

Ararat Rural City Council

Financial Plan

2021-22 to 2030-31

Contents

1. Legislative Requirements	3
2. Financial Plan Context	7
3. Financial Plan Statements	10
4. Financial performance indicators	28
5. Strategies and Plans	31

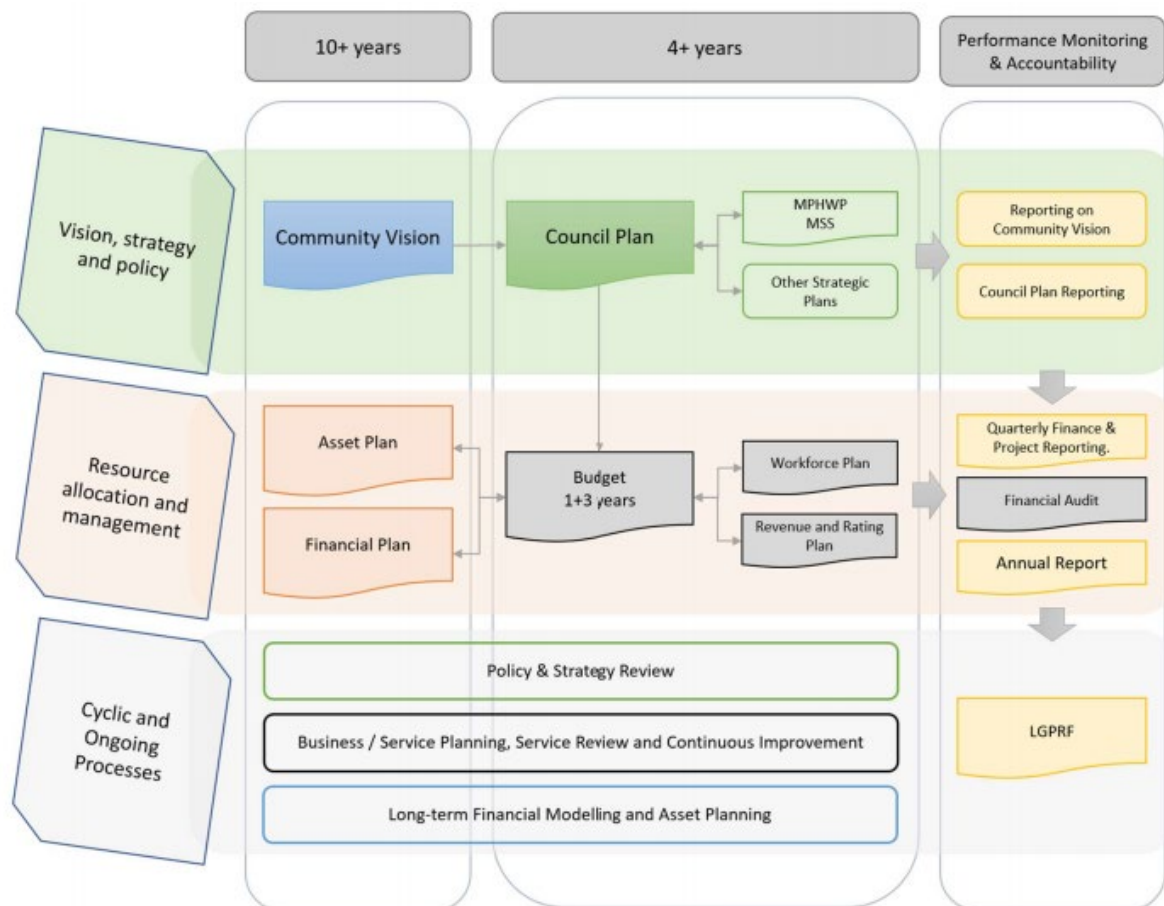
1. Legislative Requirements

This section describes how the Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning & Reporting framework. This framework guides Ararat Rural City Council in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.



The following figure demonstrates how each element might inform or be informed by other parts of the integrated framework.



1.1 Strategic Planning Principles

The Financial Plan provides a 10 year financially sustainable projection regarding how the actions of the Council Plan may be funded to achieve the Community Vision. The Financial Plan is developed in the context of the following strategic planning principles:

- a) Council has an integrated approach to planning, monitoring and performance reporting.
- b) Council's Financial Plan addresses the Community Vision by funding the aspirations of the Council Plan. The Council Plan aspirations and actions are formulated in the context of the Community Vision.
- c) The Financial Plan statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the Council Plan to achieve the Community Vision.
- d) Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan. The financial risks are included at section 1.2.2 below.

e) The Financial Plan provides for the strategic planning principles of monitoring of progress and reviews to identify and adapt to changing circumstances.

