



Shire of Toodyay 2020/2021 to 2029/30 Long-Term Financial Plan



The Long-Term Financial Plan (LTFP) was reviewed and endorsed by Council at an Ordinary Council Meeting held on Tuesday 23 June 2020.

Council also acknowledged that the LTFP is an ongoing work in progress to be regularly monitored, updated and endorsed by the Council.

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2021
BY NATURE OR TYPE**

	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
Revenue									
Rates	6,319,984	6,706,526	6,874,189	7,046,044	7,222,195	7,402,750	7,587,818	7,777,514	7,971,952
Operating grants, subsidies and contributions	1,662,906	1,686,681	1,729,161	1,772,830	1,817,723	1,863,872	1,911,314	1,960,084	2,010,219
Fees and charges	1,357,013	1,406,637	1,445,351	1,485,149	1,526,061	1,568,119	1,611,354	1,655,800	1,701,490
Interest earnings	31,543	32,426	33,334	34,267	35,227	36,213	37,227	38,270	39,341
Other revenue	0	20,000	20,560	21,136	21,727	22,336	22,961	23,604	24,265
	9,371,446	9,852,270	10,102,595	10,359,426	10,622,933	10,893,290	11,170,675	11,455,271	11,747,268
Expenses									
Employee costs	(4,377,003)	(4,494,207)	(4,606,668)	(4,722,227)	(4,840,969)	(4,962,982)	(5,088,358)	(5,217,191)	(5,349,576)
Materials and contracts	(3,114,042)	(2,877,827)	(2,950,904)	(3,143,525)	(3,134,736)	(3,282,515)	(3,292,762)	(3,346,325)	(3,457,954)
Utility charges	(346,468)	(333,709)	(341,152)	(348,804)	(356,670)	(364,756)	(373,068)	(381,614)	(390,398)
Depreciation on non-current assets	(3,529,141)	(3,450,270)	(3,478,329)	(3,463,241)	(3,449,571)	(3,432,400)	(3,424,031)	(3,414,425)	(3,494,807)
Interest expenses	(255,707)	(239,047)	(225,152)	(210,589)	(194,397)	(182,256)	(169,601)	(156,408)	(143,045)
Insurance expenses	(253,091)	(260,047)	(267,198)	(274,550)	(282,107)	(289,875)	(297,861)	(306,071)	(314,511)
Other expenditure	(95,000)	(55,210)	(55,496)	(55,790)	(56,092)	(56,402)	(56,722)	(57,050)	(57,387)
	(11,970,452)	(11,710,316)	(11,924,900)	(12,218,725)	(12,314,541)	(12,571,187)	(12,702,404)	(12,879,084)	(13,207,678)
	(2,599,006)	(1,858,046)	(1,822,305)	(1,859,299)	(1,691,608)	(1,677,897)	(1,531,729)	(1,423,812)	(1,460,411)
Non-operating grants, subsidies and contributions	3,626,459	2,067,515	1,767,112	1,814,351	1,862,913	1,912,835	1,964,154	2,016,911	2,071,144
Profit on asset disposals	73,783	33,141	115,058	0	0	0	0	0	0
Loss on asset disposals	0	0	0	0	(140,558)	(36,764)	(98,419)	(93,827)	0
	3,700,242	2,100,656	1,882,170	1,814,351	1,722,355	1,876,071	1,865,735	1,923,084	2,071,144
Other comprehensive income									
Changes on revaluation of non-current assets	0	0	0	0	0	0	0	0	0
Total other comprehensive income	0	0	0	0	0	0	0	0	0
Total comprehensive income	1,101,236	242,610	59,865	(44,948)	30,747	198,174	334,006	499,271	610,733

