	0	0	0	0	0
	Operation	142,415	154,235	167,036	180,900	195,372	210,416	225,987	242,032	258,490	275,292
	Renewal	8,945,824	8,866,895	5,318,930	3,490,317	3,672,971	4,056,597	4,454,742	4,722,254	5,523,982	5,217,316
		10,084,599	10,100,188	6,654,586	4,936,833	5,235,208	5,739,126	6,261,778	6,657,590	7,590,921	7,418,605
Recreation Works Programme Summary	Maintenance	238,260	258,036	279,453	302,647	326,859	352,027	378,077	404,920	432,455	460,565
	New	0	0	0	0	0	0	0	0	0	0
	Operation	16,657	18,039	19,536	21,158	22,850	24,610	26,431	28,308	30,233	32,198
	Renewal	58,753	2,375,980	107,018	28,545	67,972	38,803	130,179	35,431	206,890	112,524
		313,669	2,652,055	406,006	352,350	417,681	415,440	534,687	468,659	669,578	605,287
Property Works Programme Summary	Maintenance	359,718	389,575	421,910	456,928	493,483	531,481	570,810	611,338	652,909	695,348
	New	0	0	0	0	0	0	0	0	0	0
	Operation	201,357	218,069	236,169	255,771	276,233	297,503	319,518	342,204	365,474	389,229
	Renewal	1,513,233	327,471	267,004	313,928	217,658	231,538	99,159	234,578	292,300	119,747
		2,074,308	935,115	925,083	1,026,627	987,374	1,060,521	989,488	1,188,119	1,310,683	1,204,324
Fleet & Equipment Works Programme Summary	Maintenance	200,355	216,984	234,994	254,499	274,859	296,023	317,928	340,501	363,655	387,293
	New	0	0	0	0	0	0	0	0	0	0
	Operation	415,060	449,510	486,819	527,225	569,403	613,247	658,627	705,390	753,356	802,325
	Renewal	1,212,960	899,606	1,404,884	1,306,885	1,766,524	1,732,933	2,139,572	2,059,573	1,459,536	2,480,769
		1,828,375	1,566,100	2,126,697	2,088,609	2,610,785	2,642,203	3,116,128	3,105,464	2,576,548	3,670,386
Total	Maintenance	1,794,693	1,943,653	2,104,976	2,279,689	2,462,064	2,651,643	2,847,865	3,050,063	3,257,468	3,469,203
	New	0	0	0	0	0	0	0	0	0	0
	Operation	775,488	839,853	909,561	985,054	1,063,859	1,145,776	1,230,563	1,317,933	1,407,553	1,499,044
	Renewal	11,730,769	12,469,951	7,097,836	5,139,675	5,725,125	6,059,871	6,823,652	7,051,835	7,482,709	7,930,356
		14,300,950	15,253,457	10,112,373	8,404,419	9,251,048	9,857,290	10,902,080	11,419,832	12,147,729	12,898,602
Renewal Summary	Transport Works Programme	8,945,824	8,866,895	5,318,930	3,490,317	3,672,971	4,056,597	4,454,742	4,722,254	5,523,982	5,217,316
	Recreation Works Programme	58,753	2,375,980	107,018	28,545	67,972	38,803	130,179	35,431	206,890	112,524
	Property Works Programme	1,513,233	327,471	267,004	313,928	217,658	231,538	99,159	234,578	292,300	119,747
	Plant, Vehicles & Equipment Works Programme	1,212,960	899,606	1,404,884	1,306,885	1,766,524	1,732,933	2,139,572	2,059,573	1,459,536	2,480,769
		11,730,769	12,469,951	7,097,836	5,139,675	5,725,125	6,059,871	6,823,652	7,051,835	7,482,709	7,930,356
Renewal Funding Summary	External (WSFN)	0	0	0	0	0	0	0	0	0	0
	Municipal	2,157,759	2,439,085	3,849,368	4,435,058	4,974,538	5,205,086	5,955,450	6,077,817	6,432,629	6,889,479
	RRG	152,920	165,612	179,358	194,244	209,784	225,937	242,657	259,885	277,558	295,599
	LRCIP	1,170,308	0	0	0	0	0	0	0	0	0
	R2R	372,552	403,474	436,962	473,230	511,088	550,442	591,175	633,148	676,202	720,156
		3,853,539	3,008,171	4,465,688	5,102,532	5,695,410	5,981,465	6,789,281	6,970,851	7,386,389	7,905,234

