

Lockhart Shire Council



Long Term Financial Plan 2017/18 to 2026/27

Adopted by Council: 6 February 2017, Minute 15/17
(to incorporate Special Rate Variation scenarios)

Executive Summary

The Long Term Financial Plan (LTFP) forecasts the financial capacity of Lockhart Shire Council to meet the objectives adopted in the Community Strategic Plan. This is the point where long-term community aspirations and goals are tested against financial realities. It is a decision making and problem solving tool but is not intended to be set in concrete, it is a guide for future action. This LTFP focuses its decision making on potential financial scenarios centred around its application to IPART for a Special Rates Variation.

Council's LTFP is a ten-year financial planning document with an emphasis on long-term financial sustainability. Financial sustainability is one of the key issues facing local government due to several contributing factors including growing demands for community services and facilities, limited scope for revenue growth and ageing infrastructure.

What is a Long Term Financial Plan?

The Long Term Financial Plan expresses in financial terms the activities that Council proposes to undertake over the short, medium and long term and iteratively guides the future strategies and actions of Council to ensure it continues to operate in a sustainable manner.

The Long Term Financial Plan is a necessary component of Council's resourcing strategy, it includes the financial modelling of actions and strategies contained within Council's asset management plan and workforce plan, as well as other non-asset related strategies adopted by Council.

The Long Term Financial Plan acts as a tool for Council and the community to use in deciding what resources Council needs to apply to deliver on the outcomes contained within the Community Strategic Plan.

The Long Term Financial Plan is for a period of ten years and includes the following:

- the planning assumptions used to develop the plan
- sensitivity analysis and testing
- financial modelling for different scenarios*
- ratios to monitor financial performance.

**For the purposes of Council's proposed Special Rate Variation, the models are for General Fund Operations only.*

This LTFP will focus on financial modelling for three different scenarios:

1. No SRV, no grant for swimming pool capital works of \$2M. Flood mitigation works of \$2.33M subject to successful grant applications.
2. SRV, no grant for swimming pool capital works. Capital works expenditure of \$4.2M pools, \$2.83M flood mitigation & \$1M roads
3. SRV, successful grant for swimming pool of \$1M. Capital works of \$4.2M pools, \$2.83M flood mitigation & \$1M roads

The financial modelling for each scenario is presented in the format of Council's Primary Financial Statements being, Income Statement, Balance Sheet and Cashflow Statement.

Proposed Special Rates Variation (pending successful IPART determination)

Lockhart Shire Council is seeking a S508A permanent Special Rate Variation (SRV) of 4.6% cumulative over 7 years to raise \$1.749M which will increase Own Source Revenue and be applied to the refurbishment of the Lockhart Swimming Pool and The Rock Swimming Pool, and flood mitigation and road restoration works. Council is seeking the SRV to remain permanently in the Council's rate base (noting after 7 years rate increases will revert back to rate peg) to increase OSR, to assist in funding future works, when identified, and assist in funding the borrowing costs associated with any loans that are for works on "intergenerational" infrastructure.

Whilst any SRV will have an impact upon a community's capacity to fund the increase it is considered that Lockhart's current average rates are considerably lower than comparable councils and that the benefits far exceed any negative impact upon the community. Council also has a Pensioner Concession Policy (2.33) and Debt Recovery Procedures Policy (1.12), which deal with hardship to assist ratepayers who are finding it difficult to pay their rates. Any ratepayer who is having difficulty in paying their rates can make a request to council for special consideration due to hardship. These requests are considered by council on a case by case basis confidentially.

Financial Sustainability

In 2013, New South Wales Treasury Corporation (TCorp) conducted a financial assessment of the 152 Councils in New South Wales. During this assessment, TCorp defined financial sustainability as:

A local government will be financially sustainable over the long term when it is able to generate sufficient funds to provide the levels of service and infrastructure agreed with its community.

T- Corp concluded that Lockhart Shire Councils financial sustainability was "Sound, with a Neutral outlook".

Fit for the Future

Following T-Corp's recommendations in 2013, the Minister for Local Government in response to the findings of a comprehensive three-year review by the Independent Local Government Review Panel announced the 'Fit For the Future' Local Government reform package. As part of this package all Councils were requested by 30 June 2015 to assess their current situation, consider whether or not they have the appropriate scale and capacity to meet the future needs of their communities and to develop a plan ensuring they are financially sustainable in the future.

IPART in October 2015 deemed Lockhart Shire Council a 'fit for the future' Council based on the actions and strategies identified in Council's improvement plan. The Improvement Action Plan outlines how Council is committed to a number of key improvement strategies to maintain and improve Council's positions on the performance indicator benchmarks used to assess councils under the Fit for the Future and to move towards the benchmark for the one performance indicator of Own Source Revenue that Council was below as a result of the Fit for the Future assessment.

Planning Assumptions

Population and Demographics

Council believes that the population decline of the past will not continue over the next 10 years. This view is based on Council's Economic Development Strategy and the long-term benefits proposed to be achieved. So, for the Long Term Financial Plan (LTFP) Council has adopted a neutral position whereby population will remain at the current level.

Council acknowledges it has an ageing demographic, however council has taken the position for its LTFP that any capital works will be achieved within its current works program. Any increase in the demand for services and/or infrastructure due to ageing demographic will more than likely be achieved in partnership with other agencies and/or significantly funded through grant(s).

Economic Conditions and Growth

Council's LTFP does not predict any significant shift in current economic conditions. Council's forecasts are influenced by the wider economy, and as such any significant change will require Council to review this plan.

Financial Forecast Assumptions

Operating Revenues

Rates

The Independent Pricing and Regulatory Tribunal (IPART) determine the rate peg based on a Local Government Cost Index, a productivity factor, as well as any other pertinent legislative and industry factors. This is to ensure that a balance is made between Council meeting the increasing costs of delivering services and that productivity gains are shared with ratepayers.