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2021
BY PROGRAM

	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
Revenue									
Governance	59,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500
General purpose funding	7,135,025	7,582,262	7,774,320	7,971,252	8,173,183	8,380,240	8,592,552	8,810,254	9,033,483
Law, order, public safety	649,813	649,408	667,592	686,284	705,500	725,254	745,561	766,437	787,897
Health	67,500	69,110	70,765	72,467	74,216	76,014	77,862	79,762	81,715
Housing	11,780	12,110	12,449	12,797	13,156	13,524	13,903	14,292	14,692
Community amenities	758,275	779,367	801,049	823,338	846,252	869,807	894,021	918,914	944,504
Recreation and culture	110,500	197,431	199,416	201,457	203,555	205,711	207,928	210,208	212,551
Transport	147,202	111,932	34,217	153,594	158,035	162,600	167,293	172,117	177,076
Economic services	249,866	256,778	263,884	271,189	278,698	286,418	294,353	302,511	310,898
Other property and services	181,985	144,373	229,404	117,548	120,839	124,223	127,701	131,276	134,952
	9,371,446	9,852,270	10,102,595	10,359,426	10,622,933	10,893,290	11,170,675	11,455,271	11,747,268
Expenses excluding finance costs									
Governance	(756,240)	(643,147)	(629,116)	(675,745)	(663,066)	(711,106)	(699,896)	(749,468)	(734,629)
General purpose funding	(352,322)	(360,852)	(369,602)	(458,578)	(387,786)	(397,233)	(406,923)	(416,864)	(427,062)
Law, order, public safety	(1,453,047)	(1,422,355)	(1,453,478)	(1,485,657)	(1,518,727)	(1,552,712)	(1,587,638)	(1,623,530)	(1,660,415)
Health	(309,960)	(316,187)	(322,585)	(329,159)	(335,913)	(342,853)	(349,983)	(357,310)	(364,837)
Education and welfare	(46,314)	(47,396)	(48,507)	(49,647)	(50,817)	(52,018)	(53,250)	(54,515)	(55,813)
Housing	(37,268)	(38,312)	(39,384)	(40,487)	(41,621)	(42,786)	(43,984)	(45,216)	(46,482)
Community amenities	(1,183,838)	(1,175,085)	(1,207,197)	(1,240,198)	(1,274,110)	(1,308,961)	(1,344,776)	(1,381,581)	(1,419,405)
Recreation and culture	(1,802,634)	(1,906,694)	(1,946,496)	(1,987,399)	(2,029,435)	(2,072,635)	(2,117,030)	(2,162,655)	(2,209,543)
Transport	(4,483,641)	(4,544,177)	(4,633,304)	(4,657,150)	(4,558,906)	(4,710,615)	(4,626,335)	(4,588,512)	(4,854,833)
Economic services	(1,002,236)	(1,001,767)	(1,026,820)	(1,052,557)	(1,078,997)	(1,106,158)	(1,134,061)	(1,162,725)	(1,192,172)
Other property and services	(287,247)	(15,299)	(23,260)	(31,560)	(180,765)	(91,856)	(168,928)	(180,303)	(99,445)
	(11,714,746)	(11,471,271)	(11,699,749)	(12,008,138)	(12,120,145)	(12,388,932)	(12,532,804)	(12,722,677)	(13,064,635)
Finance costs									
Recreation and culture	(224,746)	(212,538)	(200,498)	(187,875)	(173,711)	(163,691)	(153,254)	(142,380)	(131,464)
Transport	(28,905)	(26,509)	(24,654)	(22,714)	(20,686)	(18,565)	(16,347)	(14,028)	(11,581)
Economic services	(1,046)	0	0	0	0	(0)	0	0	0
Other property and services	(1,010)	0	0	0	0	0	0	0	0
	(255,706)	(239,047)	(225,152)	(210,589)	(194,397)	(182,256)	(169,601)	(156,408)	(143,045)
	(2,599,006)	(1,858,047)	(1,822,306)	(1,859,300)	(1,691,609)	(1,677,898)	(1,531,731)	(1,423,814)	(1,460,412)
Non-operating grants, subsidies and contributions	3,626,459	2,067,515	1,767,112	1,814,351	1,862,913	1,912,835	1,964,154	2,016,911	2,071,144
Profit on disposal of assets	73,783	33,141	115,058	0	0	0	0	0	0
(Loss) on disposal of assets	0	0	0	0	(140,558)	(36,764)	(98,419)	(93,827)	0
	3,700,242	2,100,656	1,882,170	1,814,351	1,722,355	1,876,071	1,865,735	1,923,084	2,071,144
Other comprehensive income									
Changes on revaluation of non-current assets	0	0	0	0	0	0	0	0	0
Total other comprehensive income	0	0	0	0	0	0	0	0	0
Total comprehensive income	1,101,236	242,609	59,864	(44,949)	30,746	198,173	334,005	499,270	610,732

This statement is to be read in conjunction with the accompanying notes.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2021
BY NATURE OR TYPE**

