



LONG TERM FINANCIAL PLAN

2022/23 - 2031/32



DRAFT
28 March 2022



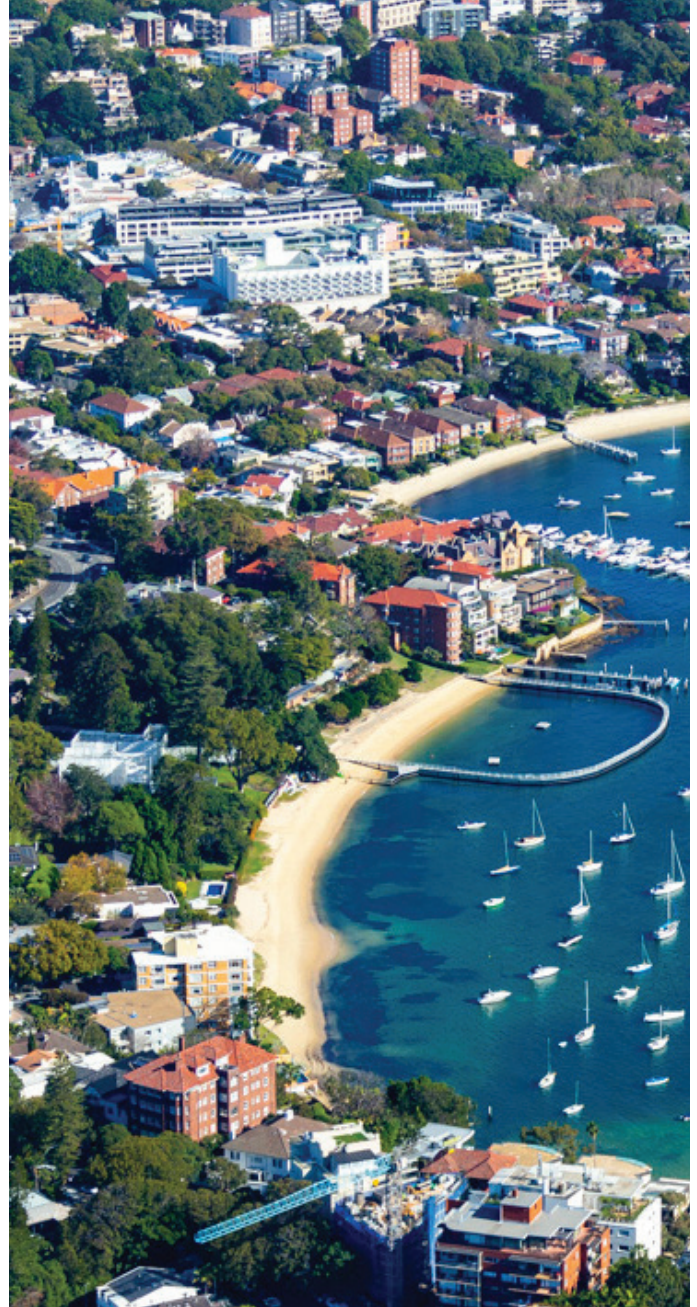
Acknowledgement of Country

Woollahra Council acknowledges the Gadigal and Birrabirragal people who are the traditional custodians of this land and pay our respects to Elders both past and present and leaders emerging.



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Aerial view of Murray Rose Pool

Introduction

What Is A Long Term Financial Plan?

Council needs to maintain a financially sustainable position over time so that we can provide infrastructure and services for the benefit of our community. Our Long Term Financial Plan (LTFP) helps us develop a plan to achieve this. The LTFP expresses in financial terms the activities Council proposes to undertake in the short, medium and long term. Using this, we can identify if we can continue to pay for our services and maintain our infrastructure in good condition (i.e. community buildings, parks, roads and business centres) with the income that we expect to receive.

Using our LTFP we can answer some key questions:

- Where will we be financially in 10 years?
- Is our revenue growing at the same rate as our costs?
- Are we able to financially afford our current service levels over time?
- What would be the financial impact if we did something different?
- Can we afford to do something new or build a new facility for our community to use?

The LTFP is for a period of 10 years and we update it each year. Financial planning over a 10-year period is challenging and relies on a range of assumptions many of which are largely outside of Councils control, for example the rate peg determined each year by the Independent Pricing & Regulatory Tribunal (IPART). We therefore closely monitor our LTFP and regularly update it to reflect these changing circumstances.

We also look at what would be the impact on our finances if trends were to worsen. We do this through a sensitivity analysis using the key assumptions most likely to affect the LTFP and is included on page 16.

Further to this, the LTFP allows us to run different scenarios helping us to answer the question “what would be the financial impact if we did something different?” In developing our LTFP we have looked at four different scenarios which are detailed later.

What Does Financial Sustainability Mean?

Financial sustainability is the ability to meet our current and future costs as they arise and to have the capacity to respond to foreseeable changes and emerging risks.

Put simply it is our ability to:

- Cover our existing expenses and their future increases
- Cover new expenses that we know will be required into the future
- Have the ability to react to cover the expenses from things that we think may occur, for example a major storm event and resulting repair works and clean up that may be required.

Our Financial Challenges

This year we have updated our LTFP against a backdrop of challenges we have faced over the last five years including that our expenditure has grown at a greater rate than our income. There have been a range of factors contributing to this, only some of which Council are able to control or change. We continue to take significant steps to address these including those outlined in the section "How Are We Addressing Our Financial Challenges" below.

More challenging for Council are external factors which Council has either no control over, or limited capacity to predict, including:

- COVID-19 which has had a significant impact on Council's financial position over the 2019-2020, 2020-2021 and 2021-2022 financial years, of over \$11 million. This was through a combination of support initiatives provided to the community as well as the impact of reduced income across a range of sources.
- \$42 million (41%) of our income comes from rates, excluding capital grants and contributions. The increase in rates income is set annually by the IPART. This constrains our ability to increase our revenue to adequately cover appropriate increases in our costs.

These challenges have resulted in financial deficits in each of 2019-2020, 2020-2021 and 2021-2022 financial years. During the last few years we have been fortunate to have cash reserves to draw on and have been able to maintain Council's services. This is not a long term solution as our cash reserves are limited. We must address these deficits and regain our surplus.

How Are We Addressing Our Financial Challenges?

We have taken a proactive approach to improving our financial position through the following budget repair actions:

- In April 2021 Council resolved to refinance our Loan for Kiaora Place, the Council-owned Double Bay commercial centre, resulting in:
 - decreased annual interest expense by \$700,000
 - total savings of \$7.87 million over the life of the loan (net of the one-off break costs of \$6.45million)
- During 2021 we extended the replacement of our passenger vehicles from a 2.5 year replacement cycle to a 4 year replacement cycle. This is expected to save \$3.5million over 10 years
- Councillors and Council staff identified and implemented expense efficiencies of \$500,000 in 2021/22, with a further anticipated \$2.5million saving included in 2022/23 through a staff review / redundancy program. These actions have been achieved without impacting adversely on the services provided to our community. With regard to the staffing review, it should be noted that any further expenditure or staff reductions will likely result in an impact on the services Council provides to the community.
- Council continues to look at opportunities to increase income, including the potential of Bus Shelter Advertising – potential income of around \$2 million per annum for advertising on non- heritage bus shelters and bus shelters in non- heritage areas. This income is phased in to our LTFP over three years commencing with \$500,000 in 2022-23. This is subject to changes in the Local Environment Plan and future resolutions of Council.

Our 2022-23 Draft Budget

Our Budget Goals

Council's overall guiding principle is to establish and maintain a financially sustainable position, underpinned by a sound income base and commitment to the delivery of services, facilities and infrastructure for our community in an effective and efficient manner.

We have established specific goals for our budget to support this:

No.	Goal
1	Maintain or improve our programs and services
2	React to unforeseen circumstances i.e. financial flexibility
3	Prioritise specific one off operational initiative items from year to year i.e. financial flexibility
4	Fully fund our required asset maintenance and renewals – no infrastructure backlog

We note that the above goals are referenced throughout the following pages.

Budget Overview

The 2022-23 draft operating budget forecasts income of \$109.1 million and operating expenses of \$106.8 million. When we take away the \$3.4 million in capital grants and contributions (money we receive from the Federal and State Governments for capital projects) we have an operating deficit of \$1.1 million. We exclude the capital grants and contributions because they can only be used on capital projects, i.e. not on Council's day to day expenses. Our budget also includes a Capital Works program of \$16.6 million.

With a forecast deficit position, Council is forecasting an Operating Performance ratio in 2022/23 of -0.84% which is below the Office of Local Government (OLG) benchmark of greater than 0%.

Although the anticipated deficit of \$1.1m has been reduced from the forecast \$6.8m deficit in the current 2021/22 year, further measures will be required to bring Council into surplus and ensure a long term financially sustainable position.

Our Longer Term Outlook

As noted earlier, in developing Council's longer term financial outlook through our LTFP we have considered four different scenarios. These scenarios are based on a range of opportunities available to Council to improve long term financial sustainability. Our draft 2022-23 budget is Year 1 in each scenario.



SCENARIOS

Scenario 1 – Base Case – Annual Rate Peg only

Scenario 1 LTFP is shown in Attachment 1 and models our “Base Case” where:

No	Goal
1	We maintain our current programs and services
2	Implement the budget repair actions as noted above
3	Assume 2.5% rate peg per annum (as instructed by IPART)

The 10 year rate path would be:

Year	Year Ending	Rate Peg
1	2022/23	0.70%
2	2023/24	2.50%
3	2024/25	2.50%
4	2025/26	2.50%
5	2026/27	2.50%
6	2027/28	2.50%
7	2028/29	2.50%
8	2029/30	2.50%
9	2030/31	2.50%
10	2031/32	2.50%

The average residential rate would increase by \$362 over 10 years and in years 1, 2, 5 and 10 would be:

Year	Average Residential Rate
Year 1	\$1,463
Year 2	\$1,500
Year 5	\$1,615
Year 10	\$1,827

The median residential rate is estimated as follows, however this is an estimate only for future years and land valuation could alter this.

Year	Median Residential Rate
Year 1	\$1,125
Year 2	\$1,153
Year 5	\$1,242
Year 10	\$1,405

Scenario 1 in the LTFP forecasts that Council will move into a small surplus position in 2025-26 of \$387,000 and will remain in surplus for future years. This assumes that the full anticipated \$2million in revenue from the proposed Bus Shelter Advertising is in place.

Whilst in the last few financial years we have been fortunate to have cash reserves to draw on and have been able to maintain Council’s services, this is not a long term solution as our cash reserves are limited. Therefore we need to either look to increase our income from another source or reduce our expenses by reducing our services to the community.

We identified above that to achieve financial sustainability we need to have the ability to react to cover expenses from things that we think could occur, for example a major storm event or to have the ability to do a ‘one off’, for example a major event or project for our community. We refer to this as ‘financial flexibility’ and believe a sound level for this to be between \$1million and \$1.5million per annum.

