



CUMBERLAND
CITY COUNCIL

DRAFT

Long Term Financial Plan

2022/23 — 2031/2032

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Objectives of the Long Term Financial Plan

The objective of the LTFP is to express in financial terms the activities Cumberland Council proposes to undertake over the short, medium and long term, provide a sound basis for strategic decision making, and guide the future strategies and actions of Council to ensure that it continues to operate in a manner that achieves financial sustainability.

The document is a resource plan that links the Community Strategic Plan adopted in June 2022 and operational plans (medium term plans).

Specific objectives of the plan are to:

- Reflect the true financial position based on the current service levels
- Provide for a plan where we can predict cost and predict future outcomes
- Reflect the current services levels impact on our Financial Sustainability
- Provide some scenario analysis and their impact on our Financial Sustainability
- Guide our future operational plan and Council ability to invest in new services

This LTFP further detail the 4 year operational plan and it is a policy of council to remain in surplus and to renew infrastructure based on Council's intervention point which is condition 3. Council renewal will be planned on the basis of overall condition, asset characteristics and service criticality.

The Council objective is to achieve fully funded depreciation by cash funding renewals above depreciation.

The LTFP will address any funding issues, increased maintenance costs, increased depreciation from fair value and any major upgrades of facilities.

Financial Stability

This section will cover areas that impact Councils Financial Sustainability.

2.1 Financial Sustainability Policy

Financial sustainability is a key challenge facing local government due to several contributing factors including increased demand for services beyond those traditionally provided cost shifting from other levels of government, aging infrastructure and constraints on revenue growth.

Factors considered in Cumberland's financial sustainability policy include:

- Council Sustainability Benchmarks – Council will aim to exceed the financial sustainability indicators provided by the Office of Local Government.
- Intergenerational Equity - The financial effects of Council's decisions should not be borne entirely by present-day ratepayers, but should be contributed to by future ratepayers who will also benefit. The budget is in surplus and there is a strong renewal program which will reduce the financial burden to future rate payers.
- Investment – Council will manage a conservative investment portfolio through robust analysis decision making, in line with the Investment Policy.
- Borrowings – Borrowings are only utilised for assets that have an asset life exceeding 20 years or for projects that can generate a payback to Council within 5 years. There are currently three loans on hand for Merrylands CBD Drainage works (expiry 2029) Auburn Public Car Park (expiry 2023) and Regents Park Bridge (expiry 2023). There are no others planned in this budget year.
- Renewal – Council renewal is based on Council's intervention point which is Condition 3. Council renewal will be planned on the basis of overall condition, asset characteristics and service criticality.
- Fully Funded Depreciation – Council will include in its annual budget sufficient funds to cover the full costs of depreciation for all of its assets.
- Fully Funded Operating Position - Council must collect enough revenue to fund operational expenditure, the repayment of debt and depreciation.
- Fully Funded Capital Works Program – The source of capital works is identified and secured for both capital renewal and new capital works.
- All capital is approved based on the priority and available funding.
- Cash Surplus – Council aims to maintain a surplus every year. Surplus has been achieved by Council.

The LTFP complies with the Financial Planning and Sustainable policy and as due to our surplus net working funds position we can sustain all services without the need to increase rates above the IPART set rate peg.

Other Highlights from this plan are as follows:

- Council available funding over 10 years are \$620m
- The available funds are being spent over 10 years
 - o \$423m Renewal
 - o \$34m Council funded upgrades and new assets
 - o \$162m S7.11 new assets

2.2 Growth

This is an important factor for Cumberland as a shortcoming of the local government cost index, which is a lead indicator to the setting of the rates peg, does not reflect changes in population or cost of \$7.11 funded community facilities. Over the 10 year plan the population is predicted to increase from 260,000 to 291,000 being an average increase of 1.2% per annum.

The impact of population expansion is that Council will be affected due to the need to provide additional services such as;

- Recreational Facilities
- Community Centres
- Open space and Sporting complexes.
- Public Domain Upgrades

These capital needs are mainly being met by \$7.11

contributions, but operational costs need to be increased to service the assets.

Addressing these factors, the council costs trends are below in the graph. As such we are maintaining a cost trend line that is decreasing in real terms per capita.