	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts									
Rates	6,319,984	6,706,526	6,874,189	7,046,044	7,222,195	7,402,750	7,587,818	7,777,514	7,971,952
Operating grants, subsidies and contributions	1,662,906	1,686,681	1,729,161	1,772,830	1,817,723	1,863,872	1,911,314	1,960,084	2,010,219
Fees and charges	1,357,013	1,406,637	1,445,351	1,485,149	1,526,061	1,568,119	1,611,354	1,655,800	1,701,490
Interest earnings	31,543	32,426	33,334	34,267	35,227	36,213	37,227	38,270	39,341
Goods and services tax	0	0	0	0	0	0	0	0	0
Other revenue	0	20,000	20,560	21,136	21,727	22,336	22,961	23,604	24,265
	9,371,446	9,852,270	10,102,595	10,359,426	10,622,933	10,893,290	11,170,675	11,455,271	11,747,268
Payments									
Employee costs	(4,377,003)	(4,494,207)	(4,606,668)	(4,722,227)	(4,840,969)	(4,962,982)	(5,088,358)	(5,217,191)	(5,349,576)
Materials and contracts	(3,114,042)	(2,877,827)	(2,950,904)	(3,143,525)	(3,134,736)	(3,282,515)	(3,292,762)	(3,346,325)	(3,457,954)
Utility charges	(346,468)	(333,709)	(341,152)	(348,804)	(356,670)	(364,756)	(373,068)	(381,614)	(390,398)
Interest expenses	(255,707)	(239,047)	(225,152)	(210,589)	(194,397)	(182,256)	(169,601)	(156,408)	(143,045)
Insurance expenses	(253,091)	(260,047)	(267,198)	(274,550)	(282,107)	(289,875)	(297,861)	(306,071)	(314,511)
Other expenditure	(95,000)	(55,210)	(55,496)	(55,790)	(56,092)	(56,402)	(56,722)	(57,050)	(57,387)
	(8,441,311)	(8,260,047)	(8,446,571)	(8,755,484)	(8,864,970)	(9,138,787)	(9,278,373)	(9,464,658)	(9,712,871)
Net cash provided by (used in) operating activities	930,135	1,592,223	1,656,024	1,603,942	1,757,963	1,754,503	1,892,302	1,990,613	2,034,396
CASH FLOWS FROM INVESTING ACTIVITIES									
Payments for purchase of property, plant & equipment	(2,553,656)	(732,605)	(589,500)	(678,125)	(478,875)	(422,750)	(426,000)	(469,750)	(513,000)
Payments for construction of infrastructure	(2,478,144)	(2,193,250)	(2,273,750)	(2,313,137)	(2,314,637)	(2,361,273)	(2,408,909)	(2,456,182)	(2,504,818)
Non-operating grants, subsidies and contributions used for the development of assets	3,626,459	2,067,515	1,767,112	1,814,351	1,862,913	1,912,835	1,964,154	2,016,911	2,071,144
Proceeds from sale of plant & equipment	185,000	183,500	265,000	200,000	103,000	126,000	154,000	91,000	173,000
Net cash provided by (used in) investing activities	(1,220,341)	(674,840)	(831,138)	(976,910)	(827,598)	(745,188)	(716,755)	(818,021)	(773,674)
CASH FLOWS FROM FINANCING ACTIVITIES									
Repayment of borrowings	(344,167)	(290,597)	(303,936)	(317,916)	(278,293)	(290,003)	(302,207)	(314,926)	(328,182)
Proceeds from new borrowings	0	0	0	0	0	0	0	0	0
Net cash provided by (used in) financing activities	(344,167)	(290,597)	(303,936)	(317,916)	(278,293)	(290,003)	(302,207)	(314,926)	(328,182)
Net increase (decrease) in cash held	(634,373)	626,786	520,950	309,116	652,072	719,312	873,340	857,665	932,540
Cash at beginning of year	3,792,231	3,157,858	3,784,644	4,305,594	4,614,710	5,266,781	5,986,093	6,859,433	7,717,098
Cash and cash equivalents at the end of the year	3,157,858	3,784,644	4,305,594	4,614,710	5,266,781	5,986,093	6,859,433	7,717,098	8,649,638

This statement is to be read in conjunction with the accompanying notes.