Based on ‘building in’ financial flexibility of \$1million plus, our Scenario 1 of the LTFP, indicates that this is not achieved for the 10 year horizon of the plan. Annual budget deficits and expenditure incurred in reacting to

need to be met from Council’s cash reserves and as already noted, although used in recent times this is not a long term option for the future.

Following is a table that includes the above-mentioned budget goals and what the result of moving forward with Scenario 1 of the LTFP would do in regard to the achievement of those budget goals:

No.	Goal	Result
1	Maintain or improve our programs and services	Services and Programs are maintained but not improved
2	React to unforeseen circumstances i.e financial flexibility	Not achieved
3	Prioritise specific one off operational initiative items from year to year i.e financial flexibility	Not achieved
4	Fully fund our required asset maintenance and renewals – no infrastructure backlog	Achieved

Options to Achieve Long Term Financial Sustainability

Scenario 1 does not achieve long term financial sustainability as measured against our budget goals.

In order to bring this long term financial sustainability goal forward, we would need to either reduce our expenditure or increase our income:

- Reduce Expenditure- as noted above under “How We Are Addressing Our Financial Challenges”, it is likely that any further expenditure or staff reductions would result in an impact on the programs and

services Council delivers, so Budget Goal 1 would not be achieved.

- Increase Income – introduce measures to increase our income base. Rates comprise 42% of our ongoing income and are the most stable form of income we receive. Scenarios 2, 3 and 4 are based on increasing our total rates income through a Special Rate Variation (SRV).

The additional income achieved through an SRV, would provide Council with the opportunity to improve programs and services including potentially undertaking new capital works projects.

Therefore LTFP Scenarios 2, 3 and 4 incorporate additional expenditure for potential service improvements areas and new capital work projects supported by an SRV. A minimum of \$1.15million per annum in operational areas and \$15 million total in capital areas over the full 10 years has been incorporated. Some examples of how these funds could be utilised are:

- Improving Council’s parks and recreational areas
- Improving our existing footpaths
- Construction of new footpaths
- To address Council’s substantial backlog of stormwater works
- Implementation of projects as identified Council’s Heritage Gap Analysis
- Improvements to business centres

The 1.15million in operational areas are included in the Income Statements in each of the Scenarios and relevant Attachment however the capital areas are funded from the Income Statement surplus i.e the Surplus before Capital Grants & Contributions.

Scenario 2

Scenario 2 LTFP is shown in Attachment 2 and models our "SRV and Improve Option 1" where:

No	Goal
1	We maintain and improve our current programs and services
2	Implement the budget repair actions as noted above
3	2.5% SRV + 2.5% rate peg for 3 consecutive years from 2023/24

The 10 year rate path would be:

Year	Year Ending	Rate Peg		SRV 7.5% over 3 yrs		Rate Path
1	2022/23	0.70%	+		=	0.70%
2	2023/24	2.50%	+	2.50%	=	5.00%
3	2024/25	2.50%	+	2.50%	=	5.00%
4	2025/26	2.50%	+	2.50%	=	5.00%
5	2026/27	2.50%	+		=	2.50%
6	2027/28	2.50%	+		=	2.50%
7	2028/29	2.50%	+		=	2.50%
8	2029/30	2.50%	+		=	2.50%
9	2030/31	2.50%	+		=	2.50%
10	2031/32	2.50%	+		=	2.50%

The average residential rate would increase by \$501 over 10 years and in years 1, 2, 5 and 10 would be:

Year	Average Residential Rate
Year 1	\$1,463
Year 2	\$1,536
Year 5	\$1,736
Year 10	\$1,964

The median residential rate is estimated as follows, however this is an estimate only for future years and land valuation could alter this.

Year	Median Residential Rate
Year 1	\$1,125
Year 2	\$1,181
Year 5	\$1,335
Year 10	\$1,510

Scenario 3

Scenario 3 LTFP is shown in Attachment 3 and models our “SRV and Improve Option 2 ” where:

No	Goal
1	We maintain and improve our current programs and services
2	Implement the budget repair actions as noted above
3	5.0% SRV + 2.5% rate peg for 3 consecutive years from 2023/24

Year	Year Ending	Rate Peg		SRV 15% over 3 yrs		Rate Path
1	2022/23	0.70%	+		=	0.70%
2	2023/24	2.50%	+	5.00%	=	7.50%
3	2024/25	2.50%	+	5.00%	=	7.50%
4	2025/26	2.50%	+	5.00%	=	7.50%
5	2026/27	2.50%	+		=	2.50%
6	2027/28	2.50%	+		=	2.50%
7	2028/29	2.50%	+		=	2.50%
8	2029/30	2.50%	+		=	2.50%
9	2030/31	2.50%	+		=	2.50%
10	2031/32	2.50%	+		=	2.50%

The average residential rate would increase by \$645 over 10 years and in years 1, 2, 5 and 10 would be:

Year	Average Residential Rate
Year 1	\$1,463
Year 2	\$1,573
Year 5	\$1,863
Year 10	\$2,108

The median residential rate is estimated as follows, however this is an estimate only for future years and land valuation could alter this.

Year	Median Residential Rate
Year 1	\$1,125
Year 2	\$1,209
Year 5	\$1,433
Year 10	\$1,621

Scenario 4

Scenario 4 LTFP is shown in Attachment 4 and models our “SRV and Improve Option 3” where:

No	Goal
1	We maintain and improve our current programs and services
2	Implement the budget repair actions as noted above
3	10.0% SRV + 2.5% rate peg in 2023-34 , 5.0% SRC + 2.5% rate peg in 2024-25

The 10 year rate path would be:

Year	Year Ending	Rate Peg		SRV 15% over 2 yrs		Rate Path
1	2022/23	0.70%	+		=	0.70%
2	2023/24	2.50%	+	10.00%	=	12.50%
3	2024/25	2.50%	+	5.00%	=	7.50%
4	2025/26	2.50%	+		=	2.50%
5	2026/27	2.50%	+		=	2.50%
6	2027/28	2.50%	+		=	2.50%
7	2028/29	2.50%	+		=	2.50%
8	2029/30	2.50%	+		=	2.50%
9	2030/31	2.50%	+		=	2.50%
10	2031/32	2.50%	+		=	2.50%

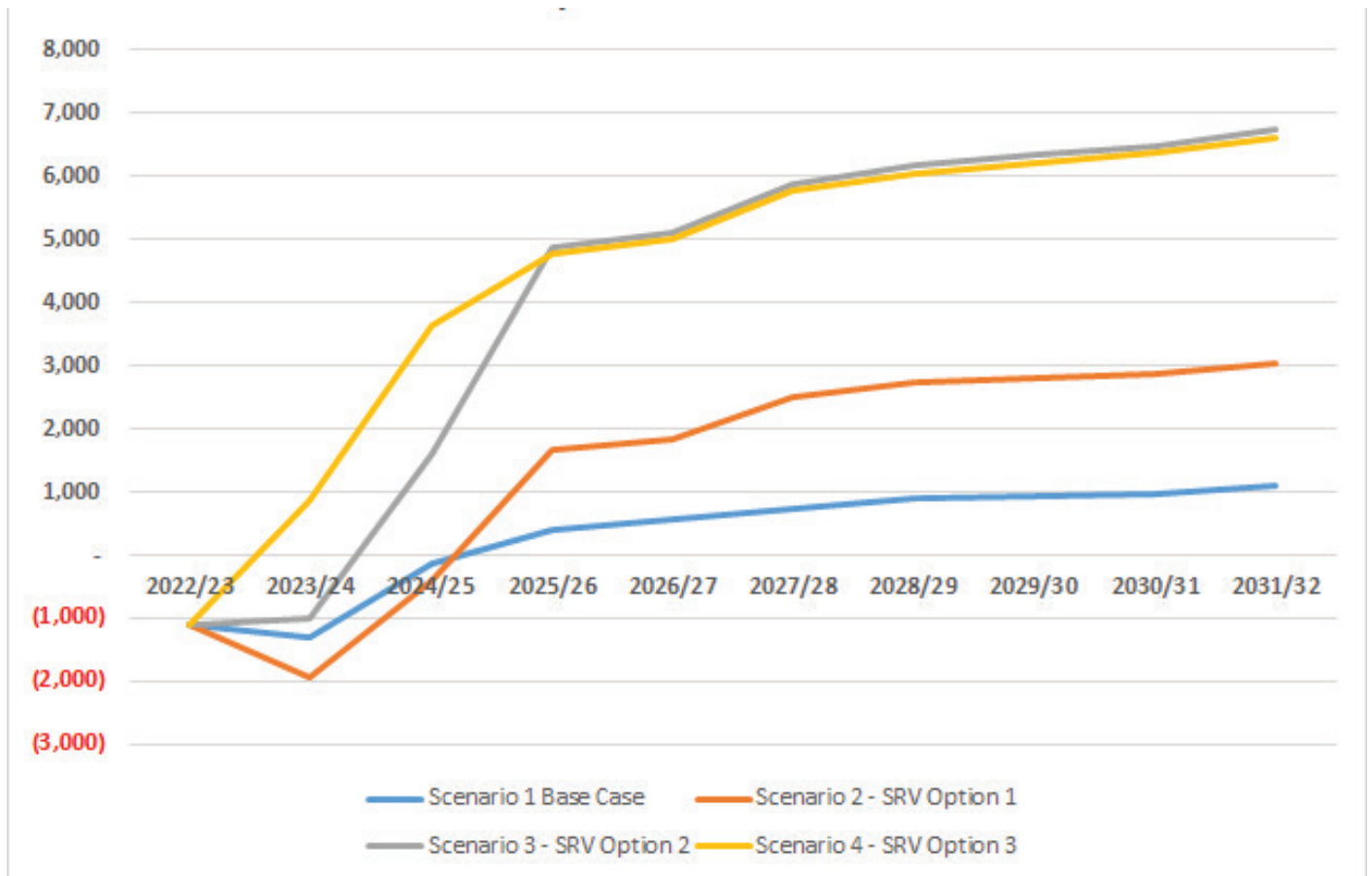
The average residential rate would increase by \$640 over 10 years and in years 1, 2, 5 and 10 would be:

Year	Average Residential Rate
Year 1	\$1,463
Year 2	\$1,646
Year 5	\$1,859
Year 10	\$2,103

The median residential rate is estimated as follows, however this is an estimate only for future years and land valuation could alter this:

Year	Median Residential Rate
Year 1	\$1,125
Year 2	\$1,266
Year 5	\$1,429
Year 10	\$1,617

Comparison of Scenarios



The above compares the projected Surplus before Capital Grants & Contributions over the ten year period for each scenario. It demonstrates that:

- Scenario 4 would bring Council into a surplus position in 2023/24
- Both Scenario 3 and 4 bring Council into a surplus in a shorter timeframe than Scenarios 1 and 2
- Both Scenario 3 and 4 provide Council with a stronger longer term financial position

The following table shows the “Available Surplus” in each 2022/23 (Year 1), 2023/24 (Year 2), 2026/27 (Year 5) and 2031/32 (Year 10) under each scenario after building:

- \$1.5 million in financial flexibility (into all Scenarios)
- \$1.25million per annum in additional capital works (into scenarios 2, 3 and 4)