1.2 Financial Management Principles

The Financial Plan demonstrates the following financial management principles:

1.2.1 Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.

1.2.2 Management of the following financial risks:

- a) the financial viability of the Council (refer to section 2.1 Financial Policy Statements).
- b) the management of current and future liabilities of the Council. The estimated 10 year liabilities are disclosed in section 3.2 Balance Sheet projections.
- c) the beneficial enterprises of Council (where appropriate).

1.2.3 Financial policies and strategic plans are designed to provide financial stability and predictability to the community.

1.2.4 Council maintains accounts and records that explain its financial operations and financial position (refer section 3 Financial Statements)

1.3 Engagement Principles

Council has adopted a comprehensive community engagement policy in February 2021. Council has implemented the following consultation process to ensure due consideration and feedback is received from relevant stakeholders.

- a) Draft Financial Plan prepared by management;
- b) Community engagement around the Financial Plan 2021- 2031 is conducted using the Engage Ararat online portal
- c) Draft Financial Plan, including any revisions, presented to 26 October 2021 Council meeting for adoption.

There will be annual reviews of the Financial plan 2021-2031, which will take account Council strategy, the impacts of funding and economic circumstances. These reviews will actively involve key stakeholders and be open for community engagement.

1.4 Service Performance Principles

Council services are designed to be purposeful, targeted to community needs and value for money. The service performance principles are listed below:

- a) Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify the key services and projects to be delivered to

the community. The Financial Plan provides the mechanism to demonstrate how the service aspirations within the Council Plan may be funded.

b) Services are accessible to the relevant users within the community.

c) Council provides quality services that provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) is designed to communicate council's performance regarding the provision of quality and efficient services.

d) Council has a performance monitoring framework to continuously improve its service delivery standards.

e) Council has a service delivery framework that considers and responds to community feedback and complaints regards service provision.

1.5 Asset Plan Integration

Integration to the Asset Plan is a key principle of the Council's strategic financial planning principles. The purpose of this integration is designed to ensure that future funding is allocated in a manner that supports service delivery in terms of the plans and the effective management of Council's assets into the future.

The Asset Plan identifies the operational and strategic practices which will ensure that Council manages assets across their life cycle in a financially sustainable manner. The Asset Plan, and associated asset management policies, provide council with a sound base to understand the risk associated with managing its assets for the community's benefit.

The Asset Plan is designed to inform the 10-year Financial Plan by identifying the amount of capital renewal, backlog and maintenance funding that is required over the life of each asset category. The level of funding will incorporate knowledge of asset condition, the risk assessment issues as well as the impact of reviewing and setting intervention and service levels for each asset class.

In addition to identifying the operational and strategic practices that ensure that Council manages assets across their life cycle in a financially sustainable manner, the Asset Plan quantifies the asset portfolio and the financial implications of those practices. Together the Financial Plan and Asset Plan seek to balance projected investment requirements against projected budgets.

2. Financial Plan Context

This section describes the context and external / internal environment and consideration in determining the 10-year financial projections and assumptions.

2.1 Financial Policy Statements

This section defines the measures that demonstrates Council's financial sustainability in order to fund the aspirations of the Community Vision and the Council Plan.

Policy Statement	Measure	Target	Actual										
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Consistent underlying surplus results	Adjusted underlying result greater than \$0	\$0	\$2,908	(\$4,307)	\$1,127	\$1,289	\$2,262	\$2,401	\$2,592	\$2,769	\$2,948	\$3,130	\$3,314
Ensure Council maintains sufficient working capital to meet its debt obligations as they fall due.	Current Assets / Current Liabilities greater than 1.25	1.25	2.02	2.38	2.61	2.73	2.85	3.14	3.40	3.70	4.05	4.44	4.88
Allocate adequate funds towards renewal of capital to replace assets and infrastructure as they reach the end of their service life.	Asset renewal and upgrade expenses / Depreciation above 100%	100%	164.3%	255.0%	110.0%	109.6%	121.5%	121.0%	120.5%	120.0%	119.5%	119.1%	118.7%
That Council applies loan funding to new capital and maintains total borrowings in line with rate income and growth of the municipality.	Total borrowings / Rate revenue to remain below 60%	60%	15.4%	3.4%	2.6%	1.7%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Policy Statement	Measure	Target	Actual										
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash imposts if required.	Unrestricted cash / current liabilities to be maintained above 80%	80%	166.6%	165.3%	196.9%	208.2%	219.5%	244.1%	268.8%	297.9%	331.6%	369.8%	412.4%
Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for new and renewal capital.	Capital Outlays as a % of Own Source Revenue to remain above 30%	30%	86.7%	103.6%	42.4%	42.5%	47.0%	46.5%	46.0%	45.5%	44.9%	44.4%	44.0%

