



# Long Term Financial Plan 2021 - 2031

**SHIRE OF WANDERING**

Version 1.0– Adopted 20/05/2021



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**Time Period of the Plan:** The LTFP covers a 10-year period.

**Date of Review:** The LTFP is reviewed every 4 years, and updated within 2 years of each Shire election, and in conjunction with the AMP.

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## Table of Contents

1.	Purpose of the Plan.....	5
2.	Our Vision .....	6
3.	Key Statistics .....	7
4.	Our Place.....	8
5.	Our Services .....	8
6.	Service Delivery.....	9
7.	Asset Management.....	9
7.1.	Infrastructure Asset Portfolio.....	10
1.1	Renewal Demand (Model 1) .....	10
7.2.	Current Renewal Funding (Model 2) .....	12
7.3.	Renewal Funding Gap (Model 3) .....	12
8.	Financial Strategies and Principles.....	13
8.1.	Rating Strategy.....	13
8.2.	Forecast Borrowings.....	14
8.3.	Valuation of Non-Current Assets.....	14
8.4.	Cash Reserves .....	14
8.5.	Cost Recovery of Services .....	14
9.	Workforce Planning Strategies.....	14
10.	Scenario Modelling and Sensitivity Analysis.....	14
11.	Key Assumptions Underpinning the Long-Term Financial Plan.....	15
12.	Risk Assessment .....	15
13.	Financial Projections .....	16
14.	Conclusion – Implementation and Review of the LTFP .....	17
15.	LTFP Statements and Supporting Schedules.....	18
1.2	Statement of Comprehensive Income by Nature and Type.....	18
1.3	Statement of Comprehensive Income by Program .....	19
1.4	Cash Flow Statement .....	21
1.5	Statement of Financial Position (Balance Sheet) .....	22
1.6	Equity Statement .....	24
1.7	Rate Setting Statement.....	25
1.8	Ten Year Capital Works Program.....	26
1.9	Depreciation Schedule .....	27
1.10	Key Performance Indicators .....	29
1.11	Cash Reserves .....	31

1.12	Variable Assumptions Underpinning the Plan.....	32
1.13	Risk Management Assessment.....	33

## **Table of Figures**

<i>Figure 1: Infrastructure Asset Summary</i>	10
<i>Figure 2: Annual Renewal Demand – Net Present Values</i>	11
<i>Figure 3: Annual Renewal Funding</i>	12
<i>Figure 4: Annual Renewal Funding Gap</i>	12

## **List of Tables**

<i>Table 1: Estimated Renewal Value of Assets from the Shire's Asset Management Plan</i>	10
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## 1. PURPOSE OF THE PLAN

The Shire of Wandering's Long-Term Financial Plan (LTFP) details what the Council proposes to do over the next ten years as a means of ensuring the Shire's financial sustainability. Information contained in other informing strategies including the Asset Management Plan and Workforce Plan has informed the LTFP which will be the basis for preparation of the Shire's Annual Budgets.

The Shire of Wandering is planning for a positive and stable future, and seeks to improve service levels into the future while ensuring a healthy financial position.

Long term maintenance and renewal of the Shire's infrastructure remains a significant challenge and requires external funding to ensure the economic and social benefits of the Shire's infrastructure to the broader region and Western Australia are not impacted. The LTFP is a dynamic tool which analyses financial trends over a ten-year period on a range of assumptions and provides the Shire with information to assess resourcing requirements to achieve its strategic objectives and to assist the Shire to ensure its future financial sustainability.

The LTFP covers the period 2021-2031. There is a high level of accuracy and detail in the first year of the LTFP but this is underpinned by a number of assumptions. The remaining 9 years of the LTFP are shown as an overview with reasonable estimates only. The Shire undertakes a broad review of its Strategic Community Plan every two years and a full review is planned every four years. This LTFP will be reviewed in conjunction with Strategic Community Plan reviews. As Annual Budgets are developed from the LTFP there may be some annual variations between both which will be explained in the Annual Budget.

The Shire aims to:

- Ensure that the provision of community infrastructure remains one of the key priorities and major expenditure items for the Shire.
- Ensure that road maintenance and renewal remain a high priority for the Shire due to the strategic economic benefit the road network provides to the district.
- Ensure that adequate maintenance, renewal and upgrading of the road network remains highly dependent on the receipt of external grants and contributions.
- Rate revenue is forecast to increase by 6% (CPI 2% + 4%) over the term of the Plan. These increases are to assist in the long-term financial stability of the Shire and to potentially increase the level of services to the community.

## 2. OUR VISION

***Wandering is a community of responsible, resilient and adaptable residents thriving in our scenic, economically diverse environment.***

The key to our success:

- Innovative solutions
- Retention of local services
- Opportunities for commercial interaction
- Retention of existing businesses

Our Values:

- Adaptability
- Perseverance
- Accountability
- Diligence

How will we get there?

To lead our Wandering community into a stable yet progressive future with strong partnerships.

- Improve our financial position
- Improve the economic growth of our community
- Retain and grow our population
- Provide strong leadership

The aim of the LTFP is to achieve the vision and goals by:

- Maintaining the existing range of services, however critically review the current level of service and ensure it aligns with the objectives of the Strategic Community Plan and is included within the Corporate Business Plan;
- Ensuring the Shire has capacity to react to demand for new services as a result of community growth or changing demographics;
- Maintaining a strong cash position, ensuring that the Council remains financially sustainable in the long-term, and delivering capacity to respond to unexpected opportunities or unpredictable events such as natural disasters;
- Maintain debt levels below prudential guidelines;
- Strategically pursue State and Federal government grant funding opportunities where aligned with the Strategic Community Plan, Corporate Business Plan and included with the LTFP;
- Plan rate increases to provide for service delivery that meets reasonable community needs;
- Ensure that critical infrastructure asset renewal is funded at the optimum time over the timeframe of the LTFP.

The LTFP covers the period 2021-2031, there is a reasonable level of accuracy and detail in the first year of the LTFP, being taken from the 2020/2021 Adopted Budget, but this is underpinned by a number of assumptions. The remaining 9 years of the LTFP are shown as an overview with reasonable estimates only. The Shire undertakes a broad review of its Strategic Community Plan every two years and a full review is planned every four years. This LTFP will be reviewed in conjunction with Strategic Community Plan reviews. As Annual Budgets are developed from the LTFP there may be some annual variations between both which will be explained in the Annual Budget.

### 3. KEY STATISTICS

The following information provides an overview of key statistics relating to the Shire;

Geographic Statistics	
Distance from Perth by Road (RAC 2013)	120km
Area (km <sup>2</sup> , Shire website)	1,903km <sup>2</sup>

Population Statistics	
Population (ABS Estimated 2016)	444
Number of Dwellings (Total, ABS 2016)	220
Number of Electors	347

Economic Statistics	
Median Weekly Household Income (ABS 2016)	\$1,542
Median Weekly Rent (ABS 2016)	\$32
Average household size (ABS 2016)	2.4

Rating & Income Statistics	
Rateable Properties	407
Rateable Value (2020/21 Budget)	\$136,401,059
Predominant Minimum Rate (2020/21)	\$1,100
Total Rates Levied (2020/21 Budget)	\$1,101,272
Total Operating Revenue (2020/210 Budget)	\$3,001,5728

Organisation Statistics	
Number of Employees (2020/21 Budget) (FTE)	11.4

Assumptions	
General inflation rate	1.5% - 2%
Rates Increases (4% increase + 2% growth)	6%



#### 4. OUR PLACE

The Shire of Wandering is a small rural authority located in the Central South region of the Wheatbelt of Western Australia. Some 120km South East of Perth it is a short yet scenic drive off the Albany Highway to picturesque fields and homes. With an area of 1,903 km<sup>2</sup> it is a cosy farming town with approximately 444 people residing in the Shire and 120 people in the township itself.

Major agricultural activities include cereal crops, sheep, cattle, pigs and vineyards. Other commercial industries include wineries, timber milling and hay exporting. A range of local commercial services exist, including a primary school, major sporting facilities include oval, multi-use tennis, basketball and netball courts, badminton courts and a golf course.

The Shire continues to maintain a number of assets to service the community, and welcomes visitors to enjoy our scenic area.

#### 5. OUR SERVICES

The Shire provides an extensive range of services to the community which fall into the following programs prescribed under the *Local Government (Financial Management) Regulations 1996*. Estimates of expenditure and income have been calculated for each of these programs in this LTFP:

**Governance** – relates to the support of members of Council (Councillors) and operation of services and facilities to support the Council's function.

**General Purpose Funding** – expenses and income associated with levying and collecting rates, general purpose grants and interest from investments.

**Law, Order and Public Safety** – covers expenses and income principally associated with the Shire's emergency services. This includes administration and implementation of animal control (licensing and enforcement), fire prevention and emergency services.

**Health** – monitoring of food quality and licensing of food premises, and other community health related matters.

**Education and Welfare** – support for families and children, senior citizens, and youth.

**Housing** – provision of staff and community housing.

**Community Amenities** – principally covers operations of waste services (rubbish collection, disposal and recycling), town planning and development and urban stormwater drainage functions.

**Recreation and Culture** – maintenance of halls, various sporting grounds and facilities, ovals, parks and reserves throughout the district.

**Transport** – maintenance of streets, roads, bridges, parking areas and footpaths including street cleaning and lighting of streets.

**Economic Services** – rural services, tourism and area promotion, building control, Community Resource Centre and fuel facility.

**Other Property and Services** – private works undertaken by the Shire and operating and maintenance costs of the Shire's plant and equipment used in maintenance and construction works, and general administration costs.

## **6. SERVICE DELIVERY**

It is proposed that existing service levels will be maintained for all operational areas in the short term. However, a key objective in the Corporate Business Plan, which directly impacts future service delivery, is to improve existing service levels in the longer term.

The Shire must provide a range of services and it actively seeks out the most cost effective and efficient manner to do this. Some services are provided conventionally through local government employed staff, however where savings, efficiencies or improved quality outcomes are possible service delivery will be outsourced. Outsourcing is often necessary due to the difficulty of finding and retaining qualified staff or the cost of operating specialised plant and equipment. In these situations, services are being maintained or improved for the benefit of local communities in a manner that is sustainable in the medium to longer term.

Service levels will be reviewed from time to time when future reviews of the LTFP are undertaken and the impact of growth across the municipality can be monitored and assessed.

## **7. ASSET MANAGEMENT**

As part of the Integrated Planning and Reporting a strategic approach to asset management has been developed, along with asset management plans based on the total life cycle of assets. The Asset Management Plans assist the Council in predicting infrastructure renewal demand; that is the cost of bringing an asset back to new at the optimum time in its lifecycle.

When planning for the future renewal of Shire assets, a condition-based estimation of remaining useful life was applied (where possible) as it was viewed as the most appropriate methodology. Where condition information was unavailable, an age-based estimation of remaining useful life was applied.

Modelling was undertaken to determine the long-term funding required for asset maintenance and renewal. By adjusting the estimated useful life of assets, the balance between the risk of loss of asset service and the financial costs of asset renewal and maintenance was determined.

Detailed long-term planning is required for the renewal of building assets due to the scale of expenditure in relation to these assets and the likelihood of usage/design upgrades when renewal occurs. Unfortunately, planning for the renewal of long-lived assets carries with it a high level of uncertainty. This is due to the vagary associated with the allocation of future external contributions and the potential for a sudden and unexpected change in grant funding.

It is important to note, capital works identified in this Plan which are funded by external contributions may be postponed or reduced in scale should external funding not eventuate. Postponing asset renewal past forecast estimated useful life and an optimum intervention point increases the risk associated with sudden unexpected asset failure bringing with it the potential for a loss of service.