2.3 Infrastructure Renewals, Backlog and Asset Optimisation

The issue of financial sustainability of local government has been identified as a major issue.

Backlog occurs as shortfall in infrastructure renewal due to not cash funding depreciation.

Cumberland Council is currently developing new asset management plans to predict the condition of assets and when the asset can be renewed.

It is a policy of Council;

- Asset management plans must prioritise renewal based on condition and be linked to the Long Term Financial Plan.
- Council must have a fully funded capital program, where the source of funding is identified and secured for both capital renewal and new capital works.
- Council must maintain its asset base, by renewing ageing infrastructure and by ensuring working capital is set aside for those works.

In complying with these principles the Council will maintain a minimal backlog and have sufficient new working funds to reduce backlog when it arises.



Financial Assumption

3.1 Economic Indicators

Below is information on macro-economic factors informing assumptions in the LTFP.

3.1.1 Growth

The growth assumptions of the LGA are from forecast.ID. The Dwellings growth and population growth are key drivers to increases in Rates Income and Services required.

The S94 has plans to provide new assets including Parks, Community centres, Childcare and redevelopment of town centres.

This LTFP has balanced the increases in rates income will be offset by the increase in cost to service the new facilities.

3.1.2 Inflation

To determine the inflationary increase for 2016/17 LTFP, Council has used the higher of specific cost index or the CPI.

The assumptions for specific cost index are listed in section 3 Expense Assumptions.

Projected Years	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Dwellings growth	1,536	1,299	1,199	1,203	1,112	1,029	1,039	1,021	983	899
Dwellings growth %	1.8%	1.5%	1.4%	1.4%	1.3%	1.1%	1.1%	1.1%	1.1%	1.0%
Population change	4,466	3,768	3,368	3,366	3,214	2,728	2,666	2,596	2,533	2,336
Population change %	1.7%	1.4%	1.2%	1.2%	1.1%	1.0%	0.9%	0.9%	0.9%	0.8%

3.2 Revenue Assumptions

The following outlines Council assumptions for Revenue with a commentary to explain the assumptions.

3.2.1 Rates and Special Rate Income

Rates income	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Rate cap	1.20%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Supplementary Growth	0.50%	0.70%	0.64%	0.62%	0.75%	0.64%	0.64%	0.61%	0.56%	0.56%
Average increase	1.70%	3.20%	3.14%	3.12%	3.25%	3.14%	3.14%	3.11%	3.06%	3.06%

Comments

Cumberland Council has 3 rate paths from the former councils. The rates assumptions will be harmonised by over 5 years.

3.2.2 Annual Charges

Annual charges	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Growth	4.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

The fees are mainly related to Stormwater fees and Domestic Waste Fees.

Domestic Waste Management Charge

The Local Government Act 1993 requires that Domestic Waste Management Charges must reflect the actual cost of providing those services. S 504(3) stipulates charges cannot exceed the reasonable costs to the council providing the service.

The average annual increase in Domestic Waste Management Charges over the 10 year period of the plan is 2.5%. This numbers are directly linked to the costs of service.

Council is projected to gradual increase Waste reserve up to \$14m to cover future renewal and changes in services. In the circumstances that cost of operations were to increase or decrease the fees per service would change in line with the expect impact to the cost of waste operations.

3.2.3 User Fees and Charges

User charges	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
User Charges - Specific	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Fees & Charges - Statutory & Regulatory	3.00%	3.23%	3.23%	3.23%	3.23%	3.23%	3.23%	3.23%	3.23%	3.23%
Fees & Charges - Other	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Comments

The current assumptions after the realignment of the three former council fees. The trend is to increase by CPI. Statutory fees remain the same but increase with volume and the construction costs which can increase income over time creating increases in income. The calculation of User Fees and Charges will be effected by the strategic review of pricing methods with a goal to ensure all charges align to the cost of delivering the service and the community subsidy policy.

3.2.4 Interest and Investment

Interest income	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Interest on outstanding charges	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Interest & Investment Revenues - Investments	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Comments

The current assumptions are set at 0.5% above current cash rate and then expanding to 1%. This is a very conservative view of interest rates.

3.2.5 Other Revenues

Other Revenues	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Growth	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%

Comments

Council other revenues comprises of property income, fines and operate in line with CPI.