The ordinary rate increase for 2017/18 of 1.5% as announced by IPART. This was a reduction on the 2016/17 rate peg of 1.8%. The assumed increase in rates for 2018/19 onwards is in line with rate pegging of 2.5%. The rate increases for each of the three scenarios are:

1. 1.5% year 1, then the IPART assumed rate peg of 2.5% years 2 to 10
2. 4.6% years 1 to 7, then the IPART assumed rate peg of 2.5% years 8 to 10.
3. 4.6% years 1 to 7, then the IPART assumed rate peg of 2.5% years 8 to 10.

Annual Charges – Waste Management

Annual charges for Waste are modelled at recovering a reasonable estimated cost of providing the service which includes a component for future site rehabilitation. The rate used in the all scenarios is an annual increase of 3%.

Interest & Investment Revenue

Given the relatively low cash rate it is difficult for Council to ascertain with certainty what actual returns are likely to be over the 10 years of the plan. It is not likely that Council can continue to rely on additional investment income over the life of the LTFP given the current balances, and the reserves that are identified to be expended.

Council has used forecast interest rate of 2.65% for year 1 progressing to 3.4% in year 10.

Grants

Council has assumed that the current level of grant funding from the State and Federal Governments will continue. Other than the Financial Assistance Grant, all other grants are assumed to continue with amounts being consistent with recent years, whether that be a percentage increase, dollar increase or no change. Grants are a significant source of funding for local government and as such any fluctuation in current levels is likely to have a significant effect on the delivery of services and projects identified in the LTFP.

All scenarios assume that the indexation of the Financial Assistance Grant will recommence from 1 July 2017. Council has forecast indexation over the 10 years of this plan to be 1.5% annually.

Other Revenues

Other revenues generated for Lockhart are insignificant in terms of the overall budget, therefore changes have a very low sensitivity to the LTFP. Other revenues are forecast to increase between 1.5% to 2.5%.

Operating Expenditure

Employee Costs

With negotiations in place to finalise the next NSW Local Government Award conditions, including future award increases, Council has forecast award increases of 2.5%. Combining forecast award increase, performance based increase and the associated on-costs, the budgeted employee costs increase is 3.5%.

Borrowing Costs

As Council has been deemed a Fit for the Future council, this enables council to access TCorp to borrow funds. Council has used current TCorp rate of 3% as the interest rate for borrowing funds.

Materials & Contracts

Forecast increases used for materials and contracts is 2%. Noting that the overall cost will be maintained within existing and associated budgets.

Depreciation

Depreciation is forecast to increase by 2.5% each year of the LTFP. This is reflective of the new capital additions and purchases over the term of the LTFP. Depreciation levels are subject to ongoing review with each LTFP.

Utilities

An increase has been projected in the LTFP for electricity of 7%. Council is actively pursuing efficient alternative sources of energy and other energy saving initiatives in an effect to reduce the impact of these costs where possible.

Insurance

An increase of 4.5% has been forecast for insurance premiums.

Other Operating Expenses

The cost of other operating expenses other than Utilities and Insurance costs are to be maintained within existing budgets. For the purposes of the LTFP increase used is 2.1% annually.

Sensitivity Analysis

While the assumptions listed in this document are Council's current informed estimate based on a range of reliable sources, LTFPs are inherently uncertain. They contain a wide range of assumptions, including assumptions about interest rate movements and the potential effect of inflation on revenues and expenditures which are largely outside Council's control.

The following illustrates the financial effect on Council's result if certain assumptions were to change to rates and employee costs. Rates and employees cost are both key components and have significant impact to council's LTFP.

Rates

If the assumed rate peg of 2.5% is changed to 2% in scenario 3, that has a cumulative impact on \$600K less in rate revenue.

Employee Costs

For all scenarios, if the forecast employee costs increases were to be 4% instead of 3.5%, the cumulative effect over the 10 years of the LTFP would be an additional cost of \$850K.

PRODUCTIVITY IMPROVEMENTS AND COST CONTAINMENT STRATEGIES

Council is committed to achieving productivity improvements and cost containment strategies that support the efficient delivery of Councils services.

TERM OF THE LTFP

Council will continue to implement strategies that contribute to cost savings and productivity improvements, the below efficiencies include but not limited to:

- Continuing to streamline governance, planning, regulation and reporting should result in \$30,000 per annum post 2020 council elections in productivity improvements;
- Ongoing service reviews to ensure savings and productivity improvements are recognised; including waste management sub regional contract, asset management review, solar power use and external contracting. Expected cost containment of \$57,500 over the duration of the SRV period. An additional \$350,000 of own source revenue generation expected;

Scenarios

Baseline Scenario:

- No SRV
- Rate peg increases of 1.5% in Year1, then IPART's assumed rate peg of 2.5% Years 2 to 10.
- No grant for works on swimming pools.
- Flood mitigation works subject to successful grant applications (Office of Environment & Heritage)
- Capital works \$2M on pools, \$2.33 on flood mitigation.

SRV Scenario 1:

- SRV, 4.6% Years 1 to 7, then IPART's assumed rate peg of 2.5% Years 8 to 10.
- No grant for works on swimming pools.
- Flood mitigation works subject to successful grant applications (Building Better Regions Fund)
- Additional flood mitigation works of \$500K not subject to grants.
- Capital works \$4.2M on pools, \$2.83 on flood mitigation and \$1M on roads.

SRV Scenario 2:

- SRV, 4.6% Years 1 to 7, then IPART's assumed rate peg of 2.5% Years 8 to 10.
- Successful with \$1M grant for works on swimming pools.
- Flood mitigation works subject to successful grant applications.
- Additional flood mitigation works of \$500K not subject to grants.
- Capital works \$4.2M on pools, \$2.83 on flood mitigation and \$1M on roads.