Recognising a proportion of assets have been constructed with the assistance of external financial contributions, the Shire seeks to, within its financial capacity, maintain these assets into the future. A strategy of alignment of estimated asset useful lives with the forecast financial capacity aims to ensure the long-term affordability of Shire assets. By focusing resources and efforts on a small number of key critical assets, the Shire has achieved targeted asset management outcomes integrated with financial planning within its forecast financial capacity based on an annual rate increase of 6% (CPI 2% + 4%).

The LTFP also provides guidance to the Council when considering annual budget allocations. It is important that when developing the annual budget, decisions to include new services and/or infrastructure are made in reference to the LTFP otherwise the long-term financial sustainability of the Shire could be threatened.

## 7.1. INFRASTRUCTURE ASSET PORTFOLIO

The Shire of Wandering has care, control and responsibility for the following portfolio of infrastructure assets;

Asset Group	Renewal Value
Pavement Structure	17,678,246
Subgrade Structure	21,374,234
Surface Structure	3,618,966
SW Channel	1,521,451
Footpaths	429,457
Bridges	20,072,982
Drainage	5,304,601
<b>Total</b>	<b>69,999,937</b>
<b>Total Depreciable Assets</b>	<b>49,489,098</b>

Table 1: Estimated Renewal Value of Assets from the Shire's Asset Management Plan

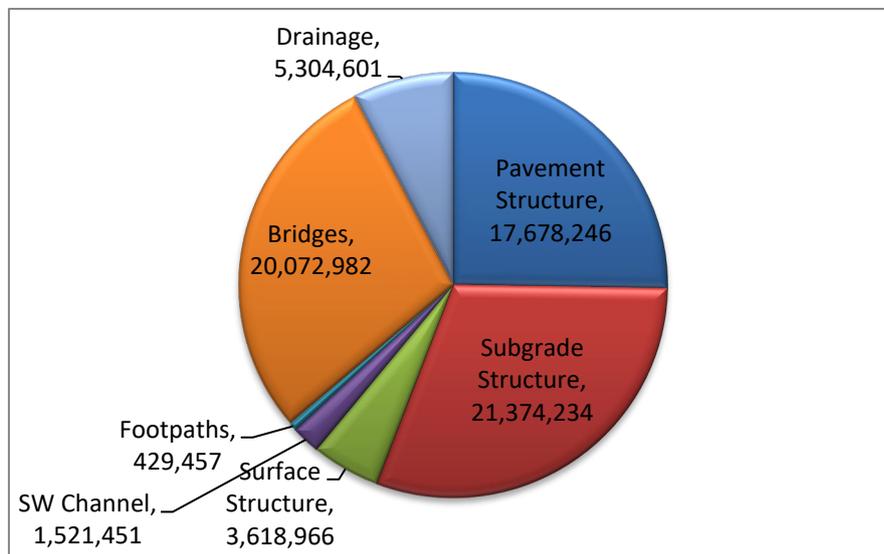


Figure 1: Infrastructure Asset Summary

### 1.1 RENEWAL DEMAND (MODEL 1)

Based on the 2020-2021 Adopted Budget, a financial baseline has been determined for operating revenue and expenditure. Modifications to this baseline are then made over the 10-year term to predict forecast changes in operating revenue and expenditure.

Structuring operational revenues and expenditure to ensure adequate provision for asset renewal into the future is a cornerstone of the Shire's overall financial strategy. To achieve this strategy, rate increases marginally higher than the consumer price index (CPI) are forecast to occur combined with the maintenance of operating expenditure in line with the CPI forecast.

Planned renewal of plant and equipment correlates to the timing of the remaining useful life expectancy, and data for this has been sourced from Council's adopted 10 Year Plant Replacement Program.

As assets approach their initial estimated asset renewal, the timing and need for renewal will be re-assessed and may well vary enabling the reallocation of limited resources between asset classes and between years through the use of cash backed reserves

Renewal demand is the annual demand for renewal expenditure on infrastructure assets, estimated over the next 10 years. The estimates are derived from modelling carried out in the development of the Shire’s Asset Management Plan. Renewal Demand modelling is based on the current portfolio of infrastructure assets held by the Shire, the current condition of infrastructure assets within the asset portfolio, the average life of each major asset component and the nominated recurrent intervention condition level selected for the modelling (level of service).

The Asset Management Plan makes some assumptions that the planned capital renewal is the same as the predicted capital renewal. This value would normally indicate that the Shire is renewing assets at the rate they are being consumed and adequately funding all new assets and services. The NPV (Net Present Value) of planned renewal expenditure is based on the average over the life of this plan, diminishing to year 10 as a single value.

The Shire is planning for renewal of all assets at the end of their useful life. The annual budget cycle and resource limitations result in differences between the planned and required renewal expenditure, referred to as an asset renewal funding surplus/(deficit). The asset renewal funding surplus/(deficit) representing the difference between the planned and required asset renewals is represented by the line in the chart below with values provided in the following tables.

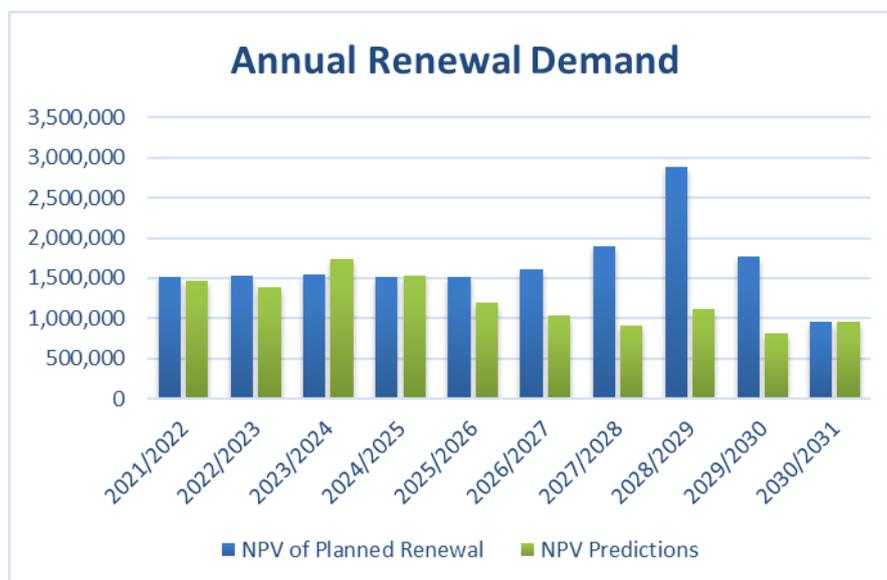


Figure 2: Annual Renewal Demand – Net Present Values

## 7.2. CURRENT RENEWAL FUNDING (MODEL 2)

Current Renewal Funding is the amount of money the Shire is currently spend on infrastructure asset renewal and is referred to as Model 2.

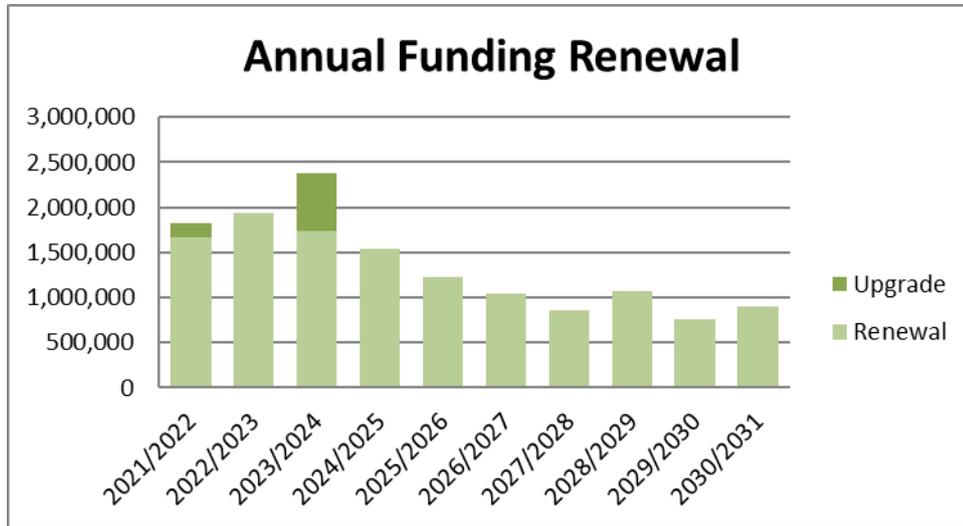


Figure 3: Annual Renewal Funding

## 7.3. RENEWAL FUNDING GAP (MODEL 3)

The Renewal Gap is derived by subtracting Model 2 (Current Renewal Expenditure) from Model 1 (Renewal Demand) to arrive at Model 3. If the resultant figure in any one year is positive (above the zero \$ line) there is a funding gap and indicates that more funds are needed for that particular asset group in order close the gap or the level of service needs to be critically reviewed. If the figure in any one year is negative (below the zero \$ line) this is an indication of over funding and represents an opportunity to reallocate funds to another asset group where needed or placed into reserve for future renewal demand.

The graph below indicates that for Year 1 of the model there is a funding gap of \$1.1M which is funded from previous year's surpluses. The remainder of the LTFP shows that the funding gap is maintained at or below \$50K, and in some instances there is a funding surplus.

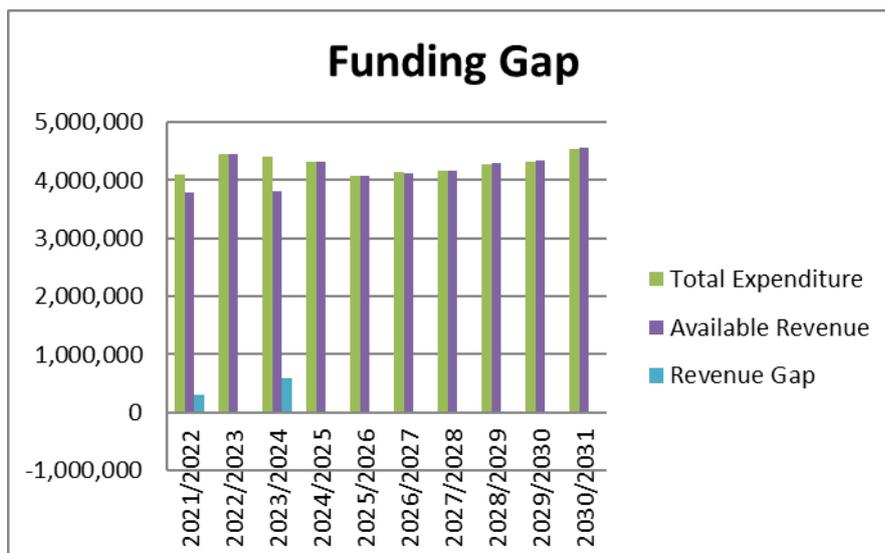


Figure 4: Annual Renewal Funding Gap

## 8. FINANCIAL STRATEGIES AND PRINCIPLES

The principle aim of long term financial planning is to ensure that the Shire remains financially sustainable. Whilst there are many definitions of sustainability, the definition of financial sustainability utilised by Price Waterhouse Cooper in its report entitled “National Financial Sustainability Study of Local Government” for the Australian Local Government Association is as follows;

***“The financial sustainability of a council is determined by its ability to manage expected financial requirements and financial risks and shocks over the long term without the use of disruptive revenue or expenditure measures; which is determined by:***

- ***healthy finances in the current period and long-term outlook based on continuation of the council’s present spending and funding policies and given likely economic and demographic developments, and***
- ***ensuring infrastructure renewals/replacement expenditure matches forward looking asset management plan expenditure needs.”***

To ensure the Shire remains financially sustainable, it is important that sound financial strategies and principles are developed and continually reviewed in line with the changing economic and demographic outlook for the community.

### 8.1. RATING STRATEGY

Whilst the Shire currently has an identified a small renewal funding gap, it is still important to address this in the long term. If the gap remains in the longer term, the community will start to suffer one of two likely scenarios;

1. Infrastructure will begin to fail and this will impact on the economic prosperity of the community.
2. The Shire will start to run out of cash as more and more effort will be required to fund maintenance activities in an attempt to prolong infrastructure life. This will significantly reduce the Shire’s ability to fund existing and/or new services.