2.2 Strategic Actions

Following a series of community engagement activities, Council has identified the following strategic actions that will support the aspirations of the Council Plan. The strategic actions are included in the 10-year financial plan and, where appropriate, referenced in the commentary associated with the 10-year Comprehensive Income Statement and the 10-year Statement of Capital Works. The following are key strategic actions derived from the Community Vision 2021-2031 and the Council Plan 2021-2025:

- Maintaining investment in renewal capital works to ensure an effective local roads network that meets the economic and social needs of the municipal community
- Ensuring ongoing organisational efficiencies are returned as a dividend to ratepayers through responsible rating
- Investing in pragmatic approaches to environmental management and investment in local approaches to engaging in a circular economy
- Maintaining and developing community, recreational and sporting facilities
- Developing key industry and research partnerships to deliver cost effective, innovative approaches to health and wellbeing, economic growth and housing development
- Demonstrating that small rural councils, like Ararat Rural Coty Council, can maintain assets, deliver effective community services and remain financially viable

2.3 Assumptions to the financial plan statements

This section presents information in regard to the assumptions to the Comprehensive Income Statement for the 10 years from 2021/22 to 2030/31. The assumptions comprise the annual escalations / movement for each line item of the Comprehensive Income Statement.

Escalation Factors % movement	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
CPI	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	2.0%	2.0%	2.0%	2.0%
Rates and charges	-1.5%	0.0%	0.5%	1.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
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	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Grants - Operating	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Other income	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Employee costs	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Materials and services	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Depreciation & Amortisation	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other expenses	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

3. Financial Plan Statements

This section presents information in regard to the Financial Plan Statements for the 10 years from 2021/22 to 2030/31.

Comprehensive Income Statement

Balance Sheet

Statement of Cash Flows

Statement of Capital Works

Statement of Human Resources

Statement of Changes in Equity

3.1 Comprehensive Income Statement

For the ten years ended 30 June 2031

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Rates and charges	17,720	17,468	17,571	17,832	18,216	18,709	19,260	19,844	20,437	21,039	21,650
Statutory fees and fines	172	199	202	207	211	215	219	224	228	233	237
User fees	1,018	1,367	1,408	1,450	1,494	1,539	1,585	1,633	1,682	1,732	1,784
Grants - Operating	9,046	6,821	8,083	8,203	8,325	8,450	8,576	8,703	8,833	8,965	9,099
Grants - Capital	6,707	10,804	533	533	1,461	1,461	1,461	1,461	1,461	1,461	1,461
Contributions - monetary	162	97	10	10	10	10	10	10	10	10	10
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	136	41	43	45	47	48	50	52	54	57	59
Fair value adjustments for investment property	47	-	-	-	-	-	-	-	-	-	-
Other income	188	173	178	184	189	195	201	207	213	219	226
Total income	35,196	36,970	28,029	28,464	29,954	30,627	31,362	32,134	32,918	33,716	34,526
Expenses											
Employee costs	11,910	11,277	11,503	11,733	11,968	12,207	12,451	12,700	12,954	13,213	13,477
Materials and services	7,167	13,159	7,679	7,564	7,677	7,793	7,909	8,068	8,229	8,394	8,561
Depreciation	9,641	7,095	7,347	7,499	7,660	7,832	8,006	8,182	8,359	8,538	8,719
Bad Debts	5	-	-	-	-	-	-	-	-	-	-
Borrowing costs	116	55	15	11	6	2	-	-	-	-	-
Other expenses	289	348	358	369	380	392	403	416	428	441	454
Total expenses	29,128	31,934	26,902	27,175	27,692	28,225	28,770	29,365	29,970	30,586	31,212
Surplus/(deficit) for the year	6,068	5,036	1,127	1,289	2,262	2,401	2,592	2,769	2,948	3,130	3,314
Net asset revaluation increment/(decrement)	10,908	-	-	-	-	-	-	-	-	-	-
Total comprehensive result	16,976	5,036	1,127	1,289	2,262	2,401	2,592	2,769	2,948	3,130	3,314