	Scenario			
	1 \$'000	2 \$'000	3 \$'000	4 \$'000
Net Operating Result 2022/23 (Year1)				
Deficit before Capital Grants & Contributions	(1,094)	(1,094)	(1,094)	(1,094)
Less Financial Flexibility	(1,500)	(1,500)	(1,500)	(1,500)
Less Funding New Capital Works	0	(1,250)	(1,250)	(1,250)
Available Surplus	(2,594)	(3,844)	(3,844)	(3,844)
Net Operating Result 2023/24				
Deficit before Capital Grants & Contributions	(1,293)	(1,951)	(1,008)	878
Less Financial Flexibility	(1,500)	(1,500)	(1,500)	(1,500)
Less Funding New Capital Work	0	(1,250)	(1,250)	(1,250)
Available Surplus	(2,793)	(4,701)	(3,758)	(1,872)
Net Operating Result 2026/27				
Surplus before Capital Grants & Contributions	555	1,826	5,099	4,995
Less Financial Flexibility	(1,500)	(1,500)	(1,500)	(1,500)
Less Funding New Capital Works	0	(1,250)	(1,250)	(1,250)
Available Surplus	(945)	(924)	2,349	2,245
Net Operating Result 2031/32				
Surplus before Capital Grants & Contributions	1,106	3,037	6,740	6,622
Less Financial Flexibility	(1,500)	(1,500)	(1,500)	(1,500)
Less Funding New Capital Works	0	(1,250)	(1,250)	(1,250)
Available Surplus	(394)	287	3,990	3,872

A further key area of comparison are the Average and Median Residential Rates under each scenario:

Average Residential Rates:

Year	Average Residential Rate			
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Year 1	\$1,463	\$1,463	\$1,463	\$1,463
Year 2	\$1,500	\$1,536	\$1,573	\$1,646
Year 5	\$1,615	\$1,736	\$1,863	\$1,859
Year 10	\$1,827	\$1,964	\$2,108	\$2,103
10 Year Increase	\$364	\$501	\$645	\$640

Median Residential Rates (noting that this is an estimate only for future years and land valuation could alter this):

Year	Median Residential Rate			
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Year 1	\$1,125	\$1,125	\$1,125	\$1,125
Year 2	\$1,153	\$1,181	\$1,209	\$1,266
Year 5	\$1,242	\$1,335	\$1,433	\$1,429
Year 10	\$1,405	\$1,510	\$1,621	\$1,617
10 Year Increase	\$280	\$385	\$496	\$492

The following shows the results of each scenario in relation to Council's budget goals:

No.	Goal
1	Maintain or improve our programs and services
2	React to unforeseen circumstances i.e. financial flexibility
3	Prioritise specific one off operational initiative items from year to year i.e. financial flexibility
4	Fully fund our required asset maintenance and renewals – no infrastructure backlog

Goal	Scenario 1	Scenario 2	Scenario 3	Scenario 4
1	Maintain only	Maintain and Improve	Maintain and Improve	Maintain and Improve
2	Not Achieved	Achieved 2025/26	Achieved 2024/25	Achieved 2024/25
3*	Not Achieved	Not Achieved	Achieved 2025/26	Achieved 2024/25
4	Achieved	Achieved	Achieved	Achieved

*As measured by a positive "Available Surplus"

Financial Planning Assumptions

In preparing the Long Term Financial Plan (LTFP), consideration was given to a range of economic factors that affect our finances. We have made assumption in putting together this year's budget and our LTFP which are detailed below. Overall we have taken a conservative and consistent approach to the assumptions so as to pick a historical mid-line rather than being extreme in our assumptions given the uncertain future being faced with global unrest and the impact already being felt on fuel prices.

Inflation

Overall inflation has assumed to be 2.0% to 2.5% year on year in order to give a realistic but conservative impact on the models. This flows through to items such as Statutory Fees & Charges, Grants Received, Rental Income, Insurance Costs, Materials & Contracts Expenses.

Rates & Domestic Waste Management Charges (DWMC)

We have used the iPart recommendation of 2.5% for the Rate Peg and modelled that SRV increase on various scenarios. We have used 2.5% as a conservative increase for DWMC.

Interest Income and Expense

Interest expense has been modelled using existing loan data and is exact. Interest Income has been modelled using a range of +0.75% growing to +1.15% given that interest rates have been below 0.63%.

Employee Costs

We have used a range of 2.5% to 3.0% for employee salaries and wages given the 2022/23 wage increase has been set at +2.5%. Superannuation has been adjusted for changes in the Super Guarantee Charge (SGC).

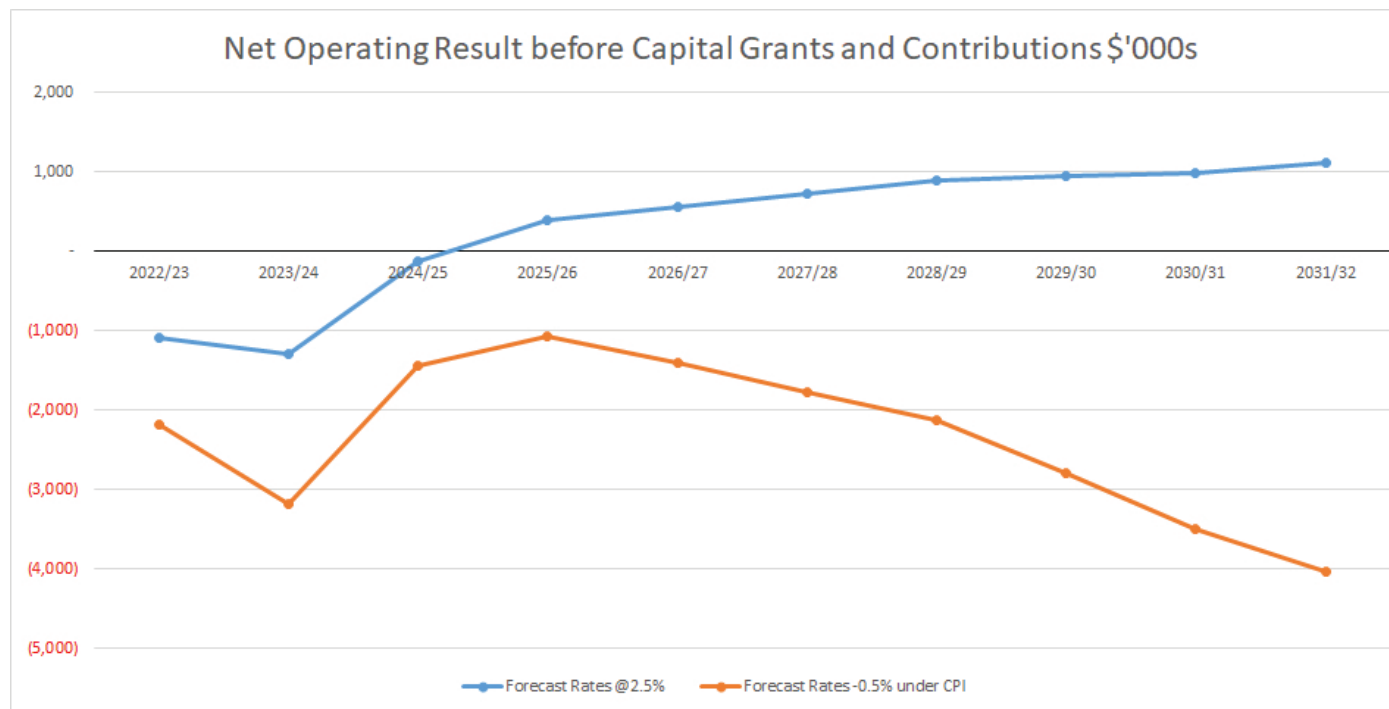
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/26	2028/29	2029/30	2030/31	2031/32
Inflation	+2.0%	+2.0%	+2.0%	+2.0%	+2.25%	+2.25%	+2.25%	+2.50%	+2.50%	+2.50%
Rates & Domestic Waste Management Charges (DWMC)	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%
Interest Income and Expense	0.71%	0.75%	0.80%	0.85%	0.90%	0.95%	1.00%	1.05%	1.10%	1.15%
Employee Costs	+2.5%	+2.25%	+2.25%	+2.5%	+3.0%	+3.0%	+3.0%	+3.0%	+3.0%	+3.0%

Sensitivity Analysis

Although the assumptions listed in the previous section are our current informed estimate based on a range of reliable sources, long term financial plans are inherently uncertain. They contain a wide range of assumptions about interest rates and the potential effect of inflation on revenues and expenditures which are largely outside our control. Developing our Long Term Financial Plan has included financial modelling taking into account the impact on our finances if trends worsen.

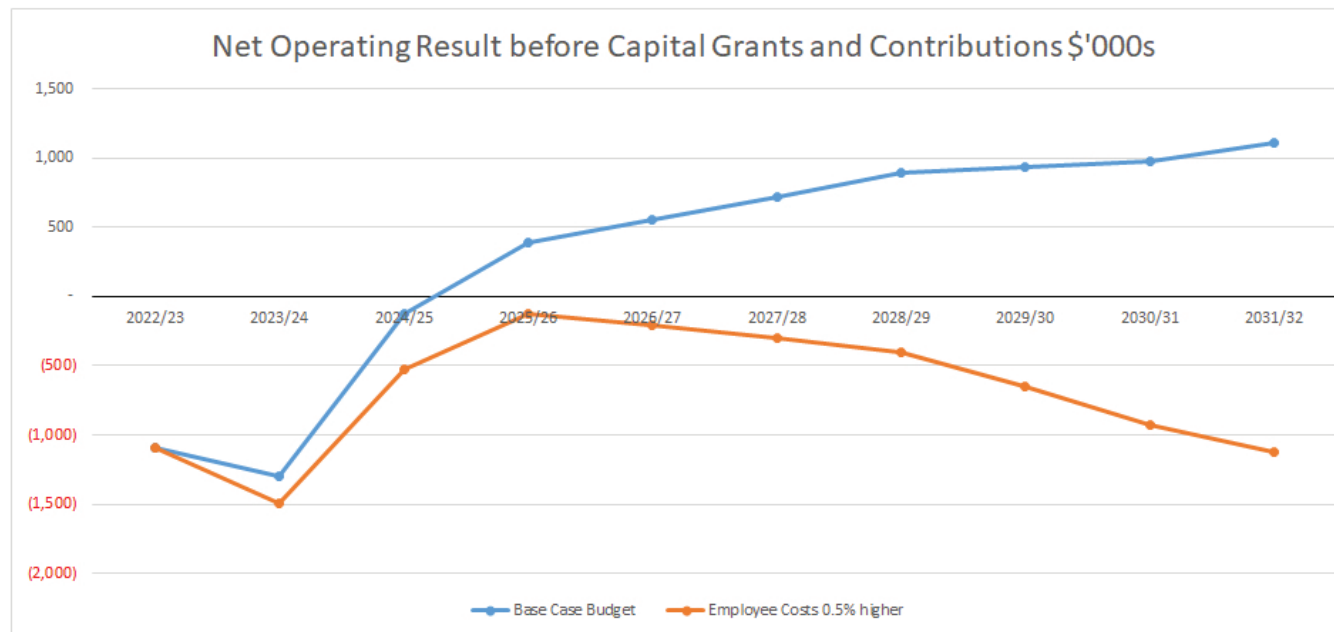
Rates & Annual Charges

Rates & Annual Charges comprise 54% of our total income. Rates are capped by the State Government and we can only increase rates if we apply for a special increase. If rates are held 0.5% pa below the CPI the budget will decline into deficit for each year of the Long Term Financial Plan.