In table format:

Scenarios	What capital expenditure is included				Where will funding come from.					
	Pools	Flood Mitigation	Roads	Total	Reserves	Loan	SRV	Grant BBRF	Grant OEH	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Baseline Scenario	\$ 2,000	\$ 2,330	\$ -	\$ 4,330	\$ 1,593	\$ 740	\$ -	\$ -	\$ 1,997	\$ 4,330
SRV Scenerio 1	\$ 4,200	\$ 2,830	\$ 1,000	\$ 8,030	\$ 2,200	\$ 2,084	\$ 1,749	\$ -	\$ 1,997	\$ 8,030
SRV Scenerio 2	\$ 4,200	\$ 2,830	\$ 1,000	\$ 8,030	\$ 1,626	\$ 1,658	\$ 1,749	\$ 1,000	\$ 1,997	\$ 8,030

Baseline Scenario

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
INCOME STATEMENT - GENERAL FUND	Projected Years									
Baseline Scenario:	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Income from Continuing Operations										
Revenue:										
Rates & Annual Charges	2,813,849	2,886,475	2,960,985	3,037,427	3,115,852	3,196,312	3,278,861	3,363,550	3,450,440	3,539,587
User Charges & Fees	651,100	657,564	664,041	668,533	673,039	677,561	683,098	688,651	694,221	699,808
Interest & Investment Revenue	127,000	113,000	118,000	122,000	135,000	142,000	136,000	129,000	127,000	127,000
Other Revenues	179,313	180,050	180,798	181,557	182,327	183,110	183,904	184,709	185,527	186,356
Grants & Contributions provided for Operating Purposes	6,903,694	5,966,720	6,037,992	6,110,063	6,182,944	6,256,649	6,331,189	6,406,578	6,482,829	6,559,952
Grants & Contributions provided for Capital Purposes	557,000	720,000	720,000	-	-	-	-	-	-	-
Other Income:										
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	11,231,956	10,523,809	10,681,816	10,119,580	10,289,162	10,455,632	10,613,052	10,772,488	10,940,017	11,112,703
Expenses from Continuing Operations										
Employee Benefits & On-Costs	2,655,315	2,744,805	2,837,429	2,933,292	3,032,512	3,135,204	3,241,490	3,351,497	3,465,356	3,583,198
Borrowing Costs	62,033	74,099	73,974	73,449	68,899	64,031	64,463	59,333	53,846	47,971
Materials & Contracts	2,544,870	2,272,602	2,309,065	2,331,340	2,363,117	2,450,392	2,473,177	2,516,479	2,555,307	2,579,681
Depreciation & Amortisation	2,741,875	2,810,422	2,880,683	2,952,699	3,026,516	3,102,178	3,179,732	3,259,226	3,340,707	3,424,226
Impairment	-	-	-	-	-	-	-	-	-	-
Other Expenses	1,070,673	1,093,715	1,118,238	1,137,635	1,139,989	1,168,005	1,222,359	1,225,782	1,256,320	1,288,026
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	9,074,766	8,995,643	9,219,389	9,428,415	9,631,033	9,919,810	10,181,221	10,412,317	10,671,536	10,923,102
Operating Result from Continuing Operations	2,157,190	1,528,166	1,462,427	691,165	658,129	535,822	431,831	360,171	268,481	189,601
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	2,157,190	1,528,166	1,462,427	691,165	658,129	535,822	431,831	360,171	268,481	189,601
Net Operating Result before Grants and Contributions provided for Capital Purposes	1,600,190	808,166	742,427	691,165	658,129	535,822	431,831	360,171	268,481	189,601

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
BALANCE SHEET - GENERAL FUND										
Baseline Scenario:										
	2017/18	2018/19	2019/20	2020/21	Projected Years					
					2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
ASSETS										
Current Assets										
Cash & Cash Equivalents	3,560,780	3,401,050	3,488,541	3,412,891	3,538,384	3,385,457	3,147,616	2,974,797	2,987,650	2,948,324
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	430,957	416,915	417,880	405,033	411,189	416,292	421,258	426,596	432,783	434,883
Inventories	2,065,492	2,044,312	2,047,237	2,048,976	2,051,457	2,058,272	2,060,051	2,063,432	2,066,463	2,068,367
Other	5,083	4,740	4,826	4,883	4,930	5,089	5,196	5,260	5,356	5,433
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Current Assets	6,062,312	5,867,017	5,958,483	5,871,783	6,005,960	5,865,110	5,634,121	5,470,085	5,492,252	5,457,006
Non-Current Assets										
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	67,000	56,000	50,000	46,000	42,000	38,000	34,000	30,000	26,000	26,000
Inventories	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831
Infrastructure, Property, Plant & Equipment	216,330,559	218,067,137	219,512,454	220,229,205	220,685,689	221,309,511	221,910,779	222,361,003	222,533,296	222,671,070
Investments Accounted for using the equity method	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000
Investment Property	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	216,807,390	218,532,968	219,972,285	220,685,036	221,137,520	221,757,342	222,354,610	222,800,834	222,969,127	223,106,901
TOTAL ASSETS	222,869,702	224,399,985	225,930,768	226,556,819	227,143,480	227,622,452	227,988,731	228,270,919	228,461,379	228,563,907
LIABILITIES										
Current Liabilities										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	897,980	838,974	854,157	864,476	872,997	900,941	919,781	931,345	948,340	962,167
Borrowings	58,684	66,874	75,466	80,016	84,883	84,453	89,582	95,070	100,945	107,234
Provisions	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	1,782,337	1,731,521	1,755,295	1,770,165	1,783,553	1,811,067	1,835,037	1,852,088	1,874,957	1,895,074
Non-Current Liabilities										
Payables	2,872	2,678	2,727	2,759	2,786	2,876	2,936	2,972	3,026	3,070
Borrowings	1,224,399	1,277,524	1,322,059	1,242,043	1,157,159	1,072,706	983,124	888,054	787,109	679,875
Provisions	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327
Investments Accounted for using the equity method	-	-	-	-	-	-	-	-	-	-
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	1,316,597	1,369,530	1,414,112	1,334,129	1,249,272	1,164,909	1,075,387	980,353	879,462	772,272
TOTAL LIABILITIES	3,098,935	3,101,051	3,169,408	3,104,294	3,032,825	2,975,976	2,910,423	2,832,441	2,754,420	2,667,346
Net Assets	219,770,768	221,298,934	222,761,361	223,452,525	224,110,655	224,646,476	225,078,308	225,438,478	225,706,960	225,896,561
EQUITY										
Retained Earnings	196,342,768	197,870,934	199,333,361	200,024,525	200,682,655	201,218,476	201,650,308	202,010,478	202,278,960	202,468,561
Revaluation Reserves	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000
Council Equity Interest	219,770,768	221,298,934	222,761,361	223,452,525	224,110,655	224,646,476	225,078,308	225,438,478	225,706,960	225,896,561
Total Equity	219,770,768	221,298,934	222,761,361	223,452,525	224,110,655	224,646,476	225,078,308	225,438,478	225,706,960	225,896,561