There are essentially only three ways to close a funding gap being;

1. Reduce the asset base (i.e. rationalise assets).
2. Reduce the level of service (however this may not be a long-term sustainable strategy).
3. Secure more funds via;
  - Targeting grant funding
  - Increasing rates

Increasing rates is ideally a strategy of last resort, nonetheless it is important that prudent rate increases form part of the multi-prong approach to financial management. The Shire has limited control over other funding sources which are often not indexed and can in some instances decline from year to year.

In order to deliver the same level of service, current expenditure levels need to be retained in the longer term.

Everything the Shire spends money on (Labour, Plant and Materials) is subject to inflation; often well in excess of the Consumer Price Index (CPI). If CPI increases 3% and 50% of the Shire’s revenue is from non-indexed sources, rates need to be increased by double CPI in order to deliver the same level of service as that delivered the previous year. Hence, critical review of service levels and well considered rate increases are an important aspect of long-term financial planning.

## 8.2. FORECAST BORROWINGS

New borrowings of \$200,000 will be required to fund the industrial land subdivision in year 1, and \$600,000 for staff housing in year 3 of the Plan and then paid down over the following ten years.

## 8.3. VALUATION OF NON-CURRENT ASSETS

The Shire has transitioned to “Fair Value” valuation of Non-Current Assets in line with Australian Accounting Standard AASB16.6. Asset classes are revalued every five (5) years.

## 8.4. CASH RESERVES

Reserves will be utilised to save for major forecast asset renewals and then utilised to fund the renewals resulting in the variations in reserve levels as shown in the supporting tables.

The Shire has cash backed reserves to fund projects such as office equipment, fuel facility, leave, and plant & equipment.

## 8.5. COST RECOVERY OF SERVICES

The Shire does not recover the full cost of providing services. The Shire may wish to implement a user pays philosophy and account for the full cost of providing the service. In selective instances, where it can be shown that the service aligns with the Strategic Community Plan and is included within the Corporate Business Plan, the Shire will provide a subsidy toward the service.

Such services may include:

- Waste management
- Caravan Park
- Facilities hire
- Cemetery fees

## 9. WORKFORCE PLANNING STRATEGIES

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Current FTEs	16	16	17	17	17	19	19	19	20	20
New FTEs	0	1	0	0	2		0	1	0	0
Total FTEs	16	17	17	17	19	19	19	20	20	20

*The above table predicts the changes to employment levels based on need for the life of the LTFP. Staff increases will predominately be in the works & services area.*

The Shire’s 2021-2024 Workforce Plan is in Draft format awaiting adopting by Council.

## 10. SCENARIO MODELLING AND SENSITIVITY ANALYSIS

The assumptions on which this scenario was prepared are detailed within the LTFP. The Council has adopted this scenario which is considered most beneficial to achieve required service delivery levels and outcomes of the Strategic Community Plan and provided for within the Corporate Business Plan.

## **11. KEY ASSUMPTIONS UNDERPINNING THE LONG-TERM FINANCIAL PLAN**

Included in the Plan is a detailed analysis of the assumptions used as part of the planning process and the level of risk associated with each assumption.

The impact of the assumptions applied to issues identified as carrying a high risk have been separately disclosed, as has the sensitivity of movements in these assumptions on the financial forecasts set out in this Plan.

The estimates in the LTFP are based on a number of assumptions and Council strategies. The base point for the modelling is the adopted 2021/20 budget and assumptions have been applied to the model. The assumptions are:

- Existing service levels will be maintained with a view to improvement in the longer term.
- Net staff levels will remain unchanged but may increase over time to meet the needs of an increasing population and growth and develop of the District.
- Staff costs will increase by 2.0% per annum over the life of the LTFP.
- CPI will be approximately 2% per annum over the life of the LTFP.
- Annual rate increases of 4% are planned for the life of the LTFP, however it is recognised that this will not bring the Shire in line with benchmark ratios.
- The rate base will increase by an average 2% per annum through new development and growth (in addition to Council applied increases). Council recognises that growth will be limited without development occurring.
- Discretionary fees and charges will increase by 4%
- Interest rates for invested funds will be 2% over the life of the LTFP.
- Roads to Recovery funding will continue until 2026/2027
- Other government grants will increase by 2.0% per annum
- Materials and contracts will increase by 1.5% per annum.
- Interest expenses will be set at 3.5%
- Insurance expenses will increase by 3%
- Utility costs will increase by 4.0% per annum.
- Cash reserves will continue to be maintained to fund future commitments.

## **12. RISK ASSESSMENT**

The Shire provides a diverse range of services and facilities to the general public which exposes it to risks. As part of the implementation of Integrated Planning and Reporting, the Shire intends to formalise its risk-based management practices to improve the management of identified risks.

The Shire has a practice of conducting a regular review of insurance levels of assets by the Chief Executive Officer to ensure the level is adequate. The Shire's insurer is LGIS.

The Financial Management Regulations require the investment of surplus funds (including cash reserves) to be in term deposits held by authorised deposit taking institutions or Treasury bonds.

The Shire seeks to engage experienced and qualified personnel in areas of high risk and provides them with appropriate ongoing training and equipment to ensure they are able to undertake their roles with minimal risk to the community and the Shire.

The Asset Management Plan identifies assets that are critical to the Shire's operations and outlines risk management strategies for these.

The major risks associated with long term financial planning relate to delays in approvals for major projects, the viability of a project if it relies on land acquisition which may be affected by land price movements and funding of projects.

The Shire has an extensive road renewal program which includes some external funding. If that funding reduces or is not made available to the Shire, then the timing of the works will be reviewed. There is native vegetation clearing required for road projects planned, given the lead time available, the risk of delays in obtaining clearing permits from the Department of Environment is low.

Interest rates on borrowings and on investments are predicted to be relatively constant over the life of the LTFP. If adverse changes in rates occur this may impact on the Shire’s revenues and future project costs, consequently the LTFP will be reviewed and updated. The risk is considered low.

The risk facing the Shire in the future is that the grant for the running of the Community Resource Centre is unknown past 2022, funding ceases the community services program and much more may collapse.

Uncertainty	Financial Risk				
	Insignificant	Minor	Moderate	Major	Catastrophic
A. Almost Certain	High	High	Extreme	Extreme	Extreme
B. Likely	Medium	High	High	Extreme	Extreme
C. Moderate	Low	Medium	High	Extreme	Extreme
D. Unlikely	Low	Low	Medium	High	Extreme
E. Rare	Low	Low	Medium	High	High

### 13. FINANCIAL PROJECTIONS

The financial projections in this LTFP have been developed in a format that conforms to the Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards. This format has been chosen as it allows projections to feed into the statutory format of the Annual Budget and key performance measures in the LTFP to be compared with Annual Budgets and Annual Financial Reports. The Statutory schedules include:

- Statement of Financial Position (Balance Sheet) and Equity Statement
- Statement of Comprehensive Income
- Statement of Cash Flows
- Rate Setting Statement

The Statement of Comprehensive Income shows what is expected to happen during the year in terms of revenue, expenses and other adjustments from all activities.

The Statement of Financial Position is a snap-shot of the expected financial position of the Shire at the end of the financial year. It reports what is expected to be owned (assets) and what is expected to be owed (liabilities). The bottom line “Net Assets” represents the net worth of the Council. The assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months. Non-current refers to assets and liabilities that are recoverable or which fall due over a longer period than 12 months.

The Statement of Cash Flows shows what is expected to happen during the year in terms of cash. The net cash provided by operating activities shows how much cash is expected to remain after paying for the services provided to the community. This can be used to fund other activities such as capital works and infrastructure. The information in this statement assists in the assessment of the ability to generate cash flows and meet financial commitments as they fall due, including debt repayments.

The format of the Rate Setting Statement varies from the format of the statement prepared in Annual Budgets. In Annual Budgets, the bottom line of the statement is the amount to be made up from rates.

In the LTFP, rates assessed in accordance with relevant assumptions has been shown as a revenue stream with all other sources of revenue, so that if a surplus results, this can be used to fund other services. However, where a shortfall results, this indicates that the Council is unable to fund the services proposed at the planned rating levels and may need to defer works or services, increase debt or increase rates even further to cover the cost of planned service provision. In the LTFP the Rate Setting Statement shows the accumulated surplus carried forward at the end of each year.

The statements are supported by schedules of:

- capital works
- cash reserves
- loan borrowings and repayments
- depreciation calculations
- assumptions used in the LTFP
- calculations and measurement of KPIs

#### **14. CONCLUSION – IMPLEMENTATION AND REVIEW OF THE LTFP**

The Council will consider the content of the LTFP when preparing the Annual Budget for 2020/21 and subsequent years and it is expected that adopted budgets will be closely aligned with the proposals in the LTFP and assumptions underpinning this.

Some minor review of the LTFP will occur each year as budgets are prepared to account for performance information and changing circumstances. However, a detailed desktop review is planned for 2020/21 and a full review will be undertaken in conjunction with formal reviews of the Strategic Community Plan.

The Council is confident that the LTFP will allow the Shire to set priorities within its resourcing capabilities to sustainably deliver the assets and services required by the community.