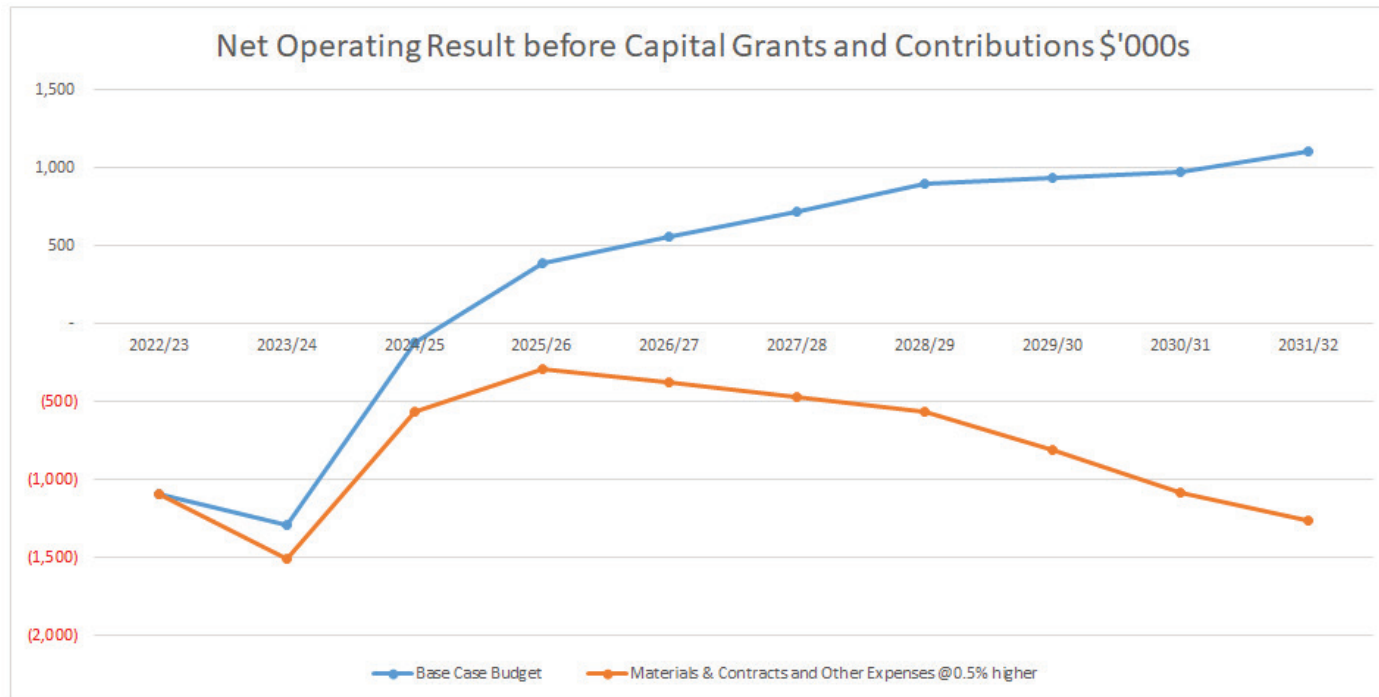
Employee Costs

Salary growth is largely subject to the NSW Local Government Award. The current Award provides for an annual increase of 2.5% in 2022/23. We have assumed an annual increase of 2.25% for the following three years then 3.0% thereafter. If the Award increase was 0.5% pa higher than these assumptions then the budget will remain in deficit for each year of the Long Term Financial Plan.



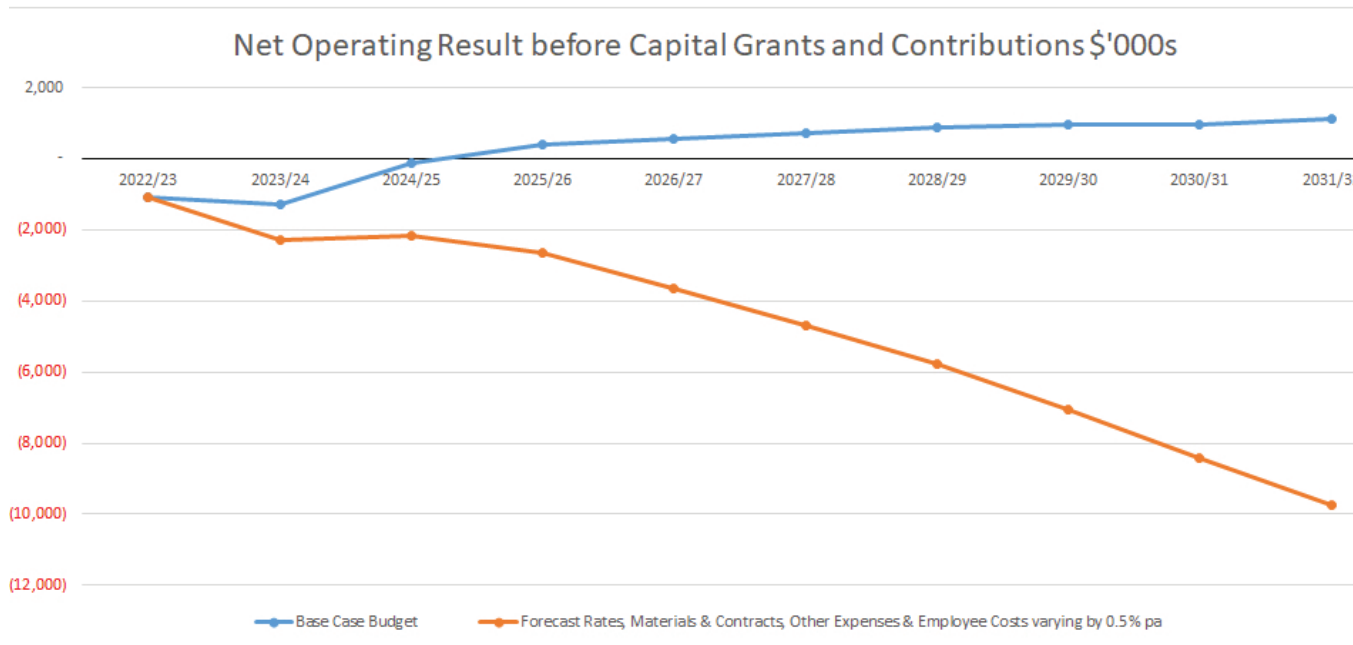
Materials, Contracts and Other Expenses

Our base case budget uses an inflation rate range of 2.0% to 2.5%, however, fluctuating market conditions could affect the price of certain Materials and Contracts. The chart shows the impact of a 0.5% pa increase in Material, Contracts and Other Expenses above the CPI. The budget would remain in deficit for each year of the Long Term Financial Plan



Combined Impact

The chart shows the combined impact rates, materials and contracts, other expenses and employee costs varying by 0.5% per annum and would see the budget fall into increasing deficit from 2023/24.

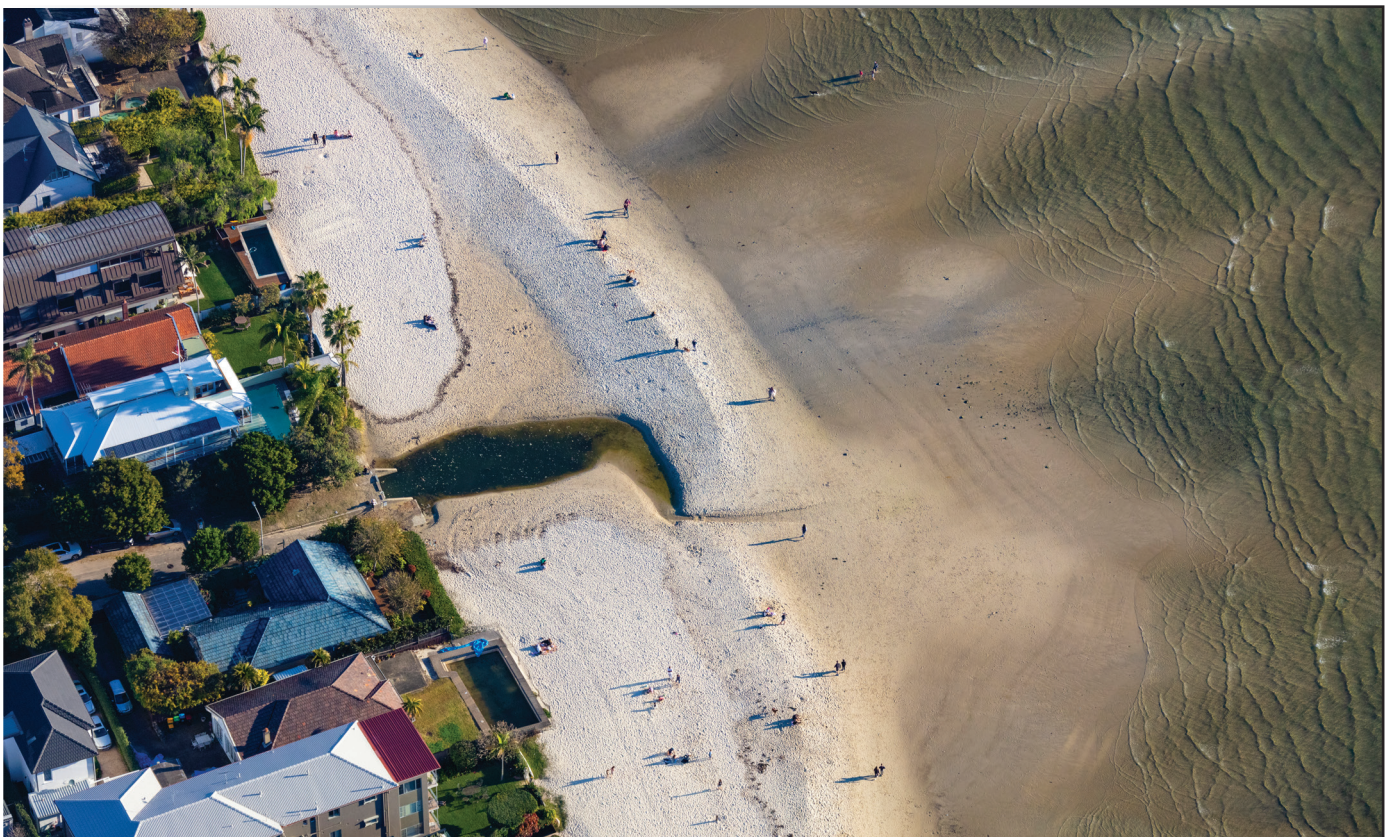


Have Your Say

Council's **Draft Long Term Financial Plan 2022/23 to 2031/32** will be placed on formal public exhibition from 6 April to 15 May 2022. Members of the community are invited to make public submissions expressing their views on the draft plan during the public exhibition period to be considered by Council.