3.2.6 Operating Grants

Operating Grants & Contributions	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Growth	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Comments

Council operating grants are 50% for the Federal Assistance Grants for balance for specific portioning grants including Child Care 28% Roads 12% and Libraries 8%. All the grants receive are subject to indexation. Council have assumed all operational grants will continue.

3.2.7 Capital Grants

Capital Income	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Capital Grants - Recurrent	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Capital Grants - Non-recurrent	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Capital Contributions - Recurrent - Developer Contributions	4.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Capital Contributions - Non-recurrent - Developer Contributions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Comments

Council capital grants mainly include s7.11. The amount of S7.11 is allocated from the approved s7.11 Plan based on market estimates of development spread across High, Medium and Low priorities. We rely upon the previous year's collection and add CPI to generate the Income. This is low risk to our financial position as this income is excluded from profit and is restricted balance in our net working capital.

3.2.8 Gains and Losses on Disposal

Net Gains from Disposal of I,PP&E	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Growth	2.00%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Comments

The gains on sale are due to the sale of council fleet and motor vehicles. Generally the motor vehicles are sold every three years, garbage trucks are scrapped after seven years and trucks are sold after ten years. It is assumed we are not selling any surplus buildings, roads. The inflationary effects are due to steady increase in value of plant and equipment.

3.3 Expense Assumptions

The following outlines Council assumptions for Expenses with a commentary to explain the assumptions.

3.3.1 Wages and Salary

Operating Expenditure	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Employee Costs - Salaries	2.50%	2.50%	2.50%	3.66%	3.66%	3.66%	3.66%	3.66%	3.66%	3.66%
Employee Costs - Casual Wages	2.50%	1.00%	1.00%	3.66%	3.66%	3.66%	3.66%	3.66%	3.66%	3.66%
Employee Costs - Superannuation	3.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Employee Costs - Workers Comp	2.50%	2.00%	2.00%	3.66%	3.66%	3.66%	3.66%	3.66%	3.66%	3.66%
Employee Costs - Other	2.50%	2.00%	2.00%	3.66%	3.66%	3.66%	3.66%	3.66%	3.66%	3.66%
Employee Costs - Capitalised (contra credit)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Comments

The Local government award is currently under review. We have taken the approach that a lower CPI ~2.5% will be achieved along with access to higher skill steps per Council's salary system.

Efficiency gains are set for the short term.

Other assumptions

- Council assumes a 5% vacancy rate.
- The industry premium is an additional allowance for local government sector above the CPI based on historic EBA increases.
- Superannuation is currently at 10% and then increases based on current Federal Budget

3.3.2 Borrowing Costs

Borrowing Costs	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Growth	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Comments

Borrowing costs are calculated automatically within the model using a loan sheet. The Council cost on interest rates is declining as the expiry of loans by 2028. The base LTFP assumes no new borrowings.

3.3.3 Material and Contracts

Materials & Services	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Materials & Contracts - Raw Materials & Consumables	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Materials & Contracts - Contracts	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Materials & Contracts - Legal Expenses	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Materials & Contracts - Other	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Comments

The material and services cost will apply a CPI after seeing an efficiency decrease over the last few years.

3.3.4 Other Expenses







































































Other expenses	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Insurance	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Utilities	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Statutory & Regulatory	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other Expenses	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Comments

The other expenses are predominately corporate overheads, Insurance, Utility costs and government contributions. The initial trend are impacted by efficiencies, followed by gradual increases.