Shire of Victoria Plains - Long Term Financial Plan

Forecast Rate Increases

	Actual 2021-22	Budget 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27	Forecast 2027-28	Forecast 2028-29	Forecast 2029-30	Forecast 2030-31	Forecast 2031-32	Forecast 2032-33
Rates Index												
Shire of Victoria Plains defined index		100.00%	110.30%	119.29%	129.02%	137.57%	148.57%	160.01%	171.85%	184.05%	196.57%	209.35%
Percentage Movement			10.30%	8.15%	8.16%	6.62%	8.00%	7.70%	7.40%	7.10%	6.80%	6.50%
Rates Income	2,885,436	3,166,410	3,492,550	3,777,176	4,085,425	4,355,931	4,704,405	5,066,645	5,441,576	5,827,928	6,224,227	6,628,802
Ex Gratia Rates	83,868	89,739	98,982	107,049	115,785	123,451	133,327	143,593	154,219	165,169	176,400	187,866
Interim and back rates (refer below)	86,471	0	0	0	0	0	0	0	0	0	0	0
Total	3,055,775	3,256,149	3,591,532	3,884,225	4,201,210	4,479,382	4,837,732	5,210,238	5,595,795	5,993,097	6,400,627	6,816,668

ria Plains - Long Term Financial Plan

Management Plan Detailed Listing

PROGRAM	Asset Type	Asset Sub-Type	Activity Type	Activity Description	Funding Type	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27	Forecast 2027-28	Forecast 2028-29	Forecast 2029-30	Forecast 2030-31	Forecast 2031-32	Forecast 2032-33
Transport Works Programme Summary	Car Parks	Car Parks	Renewal	General Allocation	Municipal	0	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Drainage	Pits & Pipes	Renewal	General renewal allowance in line with depreciation	Municipal	500	500	500	500	500	500	500	500	500	500
Transport Works Programme Summary	Drainage	Culverts	Renewal	General renewal allowance in line with depreciation	Municipal	50,000	50,000	60,000	70,000	40,000	70,000	50,000	100,000	108,000	50,000
Transport Works Programme Summary	Drainage	Table Drains	Renewal	General renewal allowance in line with depreciation	Municipal	0	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Paths	Paths	Renewal	General renewal allowance in line with depreciation	Municipal	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	General Allocation - RRG contribution	Municipal	70,600	70,600	70,600	70,600	70,600	70,600	70,600	70,600	70,600	70,600
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	General Allocation	RRG	141,200	141,200	141,200	141,200	141,200	141,200	141,200	141,200	141,200	141,200
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	General Allocation	R2R	344,000	344,000	344,000	344,000	344,000	344,000	344,000	344,000	344,000	344,000
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	General Allocation	Municipal	616,541	616,772	1,336,667	1,882,379	1,842,379	1,870,379	1,952,379	1,857,379	2,102,379	1,852,379
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Phase 4 LRCIP Projects	LRCIP	381,412	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Phase 4 LRCIP Project - Road Component	LRCIP	699,205	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Calingiri New Norcia Rd Toodyay Bindi Bindi Rd intersection	CBH	1,020,991	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Calingiri New Norcia Rd Toodyay Bindi Bindi Rd intersection project		0	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Calingiri New Norcia Rd Toodyay Bindi Bindi Rd intersection	MRD	556,974	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Calingiri New Norcia Rd Toodyay Bindi Bindi Rd intersection	Municipal	117,724	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Wheatbelt Secondary Freight Network (WSFN) program	WSFN		5,862,073	2,042,167	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Mogumber- Yarawindah C/F	Municipal	885,214	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Mogumber- Yarawindah C/F	WSFN	3,342,364	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Roads	Pavement & Seal	Renewal	Wheatbelt Secondary Freight Network (WSFN) program	Municipal	0	441,231	153,712	0	0	0	0	0	0	0
Transport Works Programme Summary	Street Furniture	Street Bins	Operation	COA21021 - Litter Control Roadside Bins	Municipal	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Transport Works Programme Summary	Street Furniture	Signs	Renewal	COA21203 - Signage & Guideposts	Municipal	20,000	20,000	25,000	15,000	20,000	25,000	20,000	38,500	30,000	20,000