Public submissions received during the exhibition period will be considered by Council in June 2022. The Plan will be adopted by Council, coming into effect 1 July 2022. To continue to engage with Council and to have your say you can:

- Go to Council's website
www.woollahra.nsw.gov.au
- Email council at
records@woollahra.nsw.gov.au



Aerial view of Rose Bay beach

(i) Scenario 1 - Base Case

Woollahra Municipal Council 10 Year Financial Plan for the Years ending 30 June 2032

INCOME STATEMENT Scenario 1: Base Case

	Current Year Forecast	Projected Years									
	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s	2031/32 \$'000s
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	57,921	59,119	60,597	62,112	63,665	65,257	66,888	68,560	70,274	72,031	73,832
User Charges & Fees	10,720	12,863	13,618	14,893	15,198	15,511	15,831	16,159	16,494	16,838	17,190
Other Revenues	8,979	10,602	10,814	11,030	11,251	11,476	11,705	11,939	12,178	12,421	12,670
Grants & Contributions provided for Operating Purposes	5,372	4,864	4,961	5,061	5,162	5,265	5,370	5,478	5,587	5,699	5,813
Grants & Contributions provided for Capital Purposes	13,114	3,400	3,454	3,509	3,565	3,622	3,681	3,740	3,801	3,863	3,927
Interest & Investment Revenue	493	491	498	529	570	613	658	714	769	837	915
Other Income:											
Fair value increment on investment properties	1,100	1,100	-	-	-	-	-	-	-	-	-
Other Income	14,693	16,710	17,045	17,386	17,733	18,088	18,450	18,819	19,195	19,579	19,971
Total Income from Continuing Operations	112,393	109,149	110,987	114,519	117,144	119,832	122,583	125,410	128,299	131,270	134,317
Expenses from Continuing Operations											
Employee Benefits & On-Costs	47,235	46,145	47,361	48,865	50,103	51,606	53,155	54,749	56,392	58,084	59,826
Borrowing Costs	2,061	1,939	1,809	1,701	1,593	1,490	1,388	1,274	1,160	1,055	968
Materials & Contracts	37,956	39,550	40,341	41,148	41,971	42,916	43,881	44,868	45,990	47,140	48,318
Depreciation & Amortisation	14,250	14,195	14,227	14,254	14,284	14,313	14,342	14,371	14,400	14,429	14,336
Other Expenses	3,823	3,705	3,779	3,855	3,932	4,020	4,111	4,203	4,308	4,416	4,526
Net Losses from the Disposal of Assets	761	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309
Total Expenses from Continuing Operations	106,086	106,843	108,827	111,132	113,192	115,654	118,185	120,775	123,560	126,433	129,284
Net Operating Result for the Year	6,306	2,306	2,160	3,387	3,952	4,177	4,398	4,635	4,740	4,837	5,033
Net Operating Result before Grants and Contributions provided for Capital Purposes	(6,808)	(1,094)	(1,293)	(122)	387	555	717	894	939	973	1,106
Financial Flexibility			(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
			(2,793)	(1,622)	(1,113)	(945)	(783)	(606)	(561)	(527)	(394)

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2032

BALANCE SHEET Scenario 1: Base Case	Current Year Forecast	Projected Years									
	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s	2031/32 \$'000s
ASSETS											
Current Assets											
Cash & Cash Equivalents	10,733	10,302	9,235	9,229	10,818	11,328	11,041	11,309	11,009	11,501	12,003
Investments	52,402	50,299	50,299	50,299	50,299	51,607	53,906	55,216	57,798	60,379	63,017
Receivables	6,843	6,246	6,389	6,589	6,704	6,824	6,948	7,071	7,202	7,341	7,484
Inventories	333	347	354	361	368	377	385	394	404	414	424
Contract assets	809	809	809	809	809	809	809	809	809	809	809
Other	676	700	714	728	742	759	776	794	813	834	855
Total Current Assets	71,796	68,703	67,800	68,015	69,741	71,703	73,865	75,592	78,035	81,278	84,592
Non-Current Assets											
Receivables	106	109	111	114	117	120	123	126	129	132	136
Infrastructure, Property, Plant & Equipment	927,575	928,135	928,664	929,165	929,637	930,080	930,494	930,879	931,234	931,561	931,858
Investment Property	169,550	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650
Right of use assets	205	205	83	757	635	512	390	267	145	22	22
Other	1,075	1,113	1,135	1,158	1,181	1,208	1,235	1,263	1,294	1,327	1,360
Total Non-Current Assets	1,098,512	1,100,212	1,100,643	1,101,845	1,102,220	1,102,570	1,102,892	1,103,185	1,103,452	1,103,692	1,104,026
TOTAL ASSETS	1,170,308	1,168,915	1,168,443	1,169,859	1,171,961	1,174,274	1,176,756	1,178,777	1,181,487	1,184,970	1,188,618
LIABILITIES											
Current Liabilities											
Payables	40,440	40,009	40,111	40,243	40,327	40,451	40,578	40,709	40,854	41,004	41,159
Income received in advance	1,528	1,834	1,942	2,123	2,167	2,212	2,257	2,304	2,352	2,401	2,451
Contract liabilities	1,331	595	606	617	629	640	652	664	676	689	701
Lease liabilities	94	138	45	74	73	76	80	80	82	85	89
Borrowings	3,664	3,794	3,476	3,073	3,172	3,267	3,384	3,491	2,867	2,949	3,035
Provisions	15,331	16,187	17,078	18,005	18,971	19,979	21,028	22,122	23,260	24,444	25,677
Total Current Liabilities	62,388	62,558	63,258	64,135	65,339	66,625	67,980	69,369	70,091	71,573	73,111
Non-Current Liabilities											
Payables	157	314	471	-	157	314	471	-	157	314	471
Contract liabilities	377	168	171	175	178	181	184	188	191	195	198
Lease liabilities	99	48	4	666	593	517	438	358	276	190	101
Borrowings	60,315	56,521	53,044	49,971	46,799	43,532	40,148	36,657	33,790	30,841	27,806
Provisions	492	520	548	578	609	642	676	711	748	786	826
Total Non-Current Liabilities	61,439	57,571	54,239	51,391	48,337	45,186	41,916	37,913	35,162	32,326	29,402
TOTAL LIABILITIES	123,828	120,129	117,497	115,526	113,676	111,811	109,896	107,282	105,252	103,899	102,514
Net Assets	1,046,480	1,048,786	1,050,947	1,054,333	1,058,285	1,062,462	1,066,860	1,071,495	1,076,235	1,081,071	1,086,104
EQUITY											
Retained Earnings	552,426	554,732	556,893	560,279	564,231	568,408	572,806	577,441	582,181	587,017	592,050
Revaluation Reserves	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054
Total Equity	1,046,480	1,048,786	1,050,947	1,054,333	1,058,285	1,062,462	1,066,860	1,071,495	1,076,235	1,081,071	1,086,104

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2032

CASH FLOW STATEMENT
Scenario 1: Base Case

	Current Year	Projected Years									
	Forecast 2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	57,467	59,074	60,542	62,055	63,607	65,197	66,827	68,497	70,210	71,965	73,764
User Charges & Fees	10,754	13,023	13,675	14,988	15,221	15,534	15,855	16,183	16,520	16,864	17,216
Investment & Interest Revenue Received	305	522	495	524	554	594	638	697	747	809	886
Grants & Contributions	17,319	8,040	8,419	8,573	8,730	8,891	9,055	9,222	9,392	9,566	9,744
Other	23,492	27,233	27,808	28,348	28,947	29,526	30,116	30,718	31,333	31,959	32,598
Payments:											
Employee Benefits & On-Costs	(46,476)	(45,286)	(46,421)	(47,882)	(49,085)	(50,541)	(52,045)	(53,594)	(55,189)	(56,832)	(58,525)
Materials & Contracts	(37,850)	(39,508)	(40,315)	(41,122)	(41,944)	(42,884)	(43,849)	(44,836)	(45,953)	(47,102)	(48,280)
Borrowing Costs	(2,329)	(1,947)	(1,817)	(1,708)	(1,600)	(1,497)	(1,395)	(1,281)	(1,168)	(1,061)	(975)
Other	(3,769)	(3,540)	(3,577)	(4,280)	(3,728)	(3,814)	(3,903)	(4,623)	(4,097)	(4,203)	(4,312)
Net Cash provided (or used in) Operating Activities	18,912	17,611	18,808	19,495	20,701	21,006	21,298	20,985	21,795	21,965	22,118
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	16,222	2,103	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	947	763	676	676	676	676	676	676	676	676	676
Purchase of Investment Securities	-	-	-	-	-	(1,307)	(2,299)	(1,310)	(2,582)	(2,582)	(2,638)
Purchase of Infrastructure, Property, Plant & Equipment	(33,469)	(17,116)	(16,618)	(16,596)	(16,641)	(16,618)	(16,618)	(16,618)	(16,618)	(16,618)	(16,618)
Net Cash provided (or used in) Investing Activities	(16,300)	(14,250)	(15,943)	(15,920)	(15,965)	(17,250)	(18,242)	(17,253)	(18,524)	(18,525)	(18,580)
Cash Flows from Financing Activities											
Payments:											
Repayment of Borrowings & Advances	(3,531)	(3,664)	(3,794)	(3,476)	(3,073)	(3,172)	(3,267)	(3,384)	(3,491)	(2,867)	(2,949)
Repayment of lease liabilities (principal repayments)	(133)	(128)	(138)	(105)	(74)	(73)	(76)	(80)	(80)	(82)	(85)
Net Cash Flow provided (used in) Financing Activities	(3,664)	(3,792)	(3,932)	(3,582)	(3,147)	(3,245)	(3,344)	(3,464)	(3,571)	(2,949)	(3,035)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,052)	(431)	(1,067)	(6)	1,589	510	(287)	268	(300)	492	502
plus: Cash & Cash Equivalents - beginning of year	11,785	10,733	10,302	9,235	9,229	10,818	11,328	11,041	11,309	11,009	11,501
Cash & Cash Equivalents - end of the year	10,733	10,302	9,235	9,229	10,818	11,328	11,041	11,309	11,009	11,501	12,003
Cash & Cash Equivalents - end of the year	10,733	10,302	9,235	9,229	10,818	11,328	11,041	11,309	11,009	11,501	12,003
Investments - end of the year	52,402	50,299	50,299	50,299	50,299	51,607	53,906	55,216	57,798	60,379	63,017
Cash, Cash Equivalents & Investments - end of the year	63,135	60,602	59,534	59,528	61,117	62,935	64,947	66,525	68,807	71,880	75,021
Representing:											
- External Restrictions	7,590	6,011	4,926	5,015	5,104	5,193	5,282	5,371	5,460	5,549	5,638
- Internal Restrictions	50,927	50,731	50,535	50,340	50,144	49,949	49,753	49,558	49,362	49,166	48,971
- Unrestricted	4,618	3,859	4,073	4,173	5,869	7,793	9,912	11,597	13,985	17,165	20,412
	63,135	60,602	59,534	59,528	61,117	62,935	64,947	66,525	68,807	71,880	75,021