Appendix 1. Ratios

Council's Target Benchmarks	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Operating Performance Ratio 1)	 — 1.50%	 — 2.08%	 — 2.76%	 — 2.54%	 — 2.31%	 — 2.19%	 — 2.15%	 — 2.09%	 — 2.01%	 — 1.93%
Own Source Operating Revenue Ratio 1)	 ↗ 85.76%	 ↗ 85.92%	 ↑ 86.12%	 ↑ 86.26%	 ↑ 86.39%	 ↑ 86.55%	 ↑ 86.71%	 ↑ 86.87%	 ↑ 87.02%	 ↑ 87.17%
Unrestricted Current Ratio	 — 2.26	 — 2.16	 — 2.16	 — 2.15	 — 2.11	 — 2.09	 — 2.37	 — 2.42	 — 2.46	 — 2.49
Debt Service Cover Ratio 1)	 ↗ 6.93	 ↗ 10.81	 ↗ 11.86	 ↗ 12.02	 ↗ 12.93	 ↗ 13.20	 ↗ 13.47	 ↘ 0.00	 ↘ 0.00	 ↘ 0.00
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	 — 3.99%	 — 4.00%	 — 4.01%	 — 4.00%	 — 4.00%	 — 4.00%	 — 4.00%	 — 4.00%	 — 4.00%	 — 4.00%
Cash Expense Cover Ratio 1)	 ↘ 0.67	 ↘ 0.66	 ↘ 0.65	 ↘ 0.63	 ↘ 0.61	 ↘ 0.59	 ↘ 0.58	 ↘ 0.57	 ↘ 0.55	 ↘ 0.54
Asset renewal ratio	 — 100.16%	 ↘ 98.06%	 ↘ 97.14%	 ↑ 98.98%	 — 100.41%	 — 100.28%	 — 100.20%	 — 100.46%	 — 100.42%	 — 100.43%

Appendix 2. Income Statement

Cumberland Council 10 Year Financial Plan for the Years ending 30 June 2032 INCOME STATEMENT

	2022/23	2023/24	2024/25	2025/26	Projected Years					
	\$	\$	\$	\$	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations										
Revenue:										
Rates & Annual Charges	151,529,996	154,083,214	159,296,906	163,588,873	168,014,286	173,077,329	178,294,812	183,671,496	189,212,292	194,922,260
User Charges & Fees	32,083,797	30,892,418	31,714,652	32,559,048	33,426,209	34,316,759	35,231,338	36,170,603	37,135,229	38,125,912
Other Revenues	10,531,718	13,353,493	13,794,159	14,249,366	14,719,594	15,205,340	15,707,116	16,225,450	16,760,889	17,313,998
Grants & Contributions provided for Operating Purposes	18,854,488	20,560,884	20,822,551	21,090,841	21,365,811	21,647,656	21,936,547	22,232,661	22,536,179	22,847,284
Grants & Contributions provided for Capital Purposes	12,030,000	12,270,600	12,516,012	12,766,332	13,021,659	13,282,092	13,547,734	13,818,689	14,095,062	14,376,964
Interest & Investment Revenue	1,970,854	2,022,589	2,075,699	2,130,221	2,186,192	2,243,652	2,302,642	2,363,201	2,425,374	2,489,202
Net Gains from the Disposal of Assets	350,000	357,000	364,140	371,423	380,709	390,228	399,984	409,985	420,235	430,742
Total Income from Continuing Operations	227,350,853	233,540,198	240,584,119	246,756,103	253,114,461	260,163,056	267,420,172	274,892,085	282,585,260	290,506,362
Expenses from Continuing Operations										
Employee Benefits & On-Costs	84,459,461	87,182,227	88,995,411	92,142,367	95,401,703	98,777,503	102,273,960	105,895,417	109,646,375	113,531,498
Borrowing Costs	760,975	515,634	414,384	319,969	229,470	147,758	64,052	-	-	-
Materials & Contracts	82,853,028	87,042,619	89,218,223	91,449,233	93,735,649	96,079,230	98,481,406	100,943,640	103,467,435	106,054,330
Depreciation & Amortisation	39,160,500	37,897,418	39,033,290	39,914,060	40,845,368	42,023,431	43,051,443	44,109,671	45,197,965	46,316,357
Other Expenses	4,534,056	3,672,614	3,764,410	3,858,543	3,955,015	4,053,898	4,155,254	4,259,144	4,365,631	4,474,780
Total Expenses from Continuing Operations	211,768,021	216,310,512	221,425,718	227,684,172	234,167,204	241,081,821	248,026,115	255,207,872	262,677,406	270,376,965
Net Operating Result for the Year	15,582,832	17,229,686	19,158,401	19,071,931	18,947,257	19,081,235	19,394,057	19,684,213	19,907,854	20,129,397
Net Operating Result before Grants and Contributions provided for Capital Purposes	3,552,832	4,959,086	6,642,389	6,305,599	5,925,598	5,799,143	5,846,323	5,865,524	5,812,791	5,752,434