**RATES SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2021**

	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
OPERATING ACTIVITIES									
Net current assets at start of financial year - surplus/(deficit)	3,489,111	3,091,308	3,561,713	3,926,282	4,079,017	4,574,708	5,137,639	5,854,597	6,555,881
Revenue from operating activities (excluding rates)	3,489,111	3,091,308	3,561,713	3,926,282	4,079,017	4,574,708	5,137,639	5,854,597	6,555,881
Governance	59,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500
General purpose funding	815,041	875,736	900,131	925,208	950,988	977,490	1,004,734	1,032,740	1,061,531
Law, order, public safety	649,813	649,408	667,592	686,284	705,500	725,254	745,561	766,437	787,897
Health	67,500	69,110	70,765	72,467	74,216	76,014	77,862	79,762	81,715
Education and welfare	0	0	0	0	0	0	0	0	0
Housing	11,780	12,110	12,449	12,797	13,156	13,524	13,903	14,292	14,692
Community amenities	758,275	779,367	801,049	823,338	846,252	869,807	894,021	918,914	944,504
Recreation and culture	110,500	197,431	199,416	201,457	203,555	205,711	207,928	210,208	212,551
Transport	147,202	111,932	34,217	153,594	158,035	162,600	167,293	172,117	177,076
Economic services	249,866	256,778	263,884	271,189	278,698	286,418	294,353	302,511	310,898
Other property and services	255,768	177,514	344,462	117,548	120,839	124,223	127,701	131,276	134,952
	3,125,245	3,178,885	3,343,464	3,313,383	3,400,738	3,490,540	3,582,856	3,677,757	3,775,316
Expenditure from operating activities									
Governance	(756,240)	(643,147)	(629,116)	(675,745)	(663,066)	(711,106)	(699,896)	(749,468)	(734,629)
General purpose funding	(352,322)	(360,852)	(369,602)	(458,578)	(387,786)	(397,233)	(406,923)	(416,864)	(427,062)
Law, order, public safety	(1,453,047)	(1,422,355)	(1,453,478)	(1,485,657)	(1,518,727)	(1,552,712)	(1,587,638)	(1,623,530)	(1,660,415)
Health	(309,960)	(316,187)	(322,585)	(329,159)	(335,913)	(342,853)	(349,983)	(357,310)	(364,837)
Education and welfare	(46,314)	(47,396)	(48,507)	(49,647)	(50,817)	(52,018)	(53,250)	(54,515)	(55,813)
Housing	(37,268)	(38,312)	(39,384)	(40,487)	(41,621)	(42,786)	(43,984)	(45,216)	(46,482)
Community amenities	(1,183,838)	(1,175,085)	(1,207,197)	(1,240,198)	(1,274,110)	(1,308,961)	(1,344,776)	(1,381,581)	(1,419,405)
Recreation and culture	(2,027,380)	(2,119,231)	(2,146,993)	(2,175,274)	(2,203,146)	(2,236,326)	(2,270,284)	(2,305,035)	(2,341,007)
Transport	(4,512,546)	(4,570,686)	(4,657,958)	(4,679,864)	(4,579,592)	(4,729,180)	(4,642,682)	(4,602,540)	(4,866,414)
Economic services	(1,003,282)	(1,001,767)	(1,026,820)	(1,052,557)	(1,078,997)	(1,106,158)	(1,134,061)	(1,162,725)	(1,192,172)
Other property and services	(288,257)	(15,299)	(23,260)	(31,560)	(321,323)	(128,620)	(267,347)	(274,130)	(99,445)
	(11,970,453)	(11,710,317)	(11,924,901)	(12,218,726)	(12,455,100)	(12,607,952)	(12,800,824)	(12,972,912)	(13,207,680)
Operating activities excluded from budget									
(Profit) on asset disposals	(73,783)	(33,141)	(115,058)	0	0	0	0	0	0
Loss on disposal of assets	0	0	0	0	140,558	36,764	98,419	93,827	0
Loss on revaluation of non current assets	0	0	0	0	0	0	0	0	0
Reversal of prior year loss on revaluation of assets	0	0	0	0	0	0	0	0	0
Depreciation on assets	3,529,141	3,450,270	3,478,329	3,463,241	3,449,571	3,432,400	3,424,031	3,414,425	3,494,807
Movement in employee benefit provisions (non-current)	0	0	0	0	0	0	0	0	0
Amount attributable to operating activities	(1,900,738)	(2,022,995)	(1,656,453)	(1,515,821)	(1,385,216)	(1,073,540)	(557,879)	67,695	618,324
INVESTING ACTIVITIES									
Non-operating grants, subsidies and contributions	3,626,459	2,067,515	1,767,112	1,814,351	1,862,913	1,912,835	1,964,154	2,016,911	2,071,144
Purchase land held for resale	0	0	0	0	0	0	0	0	0
Purchase property, plant and equipment	(2,553,656)	(732,605)	(589,500)	(678,125)	(478,875)	(422,750)	(426,000)	(469,750)	(513,000)
Purchase and construction of infrastructure	(2,478,144)	(2,193,250)	(2,273,750)	(2,313,137)	(2,314,637)	(2,361,273)	(2,408,909)	(2,456,182)	(2,504,818)
Proceeds from disposal of assets	185,000	183,500	265,000	200,000	103,000	154,000	154,000	91,000	173,000
Amount attributable to investing activities	(1,220,341)	(674,840)	(831,138)	(976,910)	(827,598)	(745,188)	(716,755)	(818,021)	(773,674)
FINANCING ACTIVITIES									
Repayment of borrowings	(344,167)	(290,597)	(303,936)	(317,916)	(278,293)	(290,003)	(302,207)	(314,926)	(328,182)
Proceeds from new borrowings	0	0	0	0	0	0	0	0	0
Proceeds from self supporting loans									
Transfers to cash backed reserves (restricted assets)	(195,100)	(226,380)	(226,380)	(226,380)	(226,380)	(226,380)	(226,380)	(226,380)	(226,380)
Transfers from cash backed reserves (restricted assets)	431,670	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Amount attributable to financing activities	(107,597)	(446,977)	(460,316)	(474,296)	(434,673)	(446,383)	(458,587)	(471,306)	(484,562)
Budgeted deficiency before general rates	(3,228,676)	(3,144,813)	(2,947,907)	(2,967,027)	(2,647,487)	(2,265,111)	(1,733,221)	(1,221,633)	(639,912)
Estimated amount to be raised from general rates	6,319,984	6,706,526	6,874,189	7,046,044	7,222,195	7,402,750	7,587,818	7,777,514	7,971,952
Net current assets at end of financial year - surplus/(deficit)	3,091,308	3,561,713	3,926,282	4,079,017	4,574,708	5,137,639	5,854,597	6,555,881	7,332,040