(ii) Scenario 2 - SRV Option 1

Woollahra Municipal Council 10 Year Financial Plan for the Years ending 30 June 2032

INCOME STATEMENT

Scenario 2: SRV Option 2

	Current Year	Projected Years									
	Forecast	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	2021/22	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	57,921	59,119	61,540	64,069	66,710	68,378	70,087	71,839	73,635	75,476	77,363
User Charges & Fees	10,720	12,863	13,618	14,893	15,198	15,511	15,831	16,159	16,494	16,838	17,190
Other Revenues	8,979	10,602	10,814	11,030	11,251	11,476	11,705	11,939	12,178	12,421	12,670
Grants & Contributions provided for Operating Purposes	5,372	4,864	4,961	5,061	5,162	5,265	5,370	5,478	5,587	5,699	5,813
Grants & Contributions provided for Capital Purposes	13,114	3,400	3,454	3,509	3,565	3,622	3,681	3,740	3,801	3,863	3,927
Interest & Investment Revenue	493	491	498	529	570	613	658	714	769	837	915
Other Income:											
Fair value increment on investment properties	1,100	1,100	-	-	-	-	-	-	-	-	-
Other Income	14,693	16,710	17,045	17,386	17,733	18,088	18,450	18,819	19,195	19,579	19,971
Total Income from Continuing Operations	112,393	109,149	111,930	116,476	120,189	122,953	125,782	128,689	131,661	134,715	137,848
Expenses from Continuing Operations											
Employee Benefits & On-Costs	47,235	46,145	47,861	49,376	50,639	52,158	53,723	55,334	56,994	58,704	60,465
Borrowing Costs	2,061	1,939	1,809	1,701	1,593	1,490	1,388	1,274	1,160	1,055	968
Materials & Contracts	37,956	39,550	41,441	42,851	43,169	44,171	44,673	45,698	46,860	48,046	49,262
Depreciation & Amortisation	14,250	14,195	14,227	14,268	14,314	14,356	14,380	14,403	14,427	14,452	14,354
Other Expenses	3,823	3,705	3,779	3,855	3,932	4,020	4,111	4,203	4,308	4,416	4,526
Net Losses from the Disposal of Assets	761	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309
Total Expenses from Continuing Operations	106,086	106,843	110,427	113,359	114,956	117,504	119,583	122,222	125,059	127,982	130,885
Net Operating Result for the Year	6,306	2,306	1,503	3,116	5,233	5,448	6,199	6,467	6,602	6,732	6,963
Net Operating Result before Grants and Contributions provided for Capital Purposes	(6,808)	(1,094)	(1,951)	(393)	1,668	1,826	2,518	2,727	2,800	2,869	3,037
Financial Flexibility			(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Funding New Capital Works			(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)
			(4,701)	(3,143)	(1,082)	(924)	(232)	(23)	50	119	287

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2032

BALANCE SHEET Scenario 2: SRV Option 2	Current Year	Projected Years									
	Forecast	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	2021/22	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
ASSETS											
Current Assets											
Cash & Cash Equivalents	10,733	10,908	10,287	7,222	8,020	9,851	10,071	10,435	10,327	10,964	11,617
Investments	52,402	49,693	46,862	46,862	46,862	46,862	49,172	50,946	54,216	57,562	60,988
Receivables	6,843	6,246	6,412	6,633	6,789	6,912	7,043	7,174	7,315	7,465	7,618
Inventories	333	347	364	376	379	388	392	401	411	422	432
Contract assets	809	809	809	809	809	809	809	809	809	809	809
Other	676	700	731	755	762	779	789	807	828	848	870
Total Current Assets	71,796	68,703	65,465	62,657	63,621	65,601	68,277	70,572	73,906	78,070	82,335
Non-Current Assets											
Receivables	106	109	113	118	123	126	129	132	135	139	142
Infrastructure, Property, Plant & Equipment	927,575	928,135	930,414	933,702	936,193	937,893	939,569	941,222	942,550	943,854	945,134
Investment Property	169,550	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650
Right of use assets	205	205	83	757	635	512	390	267	145	22	22
Other	1,075	1,113	1,164	1,202	1,212	1,240	1,255	1,284	1,317	1,350	1,384
Total Non-Current Assets	1,098,512	1,100,212	1,102,423	1,106,429	1,108,813	1,110,421	1,111,993	1,113,555	1,114,797	1,116,015	1,117,332
TOTAL ASSETS	1,170,308	1,168,915	1,167,888	1,169,086	1,172,434	1,176,023	1,180,271	1,184,127	1,188,703	1,194,085	1,199,667
LIABILITIES											
Current Liabilities											
Payables	40,440	40,009	40,213	40,398	40,446	40,576	40,666	40,800	40,949	41,103	41,262
Income received in advance	1,528	1,834	1,942	2,123	2,167	2,212	2,257	2,304	2,352	2,401	2,451
Contract liabilities	1,331	595	606	617	629	640	652	664	676	689	701
Lease liabilities	94	138	45	74	73	76	80	80	82	85	89
Borrowings	3,664	3,794	3,476	3,073	3,172	3,267	3,384	3,491	2,867	2,949	3,035
Provisions	15,331	16,187	17,078	18,005	18,971	19,979	21,028	22,122	23,260	24,444	25,677
Total Current Liabilities	62,388	62,558	63,360	64,290	65,458	66,750	68,068	69,461	70,186	71,672	73,214
Non-Current Liabilities											
Payables	157	314	471	-	157	314	471	-	157	314	471
Contract liabilities	377	168	171	175	178	181	184	188	191	195	198
Lease liabilities	99	48	4	666	593	517	438	358	276	190	101
Borrowings	60,315	56,521	53,044	49,971	46,799	43,532	40,148	36,657	33,790	30,841	27,806
Provisions	492	520	548	578	609	642	676	711	748	786	826
Total Non-Current Liabilities	61,439	57,571	54,239	51,391	48,337	45,186	41,916	37,913	35,162	32,326	29,402
TOTAL LIABILITIES	123,828	120,129	117,599	115,681	113,795	111,936	109,984	107,374	105,348	103,998	102,617
Net Assets	1,046,480	1,048,786	1,050,290	1,053,406	1,058,639	1,064,087	1,070,286	1,076,753	1,083,355	1,090,087	1,097,051
EQUITY											
Retained Earnings	552,426	554,732	556,236	559,352	564,585	570,033	576,232	582,699	589,301	596,033	602,997
Revaluation Reserves	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054
Total Equity	1,046,480	1,048,786	1,050,290	1,053,406	1,058,639	1,064,087	1,070,286	1,076,753	1,083,355	1,090,087	1,097,051

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2032

CASH FLOW STATEMENT
Scenario 2: SRV Option 2

	Current Year	Projected Years									
	Forecast 2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	57,467	59,074	61,449	63,974	66,611	68,315	70,023	71,773	73,568	75,407	77,292
User Charges & Fees	10,754	13,023	13,675	14,988	15,221	15,534	15,855	16,183	16,520	16,864	17,216
Investment & Interest Revenue Received	305	522	510	543	557	594	634	693	740	802	879
Grants & Contributions	17,319	8,040	8,419	8,573	8,730	8,891	9,055	9,222	9,392	9,566	9,744
Other	23,492	27,233	27,808	28,348	28,947	29,526	30,116	30,718	31,333	31,959	32,598
Payments:											
Employee Benefits & On-Costs	(46,476)	(45,286)	(46,911)	(48,393)	(49,620)	(51,092)	(52,612)	(54,178)	(55,791)	(57,452)	(59,163)
Materials & Contracts	(37,850)	(39,508)	(41,383)	(42,807)	(43,157)	(44,138)	(44,655)	(45,664)	(46,822)	(48,007)	(49,223)
Borrowing Costs	(2,329)	(1,947)	(1,817)	(1,708)	(1,600)	(1,497)	(1,395)	(1,281)	(1,168)	(1,061)	(975)
Other	(3,769)	(3,540)	(3,577)	(4,280)	(3,728)	(3,814)	(3,903)	(4,623)	(4,097)	(4,203)	(4,312)
Net Cash provided (or used in) Operating Activities	18,912	17,611	18,172	19,237	21,960	22,319	23,117	22,844	23,675	23,875	24,057
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	16,222	2,709	2,832	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	947	763	676	676	676	676	676	676	676	676	676
Purchase of Investment Securities	-	-	-	-	-	-	(2,311)	(1,774)	(3,270)	(3,346)	(3,427)
Purchase of Infrastructure, Property, Plant & Equipment	(33,469)	(17,116)	(18,368)	(19,396)	(18,691)	(17,918)	(17,918)	(17,918)	(17,618)	(17,618)	(17,618)
Net Cash provided (or used in) Investing Activities	(16,300)	(13,644)	(14,861)	(18,720)	(18,015)	(17,243)	(19,553)	(19,017)	(20,213)	(20,288)	(20,369)
Cash Flows from Financing Activities											
Payments:											
Repayment of Borrowings & Advances	(3,531)	(3,664)	(3,794)	(3,476)	(3,073)	(3,172)	(3,267)	(3,384)	(3,491)	(2,867)	(2,949)
Repayment of lease liabilities (principal repayments)	(133)	(128)	(138)	(105)	(74)	(73)	(76)	(80)	(80)	(82)	(85)
Net Cash Flow provided (used in) Financing Activities	(3,664)	(3,792)	(3,932)	(3,582)	(3,147)	(3,245)	(3,344)	(3,464)	(3,571)	(2,949)	(3,035)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,052)	175	(622)	(3,064)	798	1,831	220	363	(108)	637	653
plus: Cash & Cash Equivalents - beginning of year	11,785	10,733	10,908	10,287	7,222	8,020	9,851	10,071	10,435	10,327	10,964
Cash & Cash Equivalents - end of the year	10,733	10,908	10,287	7,222	8,020	9,851	10,071	10,435	10,327	10,964	11,617
Cash & Cash Equivalents - end of the year	10,733	10,908	10,287	7,222	8,020	9,851	10,071	10,435	10,327	10,964	11,617
Investments - end of the year	52,402	49,693	46,862	46,862	46,862	46,862	49,172	50,946	54,216	57,562	60,988
Cash, Cash Equivalents & Investments - end of the year	63,135	60,602	57,148	54,084	54,882	56,713	59,244	61,381	64,543	68,526	72,605
Representing:											
- External Restrictions	7,590	6,011	4,926	5,021	5,116	5,212	5,307	5,403	5,498	5,594	5,690
- Internal Restrictions	50,927	50,731	50,535	48,640	47,816	47,621	47,425	47,230	46,406	46,210	46,015
- Unrestricted	4,618	3,859	1,687	423	1,949	3,881	6,511	8,749	12,639	16,722	20,900
	63,135	60,602	57,148	54,084	54,882	56,713	59,244	61,381	64,543	68,526	72,605

