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# City of Adelaide 2022-23 Budget Review 1– Attachment A

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**September 2022**

Prepared for the City of Adelaide  
by Finance

# Quarterly Summary

## Proposed Budget Review 1

1. The proposed budget review continues to deliver an end of year operating surplus of \$87,000, which consists of:
  - a) Total estimated operating income of \$213.446 million.
  - b) Total estimated operating expenditure (including depreciation) of \$213.359 million.

Net changes as a result of the proposed budget review will see a reduction in the budget offset target from \$4.83M to \$4.05M.

2. Capital expenditure for:
  - a) Major Projects revised expenditure of \$38.9 million.
  - b) New and Upgrades revised expenditure of \$13.6 million.
  - c) Renewals revised expenditure of \$44.4 million.

Net changes as a result of carryovers and other adjustments is an increase in capital expenditure of \$6.160 million.

Further information regarding capital expenditure is included on Page 5.

3. Grant funding to support capital expenditure on new/upgraded assets has increased by \$7.69 million as a result of carryovers to \$22.6 million.
4. The above changes result in a reduction to Council's forecasted borrowings as at 30 June 2023 to \$28.0 million.

## 2022-23 Quarter 1 Financial Result (YTD Actuals)

1. The year-to-date operating position as at 30 September 2022 is an operating surplus of \$97.0 million which is \$0.8 million better compared to budget of \$96.2 million.
  - a) Total operating income of \$145.6 million
  - b) Total operating expenditure of \$48.6 million

This positive increase in operating surplus is a result of the recognition of rates declared effective from 1 July 2022.
2. Year-to-date Capital expenditure of \$9.5 million for the period to 30 September 2022, which is \$2.5 million less than the budget of \$12 million. 33 projects reached practical completion in Quarter 1.
3. Council had zero borrowings as at 30 September 2022.

# Uniform Presentation of Finances

## Explanation

The Uniform Presentation of Finances in Table 1 below provides the annual funding requirement to cover spend on operations and capital. It includes a breakdown of the key year-to-date variances against the original budget in operations, net outlays on existing assets and net outlays on new and upgraded assets, as well as the proposed Budget Review 1 changes.

**Table 1:**

\$'000s	2022-23 YTD Actuals	2022-23 YTD Budget	Variance	Full Year 2022-23 Budget	2022-23 Budget Review 1	Variance
Income	145,644	146,908	(1,264)	213,446	213,446	-
less Expenses	(48,611)	(50,722)	2,111	(213,359)	(213,359)	-
<b>Operating Surplus / (Deficit) before Capital Amounts</b>	<b>97,033</b>	<b>96,186</b>	<b>847</b>	<b>87</b>	<b>87</b>	<b>-</b>
<b>less Net Outlays on Existing Assets</b>						
Net Capital Expenditure on Renewal & Replacement of Existing Assets	(4,839)	(3,918)	(921)	(46,889)	(53,447)	(6,558)
Add back Depreciation, Amortisation and Impairment	14,759	13,552	(1,207)	57,264	57,264	-
Add back Proceeds from Sale of Replaced Assets	93	-	93	971	971	-
<b>Net Outlays on Existing Assets</b>	<b>10,013</b>	<b>9,634</b>	<b>379</b>	<b>11,346</b>	<b>4,788</b>	<b>(6,558)</b>
<b>less Net Outlays on New and Upgraded Assets</b>						
Net Capital Expenditure on New and Upgraded Assets	(4,643)	(8,152)	3,509	(53,136)	(52,739)	397
less Amounts received specifically for New and Upgraded Assets	-	3,733	(3,733)	14,932	22,622	7,690
less Proceeds from Sale of Assets	3,072	2,474	598	6,793	6,793	-
<b>Net Outlays on New and Upgraded Assets</b>	<b>(1,571)</b>	<b>(1,945)</b>	<b>374</b>	<b>(31,411)</b>	<b>(23,324)</b>	<b>8,087</b>
<b>Net Lending / (Borrowing) for the Financial Year</b>	<b>105,474</b>	<b>103,875</b>	<b>1,600</b>	<b>(19,979)</b>	<b>(18, 448)</b>	<b>1,530</b>