This statement is to be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2021

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments (continued)

Loan Balance Outstanding Forecast

Purpose	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
Recreation and culture										
Loan 65 - Community Centre	18,793	5,777	0	0	0	0	0	0	0	0
Loan 67 - Library Upgrade	183,751	142,186	96,958	49,298	0	0	0	0	0	0
Loan 69 - Library Upgrade	0	0	0	0	0	0	0	0	0	0
Loan 72 - Land, Rec Precinct	744,371	700,991	655,659	608,288	558,785	507,055	452,997	396,507	337,475	275,787
Loan 73 - Refurbish Courts	-1	0	0	0	0	0	0	0	0	0
Loan 75 - Recreation Precinct	4,349,508	4,192,936	4,034,489	3,867,371	3,693,502	3,512,607	3,324,405	3,128,600	2,924,884	2,665,392
Transport										
Loan 70 - Footbridge	15,889	0	0	0	0	0	0	0	0	0
Loan 71 - Depot Stage 2	590,336	554,280	516,577	477,150	435,920	392,806	347,721	300,575	251,274	199,719
Economic services										
Loan 64 - Visitors Centre	19,945	0	0	0	0	0	0	0	0	0
Other property and services										
Loan 63 - Bank Building	17,744	0	0	0	0	0	0	0	0	0
Loan 74 - Refurbish Bank Building	0	0	0	0	0	0	0	0	0	0
Total Loan Balance Outstanding	5,940,336	5,596,170	5,303,683	5,002,107	4,688,207	4,412,468	4,125,123	3,825,682	3,513,633	3,140,898