## 15. LTFP STATEMENTS AND SUPPORTING SCHEDULES

### 1.2 STATEMENT OF COMPREHENSIVE INCOME BY NATURE AND TYPE

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Statement of Comprehensive Income by Nature and Type</b>										
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$000s									
<b>INCOME: REVENUES FROM ORDINARY ACTIVITIES</b>										
<b>EXCLUDING PROFIT ON ASSET DISPOSAL, NON-OPERATING GRANTS, SUBSIDIES &amp; CONTRIBUTIONS</b>										
Rates	1,145,323	1,191,136	1,238,781	1,288,332	1,339,866	1,393,460	1,449,199	1,507,167	1,567,453	1,630,152
Rates Growth	22,025	22,906	23,823	24,776	25,767	26,797	27,869	28,984	30,143	31,349
Operating Grants, Subsidies & Contributions	869,683	887,077	904,818	922,915	941,373	960,201	979,405	998,993	1,018,972	1,039,352
Fees & Charges	841,495	875,155	910,161	946,568	984,430	1,023,808	1,064,760	1,107,350	1,151,644	1,197,710
Interest Earnings	16,126	16,449	16,778	17,113	17,456	17,805	18,161	18,524	18,894	19,272
Other Revenue	44,574	45,465	46,375	47,302	48,248	49,213	50,198	51,202	52,226	53,270
<b>Total Revenue</b>	<b>2,939,227</b>	<b>3,038,188</b>	<b>3,140,736</b>	<b>3,247,006</b>	<b>3,357,140</b>	<b>3,471,284</b>	<b>3,589,591</b>	<b>3,712,219</b>	<b>3,839,335</b>	<b>3,971,107</b>
<b>EXPENDITURE: EXPENSES FROM ORDINARY ACTIVITIES</b>										
<b>EXCLUDING LOSS ON ASSET DISPOSAL</b>										
Employee Costs	(1,214,845)	(1,239,142)	(1,263,925)	(1,289,203)	(1,314,987)	(1,341,287)	(1,368,113)	(1,395,475)	(1,423,385)	(1,451,852)
Materials & Contracts	(1,189,611)	(1,207,455)	(1,225,567)	(1,243,951)	(1,262,610)	(1,281,549)	(1,300,772)	(1,320,284)	(1,340,088)	(1,360,190)
Utilities	(58,666)	(61,013)	(63,454)	(65,992)	(68,631)	(71,377)	(74,232)	(77,201)	(80,289)	(83,501)
Depreciation	(1,097,412)	(1,079,258)	(1,139,902)	(1,166,507)	(1,173,281)	(1,238,725)	(1,224,706)	(1,216,452)	(1,279,303)	(1,263,029)
Interest Expenses	(8,454)	(7,698)	(6,908)	(15,202)	(13,451)	(11,647)	(9,789)	(7,873)	(5,944)	(4,000)
Insurance	(95,481)	(98,345)	(101,296)	(104,335)	(107,465)	(110,689)	(114,009)	(117,430)	(120,952)	(124,581)
Other Expenditure	(47,277)	(48,223)	(49,187)	(50,171)	(51,174)	(52,198)	(53,242)	(54,306)	(55,393)	(56,500)
<b>Total Expenditure</b>	<b>(3,711,746)</b>	<b>(3,741,135)</b>	<b>(3,850,238)</b>	<b>(3,935,360)</b>	<b>(3,991,600)</b>	<b>(4,107,471)</b>	<b>(4,144,863)</b>	<b>(4,189,021)</b>	<b>(4,305,354)</b>	<b>(4,343,653)</b>
<b>Sub-total</b>	<b>(772,520)</b>	<b>(702,947)</b>	<b>(709,502)</b>	<b>(688,354)</b>	<b>(634,460)</b>	<b>(636,188)</b>	<b>(555,273)</b>	<b>(476,802)</b>	<b>(466,020)</b>	<b>(372,546)</b>
Non-Operating Grants, Subsidies & Contributions	706,870	941,946	581,919	590,657	600,462	609,571	473,862	483,339	493,006	502,866
Profit on Asset Disposals	-	-	-	-	-	-	-	-	-	-
Loss on Asset Disposals	-	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>706,870</b>	<b>941,946</b>	<b>581,919</b>	<b>590,657</b>	<b>600,462</b>	<b>609,571</b>	<b>473,862</b>	<b>483,339</b>	<b>493,006</b>	<b>502,866</b>
<b>NET RESULT</b>	<b>(65,650)</b>	<b>238,999</b>	<b>(127,583)</b>	<b>(97,697)</b>	<b>(33,999)</b>	<b>(26,617)</b>	<b>(81,410)</b>	<b>6,537</b>	<b>26,987</b>	<b>130,321</b>
<b>Other Comprehensive Income</b>										
Changes in Valuation of non-current assets	-	4,775,756	-	-	5,475,147	-	-	5,914,190	-	-
Total Other Comprehensive Income	-	4,775,756	-	-	5,475,147	-	-	5,914,190	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(65,650)</b>	<b>5,014,755</b>	<b>(127,583)</b>	<b>(97,697)</b>	<b>5,441,148</b>	<b>(26,617)</b>	<b>(81,410)</b>	<b>5,920,727</b>	<b>26,987</b>	<b>130,321</b>

### 1.3 STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Statement of Comprehensive Income by Program</b>										
	<u>2021/2022</u>	<u>2022/2023</u>	<u>2023/2024</u>	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>	<u>2027/2028</u>	<u>2028/2029</u>	<u>2029/2030</u>	<u>2030/2031</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>INCOME: REVENUES FROM ORDINARY ACTIVITIES</b>										
<b>EXCLUDING PROFIT ON ASSET DISPOSAL AND NON-OPERATING GRANTS, SUBSIDIES &amp; CONTRIBUTIONS</b>										
Governance	515	530	546	563	580	597	615	633	652	672
General Purpose Funding	1,804,217	1,880,473	1,959,861	2,042,508	2,128,546	2,218,113	2,311,350	2,408,408	2,509,440	2,614,608
Law, Order, Public Safety	43,503	44,373	45,261	46,166	47,089	48,031	48,991	49,971	50,971	51,990
Health	4,049	4,130	4,213	4,297	4,383	4,471	4,560	4,651	4,745	4,839
Housing	46,410	47,338	48,285	49,251	50,236	51,240	52,265	53,311	54,377	55,464
Community Amenities	49,796	50,792	51,808	52,844	53,901	54,979	56,079	57,200	58,344	59,511
Recreation and Culture	1,397	1,425	1,454	1,483	1,513	1,543	1,574	1,605	1,637	1,670
Transport	57,987	59,147	60,330	61,536	62,767	64,022	65,303	66,609	67,941	69,300
Economic Services	871,758	889,193	906,977	925,117	943,619	962,492	981,741	1,001,376	1,021,404	1,041,832
Other Property and Services	59,594	60,785	62,001	63,241	64,506	65,796	67,112	68,454	69,823	71,220
<b>Total Revenue</b>	<b>2,939,227</b>	<b>3,038,188</b>	<b>3,140,736</b>	<b>3,247,006</b>	<b>3,357,140</b>	<b>3,471,284</b>	<b>3,589,591</b>	<b>3,712,219</b>	<b>3,839,335</b>	<b>3,971,107</b>
<b>EXPENDITURE: EXPENSES FROM ORDINARY ACTIVITIES</b>										
<b>EXCLUDING LOSS ON ASSET DISPOSAL AND FINANCE COSTS</b>										
Governance	(125,501)	(128,011)	(130,571)	(133,182)	(135,846)	(138,563)	(141,334)	(144,161)	(147,044)	(149,985)
General Purpose Funding	(116,193)	(118,517)	(120,888)	(123,305)	(125,771)	(128,287)	(130,853)	(133,470)	(136,139)	(138,862)
Law, Order, Public Safety	(136,731)	(139,466)	(142,255)	(145,100)	(148,002)	(150,962)	(153,981)	(157,061)	(160,202)	(163,406)
Health	(12,301)	(12,547)	(12,798)	(13,054)	(13,315)	(13,582)	(13,853)	(14,130)	(14,413)	(14,701)
Education and Welfare	(3,126)	(3,189)	(3,253)	(3,318)	(3,384)	(3,452)	(3,521)	(3,591)	(3,663)	(3,736)
Housing	(48,858)	(49,835)	(50,832)	(51,849)	(52,885)	(53,943)	(55,022)	(56,122)	(57,245)	(58,390)
Community Amenities	(173,204)	(184,366)	(194,962)	(214,063)	(231,795)	(248,078)	(262,829)	(275,958)	(287,422)	(297,170)
Recreation and Culture	(249,920)	(254,919)	(260,017)	(265,218)	(270,522)	(275,932)	(281,451)	(287,080)	(292,822)	(298,678)
Transport	(1,879,575)	(1,865,547)	(1,931,175)	(1,954,557)	(1,959,785)	(2,025,446)	(2,013,500)	(2,009,269)	(2,078,149)	(2,069,967)
Economic Services	(898,452)	(916,421)	(934,749)	(953,444)	(972,513)	(991,963)	(1,011,803)	(1,032,039)	(1,052,679)	(1,073,733)
Other Property and Services	(59,430)	(60,619)	(61,831)	(63,068)	(64,329)	(65,616)	(66,928)	(68,267)	(69,632)	(71,025)
<b>Total Expenditure</b>	<b>(3,703,292)</b>	<b>(3,733,437)</b>	<b>(3,843,330)</b>	<b>(3,920,158)</b>	<b>(3,978,149)</b>	<b>(4,095,824)</b>	<b>(4,135,074)</b>	<b>(4,181,148)</b>	<b>(4,299,410)</b>	<b>(4,339,653)</b>
<b>Net Result from Operating Activities</b>	<b>(764,066)</b>	<b>(695,249)</b>	<b>(702,594)</b>	<b>(673,152)</b>	<b>(621,009)</b>	<b>(624,541)</b>	<b>(545,484)</b>	<b>(468,929)</b>	<b>(460,076)</b>	<b>(368,546)</b>

**Shire of Wandering Long Term Financial Plan 2021 - 2031**  
**Statement of Comprehensive Income by Program**

	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>FINANCE COSTS</b>										
Economic Services/Housing	(8,454)	(7,698)	(6,908)	(15,202)	(13,451)	(11,647)	(9,789)	(7,873)	(5,944)	(4,000)
<b>Sub-total</b>	<b>(8,454)</b>	<b>(7,698)</b>	<b>(6,908)</b>	<b>(15,202)</b>	<b>(13,451)</b>	<b>(11,647)</b>	<b>(9,789)</b>	<b>(7,873)</b>	<b>(5,944)</b>	<b>(4,000)</b>
<b>NON-OPERATING GRANTS, SUBSIDIES, CONTRIBUTIONS</b>										
Community Amenities (Caravan Park)	140,000	-	-	-	-	-	-	-	-	-
Recreation and Culture (Community Centre)	-	366,677	-	-	-	-	-	-	-	-
Transport	566,870	575,269	581,919	590,657	600,462	609,571	473,862	483,339	493,006	502,866
Other Property & Services	-	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>706,870</b>	<b>941,946</b>	<b>581,919</b>	<b>590,657</b>	<b>600,462</b>	<b>609,571</b>	<b>473,862</b>	<b>483,339</b>	<b>493,006</b>	<b>502,866</b>
<b>PROFIT / (LOSS) ON DISPOSAL OF ASSETS</b>										
Transport	-	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET RESULT</b>	<b>(65,650)</b>	<b>238,999</b>	<b>(127,583)</b>	<b>(97,697)</b>	<b>(33,999)</b>	<b>(26,617)</b>	<b>(81,410)</b>	<b>6,537</b>	<b>26,987</b>	<b>130,321</b>
<b>OTHER COMPREHENSIVE INCOME</b>										
Changes in Valuation of non-current assets	-	4,775,756	-	-	5,475,147	-	-	5,914,190	-	-
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>4,775,756</b>	<b>-</b>	<b>-</b>	<b>5,475,147</b>	<b>-</b>	<b>-</b>	<b>5,914,190</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(65,650)</b>	<b>5,014,755</b>	<b>(127,583)</b>	<b>(97,697)</b>	<b>5,441,148</b>	<b>(26,617)</b>	<b>(81,410)</b>	<b>5,920,727</b>	<b>26,987</b>	<b>130,321</b>