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
CASH FLOW STATEMENT - GENERAL FUND										
Baseline Scenario:	Projected Years									
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	2,811,827	2,883,397	2,957,828	3,034,188	3,112,529	3,192,903	3,275,363	3,359,961	3,446,758	3,535,809
User Charges & Fees	622,364	657,049	663,525	668,175	672,680	677,201	682,657	688,209	693,778	699,363
Interest & Investment Revenue Received	134,515	113,749	117,578	122,363	134,441	142,604	136,933	129,676	126,946	127,155
Grants & Contributions	7,467,043	6,703,891	6,756,411	6,124,437	6,181,327	6,255,014	6,329,535	6,404,905	6,481,137	6,558,241
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	180,793	180,111	180,863	181,613	182,387	183,174	183,977	184,787	185,610	186,444
Payments:										
Employee Benefits & On-Costs	(2,655,315)	(2,744,805)	(2,837,429)	(2,933,292)	(3,032,512)	(3,135,204)	(3,241,490)	(3,351,497)	(3,465,356)	(3,583,198)
Materials & Contracts	(2,458,168)	(2,310,625)	(2,297,198)	(2,323,134)	(2,357,456)	(2,429,699)	(2,456,542)	(2,508,714)	(2,541,785)	(2,568,199)
Borrowing Costs	(62,033)	(74,099)	(73,974)	(73,449)	(68,899)	(64,031)	(64,463)	(59,333)	(53,846)	(47,971)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,070,673)	(1,093,715)	(1,118,238)	(1,137,635)	(1,139,989)	(1,168,005)	(1,222,359)	(1,225,782)	(1,256,320)	(1,288,026)
Net Cash provided (or used in) Operating Activities	4,970,352	4,314,954	4,349,365	3,663,266	3,684,509	3,653,956	3,623,613	3,622,213	3,616,923	3,619,619
Cash Flows from Investing Activities										
Receipts:										
Sale of Infrastructure, Property, Plant & Equipment	246,000	417,000	195,000	285,550	167,000	228,000	425,000	285,550	167,000	187,000
Sale of Interests in Joint Ventures & Associates	-	-	-	-	-	-	-	-	-	-
Sale of Intangible Assets	-	-	-	-	-	-	-	-	-	-
Deferred Debtors Receipts	21,000	11,000	11,000	6,000	4,000	4,000	4,000	4,000	4,000	4,000
Payments:										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(7,397,459)	(4,964,000)	(4,521,000)	(3,955,000)	(3,650,000)	(3,954,000)	(4,206,000)	(3,995,000)	(3,680,000)	(3,749,000)
Net Cash provided (or used in) Investing Activities	(7,130,459)	(4,536,000)	(4,315,000)	(3,663,450)	(3,479,000)	(3,722,000)	(3,777,000)	(3,705,450)	(3,509,000)	(3,558,000)
Cash Flows from Financing Activities										
Receipts:										
Proceeds from Borrowings & Advances	500,000	120,000	120,000	-	-	-	-	-	-	-
Proceeds from Finance Leases	-	-	-	-	-	-	-	-	-	-
Payments:										
Repayment of Borrowings & Advances	(37,142)	(58,684)	(66,874)	(75,466)	(80,016)	(84,883)	(84,453)	(89,582)	(95,070)	(100,945)
Repayment of Finance Lease Liabilities	-	-	-	-	-	-	-	-	-	-
Distributions to Minority Interests	-	-	-	-	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	462,858	61,316	53,126	(75,466)	(80,016)	(84,883)	(84,453)	(89,582)	(95,070)	(100,945)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,697,249)	(159,730)	87,491	(75,650)	125,493	(152,927)	(237,840)	(172,819)	12,853	(39,326)
plus: Cash, Cash Equivalents & Investments - beginning of year	5,258,029	3,560,780	3,401,050	3,488,541	3,412,891	3,538,384	3,385,457	3,147,616	2,974,797	2,987,650
Cash & Cash Equivalents - end of the year	3,560,780	3,401,050	3,488,541	3,412,891	3,538,384	3,385,457	3,147,616	2,974,797	2,987,650	2,948,324
Cash & Cash Equivalents - end of the year	3,560,780	3,401,050	3,488,541	3,412,891	3,538,384	3,385,457	3,147,616	2,974,797	2,987,650	2,948,324
Investments - end of the year	-	-	-	-	-	-	-	-	-	-
Cash, Cash Equivalents & Investments - end of the year	3,560,780	3,401,050	3,488,541	3,412,891	3,538,384	3,385,457	3,147,616	2,974,797	2,987,650	2,948,324

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
FINANCIAL PERFORMANCE INDICATORS - GENERAL FUND										
Baseline Scenario										
	Projected Years									
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Performance Ratio	14.99%	8.24%	7.45%	6.83%	6.40%	5.12%	4.07%	3.34%	2.45%	1.71%
Own Source Operating Revenue Ratio	33.58%	36.46%	36.73%	39.62%	39.91%	40.16%	40.35%	40.53%	40.74%	40.97%
Unrestricted Current Ratio	3.46	3.44	3.43	3.31	3.37	3.17	2.92	2.74	2.70	2.62
Debt Service Cover Ratio	44.41	27.81	26.25	24.96	25.21	24.86	24.69	24.70	24.60	24.59
Rates & Annual Charges Coverage Ratio	25.05%	27.43%	27.72%	30.02%	30.28%	30.57%	30.89%	31.22%	31.54%	31.85%
Building & Infrastructure Renewals Ratio	313.10%	168.84%	145.64%	159.99%	144.01%	159.93%	162.66%	162.08%	145.58%	149.20%
Broad Liabilities Ratio	29.23%	31.78%	31.81%	32.83%	31.51%	30.20%	28.95%	27.69%	26.40%	25.08%