(b) New borrowings - 2020/21

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$	\$	\$	\$
					0	0	0	0

SIGNIFICANT ACCOUNTING POLICIES

BORROWING COSTS

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

2019/20	2019/20	2020/21	2020/21	2020/21	2021/22	2021/22	2021/22	2022/23	2022/23	2022/23	2023/24	2023/24	2023/24	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28	2028/29	2028/29	
Budget	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
Closing	Closing	Transfer	Transfer	Closing	Closing	Transfer	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	
Balance	Balance	(from)	(to)	Balance	Balance	(from)	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
246,949	250,286	55,000	(50,000)	255,286	35,000	(25,000)	265,286	35,000	(25,000)	275,286	35,000	(25,000)	285,286	35,000	(25,000)	295,286	35,000	(25,000)	305,286	35,000	(25,000)	315,286	35,000	(25,000)	325,286	35,000	(25,000)	335,286
0	0	30,000		30,000	30,000		60,000	30,000		90,000	30,000		120,000	30,000		150,000	30,000		180,000	30,000		210,000	30,000		240,000	30,000		270,000
26,980	26,980	350		27,340	15,380		42,720	15,380		58,100	15,380		73,480	15,380		88,860	15,380		104,240	15,380		119,620	15,380		135,000	15,380		150,380
76,591	75,001	1,000		76,001	2,500		78,501	2,500		81,001	2,500		83,501	2,500		86,001	2,500		88,501	2,500		91,001	2,500		93,501	2,500		96,001
11,465	11,114	250		11,864	500		12,364	500		12,864	500		13,364	500		13,864	500		14,364	500		14,864	500		15,364	500		15,864
22,673	22,473	500		22,973	500		23,473	500		23,973	500		24,473	500		24,973	500		25,473	500		25,973	500		26,473	500		26,973
38,305	38,315	500		38,815	500		39,315	500		39,815	500		40,315	500		40,815	500		41,315	500		41,815	500		42,315	500		42,815
153,282	151,300	2,000		153,300	0		153,300	0		153,300	0		153,300	0		153,300	0		153,300	0		153,300	0		153,300	0		153,300
25,748	89,364	500		89,864	500		90,364	500		91,364	500		92,364	500		93,364	500		94,364	500		95,364	500		96,364	500		97,364
15,900	17,273	15,000		32,273	15,000		47,273	15,000		62,273	15,000		77,273	15,000		92,273	15,000		107,273	15,000		122,273	15,000		137,273	15,000		152,273
115,912	114,844	1,000		115,844	2,000		117,844	2,000		119,844	2,000		121,844	2,000		123,844	2,000		125,844	2,000		127,844	2,000		129,844	2,000		131,844
275,283	205,219	75,000	(30,000)	250,219	75,000	(20,000)	305,219	75,000	(20,000)	360,219	75,000	(20,000)	415,219	75,000	(20,000)	470,219	75,000	(20,000)	525,219	75,000	(20,000)	580,219	75,000	(20,000)	635,219	75,000	(20,000)	690,219
233,567	203,278	2,000		205,278	30,000		235,278	30,000		265,278	30,000		295,278	30,000		325,278	30,000		355,278	30,000		385,278	30,000		415,278	30,000		445,278
2,000	0	0		0	0		0	0		0	0		0	0		0	0		0	0		0	0		0	0		0
0	351,670	2,000	(351,670)	2,000	0		2,000	0		2,000	0		2,000	0		2,000	0		2,000	0		2,000	0		2,000	0		2,000
20,038	10,173	10,000		20,173	20,173		20,173	20,173		20,173	20,173		20,173	20,173		20,173	20,173		20,173	20,173		20,173	20,173		20,173	20,173		20,173
1,263,103	1,567,300	195,100	(431,670)	1,330,730	206,880	(45,000)	1,492,610	206,880	(45,000)	1,654,490	206,880	(45,000)	1,816,370	206,880	(45,000)	1,978,250	206,880	(45,000)	2,140,130	206,880	(45,000)	2,302,010	206,880	(45,000)	2,463,890	206,880	(45,000)	2,625,270