#### 1.4 CASH FLOW STATEMENT

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Statement of Cash Flows</b>										
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
<b>RECEIPTS</b>										
Rates	1,167,348	1,214,042	1,262,604	1,313,108	1,365,632	1,420,258	1,477,068	1,536,151	1,597,597	1,661,501
Operating Grants, Subsidies & Contributions	869,683	887,077	904,818	922,915	941,373	960,201	979,405	998,993	1,018,972	1,039,352
Fees & Charges	841,495	875,155	910,161	946,568	984,430	1,023,808	1,064,760	1,107,350	1,151,644	1,197,710
Interest Earnings	16,126	16,449	16,778	17,113	17,456	17,805	18,161	18,524	18,894	19,272
Goods and Services Tax	-	-	-	-	-	-	-	-	-	-
Other Revenue	44,574	45,465	46,375	47,302	48,248	49,213	50,198	51,202	52,226	53,270
<b>Sub-total</b>	<b>2,939,227</b>	<b>3,038,188</b>	<b>3,140,736</b>	<b>3,247,006</b>	<b>3,357,140</b>	<b>3,471,284</b>	<b>3,589,591</b>	<b>3,712,219</b>	<b>3,839,335</b>	<b>3,971,107</b>
<b>PAYMENTS</b>										
Employee Costs (Operating Only)	(1,214,845)	(1,239,142)	(1,263,925)	(1,289,203)	(1,314,987)	(1,341,287)	(1,368,113)	(1,395,475)	(1,423,385)	(1,451,852)
Materials & Contracts	(1,189,611)	(1,207,455)	(1,225,567)	(1,243,951)	(1,262,610)	(1,281,549)	(1,300,772)	(1,320,284)	(1,340,088)	(1,360,190)
Utilities (gas, electricity, water, etc.)	(58,666)	(61,013)	(63,454)	(65,992)	(68,631)	(71,377)	(74,232)	(77,201)	(80,289)	(83,501)
Insurance	(95,481)	(98,345)	(101,296)	(104,335)	(107,465)	(110,689)	(114,009)	(117,430)	(120,952)	(124,581)
Goods and Services Tax	-	-	-	-	-	-	-	-	-	-
Interest	(8,454)	(7,698)	(6,908)	(15,202)	(13,451)	(11,647)	(9,789)	(7,873)	(5,944)	(4,000)
Other Expenditure	(47,277)	(48,223)	(49,187)	(50,171)	(51,174)	(52,198)	(53,242)	(54,306)	(55,393)	(56,500)
<b>Sub-total</b>	<b>(2,614,335)</b>	<b>(2,661,876)</b>	<b>(2,710,337)</b>	<b>(2,768,853)</b>	<b>(2,818,319)</b>	<b>(2,868,746)</b>	<b>(2,920,157)</b>	<b>(2,972,569)</b>	<b>(3,026,051)</b>	<b>(3,080,624)</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>324,892</b>	<b>376,312</b>	<b>430,400</b>	<b>478,153</b>	<b>538,821</b>	<b>602,537</b>	<b>669,434</b>	<b>739,650</b>	<b>813,284</b>	<b>890,483</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Payments for Development of Land Held for Resale	(200,000)	-	-	-	-	-	-	-	-	-
Payments for Purchase of Property, Plant & Equipment	(482,393)	(603,000)	(932,000)	(718,684)	(367,440)	(194,500)	(154,110)	(334,460)	(25,001)	(152,002)
Payments for Construction of Infrastructure	(776,846)	(789,444)	(800,378)	(813,486)	(828,192)	(841,856)	(760,793)	(775,009)	(789,510)	(804,301)
Grants / Contributions for the Development of Assets	706,870	941,946	581,919	590,657	600,462	609,571	473,862	483,339	493,006	502,866
Proceeds from Sales (excluding Land)	124,000	25,000	41,000	200,000	91,000	50,000	63,000	92,000	-	86,600
Proceeds from Sale of Land/Buildings	-	250,000	-	-	-	-	-	-	-	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(628,369)</b>	<b>(175,499)</b>	<b>(1,109,459)</b>	<b>(741,513)</b>	<b>(504,171)</b>	<b>(376,785)</b>	<b>(378,041)</b>	<b>(534,130)</b>	<b>(321,505)</b>	<b>(366,837)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Repayment of Debentures	(8,028)	(17,358)	(18,148)	(77,274)	(79,105)	(80,908)	(83,695)	(85,624)	(87,569)	(89,527)
Proceeds from Self Supporting Loans	0	0	0	0	0	0	0	0	0	0
Proceeds from New Debentures	200,000	0	600,000	0	0	0	0	0	0	0
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>191,972</b>	<b>(17,358)</b>	<b>581,852</b>	<b>(77,274)</b>	<b>(79,105)</b>	<b>(80,908)</b>	<b>(83,695)</b>	<b>(85,624)</b>	<b>(87,569)</b>	<b>(89,527)</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>(111,505)</b>	<b>183,455</b>	<b>(97,208)</b>	<b>(340,634)</b>	<b>(44,455)</b>	<b>144,844</b>	<b>207,698</b>	<b>119,896</b>	<b>404,209</b>	<b>434,119</b>
Cash at Beginning of Year	724,405	612,900	796,355	699,147	358,513	314,058	458,902	666,600	786,496	1,190,705
<b>Cash at the End of Year</b>	<b>612,900</b>	<b>796,355</b>	<b>699,147</b>	<b>358,513</b>	<b>314,058</b>	<b>458,902</b>	<b>666,600</b>	<b>786,496</b>	<b>1,190,705</b>	<b>1,624,824</b>

1.5 STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Statement of Financial Position</b>										
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>										
<b>CURRENT ASSETS</b>										
Cash and Cash Equivalents	612,900	796,355	699,147	358,513	314,058	458,902	666,600	786,496	1,190,705	1,624,824
Receivables	73,676	75,149	76,652	78,185	79,749	81,344	82,971	84,630	86,323	88,049
Inventories	280,479	286,088	291,810	297,646	303,599	309,671	315,864	322,182	328,625	335,198
Inventories - Land Held for Resale	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>967,054</b>	<b>1,157,592</b>	<b>1,067,609</b>	<b>734,344</b>	<b>697,406</b>	<b>849,917</b>	<b>1,065,435</b>	<b>1,193,308</b>	<b>1,605,653</b>	<b>2,048,071</b>
<b>NON-CURRENT ASSETS</b>										
Receivables	20,326	20,733	21,147	21,570	22,002	22,442	22,891	23,349	23,815	24,292
Inventories	671,950	421,950	421,950	421,950	421,950	421,950	421,950	421,950	421,950	421,950
Property, Plant and Equipment	5,524,080	5,728,956	6,052,712	6,266,095	6,745,148	6,595,455	6,404,040	6,908,344	6,671,744	6,488,546
Infrastructure	53,334,566	57,643,633	57,571,353	57,513,134	62,407,579	62,304,903	62,123,515	67,320,418	67,092,226	66,882,099
<b>Total Non-Current Assets</b>	<b>59,550,923</b>	<b>63,815,272</b>	<b>64,067,163</b>	<b>64,222,749</b>	<b>69,596,679</b>	<b>69,344,750</b>	<b>68,972,395</b>	<b>74,674,060</b>	<b>74,209,735</b>	<b>73,816,887</b>
<b>TOTAL ASSETS</b>	<b>60,517,977</b>	<b>64,972,863</b>	<b>65,134,771</b>	<b>64,957,093</b>	<b>70,294,084</b>	<b>70,194,667</b>	<b>70,037,830</b>	<b>75,867,368</b>	<b>75,815,389</b>	<b>75,864,958</b>
<b>LIABILITIES</b>										
<b>CURRENT LIABILITIES</b>										
Payables	116,262	118,587	120,959	123,378	125,845	128,362	130,929	133,548	136,219	138,943
Contract Liabilities	171,000	320,023	247,895	91,157	27,733	36,833	55,621	116,444	240,216	426,279
Current Portion of Long Term Borrowings	8,028	17,358	18,148	77,274	79,105	80,908	83,695	85,624	87,568	89,527
Provisions	80,012	80,812	81,620	82,437	83,261	84,094	84,935	85,784	86,642	87,508
<b>Total Current Liabilities</b>	<b>375,302</b>	<b>536,780</b>	<b>468,622</b>	<b>374,245</b>	<b>315,945</b>	<b>330,196</b>	<b>355,180</b>	<b>421,400</b>	<b>550,644</b>	<b>742,257</b>
<b>NON-CURRENT LIABILITIES</b>										
Long Term Borrowings	183,944	157,256	738,318	601,918	520,982	438,271	351,789	264,236	174,723	83,237
Provisions	81,157	81,969	82,788	83,616	84,452	85,297	86,150	87,011	87,882	88,760
<b>Total Non-Current Liabilities</b>	<b>265,101</b>	<b>239,225</b>	<b>821,106</b>	<b>685,534</b>	<b>605,434</b>	<b>523,568</b>	<b>437,939</b>	<b>351,247</b>	<b>262,605</b>	<b>171,997</b>
<b>TOTAL LIABILITIES</b>	<b>640,403</b>	<b>776,005</b>	<b>1,289,729</b>	<b>1,059,780</b>	<b>921,379</b>	<b>853,764</b>	<b>793,118</b>	<b>772,647</b>	<b>813,249</b>	<b>914,255</b>
<b>NET ASSETS</b>	<b>59,877,574</b>	<b>64,196,858</b>	<b>63,845,043</b>	<b>63,897,313</b>	<b>69,372,705</b>	<b>69,340,902</b>	<b>69,244,712</b>	<b>75,094,721</b>	<b>75,002,140</b>	<b>74,950,703</b>

**Shire of Wandering Long Term Financial Plan 2021 - 2031**  
**Statement of Financial Position**

	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>NET CURRENT ASSETS</b>										
<b>CURRENT ASSETS</b>										
Cash and Cash Equivalents	612,900	796,355	699,147	358,513	314,058	458,902	666,600	786,496	1,190,705	1,624,824
Receivables	73,676	75,149	76,652	78,185	79,749	81,344	82,971	84,630	86,323	88,049
Inventories	280,479	286,088	291,810	297,646	303,599	309,671	315,864	322,182	328,625	335,198
Inventories - Land Held for Resale	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>967,054</b>	<b>1,157,592</b>	<b>1,067,609</b>	<b>734,344</b>	<b>697,406</b>	<b>849,917</b>	<b>1,065,435</b>	<b>1,193,308</b>	<b>1,605,653</b>	<b>2,048,071</b>
<b>CURRENT LIABILITIES</b>										
Payables	116,262	118,587	120,959	123,378	125,845	128,362	130,929	133,548	136,219	138,943
Contract Liabilities	171,000	320,023	247,895	91,157	27,733	36,833	55,621	116,444	240,216	426,279
Current Portion of Long Term Borrowings	8,028	17,358	18,148	77,274	79,105	80,908	83,695	85,624	87,568	89,527
Provisions	80,012	80,812	81,620	82,437	83,261	84,094	84,935	85,784	86,642	87,508
<b>Total Current Liabilities</b>	<b>375,302</b>	<b>536,780</b>	<b>468,622</b>	<b>374,245</b>	<b>315,945</b>	<b>330,196</b>	<b>355,180</b>	<b>421,400</b>	<b>550,644</b>	<b>742,257</b>
<b>NET CURRENT ASSETS</b>	<b>591,752</b>	<b>620,811</b>	<b>598,986</b>	<b>360,099</b>	<b>381,461</b>	<b>519,720</b>	<b>710,255</b>	<b>771,908</b>	<b>1,055,009</b>	<b>1,305,814</b>
LESS: Restricted Reserves	(548,451)	(578,941)	(551,125)	(298,479)	(332,953)	(476,517)	(664,167)	(714,347)	(976,968)	(1,197,850)
LESS: Restricted Muni	0	0	0	0	0	0	0	0	0	0
ADD: Cash-backed Leave Reserve	61,329	62,249	63,183	64,131	65,093	66,069	67,060	68,066	69,087	70,123
<b>OPENING/CLOSING FUNDS</b>	<b>104,630</b>	<b>104,119</b>	<b>111,044</b>	<b>125,750</b>	<b>113,600</b>	<b>109,272</b>	<b>113,148</b>	<b>125,627</b>	<b>147,128</b>	<b>178,088</b>

## 1.6 EQUITY STATEMENT

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Statement of Changes in Equity</b>										
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>EQUITY</b>										
<b>RETAINED SURPLUS</b>										
Balance 1 July	19,917,049	19,823,992	20,032,501	19,932,734	20,087,683	20,019,210	19,849,030	19,579,969	19,536,327	19,300,692
Transfer from / (to) Reserve	(27,407)	(30,490)	27,816	252,646	(34,474)	(143,564)	(187,650)	(50,180)	(262,622)	(220,881)
Net Result	(65,650)	238,999	(127,583)	(97,697)	(33,999)	(26,617)	(81,410)	6,537	26,987	130,321
<b>Balance 30 June</b>	<b>19,823,992</b>	<b>20,032,501</b>	<b>19,932,734</b>	<b>20,087,683</b>	<b>20,019,210</b>	<b>19,849,030</b>	<b>19,579,969</b>	<b>19,536,327</b>	<b>19,300,692</b>	<b>19,210,131</b>
<b>CASH BACKED RESERVES</b>										
Balance 1 July	521,045	548,452	578,942	551,126	298,480	332,954	476,518	664,168	714,348	976,969
Transfer (from) / to Reserve	27,407	30,490	(27,816)	(252,646)	34,474	143,564	187,650	50,180	262,622	220,881
<b>Balance 30 June</b>	<b>548,452</b>	<b>578,942</b>	<b>551,126</b>	<b>298,480</b>	<b>332,954</b>	<b>476,518</b>	<b>664,168</b>	<b>714,348</b>	<b>976,969</b>	<b>1,197,851</b>
<b>ASSET REVALUATION RESERVE</b>										
Balance 1 July	39,505,130	38,809,659	43,361,183	43,511,150	43,545,393	49,015,354	49,000,574	48,929,856	54,724,479	54,542,721
Total Other Comprehensive Income	-	4,775,756	-	-	5,475,147	-	-	5,914,190	-	-
<b>Balance 30 June</b>	<b>39,505,130</b>	<b>43,585,415</b>	<b>43,361,183</b>	<b>43,511,150</b>	<b>49,020,541</b>	<b>49,015,354</b>	<b>49,000,574</b>	<b>54,844,046</b>	<b>54,724,479</b>	<b>54,542,721</b>
<b>TOTAL EQUITY</b>										
<b>Balance 30 June</b>	<b>59,877,574</b>	<b>64,196,858</b>	<b>63,845,043</b>	<b>63,897,313</b>	<b>69,372,705</b>	<b>69,340,902</b>	<b>69,244,712</b>	<b>75,094,721</b>	<b>75,002,140</b>	<b>74,950,703</b>
<b>Net Assets as Statement Financial Position</b>	<b>59,877,574</b>	<b>64,196,858</b>	<b>63,845,043</b>	<b>63,897,313</b>	<b>69,372,705</b>	<b>69,340,902</b>	<b>69,244,712</b>	<b>75,094,721</b>	<b>75,002,140</b>	<b>74,950,703</b>