SRV Scenario 1

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
INCOME STATEMENT - GENERAL FUND										
SRV Scenario 1:										
	Projected Years									
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Income from Continuing Operations										
Revenue:										
Rates & Annual Charges	2,885,878	3,011,340	3,142,355	3,279,170	3,422,047	3,571,257	3,727,082	3,822,977	3,921,354	4,022,272
User Charges & Fees	651,100	657,564	664,041	668,533	673,039	677,561	683,098	688,651	694,221	699,808
Interest & Investment Revenue	113,500	70,800	72,000	75,000	81,000	84,000	82,000	86,000	95,000	107,000
Other Revenues	179,313	180,050	180,798	181,557	182,327	183,110	183,904	184,709	185,527	186,356
Grants & Contributions provided for Operating Purposes	6,903,694	5,966,720	6,037,992	6,110,063	6,182,944	6,256,649	6,331,189	6,406,578	6,482,829	6,559,952
Grants & Contributions provided for Capital Purposes	557,000	720,000	720,000	-	-	-	-	-	-	-
Other Income:										
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	11,290,485	10,606,474	10,817,186	10,314,323	10,541,357	10,772,577	11,007,273	11,188,915	11,378,931	11,575,388
Expenses from Continuing Operations										
Employee Benefits & On-Costs	2,655,315	2,744,805	2,837,429	2,933,292	3,032,512	3,135,204	3,241,490	3,351,497	3,465,356	3,583,198
Borrowing Costs	62,033	86,369	117,438	111,664	105,550	99,072	97,845	91,007	83,759	76,071
Materials & Contracts	2,544,870	2,272,602	2,309,065	2,331,340	2,363,117	2,450,392	2,473,177	2,516,479	2,555,307	2,579,681
Depreciation & Amortisation	2,741,875	2,810,422	2,880,683	2,952,699	3,026,516	3,102,178	3,179,732	3,259,226	3,340,707	3,424,226
Impairment	-	-	-	-	-	-	-	-	-	-
Other Expenses	1,070,673	1,093,715	1,118,238	1,137,635	1,139,989	1,168,005	1,196,359	1,249,782	1,256,320	1,288,026
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	9,074,766	9,007,913	9,262,853	9,466,630	9,667,684	9,954,851	10,188,603	10,467,991	10,701,449	10,951,202
Operating Result from Continuing Operations	2,215,719	1,598,561	1,554,333	847,693	873,673	817,726	818,670	720,924	677,482	624,186
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	2,215,719	1,598,561	1,554,333	847,693	873,673	817,726	818,670	720,924	677,482	624,186
Net Operating Result before Grants and Contributions provided for Capital Purposes	1,658,719	878,561	834,333	847,693	873,673	817,726	818,670	720,924	677,482	624,186

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
BALANCE SHEET - GENERAL FUND										
SRV Scenario 1:										
	Projected Years									
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
ASSETS										
Current Assets										
Cash & Cash Equivalents	3,027,652	1,780,361	1,782,982	1,809,035	1,844,286	1,665,447	1,747,230	1,886,798	2,240,719	2,571,838
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	431,922	415,841	418,884	408,997	417,528	425,445	434,776	441,803	449,816	453,867
Inventories	2,065,492	2,044,312	2,047,237	2,048,976	2,051,457	2,058,272	2,060,051	2,063,432	2,066,463	2,068,367
Other	5,083	4,740	4,826	4,883	4,930	5,089	5,160	5,293	5,356	5,433
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Current Assets	5,530,150	4,245,254	4,253,928	4,271,892	4,318,201	4,154,252	4,247,216	4,397,326	4,762,354	5,099,505
Non-Current Assets										
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	67,000	56,000	50,000	46,000	42,000	38,000	34,000	30,000	26,000	26,000
Inventories	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831
Infrastructure, Property, Plant & Equipment	217,330,559	221,267,137	222,712,454	223,429,205	224,135,689	225,009,511	225,610,779	226,061,003	226,233,296	226,371,070
Investments Accounted for using the equity method	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000
Investment Property	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	217,807,390	221,732,968	223,172,285	223,885,036	224,587,520	225,457,342	226,054,610	226,500,834	226,669,127	226,806,901
TOTAL ASSETS	223,337,540	225,978,222	227,426,213	228,156,928	228,905,721	229,611,594	230,301,826	230,898,160	231,431,481	231,906,406
LIABILITIES										
Current Liabilities										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	898,288	839,508	854,933	865,511	874,307	902,545	915,475	939,056	950,355	964,233
Borrowings	73,905	121,815	127,588	133,702	140,180	141,409	148,247	155,495	163,182	171,338
Provisions	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	1,797,867	1,786,996	1,808,194	1,824,886	1,840,161	1,869,627	1,889,395	1,920,224	1,939,210	1,961,244
Non-Current Liabilities										
Payables	2,872	2,678	2,727	2,759	2,786	2,876	2,915	2,991	3,026	3,070
Borrowings	1,618,177	2,671,363	2,543,774	2,410,072	2,269,891	2,128,483	1,980,236	1,824,741	1,661,559	1,490,221
Provisions	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327
Investments Accounted for using the equity method	-	-	-	-	-	-	-	-	-	-
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	1,710,376	2,763,368	2,635,828	2,502,158	2,362,004	2,220,685	2,072,478	1,917,059	1,753,912	1,582,617
TOTAL LIABILITIES	3,508,243	4,550,364	4,444,022	4,327,044	4,202,165	4,090,312	3,961,873	3,837,283	3,693,122	3,543,861
Net Assets	219,829,297	221,427,858	222,982,191	223,829,884	224,703,557	225,521,282	226,339,953	227,060,877	227,738,359	228,362,545
EQUITY										
Retained Earnings	196,401,297	197,999,858	199,554,191	200,401,884	201,275,557	202,093,282	202,911,953	203,632,877	204,310,359	204,934,545
Revaluation Reserves	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000
Council Equity Interest	219,829,297	221,427,858	222,982,191	223,829,884	224,703,557	225,521,282	226,339,953	227,060,877	227,738,359	228,362,545
Total Equity	219,829,297	221,427,858	222,982,191	223,829,884	224,703,557	225,521,282	226,339,953	227,060,877	227,738,359	228,362,545