NOTES TO AND FORMING PART OF THE BUDGET FOR THE YEAR ENDED 30TH JUNE 2021

7. CASH BACKED RESERVES (CONTINUED)

(b) Cash Backed Reserves - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Purpose
Employee Entitlements Reserve	Funds set aside to provide payment for Employee Entitlement liabilities
Asset Development Reserve	Funds set aside for the future purchase and / or development of assets
CCTV Reserve	Funds set aside for the replacement, expansion and maintenance of CCTV within the Shire of Toodyay
Emergency Management Reserve	Funds set aside to assist in emergency management and recovery
Heritage Asset Reserve	Funds set aside for the preservation and / or purchase of Built Heritage assets of significance within the Shire of Toodyay
Information Technology Reserve	Funds set aside for the replacement and maintenance of computer hardware.
Newcastle Footbridge & Pedestrian Overpass Reserve	Funds set aside for the maintenance and upkeep of the Newcastle Footbridge & the Duke Street Pedestrian Overpass.
Plant Replacement Reserve	Funds set aside for the ongoing upgrade and replacement of Council owned plant.
Community Bus Reserve	Funds set aside for the purchase of a new Shire of Toodyay Community Bus
Recreation Development Reserve	Funds set aside for the development of recreational facilities within the Recreation precinct located adjacent to the District High School.
Refuse Reserve	Funds set aside for the development and maintenance of the Shire of Toodyay Waste Transfer Station.
Road Contribution Reserve	Funds set aside from contributions given towards particular roads to assist in the ongoing maintenance and preservation of those roads. These funds cannot be used on roads other than those identified in the contribution.
Strategic Access & Fire Egress Tracks Reserve	Funds set aside for the implementation and maintenance of strategic access and egress tracks.
Swimming Pool Reserve	Funds collected by way of a voluntary levy in 1996-97 for a swimming pool.
Morangup Community Centre Reserve	Funds set aside for the development of the Morangup Community Centre

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2021**

13. INTERESTS IN JOINT ARRANGEMENTS

It is not anticipated the Shire will be party to any joint venture arrangements during 2020/21.

14. TRUST FUNDS

Funds held at balance date over which the local government has no control and which are not included in the financial statements are as follows:

Detail	Balance 30-Jun-20	Estimated amounts received	Estimated amounts paid	Estimated balance 30-Jun-21
	\$	\$	(\$)	\$
Housing Bonds	14,525	2,000	0	16,525
BCITF/Building Services Levy	13,655	25,000	(25,000)	13,655
Quarry Rehabilitation Bonds	1,615,532	150,000	0	1,765,532
Road Construction Bonds	27,998	0	0	27,998
Venue Hire Bonds	7,900	9,000	(9,000)	7,900
Kerb Deposits	9,200	500	0	9,700
Standpipe Bonds	17,110	2,250	(2,250)	17,110
Key Bonds	6,661	500	0	7,161
Library Bonds	175	0	0	175
Swimming Pool Funds	121,404	500	(121,904)	0
	<u>1,893,631</u>	<u>192,750</u>	<u>(161,154)</u>	<u>1,925,227</u>

15. BUDGET RATIOS - Measuring Financial Sustainability

FINANCIAL RATIOS		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Target	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Current ratio	1	1.57	2.97	3.43	3.65	4.30	4.66	5.17	5.78	6.39	7.04
Asset sustainability ratio	0.9	0.88	1.37	0.80	0.77	0.81	0.78	0.78	0.80	0.83	0.84
Debt service cover ratio	2	4.28	3.45	6.30	6.19	5.71	7.02	6.68	6.82	6.82	6.63
Operating surplus ratio	0.01 - 0.15	(0.38)	(0.34)	(0.23)	(0.22)	(0.22)	(0.19)	(0.19)	(0.17)	(0.15)	(0.15)
Own source revenue coverage ratio	0.4 - 0.6	0.62	0.64	0.70	0.70	0.70	0.72	0.72	0.73	0.74	0.74
Asset consumption ratio	0.5	0.74	0.74	0.73	0.72	0.71	0.71	0.70	0.70	0.69	0.69
Asset renewal funding ratio	0.75 - 0.95	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