1.7 RATE SETTING STATEMENT

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Rate Setting Statement</b>										
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>										
Rate Levies (Under adopted assumptions)	1,167,348	1,214,042	1,262,604	1,313,108	1,365,632	1,420,258	1,477,068	1,536,151	1,597,597	1,661,501
Other Revenue	2,478,748	2,766,092	2,460,051	2,524,555	2,591,969	2,660,597	2,586,385	2,659,408	2,734,744	2,812,473
<b>Revenues Sub-total</b>	<b>3,646,097</b>	<b>3,980,134</b>	<b>3,722,655</b>	<b>3,837,663</b>	<b>3,957,601</b>	<b>4,080,855</b>	<b>4,063,453</b>	<b>4,195,559</b>	<b>4,332,341</b>	<b>4,473,973</b>
<b>EXPENSES</b>										
All Operating Expenses	(3,711,746)	(3,741,135)	(3,850,238)	(3,935,360)	(3,991,600)	(4,107,471)	(4,144,863)	(4,189,021)	(4,305,354)	(4,343,653)
<b>Net Operating Profit/(Loss)</b>	<b>(65,650)</b>	<b>238,999</b>	<b>(127,583)</b>	<b>(97,697)</b>	<b>(33,999)</b>	<b>(26,617)</b>	<b>(81,410)</b>	<b>6,537</b>	<b>26,987</b>	<b>130,321</b>
<b>NON CASH ITEMS</b>										
(Profit)/Loss on Asset Disposals	-	-	-	-	-	-	-	-	-	-
Movements in Provisions and Accruals	(161,572)	(153,476)	76,316	(51,854)	(91,431)	(167,424)	(183,562)	(228,486)	(295,225)	(361,332)
Depreciation on Assets	1,097,412	1,079,258	1,139,902	1,166,507	1,173,281	1,238,725	1,224,706	1,216,452	1,279,303	1,263,029
<b>Sub-total</b>	<b>935,840</b>	<b>925,782</b>	<b>1,216,218</b>	<b>1,114,653</b>	<b>1,081,850</b>	<b>1,071,301</b>	<b>1,041,145</b>	<b>987,967</b>	<b>984,078</b>	<b>901,697</b>
<b>CAPITAL EXPENDITURE AND REVENUE</b>										
Development of Land Held for Resale	(200,000)	-	-	-	-	-	-	-	-	-
Purchase Land and Buildings	(160,350)	(550,000)	(650,000)	(10,500)	(33,000)	-	-	(14,000)	-	-
Infrastructure Assets - Roads	(776,846)	(789,444)	(800,378)	(813,486)	(828,192)	(841,856)	(760,793)	(775,009)	(789,509)	(804,299)
Infrastructure Assets - Other	-	-	-	-	-	-	-	-	(1)	(2)
Purchase Plant and Equipment	(307,043)	(38,000)	(242,000)	(693,184)	(319,440)	(179,500)	(114,110)	(305,460)	(10,000)	(137,000)
Purchase Furniture and Equipment	(15,000)	(15,000)	(40,000)	(15,000)	(15,000)	(15,000)	(40,000)	(15,000)	(15,001)	(15,002)
Proceeds Disposal of Assets	124,000	275,000	41,000	200,000	91,000	50,000	63,000	92,000	-	86,600
Repayment of Debentures	(8,028)	(17,358)	(18,148)	77,274	79,105	80,908	83,695	85,624	87,569	89,527
Proceeds from New Debentures	200,000	-	600,000	-	-	-	-	-	-	-
Transfers to Reserves	(53,957)	(217,285)	(28,306)	(36,059)	(58,866)	(143,564)	(227,650)	(59,322)	(262,622)	(220,881)
Transfers from Reserves	26,550	186,795	56,122	288,705	24,392	-	40,000	9,142	-	-
<b>Net Cash From Investing Activities</b>	<b>(1,170,674)</b>	<b>(1,165,293)</b>	<b>(1,081,710)</b>	<b>(1,002,250)</b>	<b>(1,060,001)</b>	<b>(1,049,012)</b>	<b>(955,858)</b>	<b>(982,025)</b>	<b>(989,564)</b>	<b>(1,001,058)</b>
<b>ESTIMATED SURPLUS/(DEFICIT) JULY 1 B/FWD</b>	<b>405,115</b>	<b>104,630</b>	<b>104,119</b>	<b>111,044</b>	<b>125,750</b>	<b>113,600</b>	<b>109,272</b>	<b>113,148</b>	<b>125,627</b>	<b>147,128</b>
<b>ESTIMATED SURPLUS/(DEFICIT) JUNE 30 C/FWD</b>	<b>104,630</b>	<b>104,119</b>	<b>111,044</b>	<b>125,750</b>	<b>113,600</b>	<b>109,272</b>	<b>113,148</b>	<b>125,627</b>	<b>147,128</b>	<b>178,088</b>
<b>CONTROL = 0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>	<b>-</b>
10% allowance on rates raised	9%	9%	9%	10%	8%	8%	8%	8%	9%	11%

**1.8 TEN YEAR CAPITAL WORKS PROGRAM**

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Ten Year Capital Works Program</b>										
	<u>2021/2022</u>	<u>2022/2023</u>	<u>2023/2024</u>	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>	<u>2027/2028</u>	<u>2028/2029</u>	<u>2029/2030</u>	<u>2030/2031</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>LAND AND BUILDINGS</b>										
Land Purchased for Resale	200000	0	0	0	0	0	0	0	0	0
Renewal - Buildings	15000	550000	0	10500	33000	0	0	14000	0	0
New Buildings	145350	0	650000	0	0	0	0	0	0	0
<b>Total Land and Buildings</b>	<b>360350</b>	<b>550000</b>	<b>650000</b>	<b>10500</b>	<b>33000</b>	<b>0</b>	<b>0</b>	<b>14000</b>	<b>0</b>	<b>0</b>
Proceeds from Sale of Land/Buildings	0	250000	0	0	0	0	0	0	0	0
Book Value Assets Sold	0	250000	0	0	0	0	0	0	0	0
<b>Profit / (Loss) on Sale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PLANT AND EQUIPMENT</b>										
Existing Heavy Plant	307,043	38,000	242,000	693,184	319,440	179,500	114,110	305,460	10,000	137,000
New/Upgrade Heavy Plant	0	0	0	0	-	-	-	-	-	-
<b>Total Plant and Equipment</b>	<b>307,043</b>	<b>38,000</b>	<b>242,000</b>	<b>693,184</b>	<b>319,440</b>	<b>179,500</b>	<b>114,110</b>	<b>305,460</b>	<b>10,000</b>	<b>137,000</b>
Proceeds of Sale	124,000	25,000	41,000	200,000	91,000	50,000	63,000	92,000	-	86,600
Book Value Assets Sold	124,000	25,000	41,000	200,000	91,000	50,000	63,000	92,000	-	86,600
<b>Profit / (Loss) on Sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FURNITURE AND EQUIPMENT</b>										
Furniture & Equipment	15,000	15,000	40,000	15,000	15,000	15,000	40,000	15,000	15,001	15,002
<b>Profit / (Loss) on Sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INFRASTRUCTURE - ROADS (Would be supported by detailed schedules of road projects)</b>										
Regional Road Group Projects	629,929	642,527	655,378	668,486	683,192	696,856	710,793	725,009	739,509	754,299
Roads to Recovery Projects	146,917	146,917	145,000	145,000	145,000	145,000	-	-	-	-
Bridges	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Local Roadworks - Renewal	-	-	-	-	-	-	50,000	50,000	50,000	50,000
<b>Total Infrastructure Roads</b>	<b>776,846</b>	<b>789,444</b>	<b>800,378</b>	<b>813,486</b>	<b>828,192</b>	<b>841,856</b>	<b>760,793</b>	<b>775,009</b>	<b>789,509</b>	<b>804,299</b>
<b>CAPITAL WORKS TOTAL</b>	<b>1,459,239</b>	<b>1,392,444</b>	<b>1,732,378</b>	<b>1,532,170</b>	<b>1,195,632</b>	<b>1,036,356</b>	<b>914,903</b>	<b>1,109,469</b>	<b>814,511</b>	<b>956,303</b>
<b>TOTAL PROCEEDS OF SALE</b>	<b>124,000</b>	<b>275,000</b>	<b>41,000</b>	<b>200,000</b>	<b>91,000</b>	<b>50,000</b>	<b>63,000</b>	<b>92,000</b>	<b>-</b>	<b>86,600</b>
<b>TOTAL BOOK VALUE ASSETS SOLD</b>	<b>124,000</b>	<b>275,000</b>	<b>41,000</b>	<b>200,000</b>	<b>91,000</b>	<b>50,000</b>	<b>63,000</b>	<b>92,000</b>	<b>-</b>	<b>86,600</b>
<b>TOTAL PROFIT ON SALE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (LOSS) ON SALE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NPV OF CAPITAL WORKS</b>	<b>12,143,407</b>	<b>10,684,168</b>	<b>9,291,723</b>	<b>7,559,345</b>	<b>6,027,176</b>	<b>4,831,543</b>	<b>3,795,187</b>	<b>2,880,284</b>	<b>1,770,815</b>	<b>956,303</b>