3.2 Balance Sheet

For the ten years ended 30 June 2031

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Current assets											
Cash and cash equivalents	23,049	7,744	8,261	8,693	9,179	9,801	10,774	11,933	13,278	14,808	16,525
Trade and other receivables	4,233	2,646	1,974	2,000	2,038	2,087	2,142	2,201	2,260	2,320	2,381
Inventories	69	69	69	69	69	69	69	69	69	69	69
Other assets	55	55	55	55	55	55	55	55	55	55	55
Total current assets	27,406	10,514	10,359	10,817	11,341	12,012	13,040	14,258	15,662	17,252	19,030
Non-current assets											
Trade and other receivables	12	11	9	7	5	4	2	-	-	-	-
Property, infrastructure, plant & equipment	242,101	254,734	255,425	256,100	257,699	259,286	260,863	262,429	263,989	265,544	267,094
Investment property	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362
Total non-current assets	243,475	256,107	256,796	257,469	259,066	260,652	262,227	263,791	265,351	266,906	268,456
Total assets	270,881	266,621	267,155	268,287	270,408	272,664	275,267	278,049	281,013	284,158	287,486
Liabilities											
Current liabilities											
Trade and other payables	1,303	1,337	885	876	886	898	908	922	936	951	966
Trust funds and deposits	455	455	455	455	455	455	455	455	455	455	455
Unearned income	7,191	-	-	-	-	-	-	-	-	-	-
Provisions	2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475	2,475
Interest-bearing liabilities	2,138	142	148	150	157	-	-	-	-	-	-
Total current liabilities	13,562	4,409	3,964	3,957	3,974	3,828	3,839	3,853	3,867	3,882	3,896

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current liabilities											
Provisions	231	231	231	231	231	231	231	231	231	231	231
Interest-bearing liabilities	597	454	306	157	-	-	-	-	-	-	-
Total non-current liabilities	828	685	537	388	231	231	231	231	231	231	231
Total liabilities	14,390	5,094	4,501	4,345	4,205	4,059	4,070	4,084	4,098	4,113	4,127
Net assets	256,491	261,527	262,654	263,942	266,203	268,605	271,197	273,966	276,915	280,045	283,359
Equity											
Accumulated surplus	76,891	98,870	99,897	101,086	103,247	105,549	108,041	110,710	113,559	116,589	119,802
Reserves	179,600	162,656	162,756	162,856	162,956	163,056	163,156	163,256	163,356	163,456	163,556
Total equity	256,491	261,527	262,654	263,942	266,203	268,605	271,197	273,966	276,915	280,045	283,359

3.3 Statement of Changes in Equity

For the ten years ended 30 June 2031

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2021 Forecast Actual				
Balance at beginning of the financial year	239,515	75,974	145,018	18,523
Surplus/(deficit) for the year	6,068	6,068	-	-
Net asset revaluation increment/(decrement)	10,908	-	10,908	-
Transfers to other reserves	-	(15,111)	-	15,111
Transfers from other reserves	-	9,960	-	(9,960)
Balance at end of the financial year	256,491	76,891	155,926	23,674
2022				
Balance at beginning of the financial year	256,491	76,891	155,926	23,674
Surplus/(deficit) for the year	5,037	5,037	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(537)	-	537
Transfers from other reserves	-	17,480	-	(17,480)
Balance at end of the financial year	261,528	98,871	155,926	6,731
2023				
Balance at beginning of the financial year	261,528	98,871	155,926	6,731
Surplus/(deficit) for the year	1,127	1,127	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	262,655	99,898	155,926	6,831
2024				
Balance at beginning of the financial year	262,655	99,898	155,926	6,831
Surplus/(deficit) for the year	1,288	1,288	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	263,943	101,086	155,926	6,931