# Operating program

Item Explanation	Current Approved Budget \$'000	Budget Review 1 \$'000	Adjustment \$'000
<b>Rates</b> Reflects the final position for growth from new developments / alterations / additions 0.8%, as well as a reduction in the discretionary rebate through the 10% rates cap.	127,828	128,786	958
<b>Maintenance of Rundle Mall</b> The provision for cleansing and maintenance services provided by the City of Adelaide for Rundle Mall precinct are no longer being funded through the Rundle Mall Separate Levy.	(179)	-	(179)
<b>Budget Offset *</b> \$4.83m budget repair target in the 2022/23 Budget. For quarter 1, \$0.78 million has been identified towards this target.	4,825	4,046	(779)
<b>Total Adjustment</b>			<b>0</b>

## \*Budget Offset:

Council set a \$4.8 million budget offset to ensure delivery of a surplus operating position of \$87,000. The budget offset consists of the following items:

- Recovering revenue for commercial activities to the pre COVID-19 figures.
- Establishing revenue opportunities through new commercial opportunities and expansion of existing revenue streams.
- Implementing procurement efficiencies leveraging off our current contracts and streamlining new contracts.

# Capital program

## Adjustments

Item Explanation	Current Approved Budget \$'000	Budget Review 1 \$'000	Adjustment \$'000
<b>Renewals</b> Works of a capital nature that are replacing an existing asset like for like or like for modern equivalent.	40,837	44,413	3,577
<b>New and Upgrades</b> Works of a capital nature that are either introducing new assets or significantly upgrading existing assets. Usually by extending the footprint of an asset or increasing the level of service the asset provides.	13,702	13,563	(138)
<b>Major Projects</b> Significant works of a capital nature that are over the prudential limit, multi year or have significant grant funding being administered via a contractual deed.	36,203	38,924	2,722
<b>Capital Program Management</b> City of Adelaide resources applied to the delivery of the capital program	9,284	9,284	-
<b>Total Capital Expenditure</b>	<b>100,025</b>	<b>106,185</b>	<b>6,160</b>

### Summary of Adjustments

The adjustments in the table reflect changes to the existing funding allocated to projects since 2022-23 Adopted Business Plan and Budget.

Further information regarding the capital program is including in Attachment B

# Financial Indicators

The table below provides information about the key indicators of the Council's financial performance and financial position. A range of financial indicators have been included to support Council's strategic decision making by comparing the financial sustainability, asset sustainability, liquidity and capacity to respond in the context of the Long Term Financial Plan.

Financial Indicator	Explanation	Target	2022-23 Adopted	2022-23 BR1
<b>Operating Surplus Ratio</b>	Operating surplus as a percentage of operating revenue	0%-20%	0%	0%
<b>Net Financial Liabilities</b>	Financial liabilities and a percentage of operating income	Less than 80%	10%	5%
<b>Asset Sustainability Ratio</b>	Expenditure on asset renewals as a percentage of forecast required expenditure in the asset management plans	90%-110%	90%	90%
<b>Asset Test Ratio</b>	Borrowings as a percentage of total saleable property assets	Maximum 50%	12%	8%
<b>Interest Expense Ratio</b>	Number of times General Rates Revenue (less Landscape Levy) can service the annual interest expense	Maximum 10%	1.3%	1.4%
<b>Leverage Test Ratio</b>	Total borrowings relative to General Rates Revenue (Less Landscape Levy)	Maximum 1.5 years	0.3	0.2
<b>Cash Flow from Operations Ratio</b>	Operating income as a percentage of Operating Expenditure plus expenditure on renewal/replacement of assets	Greater than 100%	107%	103%
<b>Borrowings</b>	Total borrowings	Within Prudential Limits	37.8	28.1
			24%	17%
<b>Operating Position</b>	Operating Income less Expenditure	\$2M - \$10M	0.1m	0.1m
<b>Future Fund</b>	Proceeds from the sale of Council assets	N/A	24.8m	26.4m

# Treasury Reporting

The tables below present the borrowing information as required by Council's Treasury Policy.

- Table 2 shows the current borrowing facilities taken out by Council. Current borrowings as at 30 September 2022 are \$0.0M.
- Table 3 provides the prudential limit ratios as outlined in Council's Treasury Policy.