(iii) Scenario 3 - SRV Option 2

Woollahra Municipal Council 10 Year Financial Plan for the Years ending 30 June 2032

INCOME STATEMENT Scenario 3: SRV Option 3

	Current Year Forecast	Projected Years									
	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s	2031/32 \$'000s
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	57,921	59,119	62,483	66,072	69,903	71,651	73,442	75,278	77,160	79,089	81,067
User Charges & Fees	10,720	12,863	13,618	14,893	15,198	15,511	15,831	16,159	16,494	16,838	17,190
Other Revenues	8,979	10,602	10,814	11,030	11,251	11,476	11,705	11,939	12,178	12,421	12,670
Grants & Contributions provided for Operating Purposes	5,372	4,864	4,961	5,061	5,162	5,265	5,370	5,478	5,587	5,699	5,813
Grants & Contributions provided for Capital Purposes	13,114	3,400	3,454	3,509	3,565	3,622	3,681	3,740	3,801	3,863	3,927
Interest & Investment Revenue	493	491	498	529	570	613	658	714	769	837	915
Other Income:											
Fair value increment on investment properties	1,100	1,100	-	-	-	-	-	-	-	-	-
Other Income	14,693	16,710	17,045	17,386	17,733	18,088	18,450	18,819	19,195	19,579	19,971
Total Income from Continuing Operations	112,393	109,149	112,873	118,479	123,383	126,226	129,137	132,128	135,186	138,328	141,552
Expenses from Continuing Operations											
Employee Benefits & On-Costs	47,235	46,145	47,861	49,376	50,639	52,158	53,723	55,334	56,994	58,704	60,465
Borrowing Costs	2,061	1,939	1,809	1,701	1,593	1,490	1,388	1,274	1,160	1,055	968
Materials & Contracts	37,956	39,550	41,441	42,851	43,169	44,171	44,673	45,698	46,860	48,046	49,262
Depreciation & Amortisation	14,250	14,195	14,227	14,268	14,314	14,356	14,380	14,403	14,427	14,452	14,354
Other Expenses	3,823	3,705	3,779	3,855	3,932	4,020	4,111	4,203	4,308	4,416	4,526
Net Losses from the Disposal of Assets	761	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309
Total Expenses from Continuing Operations	106,086	106,843	110,427	113,359	114,956	117,504	119,583	122,222	125,059	127,982	130,885
Net Operating Result for the Year	6,306	2,306	2,446	5,120	8,427	8,721	9,554	9,906	10,127	10,345	10,667
Net Operating Result before Grants and Contributions provided for Capital Purposes	(6,808)	(1,094)	(1,008)	1,611	4,862	5,099	5,873	6,166	6,325	6,482	6,740
Financial Flexibility			(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Funding New Capital Works			(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)
			(3,758)	(1,139)	2,112	2,349	3,123	3,416	3,575	3,732	3,990

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2032

BALANCE SHEET Scenario 3: SRV Option 3	Current Year	Projected Years									
	Forecast										
	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s	2031/32 \$'000s
ASSETS											
Current Assets											
Cash & Cash Equivalents	10,733	10,908	10,448	9,330	13,250	11,866	12,203	13,146	13,438	14,649	15,889
Investments	52,402	49,693	47,598	47,598	47,598	54,058	59,579	64,184	70,550	76,905	83,417
Receivables	6,843	6,246	6,460	6,741	6,971	7,122	7,281	7,440	7,611	7,791	7,975
Inventories	333	347	364	376	379	388	392	401	411	422	432
Contract assets	809	809	809	809	809	809	809	809	809	809	809
Other	676	700	731	755	762	779	789	807	828	848	870
Total Current Assets	71,796	68,703	66,410	65,609	69,768	75,022	81,053	86,787	93,646	101,424	109,392
Non-Current Assets											
Receivables	106	109	115	121	128	132	135	138	142	145	149
Infrastructure, Property, Plant & Equipment	927,575	928,135	930,414	933,702	936,193	937,893	939,569	941,222	942,550	943,854	945,134
Investment Property	169,550	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650
Right of use assets	205	205	83	757	635	512	390	267	145	22	22
Other	1,075	1,113	1,164	1,202	1,212	1,240	1,255	1,284	1,317	1,350	1,384
Total Non-Current Assets	1,098,512	1,100,212	1,102,425	1,106,433	1,108,819	1,110,427	1,112,000	1,113,562	1,114,804	1,116,022	1,117,339
TOTAL ASSETS	1,170,308	1,168,915	1,168,835	1,172,041	1,178,587	1,185,450	1,193,053	1,200,349	1,208,450	1,217,446	1,226,731
LIABILITIES											
Current Liabilities											
Payables	40,440	40,009	40,217	40,406	40,459	40,589	40,680	40,815	40,964	41,118	41,277
Income received in advance	1,528	1,834	1,942	2,123	2,167	2,212	2,257	2,304	2,352	2,401	2,451
Contract liabilities	1,331	595	606	617	629	640	652	664	676	689	701
Lease liabilities	94	138	45	74	73	76	80	80	82	85	89
Borrowings	3,664	3,794	3,476	3,073	3,172	3,267	3,384	3,491	2,867	2,949	3,035
Provisions	15,331	16,187	17,078	18,005	18,971	19,979	21,028	22,122	23,260	24,444	25,677
Total Current Liabilities	62,388	62,558	63,364	64,298	65,471	66,763	68,082	69,475	70,201	71,687	73,230
Non-Current Liabilities											
Payables	157	314	471	-	157	314	471	-	157	314	471
Contract liabilities	377	168	171	175	178	181	184	188	191	195	198
Lease liabilities	99	48	4	666	593	517	438	358	276	190	101
Borrowings	60,315	56,521	53,044	49,971	46,799	43,532	40,148	36,657	33,790	30,841	27,806
Provisions	492	520	548	578	609	642	676	711	748	786	826
Total Non-Current Liabilities	61,439	57,571	54,239	51,391	48,337	45,186	41,916	37,913	35,162	32,326	29,402
TOTAL LIABILITIES	123,828	120,129	117,602	115,689	113,808	111,949	109,998	107,388	105,363	104,013	102,632
Net Assets	1,046,480	1,048,786	1,051,232	1,056,352	1,064,779	1,073,500	1,083,054	1,092,961	1,103,087	1,113,433	1,124,099
EQUITY											
Retained Earnings	552,426	554,732	557,178	562,298	570,725	579,446	589,000	598,907	609,033	619,379	630,045
Revaluation Reserves	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054
Total Equity	1,046,480	1,048,786	1,051,232	1,056,352	1,064,779	1,073,500	1,083,054	1,092,961	1,103,087	1,113,433	1,124,099

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2032

CASH FLOW STATEMENT
Scenario 3: SRV Option 3

	Current Year	Projected Years									
	Forecast	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	2021/22	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	57,467	59,074	62,357	65,937	69,759	71,585	73,375	75,209	77,090	79,017	80,992
User Charges & Fees	10,754	13,023	13,675	14,988	15,221	15,534	15,855	16,183	16,520	16,864	17,216
Investment & Interest Revenue Received	305	522	500	526	530	570	609	667	714	775	852
Grants & Contributions	17,319	8,040	8,419	8,573	8,730	8,891	9,055	9,222	9,392	9,566	9,744
Other	23,492	27,233	27,808	28,348	28,947	29,526	30,116	30,718	31,333	31,959	32,598
Payments:											
Employee Benefits & On-Costs	(46,476)	(45,286)	(46,911)	(48,393)	(49,620)	(51,092)	(52,612)	(54,178)	(55,791)	(57,452)	(59,163)
Materials & Contracts	(37,850)	(39,508)	(41,383)	(42,807)	(43,157)	(44,138)	(44,655)	(45,664)	(46,822)	(48,007)	(49,223)
Borrowing Costs	(2,329)	(1,947)	(1,817)	(1,708)	(1,600)	(1,497)	(1,395)	(1,281)	(1,168)	(1,061)	(975)
Other	(3,769)	(3,540)	(3,577)	(4,280)	(3,728)	(3,814)	(3,903)	(4,623)	(4,097)	(4,203)	(4,312)
Net Cash provided (or used in) Operating Activities	18,912	17,611	19,069	21,183	25,082	25,565	26,444	26,254	27,171	27,458	27,729
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	16,222	2,709	2,096	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	947	763	676	676	676	676	676	676	676	676	676
Purchase of Investment Securities	-	-	-	-	-	(6,461)	(5,521)	(4,605)	(6,366)	(6,356)	(6,512)
Purchase of Infrastructure, Property, Plant & Equipment	(33,469)	(17,116)	(18,368)	(19,396)	(18,691)	(17,918)	(17,918)	(17,918)	(17,618)	(17,618)	(17,618)
Net Cash provided (or used in) Investing Activities	(16,300)	(13,644)	(15,597)	(18,720)	(18,015)	(23,703)	(22,764)	(21,847)	(23,308)	(23,298)	(23,454)
Cash Flows from Financing Activities											
Payments:											
Repayment of Borrowings & Advances	(3,531)	(3,664)	(3,794)	(3,476)	(3,073)	(3,172)	(3,267)	(3,384)	(3,491)	(2,867)	(2,949)
Repayment of lease liabilities (principal repayments)	(133)	(128)	(138)	(105)	(74)	(73)	(76)	(80)	(80)	(82)	(85)
Net Cash Flow provided (used in) Financing Activities	(3,664)	(3,792)	(3,932)	(3,582)	(3,147)	(3,245)	(3,344)	(3,464)	(3,571)	(2,949)	(3,035)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,052)	175	(460)	(1,118)	3,920	(1,383)	337	943	292	1,211	1,240
plus: Cash & Cash Equivalents - beginning of year	11,785	10,733	10,908	10,448	9,330	13,250	11,866	12,203	13,146	13,438	14,649
Cash & Cash Equivalents - end of the year	10,733	10,908	10,448	9,330	13,250	11,866	12,203	13,146	13,438	14,649	15,889
Cash & Cash Equivalents - end of the year	10,733	10,908	10,448	9,330	13,250	11,866	12,203	13,146	13,438	14,649	15,889
Investments - end of the year	52,402	49,693	47,598	47,598	47,598	54,058	59,579	64,184	70,550	76,905	83,417
Cash, Cash Equivalents & Investments - end of the year	63,135	60,602	58,046	56,927	60,847	65,925	71,782	77,330	83,988	91,554	99,306
Representing:											
- External Restrictions	7,590	6,011	4,926	5,015	5,104	5,193	5,282	5,371	5,460	5,549	5,638
- Internal Restrictions	50,927	50,731	50,535	49,240	48,416	48,221	48,025	47,830	47,006	46,810	46,615
- Unrestricted	4,618	3,859	2,584	2,672	7,327	12,511	18,475	24,130	31,522	39,195	47,053
	63,135	60,602	58,046	56,927	60,847	65,925	71,782	77,330	83,988	91,554	99,306