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2025				
Balance at beginning of the financial year	263,943	101,086	155,926	6,931
Surplus/(deficit) for the year	2,261	2,261	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	266,204	103,247	155,926	7,031
2026				
Balance at beginning of the financial year	266,204	103,247	155,926	7,031
Surplus/(deficit) for the year	2,402	2,402	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	268,606	105,549	155,926	7,131
2027				
Balance at beginning of the financial year	268,606	105,549	155,926	7,131
Surplus/(deficit) for the year	2,592	2,592	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	271,198	108,041	155,926	7,231
2028				
Balance at beginning of the financial year	271,198	108,041	155,926	7,231
Surplus/(deficit) for the year	2,769	2,769	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	273,967	110,710	155,926	7,331

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2029				
Balance at beginning of the financial year	273,967	110,710	155,926	7,331
Surplus/(deficit) for the year	2,949	2,949	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	276,916	113,559	155,926	7,431
2030				
Balance at beginning of the financial year	276,916	113,559	155,926	7,431
Surplus/(deficit) for the year	3,130	3,130	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	280,046	116,589	155,926	7,531
2031				
Balance at beginning of the financial year	280,046	116,589	155,926	7,531
Surplus/(deficit) for the year	3,314	3,314	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(100)	-	100
Transfers from other reserves	-	-	-	-
Balance at end of the financial year	283,360	119,803	155,926	7,631

3.4 Statement of Cash Flows

For the ten years ended 30 June 2031

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'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	17,560	17,592	17,561	17,806	18,178	18,660	19,205	19,786	20,378	20,979	21,589
Statutory fees and fines	172	199	202	207	211	215	219	224	228	233	237
User fees	1,564	1,367	1,408	1,450	1,494	1,539	1,585	1,633	1,682	1,732	1,784
Grants - operating	11,009	6,091	8,765	8,203	8,325	8,450	8,576	8,703	8,833	8,965	9,099
Grants - capital	9,310	5,804	533	533	1,461	1,461	1,461	1,461	1,461	1,461	1,461
Contributions - monetary	180	97	10	10	10	10	10	10	10	10	10
Interest received	63	50	52	53	55	56	58	60	61	63	65
Other receipts	138	123	127	131	135	139	143	147	151	156	161
Net GST refund / payment	1,798	801	625	602	575	548	537	508	479	449	418
Net trust funds and deposits	166	-	-	-	-	-	-	-	-	-	-
Employee costs	(12,134)	(11,277)	(11,503)	(11,733)	(11,968)	(12,207)	(12,451)	(12,700)	(12,954)	(13,213)	(13,477)
Materials and services	(9,577)	(13,923)	(8,753)	(8,173)	(8,240)	(8,328)	(8,434)	(8,560)	(8,693)	(8,828)	(8,965)
Other payments	(302)	(348)	(358)	(369)	(380)	(391)	(403)	(416)	(428)	(441)	(454)
Net cash provided by/(used in) operating activities	19,947	6,575	8,669	8,720	9,855	10,151	10,506	10,855	11,209	11,566	11,928
Cash flows from investing activities											
Payments for property, infrastructure, plant and equipment	(16,564)	(19,894)	(8,210)	(8,353)	(9,446)	(9,613)	(9,784)	(9,958)	(10,136)	(10,319)	(10,505)
Proceeds from sale of property, infrastructure, plant and equipment	383	207	215	224	233	242	252	262	272	283	295
Net cash provided by/ (used in) investing activities	(16,181)	(19,687)	(7,995)	(8,129)	(9,213)	(9,371)	(9,532)	(9,696)	(9,864)	(10,036)	(10,210)

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities											
Finance costs	(116)	(55)	(15)	(11)	(6)	(2)	-	-	-	-	-
Repayment of borrowings	(134)	(2,138)	(142)	(148)	(150)	(157)	-	-	-	-	-
Net cash provided by/(used in) financing activities	(250)	(2,193)	(157)	(159)	(156)	(159)	-	-	-	-	-
Net increase/(decrease) in cash & cash equivalents	3,516	(15,305)	517	432	486	621	974	1,159	1,345	1,530	1,718
Cash and cash equivalents at the beginning of the financial year	19,533	23,049	7,744	8,261	8,693	9,179	9,801	10,774	11,933	13,278	14,808
Cash and cash equivalents at the end of the financial year	23,049	7,744	8,261	8,693	9,179	9,801	10,774	11,933	13,278	14,808	16,525