**Table 2:**

Borrowings Facility	Available	Interest Type	Interest Rate	Borrowing(s) Amount as at 30 September 2022	Change since previous report	Maturity Date	CAD Interest Rate
LGFA CAD 554	\$30m	Variable	3.10%	-	(\$8.0m)	16/12/2023	3.10%
LGFA CAD 555	\$70m	Variable	3.10%	-		15/06/2033	3.10%

\* Note CAD facilities are flexible and allows Council to convert all or part of it into a fixed rate interest only loan for a maximum of 5 years.

**Table 3:**

Prudential Limit Ratio	Comments	Limits	YTD Actual to September 2022
Interest Expense Ratio	Number of times annual General Rates Revenue (less Landscape Levy) can service the annual interest expense	Maximum 10%	0.01%
Leverage Test	Total borrowings relative to annual General Rates Revenue (Less Landscape Levy)	Max 1.5 years	0
Asset Test	The percentage of total borrowings to Council's saleable property assets.	Max 25%	0%

# Long Term Financial Plan

## Statement of Comprehensive Income

\$'000s	2021-22 Actuals	2022-23 Budget	2022-23 Budget Review 1	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan	2030-31 Plan	2031-32 Plan
<b>Income</b>												
Rates Revenues	121,350	123,661	124,619	128,818	133,175	139,505	144,126	149,052	154,240	159,378	164,751	170,182
Statutory Charges	10,208	11,896	11,896	12,174	12,463	12,760	13,055	13,369	13,700	14,018	14,350	14,678
User Charges	63,132	63,479	63,479	65,077	66,590	71,124	65,517	67,097	68,756	70,354	72,018	73,667
Grants, Subsidies and Contributions	9,375	10,907	10,907	4,454	4,218	3,980	4,072	4,170	4,273	4,372	4,476	4,578
Investment Income	341	70	70	1,221	73	75	77	79	81	82	84	86
Reimbursements	934	338	338	346	354	363	371	380	389	398	408	417
Other Income	366	3,095	2,137	2,186	2,238	2,292	2,345	2,401	2,460	2,518	2,577	2,636
<b>Total Income</b>	<b>205,705</b>	<b>213,446</b>	<b>213,446</b>	<b>214,277</b>	<b>219,112</b>	<b>230,098</b>	<b>229,562</b>	<b>236,547</b>	<b>243,899</b>	<b>251,122</b>	<b>258,663</b>	<b>266,246</b>
<b>Expenses</b>												
Employee Costs	69,092	74,745	74,745	76,874	78,992	81,099	78,826	80,945	83,347	85,971	88,732	91,677
Materials, Contracts & Other Expenses	77,791	78,844	78,844	75,783	77,573	79,933	78,481	80,373	82,361	84,276	86,268	88,244
Depreciation, Amortisation & Impairment	56,568	57,264	57,264	57,730	58,006	59,073	56,549	54,295	52,333	50,165	49,351	50,449
Finance Costs	1,277	2,506	2,506	1,763	1,651	1,030	615	448	358	275	214	157
<b>Total Expenses</b>	<b>204,728</b>	<b>213,359</b>	<b>213,359</b>	<b>212,150</b>	<b>216,222</b>	<b>221,135</b>	<b>214,471</b>	<b>216,060</b>	<b>218,399</b>	<b>220,687</b>	<b>224,565</b>	<b>230,527</b>
<b>Operating Surplus / (Deficit)</b>	<b>977</b>	<b>87</b>	<b>87</b>	<b>2,127</b>	<b>2,891</b>	<b>8,963</b>	<b>15,091</b>	<b>20,487</b>	<b>25,500</b>	<b>30,435</b>	<b>34,098</b>	<b>35,718</b>
Physical Resources Received Free of Charge	373	-	-	-	-	-	-	-	-	-	-	-
Asset Disposal & Fair Value Adjustments	(658)	2,020	2,020	1,000	(15,900)	9,700	(7,069)	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	3,411	14,932	22,622	-	-	-	-	-	-	-	-	-
<b>Net Surplus / (Deficit)</b>	<b>4,103</b>	<b>17,038</b>	<b>24,728</b>	<b>3,127</b>	<b>(13,009)</b>	<b>18,663</b>	<b>8,022</b>	<b>20,487</b>	<b>25,500</b>	<b>30,435</b>	<b>34,098</b>	<b>35,718</b>
Changes in Revaluation Surplus - I,PP&E	84,305	-	-	-	34,708	-	-	-	-	-	-	-
Net Actuarial Gains/(Loss) on Defined Benefit Plan	(206)	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Comprehensive Income</b>	<b>84,099</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,708</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>	<b>88,202</b>	<b>17,038</b>	<b>24,728</b>	<b>3,127</b>	<b>21,699</b>	<b>18,663</b>	<b>8,022</b>	<b>20,487</b>	<b>25,500</b>	<b>30,435</b>	<b>34,098</b>	<b>35,718</b>