FOR THE YEAR ENDED 30TH JUNE 2021
BY NATURE OR TYPE

	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget
OPERATING ACTIVITIES								
Net current assets at start of financial year - surplus/(deficit)	3,489,111	3,091,308	3,561,714	3,926,284	4,079,020	4,574,712	5,137,644	5,854,604
Revenue from operating activities (excluding rates)	3,489,111	3,091,308	3,561,714	3,926,284	4,079,020	4,574,712	5,137,644	5,854,604
Operating grants, subsidies and contributions	1,662,906	1,686,681	1,729,161	1,772,830	1,817,723	1,863,872	1,911,314	1,960,084
Fees and charges	1,357,013	1,406,637	1,445,351	1,485,149	1,526,061	1,568,119	1,611,354	1,655,800
Interest earnings	31,543	32,426	33,334	34,267	35,227	36,213	37,227	38,270
Other revenue	0	20,000	20,560	21,136	21,727	22,336	22,961	23,604
Profit on asset disposals	73,783	33,141	115,058	0	0	0	0	0
	3,125,245	3,178,885	3,343,464	3,313,383	3,400,738	3,490,540	3,582,856	3,677,757
Expenditure from operating activities								
Employee costs	(4,377,003)	(4,494,207)	(4,606,668)	(4,722,227)	(4,840,969)	(4,962,982)	(5,088,358)	(5,217,191)
Materials and contracts	(3,114,042)	(2,877,827)	(2,950,904)	(3,143,525)	(3,134,736)	(3,282,515)	(3,292,762)	(3,346,325)
Utility charges	(346,468)	(333,709)	(341,152)	(348,804)	(356,670)	(364,756)	(373,068)	(381,614)
Depreciation on non-current assets	(3,529,141)	(3,450,270)	(3,478,329)	(3,463,241)	(3,449,571)	(3,432,400)	(3,424,031)	(3,414,425)
Interest expenses	(255,707)	(239,047)	(225,152)	(210,589)	(194,397)	(182,256)	(169,601)	(156,408)
Insurance expenses	(253,091)	(260,047)	(267,198)	(274,550)	(282,107)	(289,875)	(297,861)	(306,071)
Other expenditure	(95,000)	(55,210)	(55,496)	(55,790)	(56,092)	(56,402)	(56,722)	(57,050)
Loss on asset disposals	0	0	0	0	(140,558)	(36,764)	(98,419)	(93,827)
	(11,970,452)	(11,710,316)	(11,924,900)	(12,218,725)	(12,455,099)	(12,607,951)	(12,800,823)	(12,972,911)
Operating activities excluded from budget								
(Profit) on asset disposals	(73,783)	(33,141)	(115,058)	0	0	0	0	0
Loss on disposal of assets	0	0	0	0	140,558	36,764	98,419	93,827
Depreciation on assets	3,529,141	3,450,270	3,478,329	3,463,241	3,449,571	3,432,400	3,424,031	3,414,425
Movement in employee benefit provisions (non-current)	0	0	0	0	0	0	0	0
Amount attributable to operating activities	(1,900,738)	(2,022,994)	(1,656,451)	(1,515,818)	(1,385,212)	(1,073,535)	(557,873)	67,703
INVESTING ACTIVITIES								
Non-operating grants, subsidies and contributions	3,626,459	2,067,515	1,767,112	1,814,351	1,862,913	1,912,835	1,964,154	2,016,911
Purchase property, plant and equipment	(2,553,656)	(732,605)	(589,500)	(678,125)	(478,875)	(422,750)	(426,000)	(469,750)
Purchase and construction of infrastructure	(2,478,144)	(2,193,250)	(2,273,750)	(2,313,137)	(2,314,637)	(2,361,273)	(2,408,909)	(2,456,182)
Proceeds from disposal of assets	185,000	183,500	265,000	200,000	103,000	126,000	154,000	91,000
Amount attributable to investing activities	(1,220,341)	(674,840)	(831,138)	(976,910)	(827,598)	(745,188)	(716,755)	(818,021)
FINANCING ACTIVITIES								
Repayment of borrowings	(344,167)	(290,597)	(303,936)	(317,916)	(278,293)	(290,003)	(302,207)	(314,926)
Proceeds from new borrowings	0	0	0	0	0	0	0	0
Transfers to cash backed reserves (restricted assets)	(195,100)	(226,380)	(226,380)	(226,380)	(226,380)	(226,380)	(226,380)	(226,380)
Transfers from cash backed reserves (restricted assets)	431,670	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Amount attributable to financing activities	(107,597)	(446,977)	(460,316)	(474,296)	(434,673)	(446,383)	(458,587)	(471,306)
Budgeted deficiency before general rates	(3,228,676)	(3,144,812)	(2,947,905)	(2,967,024)	(2,647,483)	(2,265,106)	(1,733,215)	(1,221,624)
Estimated amount to be raised from general rates	6,319,984	6,706,526	6,874,189	7,046,044	7,222,195	7,402,750	7,587,818	7,777,514
Net current assets at end of financial year - surplus/(deficit)	3,091,308	3,561,714	3,926,284	4,079,020	4,574,712	5,137,644	5,854,604	6,555,889

This statement is to be read in conjunction with the accompanying notes.