3.5 Statement of Capital Works

For the ten years ended 30 June 2031

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property											
Buildings	2,247	3,972	518	528	539	550	561	572	583	595	607
Total property	2,247	3,972	518	528	539	550	561	572	583	595	607
Plant and equipment											
Plant, machinery and equipment	848	741	982	982	982	982	982	982	982	982	982
Fixtures, fittings and furniture	21	25	25	25	25	25	25	25	25	25	25
Library books	34	40	40	40	40	40	40	40	40	40	40
Total plant and equipment	903	806	1,047	1,047	1,047	1,047	1,047	1,047	1,047	1,047	1,047
Infrastructure											
Roads	12,163	13,172	5,934	6,053	7,121	7,263	7,408	7,556	7,707	7,861	8,018
Bridges	73	690	245	250	255	260	265	270	275	281	287
Footpaths and cycleways	196	420	168	171	174	177	181	185	189	193	197
Drainage	982	834	298	304	310	316	322	328	335	342	349
Total infrastructure	13,414	15,116	6,645	6,778	7,860	8,016	8,176	8,339	8,506	8,677	8,851
Total capital works expenditure	16,564	19,894	8,210	8,353	9,446	9,613	9,784	9,958	10,136	10,319	10,505

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Represented by:											
New asset expenditure	724	1,799	130	132	135	138	140	143	146	149	152
Asset renewal expenditure	11,758	15,226	7,275	7,390	8,314	8,449	8,587	8,729	8,874	9,022	9,172
Asset upgrade expenditure	4,082	2,869	805	831	997	1,026	1,057	1,086	1,116	1,148	1,181
Total capital works expenditure	16,564	19,894	8,210	8,353	9,446	9,613	9,784	9,958	10,136	10,319	10,505
Funding sources represented by:											
Grants	6,707	10,804	533	533	1,461	1,461	1,461	1,461	1,461	1,461	1,461
Contributions	58	-	-	-	-	-	-	-	-	-	-
Council cash	9,799	9,090	7,677	7,820	7,985	8,152	8,323	8,497	8,675	8,858	9,044
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Total capital works expenditure	16,564	19,894	8,210	8,353	9,446	9,613	9,784	9,958	10,136	10,319	10,505

3.6 Statement of Human Resources

For the ten years ended 30 June 2031

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure											
Employee costs - operating	11,910	11,277	11,503	11,733	11,968	12,207	12,451	12,700	12,954	13,213	13,477
Employee costs - capital	-	956	975	995	1,015	1,035	1,056	1,077	1,099	1,121	1,143
Total staff expenditure	11,910	12,233	12,478	12,728	12,983	13,242	13,507	13,777	14,053	14,334	14,620
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Staff numbers											
Employees	133.0	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7
Total staff numbers	133.0	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7

3.7 Summary of Planned Human Resources Expenditure

For the ten years ended 30 June 2031

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Planning, Community & Compliance										
Permanent - Full time										
Female	1,019	1,039	1,060	1,081	1,103	1,125	1,147	1,170	1,193	1,217
Male	277	283	289	295	301	307	313	319	325	331
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	97	99	101	103	105	107	109	111	113	115
Permanent - Part time										
Female	818	834	851	868	885	903	921	939	958	977
Male	218	222	226	231	236	241	246	251	256	261
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Planning, Community & Compliance	2,429	2,477	2,527	2,578	2,630	2,683	2,736	2,790	2,845	2,901
Arts, Culture & Heritage										
Permanent - Full time										
Female	219	223	227	232	237	242	247	252	257	262
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	77	79	81	83	85	87	89	91	93	95
Permanent - Part time										
Female	162	165	168	171	174	177	181	185	189	193
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Arts, Culture & Heritage	458	467	476	486	496	506	517	528	539	550
Infrastructure										
Permanent - Full time										
Female	231	236	241	246	251	256	261	266	271	276
Male	3,476	3,546	3,617	3,689	3,763	3,838	3,915	3,993	4,073	4,154