1.9 DEPRECIATION SCHEDULE

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Depreciation Schedule</b>										
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>LAND AND BUILDINGS</b>										
Land Purchased for Resale	-	-	-	-	-	-	-	-	-	-
Book Value of Land	-	-	-	-	-	-	-	-	-	-
<b>Total Land</b>	<b>766,000</b>									
Book Value of Buildings Non-Specialised	-	-	-	-	-	-	-	-	-	-
Book Value of Buildings Specialised	-	-	-	-	-	-	-	-	-	-
Buildings Acquired	-	-	350,000	-	-	-	-	-	-	-
Buildings Disposed	-	-	-	-	-	-	-	-	-	-
<b>Total Buildings</b>	<b>2,959,134</b>	<b>2,899,951</b>	<b>3,191,952</b>	<b>3,131,613</b>	<b>3,068,981</b>	<b>3,007,601</b>	<b>2,947,449</b>	<b>2,888,500</b>	<b>2,830,730</b>	<b>2,774,116</b>
Depreciation	(59,183)	(57,999)	(60,339)	(62,632)	(61,380)	(60,152)	(58,949)	(57,770)	(56,615)	(55,482)
<b>Book Value of Buildings</b>	<b>2,899,951</b>	<b>2,841,952</b>	<b>3,131,613</b>	<b>3,068,981</b>	<b>3,007,601</b>	<b>2,947,449</b>	<b>2,888,500</b>	<b>2,830,730</b>	<b>2,774,116</b>	<b>2,718,633</b>
<b>PLANT AND EQUIPMENT</b>										
Existing Heavy Plant	-	-	-	-	-	-	-	-	-	-
Plant & Equipment Acquisition	307,043	38,000	242,000	693,184	319,440	179,500	114,110	305,460	10,000	137,000
Plant & Equipment Disposal	(124,000)	(25,000)	(41,000)	(200,000)	(91,000)	(50,000)	(63,000)	(92,000)	0	(86,600)
<b>Total Plant &amp; Equipment</b>	<b>2,183,340</b>	<b>1,980,959</b>	<b>1,983,263</b>	<b>2,286,121</b>	<b>2,300,608</b>	<b>2,206,919</b>	<b>2,041,312</b>	<b>2,050,046</b>	<b>1,861,115</b>	<b>1,725,903</b>
Depreciation	(215,382)	(198,696)	(190,326)	(213,953)	(223,189)	(216,717)	(204,726)	(198,932)	(185,611)	(174,400)
<b>Book Value of Motor Vehicles, Plant &amp; Equipment</b>	<b>1,967,959</b>	<b>1,782,263</b>	<b>1,792,936</b>	<b>2,072,168</b>	<b>2,077,419</b>	<b>1,990,202</b>	<b>1,836,586</b>	<b>1,851,115</b>	<b>1,675,503</b>	<b>1,551,503</b>
<b>FURNITURE AND EQUIPMENT</b>										
Existing Furniture & Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Equipment Acquired	15,000	15,000	40,000	15,000	15,000	15,000	40,000	15,000	15,001	15,002
<b>Total Furniture &amp; Equipment</b>	<b>104,760</b>	<b>105,171</b>	<b>130,520</b>	<b>128,942</b>	<b>125,726</b>	<b>122,992</b>	<b>145,668</b>	<b>141,818</b>	<b>136,672</b>	<b>132,301</b>
Depreciation	(14,589)	(14,651)	(16,578)	(18,216)	(17,734)	(17,324)	(18,850)	(20,148)	(19,376)	(18,720)
<b>Book Value of Furniture &amp; Equipment</b>	<b>90,171</b>	<b>90,520</b>	<b>113,942</b>	<b>110,726</b>	<b>107,992</b>	<b>105,668</b>	<b>126,818</b>	<b>121,670</b>	<b>117,297</b>	<b>113,581</b>

## Shire of Wandering Long Term Financial Plan 2021 - 2031 Depreciation Schedule

	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>TOTAL PROPERTY PLANT AND EQUIPMENT</b>										
New Property Plant and Equipment	198,043	28,000	591,000	508,184	243,440	144,500	91,110	228,460	25,002	65,404
<b>Total</b>	<b>5,813,234</b>	<b>5,552,080</b>	<b>6,319,956</b>	<b>6,560,896</b>	<b>6,509,535</b>	<b>6,889,648</b>	<b>6,686,565</b>	<b>6,632,500</b>	<b>6,933,346</b>	<b>6,737,148</b>
Depreciation	(289,154)	(271,345)	(267,243)	(294,801)	(302,302)	(294,193)	(282,525)	(276,849)	(261,602)	(248,602)
Fair Value Adjustment		448,221			537,915			552,693	-	-
<b>Book Value of Total Property Plant and Equipment</b>	<b>5,524,080</b>	<b>5,728,956</b>	<b>6,052,712</b>	<b>6,266,095</b>	<b>6,745,148</b>	<b>6,595,455</b>	<b>6,404,040</b>	<b>6,908,344</b>	<b>6,671,744</b>	<b>6,488,546</b>
<b>INFRASTRUCTURE (ALL)</b>										
Existing Infrastructure	-	-	-	-	-	-	-	-	-	-
New Infrastructure Developed	776,846	789,444	800,378	813,486	828,192	841,856	760,793	775,009	789,509	804,299
<b>Total Infrastructure</b>	<b>54,142,825</b>	<b>54,124,011</b>	<b>58,444,011</b>	<b>58,384,839</b>	<b>58,341,326</b>	<b>63,249,435</b>	<b>63,065,696</b>	<b>62,898,524</b>	<b>68,109,927</b>	<b>67,896,525</b>
Depreciation	(808,258)	(807,913)	(872,658)	(871,705)	(870,979)	(944,532)	(942,181)	(939,603)	(1,017,701)	(1,014,426)
Fair Value Adjustment	-	4,327,535	-	-	4,937,232	-	-	5,361,497	-	-
<b>Book Value Infrastructure</b>	<b>53,334,566</b>	<b>57,643,633</b>	<b>57,571,353</b>	<b>57,513,134</b>	<b>62,407,579</b>	<b>62,304,903</b>	<b>62,123,515</b>	<b>67,320,418</b>	<b>67,092,226</b>	<b>66,882,099</b>
Total Assets	58,858,647	63,372,589	63,624,065	63,779,229	69,152,727	68,900,358	68,527,555	74,228,762	73,763,970	73,370,645
<b>Total Depreciation</b>	<b>(1,097,412)</b>	<b>(1,079,258)</b>	<b>(1,139,902)</b>	<b>(1,166,507)</b>	<b>(1,173,281)</b>	<b>(1,238,725)</b>	<b>(1,224,706)</b>	<b>(1,216,452)</b>	<b>(1,279,303)</b>	<b>(1,263,029)</b>
Depreciation on New Assets	(192,706)	(223,264)	(194,160)	(164,717)	(206,357)	(224,313)	(204,219)	(192,332)	(226,083)	(217,672)

## 1.10 KEY PERFORMANCE INDICATORS

Shire of Wandering Long Term Financial Plan 2021 - 2031										
Key Performance Indicators										
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$000s									
<b>OPERATING SURPLUS RATIO</b>										
Operating Revenue	2,939,227	3,038,188	3,140,736	3,247,006	3,357,140	3,471,284	3,589,591	3,712,219	3,839,335	3,971,107
Less Operating Exp incl interest & depreciation	(3,711,746)	(3,741,135)	(3,850,238)	(3,935,360)	(3,991,600)	(4,107,471)	(4,144,863)	(4,189,021)	(4,305,354)	(4,343,653)
= Net Operating Surplus	(772,520)	(702,947)	(709,502)	(688,354)	(634,460)	(636,188)	(555,273)	(476,802)	(466,020)	(372,546)
Divided by Own Source Revenue (Rates, Fees & Charge	2,047,518	2,128,205	2,212,095	2,299,316	2,390,000	2,484,286	2,582,317	2,684,243	2,790,218	2,900,404
<b>Advanced Ratio Target &gt; 1 % and &lt; 15%</b>	<b>-37.73%</b>	<b>-33.03%</b>	<b>-32.07%</b>	<b>-29.94%</b>	<b>-26.55%</b>	<b>-25.61%</b>	<b>-21.50%</b>	<b>-17.76%</b>	<b>-16.70%</b>	<b>-12.84%</b>
<b>Basic Ratio Target &gt; 15%</b>										
<b>CURRENT RATIO</b>										
Current Assets	967,054	1,157,592	1,067,609	734,344	697,406	849,917	1,065,435	1,193,308	1,605,653	2,048,071
Less Restricted Assets	(548,451)	(578,941)	(551,125)	(298,479)	(332,953)	(476,517)	(664,167)	(714,347)	(976,968)	(1,197,850)
= Net Current Assets	418,602	578,650	516,483	435,865	364,452	373,400	401,268	478,961	628,685	850,222
Divided by Current Liabilities less	375,302	536,780	468,622	374,245	315,945	330,196	355,180	421,400	550,644	742,257
Current Liabilities ass'd with Restricted Assets	(61,329)	(62,249)	(63,183)	(64,131)	(65,093)	(66,069)	(67,060)	(68,066)	(69,087)	(70,123)
= Net Current Liabilities	313,972	474,531	405,439	310,115	250,852	264,127	288,119	353,334	481,557	672,134
<b>Ratio Target &gt; or = to 1:1</b>	<b>1.33</b>	<b>1.22</b>	<b>1.27</b>	<b>1.41</b>	<b>1.45</b>	<b>1.41</b>	<b>1.39</b>	<b>1.36</b>	<b>1.31</b>	<b>1.26</b>
<b>Assume Provision same as Leave Cash Reserve</b>	<b>61,329</b>	<b>62,249</b>	<b>63,183</b>	<b>64,131</b>	<b>65,093</b>	<b>66,069</b>	<b>67,060</b>	<b>68,066</b>	<b>69,087</b>	<b>70,123</b>
<b>OWN SOURCE REVENUE RATIO</b>										
Rates	1,145,323	1,191,136	1,238,781	1,288,332	1,339,866	1,393,460	1,449,199	1,507,167	1,567,453	1,630,152
Add - Fees and Charges	841,495	875,155	910,161	946,568	984,430	1,023,808	1,064,760	1,107,350	1,151,644	1,197,710
Add - Interest Income	16,126	16,449	16,778	17,113	17,456	17,805	18,161	18,524	18,894	19,272
Add - Profit on Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Add - Reimbursements and recoveries	44,574	45,465	46,375	47,302	48,248	49,213	50,198	51,202	52,226	53,270
= Own Source Operating Revenue	2,047,518	2,128,205	2,212,095	2,299,316	2,390,000	2,484,286	2,582,317	2,684,243	2,790,218	2,900,404
Operating Expense	3,711,746	3,741,135	3,850,238	3,935,360	3,991,600	4,107,471	4,144,863	4,189,021	4,305,354	4,343,653
<b>Basic Ratio Target &gt; or = 0.4</b>	<b>0.55</b>	<b>0.57</b>	<b>0.57</b>	<b>0.58</b>	<b>0.60</b>	<b>0.60</b>	<b>0.62</b>	<b>0.64</b>	<b>0.65</b>	<b>0.67</b>
<b>Intermediate Ratio Target &gt; or = 0.6</b>										
<b>Advanced Ratio Target &gt; or = 0.9</b>										
<b>DEBT SERVICE COVERAGE RATIO</b>										
Operating Surplus before Interest & Depreciation										
= Operating Revenue	2,939,227	3,038,188	3,140,736	3,247,006	3,357,140	3,471,284	3,589,591	3,712,219	3,839,335	3,971,107
Less Operating Expenses	(3,711,746)	(3,741,135)	(3,850,238)	(3,935,360)	(3,991,600)	(4,107,471)	(4,144,863)	(4,189,021)	(4,305,354)	(4,343,653)
Except Interest Expense and Depreciation	1,105,866	1,086,956	1,146,810	1,181,709	1,186,732	1,250,372	1,234,495	1,224,325	1,285,247	1,267,029
= Operating Surplus before Interest & Depreciation	333,346	384,010	437,308	493,355	552,272	614,184	679,223	747,523	819,228	894,483
Divided by Principal and Interest	200426	182312	763374	694394	613538	530826	445273	357733	268235	176764
<b>Ratio Target &gt; or = 2</b>	<b>1.66</b>	<b>2.11</b>	<b>0.57</b>	<b>0.71</b>	<b>0.90</b>	<b>1.16</b>	<b>1.53</b>	<b>2.09</b>	<b>3.05</b>	<b>5.06</b>