(iv) Scenario 4 - SRV and Improve Option 3

Woollahra Municipal Council 10 Year Financial Plan for the Years ending 30 June 2032

INCOME STATEMENT

Scenario 4: SRV Option 4

	Current Year	Projected Years									
	Forecast	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	2021/22	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	57,921	59,119	64,369	68,100	69,802	71,547	73,336	75,169	77,048	78,975	80,949
User Charges & Fees	10,720	12,863	13,618	14,893	15,198	15,511	15,831	16,159	16,494	16,838	17,190
Other Revenues	8,979	10,602	10,814	11,030	11,251	11,476	11,705	11,939	12,178	12,421	12,670
Grants & Contributions provided for Operating Purposes	5,372	4,864	4,961	5,061	5,162	5,265	5,370	5,478	5,587	5,699	5,813
Grants & Contributions provided for Capital Purposes	13,114	3,400	3,454	3,509	3,565	3,622	3,681	3,740	3,801	3,863	3,927
Interest & Investment Revenue	493	491	498	529	570	613	658	714	769	837	915
Other Income:											
Fair value increment on investment properties	1,100	1,100	-	-	-	-	-	-	-	-	-
Other Income	14,693	16,710	17,045	17,386	17,733	18,088	18,450	18,819	19,195	19,579	19,971
Total Income from Continuing Operations	112,393	109,149	114,759	120,506	123,281	126,122	129,031	132,019	135,074	138,213	141,434
Expenses from Continuing Operations											
Employee Benefits & On-Costs	47,235	46,145	47,861	49,376	50,639	52,158	53,723	55,334	56,994	58,704	60,465
Borrowing Costs	2,061	1,939	1,809	1,701	1,593	1,490	1,388	1,274	1,160	1,055	968
Materials & Contracts	37,956	39,550	41,441	42,851	43,169	44,171	44,673	45,698	46,860	48,046	49,262
Depreciation & Amortisation	14,250	14,195	14,227	14,268	14,314	14,356	14,380	14,403	14,427	14,452	14,354
Other Expenses	3,823	3,705	3,779	3,855	3,932	4,020	4,111	4,203	4,308	4,416	4,526
Net Losses from the Disposal of Assets	761	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309
Total Expenses from Continuing Operations	106,086	106,843	110,427	113,359	114,956	117,504	119,583	122,222	125,059	127,982	130,885
Net Operating Result for the Year	6,306	2,306	4,332	7,147	8,325	8,618	9,448	9,797	10,015	10,231	10,549
Net Operating Result before Grants and Contributions provided for Capital Purposes	(6,808)	(1,094)	878	3,638	4,760	4,995	5,767	6,056	6,214	6,367	6,622
Financial Flexibility			(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Funding New Capital Works			(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)
			(1,872)	888	2,010	2,245	3,017	3,306	3,464	3,617	3,872

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2032

BALANCE SHEET Scenario 4: SRV Option 4	Current Year Forecast	Projected Years									
	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s	2031/32 \$'000s
ASSETS											
Current Assets											
Cash & Cash Equivalents	10,733	10,908	10,771	11,660	15,566	12,530	12,811	13,736	13,976	15,168	16,390
Investments	52,402	49,693	49,069	49,069	49,069	57,080	62,550	67,065	73,372	79,632	86,046
Receivables	6,843	6,246	6,555	6,856	6,994	7,144	7,303	7,461	7,631	7,810	7,993
Inventories	333	347	364	376	379	388	392	401	411	422	432
Contract assets	809	809	809	809	809	809	809	809	809	809	809
Other	676	700	731	755	762	779	789	807	828	848	870
Total Current Assets	71,796	68,703	68,300	69,526	73,580	78,730	84,654	90,279	97,026	104,689	112,540
Non-Current Assets											
Receivables	106	109	118	125	128	131	135	138	142	145	149
Infrastructure, Property, Plant & Equipment	927,575	928,135	930,414	933,702	936,193	937,893	939,569	941,222	942,550	943,854	945,134
Investment Property	169,550	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650	170,650
Right of use assets	205	205	83	757	635	512	390	267	145	22	22
Other	1,075	1,113	1,164	1,202	1,212	1,240	1,255	1,284	1,317	1,350	1,384
Total Non-Current Assets	1,098,512	1,100,212	1,102,428	1,106,436	1,108,819	1,110,427	1,111,999	1,113,561	1,114,803	1,116,022	1,117,339
TOTAL ASSETS	1,170,308	1,168,915	1,170,729	1,175,963	1,182,398	1,189,157	1,196,654	1,203,841	1,211,830	1,220,711	1,229,879
LIABILITIES											
Current Liabilities											
Payables	40,440	40,009	40,224	40,414	40,459	40,589	40,680	40,814	40,964	41,118	41,276
Income received in advance	1,528	1,834	1,942	2,123	2,167	2,212	2,257	2,304	2,352	2,401	2,451
Contract liabilities	1,331	595	606	617	629	640	652	664	676	689	701
Lease liabilities	94	138	45	74	73	76	80	80	82	85	89
Borrowings	3,664	3,794	3,476	3,073	3,172	3,267	3,384	3,491	2,867	2,949	3,035
Provisions	15,331	16,187	17,078	18,005	18,971	19,979	21,028	22,122	23,260	24,444	25,677
Total Current Liabilities	62,388	62,558	63,371	64,307	65,471	66,763	68,081	69,475	70,200	71,687	73,229
Non-Current Liabilities											
Payables	157	314	471	-	157	314	471	-	157	314	471
Contract liabilities	377	168	171	175	178	181	184	188	191	195	198
Lease liabilities	99	48	4	666	593	517	438	358	276	190	101
Borrowings	60,315	56,521	53,044	49,971	46,799	43,532	40,148	36,657	33,790	30,841	27,806
Provisions	492	520	548	578	609	642	676	711	748	786	826
Total Non-Current Liabilities	61,439	57,571	54,239	51,391	48,337	45,186	41,916	37,913	35,162	32,326	29,402
TOTAL LIABILITIES	123,828	120,129	117,610	115,697	113,808	111,949	109,998	107,388	105,362	104,013	102,631
Net Assets	1,046,480	1,048,786	1,053,118	1,060,265	1,068,590	1,077,208	1,086,656	1,096,453	1,106,467	1,116,698	1,127,247
EQUITY											
Retained Earnings	552,426	554,732	559,064	566,211	574,536	583,154	592,602	602,399	612,413	622,644	633,193
Revaluation Reserves	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054	494,054
Total Equity	1,046,480	1,048,786	1,053,118	1,060,265	1,068,590	1,077,208	1,086,656	1,096,453	1,106,467	1,116,698	1,127,247

Woollahra Municipal Council
10 Year Financial Plan for the Years ending 30 June 2032

CASH FLOW STATEMENT
Scenario 4: SRV Option 4

	Current Year Forecast	Projected Years									
	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s	2031/32 \$'000s
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	57,467	59,074	64,171	67,959	69,738	71,482	73,269	75,100	76,978	78,902	80,875
User Charges & Fees	10,754	13,023	13,675	14,988	15,221	15,534	15,855	16,183	16,520	16,864	17,216
Investment & Interest Revenue Received	305	522	480	511	537	571	609	668	715	776	853
Grants & Contributions	17,319	8,040	8,419	8,573	8,730	8,891	9,055	9,222	9,392	9,566	9,744
Other	23,492	27,233	27,808	28,348	28,947	29,526	30,116	30,718	31,333	31,959	32,588
Payments:											
Employee Benefits & On-Costs	(46,476)	(45,286)	(46,911)	(48,393)	(49,620)	(51,092)	(52,612)	(54,178)	(55,791)	(57,452)	(59,163)
Materials & Contracts	(37,850)	(39,508)	(41,383)	(42,807)	(43,157)	(44,138)	(44,655)	(45,664)	(46,822)	(48,007)	(49,223)
Borrowing Costs	(2,329)	(1,947)	(1,817)	(1,708)	(1,600)	(1,497)	(1,395)	(1,281)	(1,168)	(1,061)	(975)
Other	(3,769)	(3,540)	(3,577)	(4,280)	(3,728)	(3,814)	(3,903)	(4,623)	(4,097)	(4,203)	(4,312)
Net Cash provided (or used in) Operating Activities	18,912	17,611	20,864	23,190	25,068	25,461	26,338	26,146	27,060	27,344	27,613
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	16,222	2,709	624	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	947	763	676	676	676	676	676	676	676	676	676
Purchase of Investment Securities	-	-	-	-	-	(8,010)	(5,470)	(4,515)	(6,307)	(6,260)	(6,414)
Purchase of Infrastructure, Property, Plant & Equipment	(33,469)	(17,116)	(18,368)	(19,396)	(18,691)	(17,918)	(17,918)	(17,918)	(17,618)	(17,618)	(17,618)
Net Cash provided (or used in) Investing Activities	(16,300)	(13,644)	(17,069)	(18,720)	(18,015)	(25,253)	(22,713)	(21,757)	(23,250)	(23,203)	(23,356)
Cash Flows from Financing Activities											
Payments:											
Repayment of Borrowings & Advances	(3,531)	(3,664)	(3,794)	(3,476)	(3,073)	(3,172)	(3,267)	(3,384)	(3,491)	(2,867)	(2,949)
Repayment of lease liabilities (principal repayments)	(133)	(128)	(138)	(105)	(74)	(73)	(76)	(80)	(80)	(82)	(85)
Net Cash Flow provided (used in) Financing Activities	(3,664)	(3,792)	(3,932)	(3,582)	(3,147)	(3,245)	(3,344)	(3,464)	(3,571)	(2,949)	(3,035)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,052)	175	(137)	889	3,906	(3,037)	282	925	239	1,192	1,222
plus: Cash & Cash Equivalents - beginning of year	11,785	10,733	10,908	10,771	11,660	15,566	12,530	12,811	13,736	13,976	15,168
Cash & Cash Equivalents - end of the year	10,733	10,908	10,771	11,660	15,566	12,530	12,811	13,736	13,976	15,168	16,390
Cash & Cash Equivalents - end of the year	10,733	10,908	10,771	11,660	15,566	12,530	12,811	13,736	13,976	15,168	16,390
Investments - end of the year	52,402	49,693	49,069	49,069	49,069	57,080	62,550	67,065	73,372	79,632	86,046
Cash, Cash Equivalents & Investments - end of the year	63,135	60,602	59,841	60,729	64,636	69,609	75,362	80,801	87,348	94,800	102,435
Representing:											
- External Restrictions	7,590	6,011	4,926	5,015	5,104	5,193	5,282	5,371	5,460	5,549	5,638
- Internal Restrictions	50,927	50,731	50,535	49,240	48,416	48,221	48,025	47,830	47,006	46,810	46,615
- Unrestricted	4,618	3,859	4,379	6,474	11,115	16,196	22,054	27,600	34,882	42,441	50,183
	63,135	60,602	59,841	60,729	64,636	69,609	75,362	80,801	87,348	94,800	102,435

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