Transport Works Programme Summary	Street Furniture	Signs	Renewal	COA21212 - Traffic Sign & Control Equipment	Municipal	0	0	0	0	0	0	0	0	0	0
Transport Works Programme Summary	Structures	Bridges	Renewal	Bridge renewal works	Grant	0	0	0	0	0	0	0	0	0	0
Recreation Works Programme Summary	Active Recreation Places	All assets	Renewal	General renewal allowance in line with depreciation	Municipal	0	0	50,000	0	20,000	0	50,000	0	71,000	30,000
Recreation Works Programme Summary	Building Surrounds	All assets	Renewal	General renewal allowance in line with depreciation	Municipal	10,000	5,000	10,000	5,000	5,000	0	7,000	0	10,000	10,000
Recreation Works Programme Summary	Cemetery Places	All assets	Renewal	General renewal allowance in line with depreciation	Municipal	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Recreation Works Programme Summary	Passive Recreation Places	All assets	Renewal	General renewal allowance in line with depreciation	Municipal	10,500	7,000	10,500	5,000	7,000	10,500	5,000	10,500	10,500	5,000
Recreation Works Programme Summary	Tourism Places	All assets	Renewal	Caravan Park Development	Grant 90% /Municipal 10%	30,000	2,010,000	10,000	7,000	10,000	10,000	10,000	5,000	10,000	5,000
Property Works Programme Summary	Amenities/Public Toilets	All assets	Renewal	Renewal allowance in line with municipal funded renewal m	Municipal	9,000	5,000	9,000	5,000	9,000	5,000	9,000	5,000	9,000	9,000
Property Works Programme Summary	Commercial Buildings	All assets	Renewal	Renewal allowance in line with municipal funded renewal m	Municipal	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Property Works Programme Summary	Community Buildings	All assets	Renewal	Renewal allowance in line with municipal funded renewal m	Municipal	15,000	15,000	10,000	10,000	5,000	39,500	5,000	39,500	39,500	10,000
Property Works Programme Summary	Emergency Service Buildings	All assets	Renewal	Renewal allowance in line with municipal funded renewal m	Municipal	0	8,200	8,200	8,200	5,000	8,200	8,200	8,200	8,200	8,200
Property Works Programme Summary	Operational Buildings	All assets	Renewal	Renewal allowance in line with municipal funded renewal m	Municipal	12,500	7,000	8,000	5,000	7,000	12,500	12,500	5,000	12,500	5,000
Property Works Programme Summary	Recreation Buildings	All assets	Renewal	Renewal allowance in line with municipal funded renewal m	Municipal	24,750	10,000	15,000	10,000	24,750	24,750	5,000	15,000	24,750	10,000
Property Works Programme Summary	Residential Buildings	All assets	Renewal	Staff Housing Development	Grant 90% /Municipal 10%	1,039,000	15,000	20,000	20,000	10,000	39,000	10,000	39,000	39,000	7,000
Property Works Programme Summary	Roadside / Truck parking	All assets	Renewal	Safe and Clean Truck Bays	Municipal			100,000							
Property Works Programme Summary	Water Security Program	All assets	Renewal	Shire Water Security Strategy	Municipal		30,000	30,000	160,000	70,000					
Property Works Programme Summary	Animal Control	All assets	Renewal	Animal Pound / Compound	Grant 85% Municipal 15%	35,000									
Property Works Programme Summary	Refuse Site	All assets	Renewal	E-Waste Transfer Station	Grant 94% Municipal 20%	246,260									
Property Works Programme Summary	Refuse Site	All assets	Renewal	Landfill Transfer Station	Grant 80% Municipal 20%		180,000								
Property Works Programme Summary	Ancillary Assets	All assets	Renewal	Renewal allowance in line with depreciation	Municipal	12,750	6,000	7,000	7,000	12,750	12,750	5,000	12,750	12,750	5,000
Fleet & Equipment Works Programme Sumr	Furniture, Equipment & IT	All assets	Renewal	General renewal allowance in line with depreciation	Municipal	10,000	10,000	15,000	50,000	30,000	10,000	20,000	90,000	113,500	10,000
Fleet & Equipment Works Programme Sumr	Furniture, Equipment & IT	IT	Renewal	Enterprise Resource Planning (ERP)	Municipal	250,000	10,000	11,000	15,000	19,000	19,000	5,000	19,000	19,000	5,000
Fleet & Equipment Works Programme Sumr	Plant	Plant	Renewal	General renewal allowance in line with depreciation	Municipal	600,000	687,000	805,000	450,000	850,000	994,000	800,000	750,000	550,000	750,000
Fleet & Equipment Works Programme Sumr	Vehicles	Vehicles	Renewal	General renewal allowance in line with depreciation	Municipal	260,000	60,000	275,000	435,000	290,000	60,000	420,000	260,000	60,000	420,000