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	262	267	272	277	283	289	295	301	307	313
Permanent - Part time										
Female	140	143	146	149	152	155	158	161	164	167
Male	130	133	136	139	142	145	148	151	154	157
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Infrastructure	4,239	4,325	4,412	4,500	4,591	4,683	4,777	4,872	4,969	5,067
Corporate Services										
Permanent - Full time										
Female	266	271	276	282	288	294	300	306	312	318
Male	134	137	140	143	146	149	152	155	158	161
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	252	257	262	267	272	277	283	289	295	301
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Corporate Services	652	665	678	692	706	720	735	750	765	780
CEO's Office										
Permanent - Full time										
Female	574	585	597	609	621	633	646	659	672	685
Male	703	717	731	746	761	776	792	808	824	840
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	199	203	207	211	215	219	223	227	232	237
Male	53	54	55	56	57	58	59	60	61	62
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total CEO's Office	1,529	1,559	1,590	1,622	1,654	1,686	1,720	1,754	1,789	1,824
Governance										
Permanent - Full time										
Female	275	281	287	293	299	305	311	317	323	329
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Governance	275	281	287	293	299	305	311	317	323	329
Business Transformation										
Permanent - Full time										
Female	118	120	122	124	126	129	132	135	138	141
Male	375	383	391	399	407	415	423	431	440	449
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	76	78	80	82	84	86	88	90	92	94
Permanent - Part time										
Female	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Business Transformation	569	581	593	605	617	630	643	656	670	684
Casuals, temporary and other expenditure	1,126	1,148	1,170	1,192	1,214	1,238	1,261	1,287	1,313	1,342
Capitalised labour costs	956	975	995	1,015	1,035	1,056	1,077	1,099	1,121	1,143
Total staff expenditure	12,233	12,478	12,728	12,983	13,242	13,507	13,777	14,053	14,334	14,620

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Planning, Community & Compliance										
Permanent - Full time										
Female	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Male	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Permanent - Part time										
Female	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3
Male	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Planning, Community & Compliance	25.6	25.6	25.6	25.6	25.6	25.6	25.6	25.6	25.6	25.6
Arts, Culture & Heritage										
Permanent - Full time										
Female	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Permanent - Part time										
Female	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Arts, Culture & Heritage	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
Infrastructure										
Permanent - Full time										
Female	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Male	43.0	43.0	43.0	43.0	43.0	43.0	43.0	43.0	43.0	43.0
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Permanent - Part time										

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Female	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Male	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Infrastructure	51.1	51.1	51.1	51.1	51.1	51.1	51.1	51.1	51.1	51.1
Corporate Services										
Permanent - Full time										
Female	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Male	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Corporate Services	6.9	6.9	6.9	6.9	6.9	6.9	6.9	6.9	6.9	6.9
CEO's Office										
Permanent - Full time										
Female	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Male	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Male	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total CEO's Office	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1
Governance										

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Permanent - Full time										
Female	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Permanent - Part time										
Female	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Governance	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Business Transformation										
Permanent - Full time										
Female	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Male	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Permanent - Part time										
Female	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Self-described gender	-	-	-	-	-	-	-	-	-	-
Vacant positions	-	-	-	-	-	-	-	-	-	-
Total Business Transformation	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Casuals and temporary staff	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1
Capitalised labour	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Total staff numbers	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7	134.7

4. Financial performance indicators

The following table highlights Council's projected performance across a range of key financial performance indicators. These indicators provide an analysis of Council's 10 year financial projections and should be interpreted in the context of the organisation's objectives and financial management principles.

Indicator	Measure	Notes	Actual											Trend
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
Operating position														
Adjusted underlying result	Adjusted underlying surplus (deficit) / adjusted underlying revenue	1	9.1%	(15.6%)	4.0%	4.5%	7.6%	7.8%	8.3%	8.6%	9.0%	9.3%	9.6%	+
Liquidity														
Working Capital	Current assets / current liabilities	2	202.1%	238.5%	261.3%	273.4%	285.4%	313.8%	339.7%	370.1%	405.0%	444.5%	488.4%	+
Unrestricted cash	Unrestricted cash / current liabilities	3	166.6%	165.3%	196.9%	208.2%	219.5%	244.1%	268.8%	297.9%	331.6%	369.8%	412.4%	+
Obligations														
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	15.4%	3.4%	2.6%	1.7%	0.9%	-%	-%	-%	-%	-%	-%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		1.4%	12.6%	0.9%	0.9%	0.9%	0.8%	-%	-%	-%	-%	-%	+
Indebtedness	Non-current liabilities / own source revenue		4.3%	3.6%	2.8%	2.0%	1.1%	1.1%	1.1%	1.1%	1.0%	1.0%	1.0%	+
Asset renewal	Asset renewal and upgrade expense / asset depreciation	5	164.3%	255.0%	110.0%	109.6%	121.5%	121.0%	120.5%	120.0%	119.5%	119.1%	118.7%	o
Stability														
Rates concentration	Rate revenue / adjusted underlying revenue	6	55.3%	63.2%	62.7%	62.6%	60.8%	61.1%	61.4%	61.8%	62.1%	62.4%	62.7%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	o