Appendix 3. Financial Position

Cumberland Council 10 Year Financial Plan for the Years ending . BALANCE SHEET

	2022/23	2023/24	2024/25	2025/26	Projected Years		2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS										
Current Assets										
Cash & Cash Equivalents	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Investments	95,297,255	90,352,477	88,040,639	85,207,847	82,282,477	79,302,486	77,072,416	76,663,437	76,352,348	75,821,396
Receivables	13,115,170	13,430,015	13,789,902	14,110,576	14,440,975	14,802,472	15,182,057	15,589,890	16,010,600	16,441,760
Inventories	202,975	208,052	213,252	218,584	224,049	229,651	235,393	241,278	247,311	253,494
Other	1,624,884	1,665,524	1,707,153	1,749,843	1,793,593	1,838,436	1,884,401	1,931,514	1,979,806	2,029,305
Total Current Assets	120,240,284	115,656,067	113,750,946	111,286,850	108,741,095	106,173,045	104,374,266	104,426,120	104,590,065	104,545,956
Non-Current Assets										
Investments	40,841,681	38,722,490	37,731,703	36,517,649	35,263,919	33,986,780	33,031,035	32,855,759	32,722,435	32,494,884
Infrastructure, Property, Plant & Equipment	2,529,683,202	2,550,542,081	2,569,535,948	2,589,184,070	2,608,903,055	2,628,689,543	2,647,857,310	2,668,022,800	2,688,258,690	2,709,022,170
Investment Property	72,859,000	72,859,000	72,859,000	72,859,000	72,859,000	72,859,000	72,859,000	72,859,000	72,859,000	72,859,000
Right of use assets	1,852,000	1,852,000	1,852,000	1,852,000	1,852,000	1,852,000	1,852,000	1,852,000	1,852,000	1,852,000
Total Non-Current Assets	2,645,235,883	2,663,975,571	2,681,978,650	2,700,437,468	2,719,009,398	2,737,668,421	2,755,800,181	2,775,926,185	2,796,177,383	2,816,872,218
TOTAL ASSETS	2,765,476,168	2,779,631,638	2,795,729,597	2,811,724,318	2,827,750,493	2,843,841,466	2,860,174,447	2,880,352,305	2,900,767,448	2,921,418,173
LIABILITIES										
Current Liabilities										
Payables	34,251,302	34,540,863	34,819,670	35,157,224	35,504,534	35,861,930	36,229,716	36,608,204	36,997,718	37,398,591
Contract liabilities	6,480,986	6,581,633	6,684,543	6,789,807	6,897,455	7,007,550	7,120,147	7,235,303	7,353,079	7,473,534
Borrowings	3,464,424	3,442,160	3,520,026	3,376,041	3,457,753	3,541,459	(0)	(0)	(0)	(0)
Provisions	19,855,696	19,855,696	19,855,696	19,855,696	19,855,696	19,855,696	19,855,696	19,855,696	19,855,696	19,855,696
Total Current Liabilities	64,052,408	64,420,352	64,879,936	65,178,768	65,715,438	66,266,635	63,205,559	63,699,204	64,206,494	64,727,821
Non-Current Liabilities										
Lease liabilities	1,888,000	1,888,000	1,888,000	1,888,000	1,888,000	1,888,000	1,888,000	1,888,000	1,888,000	1,888,000
Borrowings	17,337,439	13,895,279	10,375,253	6,999,212	3,541,459	-	-	-	-	-
Provisions	420,304	420,304	420,304	420,304	420,304	420,304	420,304	420,304	420,304	420,304
Total Non-Current Liabilities	19,645,743	16,203,583	12,683,557	9,307,516	5,849,763	2,308,304	2,308,304	2,308,304	2,308,304	2,308,304
TOTAL LIABILITIES	83,698,150	80,623,935	77,563,493	74,486,284	71,565,201	68,574,939	65,513,862	66,007,508	66,514,797	67,036,125
Net Assets	2,681,778,017	2,699,007,703	2,718,166,104	2,737,238,035	2,756,185,292	2,775,266,528	2,794,660,585	2,814,344,797	2,834,252,651	2,854,382,048
EQUITY										
Retained Earnings	2,371,126,017	2,388,355,703	2,407,514,104	2,426,586,035	2,445,533,292	2,464,614,528	2,484,008,585	2,503,692,797	2,523,600,651	2,543,730,048
Revaluation Reserves	310,652,000	310,652,000	310,652,000	310,652,000	310,652,000	310,652,000	310,652,000	310,652,000	310,652,000	310,652,000
Council Equity Interest	2,681,778,017	2,699,007,703	2,718,166,104	2,737,238,035	2,756,185,292	2,775,266,528	2,794,660,585	2,814,344,797	2,834,252,651	2,854,382,048