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
CASH FLOW STATEMENT - GENERAL FUND										
SRV Scenario 1:										
	Projected Years									
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	2,880,804	3,006,024	3,136,803	3,273,372	3,415,993	3,564,934	3,720,479	3,818,913	3,917,185	4,017,996
User Charges & Fees	622,364	657,049	663,525	668,175	672,680	677,201	682,657	688,209	693,778	699,363
Interest & Investment Revenue Received	123,102	75,827	71,895	74,960	80,797	84,704	81,674	85,462	93,608	105,701
Grants & Contributions	7,467,043	6,703,891	6,756,411	6,124,437	6,181,327	6,255,014	6,329,535	6,404,905	6,481,137	6,558,241
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	181,101	180,337	181,105	181,871	182,663	183,468	184,291	184,835	185,659	186,495
Payments:										
Employee Benefits & On-Costs	(2,655,315)	(2,744,805)	(2,837,429)	(2,933,292)	(3,032,512)	(3,135,204)	(3,241,490)	(3,351,497)	(3,465,356)	(3,583,198)
Materials & Contracts	(2,458,168)	(2,310,625)	(2,297,198)	(2,323,134)	(2,357,456)	(2,429,699)	(2,462,751)	(2,496,774)	(2,547,516)	(2,568,199)
Borrowing Costs	(62,033)	(86,369)	(117,438)	(111,664)	(105,550)	(99,072)	(97,845)	(91,007)	(83,759)	(76,071)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,070,673)	(1,093,715)	(1,118,238)	(1,137,635)	(1,139,989)	(1,168,005)	(1,196,359)	(1,249,782)	(1,256,320)	(1,288,026)
Net Cash provided (or used in) Operating Activities	5,028,224	4,387,614	4,439,436	3,817,092	3,897,953	3,933,341	4,000,192	3,993,265	4,018,416	4,052,301
Cash Flows from Investing Activities										
Receipts:										
Sale of Infrastructure, Property, Plant & Equipment	246,000	417,000	195,000	285,550	167,000	228,000	425,000	285,550	167,000	187,000
Sale of Interests in Joint Ventures & Associates	-	-	-	-	-	-	-	-	-	-
Sale of Intangible Assets	-	-	-	-	-	-	-	-	-	-
Deferred Debtors Receipts	21,000	11,000	11,000	6,000	4,000	4,000	4,000	4,000	4,000	4,000
Payments:										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(8,397,459)	(7,164,000)	(4,521,000)	(3,955,000)	(3,900,000)	(4,204,000)	(4,206,000)	(3,995,000)	(3,680,000)	(3,749,000)
Net Cash provided (or used in) Investing Activities	(8,130,459)	(6,736,000)	(4,315,000)	(3,663,450)	(3,729,000)	(3,972,000)	(3,777,000)	(3,705,450)	(3,509,000)	(3,558,000)
Cash Flows from Financing Activities										
Receipts:										
Proceeds from Borrowings & Advances	909,000	1,175,000	-	-	-	-	-	-	-	-
Proceeds from Finance Leases	-	-	-	-	-	-	-	-	-	-
Payments:										
Repayment of Borrowings & Advances	(37,142)	(73,905)	(121,815)	(127,588)	(133,702)	(140,180)	(141,409)	(148,247)	(155,495)	(163,182)
Repayment of Finance Lease Liabilities	-	-	-	-	-	-	-	-	-	-
Distributions to Minority Interests	-	-	-	-	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	871,858	1,101,095	(121,815)	(127,588)	(133,702)	(140,180)	(141,409)	(148,247)	(155,495)	(163,182)
Net Increase/(Decrease) in Cash & Cash Equivalents	(2,230,377)	(1,247,292)	2,621	26,053	35,251	(178,839)	81,783	139,568	353,922	331,119
plus: Cash, Cash Equivalents & Investments - beginning of year	5,258,029	3,027,652	1,780,361	1,782,982	1,809,035	1,844,286	1,665,447	1,747,230	1,886,798	2,240,719
Cash & Cash Equivalents - end of the year	3,027,652	1,780,361	1,782,982	1,809,035	1,844,286	1,665,447	1,747,230	1,886,798	2,240,719	2,571,838
Cash & Cash Equivalents - end of the year	3,027,652	1,780,361	1,782,982	1,809,035	1,844,286	1,665,447	1,747,230	1,886,798	2,240,719	2,571,838
Investments - end of the year	-	-	-	-	-	-	-	-	-	-
Cash, Cash Equivalents & Investments - end of the year	3,027,652	1,780,361	1,782,982	1,809,035	1,844,286	1,665,447	1,747,230	1,886,798	2,240,719	2,571,838

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
FINANCIAL PERFORMANCE INDICATORS - GENERAL FUND										
SRV Scenario 1:										
	Projected Years									
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Performance Ratio	15.45%	8.89%	8.26%	8.22%	8.29%	7.59%	7.44%	6.44%	5.95%	5.39%
Own Source Operating Revenue Ratio	33.92%	36.96%	37.53%	40.76%	41.35%	41.92%	42.48%	42.74%	43.03%	43.33%
Unrestricted Current Ratio	2.98	1.93	1.89	1.87	1.88	1.70	1.73	1.80	2.03	2.24
Debt Service Cover Ratio	45.00	23.56	16.02	16.35	16.74	16.80	17.12	17.02	17.14	17.24
Rates & Annual Charges Coverage Ratio	25.56%	28.39%	29.05%	31.79%	32.46%	33.15%	33.86%	34.17%	34.46%	34.75%
Building & Infrastructure Renewals Ratio	366.65%	282.97%	141.66%	155.62%	140.08%	155.57%	158.22%	157.66%	141.61%	145.13%
Broad Liabilities Ratio	32.70%	45.19%	43.18%	44.05%	41.84%	39.64%	37.51%	35.57%	33.61%	31.63%