# Long Term Financial Plan

## Statement of Financial Position

\$'000s	2021-22 Actuals	2022-23 Budget	2022-23 Budget Review 1	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan	2030-31 Plan	2031-32 Plan
<b>ASSETS</b>												
<b>Current Assets</b>												
Cash and Cash Equivalents	2,984	800	800	800	800	5,922	31,222	49,508	36,778	58,922	39,117	69,627
Trade & Other Receivables	15,774	17,468	16,210	58,749	14,542	15,267	15,230	15,693	16,180	16,659	17,159	17,662
Other Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Inventories	541	506	506	506	506	506	506	506	506	506	506	506
Non-Current Assets Held for Sale	5,965	-	5,965	5,965	5,965	5,965	5,965	5,965	5,965	5,965	5,965	5,965
<b>Total Current Assets</b>	<b>25,264</b>	<b>18,774</b>	<b>23,481</b>	<b>66,020</b>	<b>21,813</b>	<b>27,660</b>	<b>52,923</b>	<b>71,672</b>	<b>59,430</b>	<b>82,052</b>	<b>62,747</b>	<b>93,760</b>
<b>Non-Current Assets</b>												
Financial Assets	466	305	419	377	340	306	275	248	223	201	181	162
Equity Accounted Investments in Council Businesses	1,412	1,635	1,608	1,977	2,410	2,782	2,782	2,782	2,782	2,782	2,782	2,782
Investment Property	2,870	2,928	2,899	2,928	2,957	2,987	3,016	3,047	3,077	3,108	3,139	3,170
Infrastructure, Property, Plant & Equipment	1,906,716	1,874,106	1,951,019	1,962,367	1,969,434	1,962,132	1,939,632	1,937,313	1,971,025	1,975,328	2,025,969	2,027,833
Other Non-Current Assets	-	2,107	-	-	-	-	-	-	-	-	-	-
Non-Current Receivable	42,473	42,565	42,565	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>1,953,937</b>	<b>1,923,645</b>	<b>1,998,510</b>	<b>1,967,649</b>	<b>1,975,141</b>	<b>1,968,206</b>	<b>1,945,705</b>	<b>1,943,389</b>	<b>1,977,107</b>	<b>1,981,418</b>	<b>2,032,071</b>	<b>2,033,948</b>
<b>TOTAL ASSETS</b>	<b>1,979,201</b>	<b>1,942,419</b>	<b>2,021,991</b>	<b>2,033,669</b>	<b>1,996,953</b>	<b>1,995,866</b>	<b>1,998,629</b>	<b>2,015,061</b>	<b>2,036,537</b>	<b>2,063,470</b>	<b>2,094,818</b>	<b>2,127,708</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Trade & Other Payables	24,286	25,873	26,143	23,391	24,857	25,634	25,267	25,483	25,550	25,687	25,841	22,648
Provisions	13,605	13,858	13,877	14,155	14,438	14,726	15,021	15,321	15,628	15,940	16,259	16,584
Borrowings (Lease Liability)	4,842	4,877	4,877	4,989	5,102	5,224	4,525	4,518	3,989	3,262	3,344	3,344
<b>Total Current Liabilities</b>	<b>42,733</b>	<b>44,607</b>	<b>44,897</b>	<b>42,534</b>	<b>44,396</b>	<b>45,584</b>	<b>44,813</b>	<b>45,322</b>	<b>45,167</b>	<b>44,889</b>	<b>45,444</b>	<b>42,577</b>
<b>Non-Current Liabilities</b>												
Trade & Other Payables	293	1,293	1,293	1,293	1,293	1,293	1,293	1,293	1,293	1,293	1,293	1,293
Borrowings	8,000	39,841	28,103	43,958	15,749	-	-	-	-	-	-	-
Provisions	1,655	1,889	1,688	1,722	1,756	1,791	1,827	1,864	1,901	1,939	1,978	2,017
Borrowings (Lease Liability)	46,041	40,803	40,803	35,828	30,726	25,502	20,977	16,377	12,470	9,209	5,865	5,865
<b>Total Non-Current Liabilities</b>	<b>55,989</b>	<b>83,826</b>	<b>71,887</b>	<b>82,801</b>	<b>49,525</b>	<b>28,587</b>	<b>24,098</b>	<b>19,534</b>	<b>15,665</b>	<b>12,441</b>	<b>9,136</b>	<b>9,175</b>
<b>TOTAL LIABILITIES</b>	<b>98,722</b>	<b>128,434</b>	<b>116,784</b>	<b>125,335</b>	<b>93,921</b>	<b>74,171</b>	<b>68,911</b>	<b>64,856</b>	<b>60,831</b>	<b>57,330</b>	<b>54,580</b>	<b>51,752</b>
<b>Net Assets</b>	<b>1,880,479</b>	<b>1,813,985</b>	<b>1,905,207</b>	<b>1,908,334</b>	<b>1,903,033</b>	<b>1,921,696</b>	<b>1,929,718</b>	<b>1,950,205</b>	<b>1,975,706</b>	<b>2,006,140</b>	<b>2,040,238</b>	<b>2,075,957</b>
<b>EQUITY</b>												
Accumulated Surplus	792,359	809,919	812,294	814,421	777,912	786,875	784,897	805,384	830,885	861,319	895,417	931,136
Asset Revaluation Reserves	1,066,521	977,481	1,066,521	1,066,521	1,074,229	1,074,229	1,074,229	1,074,229	1,074,229	1,074,229	1,074,229	1,074,229
Other Reserves	-	1,815	-	-	-	-	-	-	-	-	-	-
Future Reserve Fund	21,599	24,771	26,392	27,392	50,892	60,592	70,592	70,592	70,592	70,592	70,592	70,592
<b>Total Council Equity</b>	<b>1,880,479</b>	<b>1,813,985</b>	<b>1,905,207</b>	<b>1,908,334</b>	<b>1,903,033</b>	<b>1,921,696</b>	<b>1,929,718</b>	<b>1,950,205</b>	<b>1,975,706</b>	<b>2,006,140</b>	<b>2,040,238</b>	<b>2,075,957</b>