Indicator	Measure	Notes	Actual											Trend
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	+o/-
Efficiency														
Expenditure level	Total expenses / no. of property assessments		\$4,049	\$4,440	\$3,685	\$3,667	\$3,681	\$3,697	\$3,712	\$3,733	\$3,754	\$3,774	\$3,794	o
Revenue level	Total rate revenue / no. of property assessments		\$2,464	\$2,429	\$2,407	\$2,406	\$2,422	\$2,450	\$2,485	\$2,523	\$2,560	\$2,596	\$2,632	o
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		13.5%	10.4%	10.4%	10.4%	10.4%	10.4%	10.4%	10.4%	10.4%	10.4%	10.4%	o
Sustainable Capacity														
Population	Total rate revenue / Municipal population		\$1,478	\$1,439	\$1,430	\$1,433	\$1,446	\$1,467	\$1,492	\$1,518	\$1,545	\$1,571	\$1,596	o
Population	Total expenses / Municipal population		\$2,429	\$2,631	\$2,189	\$2,184	\$2,199	\$2,214	\$2,229	\$2,247	\$2,265	\$2,283	\$2,302	o
Population	Value of infrastructure / Municipal population		\$20,190	\$20,985	\$20,785	\$20,585	\$20,460	\$20,335	\$20,208	\$20,080	\$19,952	\$19,824	\$19,696	+
Population	Municipal population / Kilometres of local roads		4.95	5.01	5.07	5.13	5.20	5.26	5.33	5.39	5.46	5.53	5.59	+
Own-source revenue	Own source revenue / Municipal population		\$1,593	\$1,582	\$1,575	\$1,581	\$1,597	\$1,620	\$1,647	\$1,676	\$1,705	\$1,734	\$1,762	+
Recurrent grants	Recurrent grants / Municipal population		\$942	\$495	\$689	\$690	\$765	\$765	\$766	\$766	\$766	\$766	\$767	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

Notes to indicators

1. Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. The adjusted underlying result calculation includes recurrent capital funding such as Roads to Recovery funding.

2. Working Capital

The proportion of current liabilities represented by current assets. Working capital is forecast to steadily increase in future years with the \$2.000 million interest only loan due to be repaid during 2021/22

3. Unrestricted Cash

Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use, which includes trust funds and deposits, and funds held in statutory reserves. This indicator measures the proportion of current liabilities represented by unrestricted cash.

4. Debt compared to rates

Trend reflects the \$1.000 million loan taken up in 2018/19 to complete the Ararat Performing Arts Centre and the \$2.000 million interest only loan using the Local Government Funding Vehicle to fund the Alexandra Oval Community Centre which is due to be repaid in 2021/22.

5. Asset renewal

This percentage indicates the extent of Council's renewal and upgrade of assets against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and upgraded and future capital expenditure will be required to renew and upgrade assets.

6. Rates concentration

Reflects extent of reliance on rate revenues to fund all of Council's on-going services. This indicator confirms Council relies heavily on rates as a source of income. The trend indicates Council will continue to be reliant on rate revenue compared to all other revenue sources.

5. Strategies and Plans

This section describes the strategies and plans that support the 10 year financial projections included to the Financial Plan.

5.1 Borrowing Strategy

5.1.1 Current Debt Position

The total amount borrowed as at 30 June 2021 is \$2.735 million.

5.1.2 Future Borrowing Requirements

The following table highlights Council's projected loan balance, including new loans and loan repayments for the 10 years of the Financial Plan

	Actual										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	2,870	2,735	597	455	307	157	-	-	-	-	-
Plus New loans	-	-	-	-	-	-	-	-	-	-	-
Less Principal repayment	(135)	(2,138)	(142)	(148)	(150)	(157)	-	-	-	-	-
Closing balance	2,735	597	455	307	157	-	-	-	-	-	-
Interest payment	116	55	15	11	6	2	-	-	-	-	-