SRV Scenario 2

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
INCOME STATEMENT - GENERAL FUND										
SRV Scenario 2:										
	2017/18	2018/19	2019/20	2020/21	Projected Years					
					2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Income from Continuing Operations										
Revenue:										
Rates & Annual Charges	2,885,878	3,011,340	3,142,355	3,279,170	3,422,047	3,571,257	3,727,082	3,822,977	3,921,354	4,022,272
User Charges & Fees	651,100	657,564	664,041	668,533	673,039	677,561	683,098	688,651	694,221	699,808
Interest & Investment Revenue	122,000	87,000	90,000	96,000	105,000	111,000	112,000	116,000	128,000	141,000
Other Revenues	179,313	180,050	180,798	181,557	182,327	183,110	183,904	184,709	185,527	186,356
Grants & Contributions provided for Operating Purposes	6,903,694	5,966,720	6,037,992	6,110,063	6,182,944	6,256,649	6,331,189	6,406,578	6,482,829	6,559,952
Grants & Contributions provided for Capital Purposes	1,057,000	1,220,000	720,000	-	-	-	-	-	-	-
Other Income:										
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	11,798,985	11,122,674	10,835,186	10,335,323	10,565,357	10,799,577	11,037,273	11,218,915	11,411,931	11,609,388
Expenses from Continuing Operations										
Employee Benefits & On-Costs	2,655,315	2,744,805	2,837,429	2,933,292	3,032,512	3,135,204	3,241,490	3,351,497	3,465,356	3,583,198
Borrowing Costs	62,033	81,599	104,835	99,543	93,924	87,956	87,254	80,957	74,267	67,154
Materials & Contracts	2,544,870	2,272,602	2,309,065	2,331,340	2,363,117	2,450,392	2,473,177	2,516,479	2,555,307	2,579,681
Depreciation & Amortisation	2,741,875	2,810,422	2,880,683	2,952,699	3,026,516	3,102,178	3,179,732	3,259,226	3,340,707	3,424,226
Impairment	-	-	-	-	-	-	-	-	-	-
Other Expenses	1,070,673	1,093,715	1,142,238	1,113,635	1,139,989	1,168,005	1,222,359	1,225,782	1,256,320	1,314,026
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	9,074,766	9,003,143	9,274,250	9,430,509	9,656,058	9,943,735	10,204,012	10,433,941	10,691,957	10,968,285
Operating Result from Continuing Operations	2,724,219	2,119,531	1,560,936	904,814	909,299	855,842	833,261	784,974	719,974	641,103
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	2,724,219	2,119,531	1,560,936	904,814	909,299	855,842	833,261	784,974	719,974	641,103
Net Operating Result before Grants and Contributions provided for Capital Purposes	1,667,219	899,531	840,936	904,814	909,299	855,842	833,261	784,974	719,974	641,103

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
BALANCE SHEET - GENERAL FUND										
SRV Scenario 2:										
	2017/18	2018/19	2019/20	2020/21	Projected Years					
					2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
ASSETS										
Current Assets										
Cash & Cash Equivalents	3,364,689	2,376,314	2,418,285	2,506,223	2,599,611	2,476,189	2,596,663	2,806,648	3,227,672	3,601,466
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	444,386	429,275	421,332	411,733	420,491	428,626	438,108	445,413	453,688	457,907
Inventories	2,065,492	2,044,312	2,047,237	2,048,976	2,051,457	2,058,272	2,060,051	2,063,432	2,066,463	2,068,367
Other	5,083	4,740	4,859	4,850	4,930	5,089	5,196	5,260	5,356	5,469
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Current Assets	5,879,650	4,854,641	4,891,713	4,971,783	5,076,490	4,968,175	5,100,017	5,320,752	5,753,179	6,133,208
Non-Current Assets										
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	67,000	56,000	50,000	46,000	42,000	38,000	34,000	30,000	26,000	26,000
Inventories	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831	266,831
Infrastructure, Property, Plant & Equipment	217,330,559	221,267,137	222,712,454	223,429,205	224,135,689	225,009,511	225,610,779	226,061,003	226,233,296	226,371,070
Investments Accounted for using the equity method	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000	143,000
Investment Property	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	217,807,390	221,732,968	223,172,285	223,885,036	224,587,520	225,457,342	226,054,610	226,500,834	226,669,127	226,806,901
TOTAL ASSETS	223,687,040	226,587,609	228,063,998	228,856,819	229,664,010	230,425,517	231,154,627	231,821,586	232,422,306	232,940,109
LIABILITIES										
Current Liabilities										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	898,288	839,508	860,678	859,766	874,307	902,545	921,699	933,311	950,355	970,457
Borrowings	67,988	105,784	111,076	116,695	122,662	123,365	129,662	136,352	143,466	151,030
Provisions	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673	825,673
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	1,791,949	1,770,965	1,797,427	1,802,133	1,822,643	1,851,584	1,877,034	1,895,336	1,919,493	1,947,160
Non-Current Liabilities										
Payables	2,872	2,678	2,745	2,740	2,786	2,876	2,936	2,972	3,026	3,090
Borrowings	1,465,095	2,267,311	2,156,235	2,039,541	1,916,878	1,793,513	1,663,851	1,527,498	1,384,033	1,233,003
Provisions	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327	89,327
Investments Accounted for using the equity method	-	-	-	-	-	-	-	-	-	-
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	1,557,293	2,359,317	2,248,308	2,131,608	2,008,991	1,885,715	1,756,113	1,619,797	1,476,386	1,325,420
TOTAL LIABILITIES	3,349,243	4,130,281	4,045,735	3,933,741	3,831,634	3,737,299	3,633,148	3,515,134	3,395,879	3,272,580
Net Assets	220,337,797	222,457,328	224,018,264	224,923,078	225,832,377	226,688,218	227,521,479	228,306,453	229,026,426	229,667,529
EQUITY										
Retained Earnings	196,909,797	199,029,328	200,590,264	201,495,078	202,404,377	203,260,218	204,093,479	204,878,453	205,598,426	206,239,529
Revaluation Reserves	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000	23,428,000
Council Equity Interest	220,337,797	222,457,328	224,018,264	224,923,078	225,832,377	226,688,218	227,521,479	228,306,453	229,026,426	229,667,529
Total Equity	220,337,797	222,457,328	224,018,264	224,923,078	225,832,377	226,688,218	227,521,479	228,306,453	229,026,426	229,667,529