# Long Term Financial Plan

## Statement of Changes in Equity

\$'000s	2021-22 Actuals	2022-23 Budget	2022-23 Budget Review 1	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan	2030-31 Plan	2031-32 Plan
<b>Balance at the end of previous reporting period</b>	1,792,277	1,796,947	1,880,479	1,905,207	1,908,334	1,903,033	1,921,696	1,929,718	1,950,205	1,975,706	2,006,140	2,040,238
a. Net Surplus / (Deficit) for Year	4,103	17,038	24,728	3,127	(13,009)	18,663	8,022	20,487	25,500	30,435	34,098	35,718
b. Other Comprehensive Income	84,099	-	-	-	7,708	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>88,202</b>	<b>17,038</b>	<b>24,728</b>	<b>3,127</b>	<b>(5,301)</b>	<b>18,663</b>	<b>8,022</b>	<b>20,487</b>	<b>25,500</b>	<b>30,435</b>	<b>34,098</b>	<b>35,718</b>
<b>Balance at the end of period</b>	<b>1,880,479</b>	<b>1,813,985</b>	<b>1,905,207</b>	<b>1,908,334</b>	<b>1,903,033</b>	<b>1,921,696</b>	<b>1,929,718</b>	<b>1,950,205</b>	<b>1,975,706</b>	<b>2,006,140</b>	<b>2,040,238</b>	<b>2,075,957</b>