## Shire of Wandering Long Term Financial Plan 2021 - 2031

### Key Performance Indicators

	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
	\$000s									
<b>ASSET SUSTAINABILITY RATIO</b>										
Capital Renewal Expenditure	1,459,239	1,392,444	1,732,378	1,532,170	1,195,632	1,036,356	914,903	1,109,469	814,511	956,303
Less - New/Upgrade expenses	(145,350)	-	(650,000)	-	-	-	-	-	-	-
	1,313,889	1,392,444	1,082,378	1,532,170	1,195,632	1,036,356	914,903	1,109,469	814,511	956,303
Divided by Depreciation Expense	1,097,412	1,079,258	1,139,902	1,166,507	1,173,281	1,238,725	1,224,706	1,216,452	1,279,303	1,263,029
<b>Standard Ratio Target = 90%</b>	<b>133.0%</b>	<b>129.0%</b>	<b>152.0%</b>	<b>131.3%</b>	<b>101.9%</b>	<b>83.7%</b>	<b>74.7%</b>	<b>91.2%</b>	<b>63.7%</b>	<b>75.7%</b>
<b>Improving Ratio Target &gt; 90% - 110%</b>										
<b>ASSET CONSUMPTION RATIO</b>										
Deprec'd Replace't Cost Assets (Written Down Value)	58,858,647	63,372,589	63,624,065	63,779,229	69,152,727	68,900,358	68,527,555	74,228,762	73,763,970	73,370,645
Divided by Current Replacement Cost	80,736,203	86,681,139	88,219,358	89,586,810	96,051,233	96,863,276	97,573,960	104,405,287	104,993,716	105,732,348
<b>Ratio Target &gt; 50%</b>	<b>72.9%</b>	<b>73.1%</b>	<b>72.1%</b>	<b>71.2%</b>	<b>72.0%</b>	<b>71.1%</b>	<b>70.2%</b>	<b>71.1%</b>	<b>70.3%</b>	<b>69.4%</b>
<b>Improving Ratio Target &gt; 60%</b>										
Assumed Current Replacement Cost										
New Assets Acquired at Cost	1,459,239	1,392,444	1,732,378	1,532,170	1,195,632	1,036,356	914,903	1,109,469	814,511	956,303
Depreciation on New Assets	(192,706)	(223,264)	(194,160)	(164,717)	(206,357)	(224,313)	(204,219)	(192,332)	(226,083)	(217,672)
Fair Value Revaluation (6% - 3-yearly)		4,775,756			5,475,147			5,914,190	-	-
New Current Replacement Cost	80,736,203	86,681,139	88,219,358	89,586,810	96,051,233	96,863,276	97,573,960	104,405,287	104,993,716	105,732,348
	1,459,239	1,392,444	1,732,378	1,532,170	1,195,632	1,036,356	914,903	1,109,469	814,511	956,303
<b>ASSET RENEWAL FUNDING RATIO</b>										
Net Present Value of Planned Renewal Expenditure	1,517,926	1,526,310	1,548,621	1,511,869	1,506,794	1,610,514	1,897,594	2,880,284	1,770,815	956,303
Divided by NPV of Asset Mgmt Plan Projections	1,459,239	1,392,444	1,732,378	1,532,170	1,195,632	1,036,356	914,903	1,109,469	814,511	956,303
<b>Standard Ratio Target &gt;= 75%</b>	<b>104.0%</b>	<b>109.6%</b>	<b>89.4%</b>	<b>98.7%</b>	<b>126.0%</b>	<b>155.4%</b>	<b>207.4%</b>	<b>259.6%</b>	<b>217.4%</b>	<b>100.0%</b>
<b>Improving Ratio Target &gt;= 95%</b>										

## 1.11 CASH RESERVES

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031</b>										
<b>Cash Reserves</b>										
	<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>	<b>2026/2027</b>	<b>2027/2028</b>	<b>2028/2029</b>	<b>2029/2030</b>	<b>2030/2031</b>
	<b>\$000s</b>									
<b>PLANT REPLACEMENT RESERVE</b>										
Opening Balance	134,472	164,198	357,188	357,138	72,004	48,332	116,548	269,050	262,599	449,694
Transfer to Reserve	29,726	192,990	3,572	3,571	720	68,216	152,502	2,691	187,095	152,345
Transfer From Reserve	-	-	(3,622)	(288,705)	(24,392)	-	-	(9,142)	-	-
<b>Balance 30 June</b>	<b>164,198</b>	<b>357,188</b>	<b>357,138</b>	<b>72,004</b>	<b>48,332</b>	<b>116,548</b>	<b>269,050</b>	<b>262,599</b>	<b>449,694</b>	<b>602,038</b>
<b>LEAVE RESERVE</b>										
Opening Balance	60,423	61,329	62,249	63,183	64,131	65,093	66,069	67,060	68,066	69,087
Transfer to Reserve	906	920	934	948	962	976	991	1,006	1,021	1,036
Transfer From Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance 30 June</b>	<b>61,329</b>	<b>62,249</b>	<b>63,183</b>	<b>64,131</b>	<b>65,093</b>	<b>66,069</b>	<b>67,060</b>	<b>68,066</b>	<b>69,087</b>	<b>70,123</b>
<b>LAND &amp; BUILDING RESERVE</b>										
Opening Balance	228,509	201,959	15,164	2,664	10,159	43,050	92,876	142,232	172,797	221,979
Transfer to Reserve	-	-	-	7,495	32,891	49,826	49,356	30,565	49,182	45,000
Transfer From Reserve	(26,550)	(186,795)	(12,500)	-	-	-	-	-	-	-
<b>Balance 30 June</b>	<b>201,959</b>	<b>15,164</b>	<b>2,664</b>	<b>10,159</b>	<b>43,050</b>	<b>92,876</b>	<b>142,232</b>	<b>172,797</b>	<b>221,979</b>	<b>266,979</b>
<b>OFFICE EQUIPMENT RESERVE</b>										
Opening Balance	42,639	50,139	57,639	25,139	32,639	40,139	47,639	15,139	22,639	30,139
Transfer to Reserve	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Transfer From Reserve	-	-	(40,000)	-	-	-	(40,000)	-	-	-
<b>Balance 30 June</b>	<b>50,139</b>	<b>57,639</b>	<b>25,139</b>	<b>32,639</b>	<b>40,139</b>	<b>47,639</b>	<b>15,139</b>	<b>22,639</b>	<b>30,139</b>	<b>37,639</b>
<b>FUEL FACILITY RESERVE</b>										
Opening Balance	55,001	70,826	86,701	103,002	119,547	136,340	153,385	170,686	188,246	206,070
Transfer to Reserve	15,825	15,875	16,301	16,545	16,793	17,045	17,301	17,560	17,824	15,000
Transfer From Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance 30 June</b>	<b>70,826</b>	<b>86,701</b>	<b>103,002</b>	<b>119,547</b>	<b>136,340</b>	<b>153,385</b>	<b>170,686</b>	<b>188,246</b>	<b>206,070</b>	<b>221,070</b>
<b>TOTAL RESERVES</b>										
Opening Balance	521,044	548,451	578,941	551,125	298,479	332,953	476,517	664,167	714,347	976,968
Transfer to Reserve	53,957	217,285	28,306	36,059	58,866	143,564	227,650	59,322	262,622	220,881
Transfer From Reserve	(26,550)	(186,795)	(56,122)	(288,705)	(24,392)	-	(40,000)	(9,142)	-	-
<b>Total Reserves 30 June</b>	<b>548,451</b>	<b>578,941</b>	<b>551,125</b>	<b>298,479</b>	<b>332,953</b>	<b>476,517</b>	<b>664,167</b>	<b>714,347</b>	<b>976,968</b>	<b>1,197,850</b>

**1.12 VARIABLE ASSUMPTIONS UNDERPINNING THE PLAN**

<b>Shire of Wandering Long Term Financial Plan 2021 - 2031 Variable Assumptions Underpinning the Plan</b>										
	<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>	<b>2026/2027</b>	<b>2027/2028</b>	<b>2028/2029</b>	<b>2029/2030</b>	<b>2030/2031</b>
<b>OPERATING REVENUES</b>										
Rates - Annual Increases	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Rates - Growth in Rate Base	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Operating Grants, Subsidies and Contributions	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Non-operating Grants, Subsidies, Contbns	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Fees and Charges	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Interest Earnings	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other revenue	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
<b>OPERATING EXPENSES</b>										
Employee Costs	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Materials and Contracts	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Utility Charges	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Depreciation on Non-current Assets (see below)										
Interest Expense (based on estimated borrowings)	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Insurance Expense	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Expenditure	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
<b>CAPITAL ASSETS</b>										
Average Depreciation - Buildings	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Average Depreciation - Other	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Average Depreciation - Infrastructure Roads	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
Average Depreciation - Infrastructure Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

### 1.13 RISK MANAGEMENT ASSESSMENT

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
<b>Shire Growth in Population:</b> The number of residents in the Shire is expected to remain stable.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Rates Level Increase:</b> Annual rates have been based on an increase in the total rate yield of 4% higher than forecast inflation rate of 2%.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Operating Grants and Contributions:</b> Increases in line with inflation forecast.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Non-operating Grants and Contributions:</b> Remain in line with funding requirements identified for various capital works.	High	The forecast new capital works program is highly dependent on Government grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	High	± \$91,416 to the value of non-operating grants and contributions per 1% movement in the value over the life of the Plan.
<b>Fees and Charges:</b> Increases in line with inflation forecast.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Interest Earnings:</b> Interest earning of an average rate of 2.50% per annum.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Other Revenue:</b> Increases in line with inflation.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Profit on Asset Disposal:</b> Profit on asset disposal results from a misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate no profit on asset disposals has been included.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Employee Costs:</b> Increased annually by forecast inflation.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Materials and Contracts:</b> Increased annually by forecast inflation.	Medium	Not assessed as high financial risk.	High	± \$205,553 to the value of materials and contracts per 1% movement in the value over the life of the Plan.
<b>Depreciation:</b> Depreciation has been calculated using an average rate for each asset class based on the weighted average estimated remaining useful life of assets in the class.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Insurance:</b> Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Other Expenditure:</b> Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Loss on Asset Disposal:</b> A loss on asset disposal results from a misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate in the Plan no loss on asset disposals has been included in the Plan.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
<b>Revaluations:</b> In line with annual inflation.	Low	The revaluation of assets may result in changes in asset ratio analysis and depreciations leading to a change in the net result. The revaluation of assets will have no impact on Cashflows.	High	±\$91,314 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan.
				±\$722,499 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.
<b>Impairment of Assets:</b> No impairment of assets has been assumed over the life of the Plan. Impairment of assets usually occurs due to unplanned or unforeseen events such as natural disasters.	High	A widespread major impairment event may result in a requirement for high levels of expenditure to maintain service levels.	High	Unable to be quantified.
<b>Infrastructure Assets:</b> Expenditure has been based on historical levels escalated by inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Borrowings:</b> New borrowings to be considered for capital works where required.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Employee Entitlements:</b> It has been assumed the Shire will be in a position to meet its obligations in relation to employee entitlements.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Cash Backed Reserves:</b> It has been assumed the Shire will invest cash reserves in term deposits with banking institutions and these funds will be available for use during the term of the Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Revaluation Surplus:</b> Increasing in line with inflation based revaluation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciation leading to a change in the net result. The revaluations of assets will have no impact on Cashflows.	High	±\$91,314 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan.
				±\$722,499 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.
<b>Ownership of Strategic Assets:</b> The Shire has not planned for the ownership of any strategic assets to be transferred to another party over the term of the Plan.	High	Any significant changes to the ownership of strategic assets would require an amendment to this Plan and, depending on the circumstance, be subject to community consultation.	Low	Not assessed as high level of uncertainty.
<b>Inflators:</b> Forecast inflation at 2% per annum.	Medium	Not assessed as high financial risk.	High	± \$514,179 to operating revenue per 1% movement in the inflators over the life of the Plan.
				± \$571,127 to operating expenditure per 1% movement in the inflators over the life of the Plan.

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
<b>Commercial Activities:</b> The Shire has no plans to undertake a significant commercial activity during the period of the Plan.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>General Economic Forecasts for State:</b> The economic forecast for the State is closely linked to the success of the mining industry. Demands for minerals is forecast to remain stable in the short term with a corresponding stability of the state economy.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>General Economic Forecasts for Region:</b> Historically, the region's economy is heavily dependent on agriculture and this remains the assumption for the term of this Plan.				