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
CASH FLOW STATEMENT - GENERAL FUND										
SRV Scenario 2:										
	Projected Years									
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	2,880,804	3,006,024	3,136,803	3,273,372	3,415,993	3,564,934	3,720,479	3,818,913	3,917,185	4,017,996
User Charges & Fees	622,364	657,049	663,525	668,175	672,680	677,201	682,657	688,209	693,778	699,363
Interest & Investment Revenue Received	130,231	91,056	89,788	95,673	104,570	111,487	111,522	115,185	126,345	139,534
Grants & Contributions	7,955,950	7,203,891	6,767,503	6,124,437	6,181,327	6,255,014	6,329,535	6,404,905	6,481,137	6,558,241
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	181,101	180,337	181,105	181,871	182,663	183,468	184,291	184,835	185,659	186,495
Payments:										
Employee Benefits & On-Costs	(2,655,315)	(2,744,805)	(2,837,429)	(2,933,292)	(3,032,512)	(3,135,204)	(3,241,490)	(3,351,497)	(3,465,356)	(3,583,198)
Materials & Contracts	(2,458,168)	(2,310,625)	(2,291,467)	(2,334,596)	(2,351,725)	(2,429,699)	(2,456,542)	(2,508,714)	(2,541,785)	(2,561,991)
Borrowing Costs	(62,033)	(81,599)	(104,835)	(99,543)	(93,924)	(87,956)	(87,254)	(80,957)	(74,267)	(67,154)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,070,673)	(1,093,715)	(1,142,238)	(1,113,635)	(1,139,989)	(1,168,005)	(1,222,359)	(1,225,782)	(1,256,320)	(1,314,026)
Net Cash provided (or used in) Operating Activities	5,524,261	4,907,613	4,462,755	3,862,464	3,939,082	3,971,240	4,020,839	4,045,098	4,066,376	4,075,260
Cash Flows from Investing Activities										
Receipts:										
Sale of Infrastructure, Property, Plant & Equipment	246,000	417,000	195,000	285,550	167,000	228,000	425,000	285,550	167,000	187,000
Sale of Interests in Joint Ventures & Associates	-	-	-	-	-	-	-	-	-	-
Sale of Intangible Assets	-	-	-	-	-	-	-	-	-	-
Deferred Debtors Receipts	21,000	11,000	11,000	6,000	4,000	4,000	4,000	4,000	4,000	4,000
Payments:										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(8,397,459)	(7,164,000)	(4,521,000)	(3,955,000)	(3,900,000)	(4,204,000)	(4,206,000)	(3,995,000)	(3,680,000)	(3,749,000)
Net Cash provided (or used in) Investing Activities	(8,130,459)	(6,736,000)	(4,315,000)	(3,663,450)	(3,729,000)	(3,972,000)	(3,777,000)	(3,705,450)	(3,509,000)	(3,558,000)
Cash Flows from Financing Activities										
Receipts:										
Proceeds from Borrowings & Advances	750,000	908,000	-	-	-	-	-	-	-	-
Proceeds from Finance Leases	-	-	-	-	-	-	-	-	-	-
Payments:										
Repayment of Borrowings & Advances	(37,142)	(67,988)	(105,784)	(111,076)	(116,695)	(122,662)	(123,365)	(129,662)	(136,352)	(143,466)
Repayment of Finance Lease Liabilities	-	-	-	-	-	-	-	-	-	-
Distributions to Minority Interests	-	-	-	-	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	712,858	840,012	(105,784)	(111,076)	(116,695)	(122,662)	(123,365)	(129,662)	(136,352)	(143,466)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,893,340)	(988,375)	41,971	87,938	93,388	(123,422)	120,474	209,986	421,023	373,794
plus: Cash, Cash Equivalents & Investments - beginning of year	5,258,029	3,364,689	2,376,314	2,418,285	2,506,223	2,599,611	2,476,189	2,596,663	2,806,648	3,227,672
Cash & Cash Equivalents - end of the year	3,364,689	2,376,314	2,418,285	2,506,223	2,599,611	2,476,189	2,596,663	2,806,648	3,227,672	3,601,466
Cash & Cash Equivalents - end of the year	3,364,689	2,376,314	2,418,285	2,506,223	2,599,611	2,476,189	2,596,663	2,806,648	3,227,672	3,601,466
Investments - end of the year	-	-	-	-	-	-	-	-	-	-
Cash, Cash Equivalents & Investments - end of the year	3,364,689	2,376,314	2,418,285	2,506,223	2,599,611	2,476,189	2,596,663	2,806,648	3,227,672	3,601,466

Lockhart Shire Council										
10 Year Financial Plan for the Years ending 30 June 2027										
FINANCIAL PERFORMANCE INDICATORS - GENERAL FUND	Projected Years									
SRV Scenario 2:	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Performance Ratio	15.52%	9.08%	8.31%	8.75%	8.61%	7.92%	7.55%	7.00%	6.31%	5.52%
Own Source Operating Revenue Ratio	32.53%	35.39%	37.63%	40.88%	41.48%	42.07%	42.64%	42.89%	43.19%	43.49%
Unrestricted Current Ratio	3.28	2.47	2.44	2.48	2.52	2.36	2.41	2.53	2.80	3.02
Debt Service Cover Ratio	45.08	25.35	18.17	18.79	19.13	19.21	19.47	19.59	19.63	19.62
Rates & Annual Charges Coverage Ratio	24.46%	27.07%	29.00%	31.73%	32.39%	33.07%	33.77%	34.08%	34.36%	34.65%
Building & Infrastructure Renewals Ratio	366.65%	282.97%	141.66%	155.62%	140.08%	155.57%	158.22%	157.66%	141.61%	145.13%
Broad Liabilities Ratio	29.94%	39.32%	39.38%	40.21%	38.23%	36.27%	34.37%	32.66%	30.91%	29.15%