# Long Term Financial Plan

## Statement of Cash flows

\$'000s	2021-22 Actuals	2022-23 Budget	2022-23 Budget Review 1	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan	2030-31 Plan	2031-32 Plan
<b>Cash Flows from Operating Activities</b>												
<b>Receipts</b>												
Operating Receipts	210,616	212,855	213,010	217,238	210,819	229,373	229,599	236,085	243,412	250,643	258,163	265,743
<b>Payments</b>												
Payments to Employees		(74,436)	(74,440)	(76,562)	(78,674)	(80,775)	(78,496)	(80,608)	(83,003)	(85,621)	(88,374)	(91,312)
Payments for Materials, Contracts & Other Expenses		(79,202)	(81,538)	(83,142)	(70,766)	(80,660)	(79,884)	(81,194)	(83,075)	(84,922)	(86,839)	(88,763)
Finance Payments		1,250	1,250	(934)	(917)	(393)	(78)	-	-	-	-	-
Operating Payments to Suppliers and Employees	(147,832)	(152,388)	(154,727)	(160,638)	(150,357)	(161,828)	(158,458)	(161,802)	(166,079)	(170,543)	(175,213)	(180,075)
<b>Net Cash provided by (or used in) Operating Activities</b>	62,784	60,467	58,283	56,600	60,462	67,545	71,141	74,283	77,334	80,100	82,949	85,668
<b>Cash Flows from Investing Activities</b>												
<b>Receipts</b>												
Amounts Received Specifically for New/Upgraded Assets	3,411	14,932	22,622	-	-	-	-	-	-	-	-	-
Proceeds from Surplus Assets	19,407	6,793	6,793	1,000	23,500	9,700	10,000	-	-	-	-	-
Sale of Replaced Assets	1,322	971	971	500	500	500	500	500	500	500	500	500
<b>Payments</b>												
Expenditure on Renewal/Replacement of Assets	(29,987)	(46,889)	(53,447)	(57,874)	(50,632)	(51,400)	(51,117)	(51,976)	(86,045)	(54,467)	(99,993)	(52,313)
Expenditure on New/Upgraded Assets	(22,832)	(52,940)	(52,543)	(10,835)	(200)	-	-	-	-	-	-	-
Net Purchase of Investment Securities	(90)	-	-	-	-	-	-	-	-	-	-	-
Capital Contributed to Equity Accounted Council Businesses	(320)	(196)	(196)	(369)	(433)	(372)	-	-	-	-	-	-
<b>Net Cash provided by (or used in) Investing Activities</b>	(29,089)	(77,329)	(75,799)	(67,578)	(27,265)	(41,572)	(40,617)	(51,476)	(85,545)	(53,967)	(99,493)	(51,813)
<b>Cash Flows from Financing Activities</b>												
<b>Receipts</b>												
Proceeds from Borrowings	82,350	21,633	20,103	15,855	-	-	-	-	-	-	-	-
Proceeds from Bonds and Deposits		-	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>												
Repayment from Borrowings	(109,050)	-	-	-	(28,209)	(15,749)	-	-	-	-	-	-
Repayment of Lease Liabilities	(4,724)	(4,771)	(4,771)	(4,877)	(4,989)	(5,102)	(5,224)	(4,521)	(4,518)	(3,989)	(3,262)	(3,344)
Repayment of Bonds & Deposits	(1,199)	-	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided by (or used in) Financing Activities</b>	(32,623)	16,862	15,333	10,979	(33,197)	(20,851)	(5,224)	(4,521)	(4,518)	(3,989)	(3,262)	(3,344)
<b>Net Increase (Decrease) in Cash Held</b>	1,072	(0)	(2,184)	(0)	(0)	5,122	25,300	18,286	(12,729)	22,144	(19,805)	30,510
plus: Cash & Cash Equivalents at beginning of period	1,912	800	2,984	800	800	800	5,922	31,222	49,508	36,778	58,922	39,117
<b>Cash &amp; Cash Equivalents at end of period</b>	2,984	800	800	800	800	5,922	31,222	49,508	36,778	58,922	39,117	69,627