Appendix 4. Cash Flow Statement

Cumberland Council 10 Year Financial Plan for the Years ending 30 June 2032 CASH FLOW STATEMENT

	2022/23	2023/24	2024/25	2025/26	Projected Years		2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	150,629,669	153,923,045	159,088,358	163,417,194	167,837,270	172,874,807	178,086,112	183,456,429	188,990,660	194,693,862		
User Charges & Fees	29,693,112	30,810,464	31,630,491	32,472,617	33,337,449	34,225,605	35,137,724	36,074,462	37,036,492	38,024,508		
Investment & Interest Revenue Received	2,033,561	2,056,604	2,086,941	2,148,353	2,204,612	2,261,287	2,313,310	2,357,075	2,418,166	2,483,692		
Grants & Contributions	30,066,616	32,929,214	33,438,477	33,959,360	34,491,959	35,036,598	35,593,546	36,163,084	36,745,502	37,341,093		
Other	12,555,315	13,249,673	13,718,734	14,171,744	14,639,713	15,123,130	15,622,508	16,138,374	16,671,270	17,221,760		
Payments:												
Employee Benefits & On-Costs	(84,978,817)	(87,182,227)	(88,995,411)	(92,142,367)	(95,401,703)	(98,777,503)	(102,273,960)	(105,895,417)	(109,646,375)	(113,531,498)		
Materials & Contracts	(86,071,142)	(86,999,528)	(89,174,083)	(91,403,969)	(93,689,261)	(96,031,682)	(98,432,669)	(100,893,685)	(103,416,230)	(106,001,845)		
Borrowing Costs	(626,745)	(515,634)	(414,384)	(319,969)	(229,470)	(147,758)	(64,052)	-	-	-		
Other	(3,099,533)	(3,471,860)	(3,576,572)	(3,614,276)	(3,703,308)	(3,794,495)	(3,887,911)	(3,983,609)	(4,081,645)	(4,182,075)		
Net Cash provided (or used in) Operating Activities	50,202,034	54,799,751	57,802,552	58,688,688	59,487,261	60,769,988	62,094,608	63,416,712	64,717,839	66,049,497		
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	10,287,064	7,063,969	3,302,625	4,046,847	4,179,099	4,257,130	3,185,816	584,255	444,413	758,503		
Sale of Infrastructure, Property, Plant & Equipment	800,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000		
Payments:												
Purchase of Infrastructure, Property, Plant & Equipment	(60,002,608)	(58,699,296)	(57,963,017)	(59,515,509)	(60,590,318)	(61,869,365)	(62,238,964)	(64,300,966)	(65,462,253)	(67,108,000)		
Purchase of Intangible Assets	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	-	(200,000)	(200,000)	(200,000)		
Net Cash provided (or used in) Investing Activities	(49,115,545)	(51,335,327)	(54,360,392)	(55,168,662)	(56,111,220)	(57,312,235)	(58,553,149)	(63,416,712)	(64,717,839)	(66,049,497)		
Cash Flows from Financing Activities												
Payments:												
Repayment of Borrowings & Advances	(5,364,359)	(3,464,424)	(3,442,160)	(3,520,026)	(3,376,041)	(3,457,753)	(3,541,459)	-	-	-		
Net Cash Flow provided (used in) Financing Activities	(5,364,359)	(3,464,424)	(3,442,160)	(3,520,026)	(3,376,041)	(3,457,753)	(3,541,459)	-	-	-		
Net Increase/(Decrease) in Cash & Cash Equivalents	(4,277,870)	(0)	(0)	0	(0)	(0)	0	0	0	0		
plus: Cash & Cash Equivalents - beginning of year	14,277,870	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000		
Cash & Cash Equivalents - end of the year	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000		



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