# Long Term Financial Plan

## Uniform Presentation of Finances

\$'000s	2021-22 Actuals	2022-23 Budget	2022-23 Budget Review 1	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan	2030-31 Plan	2031-32 Plan
Income	205,705	213,446	213,446	214,277	219,112	230,098	229,562	236,547	243,899	251,122	258,663	266,246
less Expenses	(204,728)	(213,359)	(213,359)	(212,150)	(216,222)	(221,135)	(214,471)	(216,060)	(218,399)	(220,687)	(224,565)	(230,527)
<b>Operating Surplus / (Deficit) before Capital Amounts</b>	977	87	87	2,127	2,891	8,963	15,091	20,487	25,500	30,435	34,098	35,718
<b>Net Outlays on Existing Assets</b>												
Capital Expenditure on Renewal & Replacement of Existing Assets	(29,987)	(46,889)	(53,447)	(57,874)	(50,632)	(51,400)	(51,117)	(51,976)	(86,045)	(54,467)	(99,993)	(52,313)
add back Depreciation, Amortisation and Impairment	56,568	57,264	57,264	57,730	58,006	59,073	56,549	54,295	52,333	50,165	49,351	50,449
add back Proceeds from Sale of Replaced Assets	1,322	971	971	500	500	500	500	500	500	500	500	500
<b>Net Outlays on Existing Assets</b>	27,903	11,346	4,788	(144)	7,374	7,674	5,432	2,319	(33,713)	(4,303)	(50,641)	(1,864)
<b>Net Outlays on New and Upgraded Assets</b>												
Capital Expenditure on New and Upgraded Assets	(22,832)	(53,136)	(52,739)	(11,204)	(633)	(372)	-	-	-	-	-	-
add back Amounts received specifically for New and Upgraded Assets	3,411	14,932	22,622	-	-	-	-	-	-	-	-	-
add back Proceeds from Sale of Surplus Assets	19,407	6,793	6,793	1,000	23,500	9,700	10,000	-	-	-	-	-
<b>Net Outlays on New and Upgraded Assets</b>	(14)	(31,411)	(23,324)	(10,204)	22,867	9,328	10,000	-	-	-	-	-
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>28,866</b>	<b>(19,979)</b>	<b>(18,449)</b>	<b>(8,221)</b>	<b>33,132</b>	<b>25,965</b>	<b>30,523</b>	<b>22,806</b>	<b>(8,212)</b>	<b>26,132</b>	<b>(16,543)</b>	<b>33,854</b>

# Long Term Financial Plan

Explanation	Target	2022-23 Budget	2022-23 BR1	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Operating surplus as a percentage of operating revenue	0%-20%	0%	0%	1%	1%	4%	7%	9%	10%	12%	13%	13%
Financial liabilities and a percentage of operating income	Less than 80%	10%	5%	11%	19%	10%	-1%	-9%	-4%	-12%	-4%	-17%
Expenditure on asset renewals as a percentage of forecast required expenditure in the asset management plans	90%-110%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Borrowings as a percentage of total saleable property assets	Maximum 50%	12%	8%	13%	4%	0%	0%	0%	0%	0%	0%	0%
Number of times General Rates Revenue (less Landscape Levy) can service the annual interest expense	Maximum 10%	1.3%	1.4%	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total borrowings relative to General Rates Revenue (Less Landscape Levy)	Maximum 1.5 years	0.3	0.2	0.3	0.1	-	-	-	-	-	-	-
Operating income as a percentage of Operating Expenditure plus expenditure on renewal/replacement of assets	Greater than 100%	107%	103%	100%	105%	108%	110%	111%	97%	112%	94%	115%
Total borrowings	Within Prudential Limits	39.8	28.1	44.0	15.7	-	-	-	-	-	-	-
		24%	17%	23%	8%	0%	0%	0%	0%	0%	0%	0%
Operating Income less Expenditure	\$2M - \$10M	0.1	0.1	2.1	2.9	9.0	15.1	20.5	25.5	30.4	34.1	35.7
Proceeds from the sale of Council assets to fund new income generating assets or new strategic capital projects	N/A	24.8	26.4	27.4	50.9	60.6	70.6	70.6	70.6	70.6	70.6	70.6