

# Shire of Quairading

## 10 Year Long Term Financial Plan

### 2025- 2034

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## Introduction

The Shire of Quairading's Long Term Financial Plan (LTFP) sets out the Council's ten year operational and investment program to ensure the Shire's financial sustainability.

The LTFP is aligned with other core documents adopted by Council including the Strategic Community Plan, Asset Management Plan and the current 2024 Annual Budget to achieve the Shire's vision:

"Our Shire is a place of welcome for all, where we work together, with thriving industry creating jobs, a bright future for our young people, and a bustling town in a beautiful and productive rural setting"

The LTFP covers the period 2024-25 to 2033-34. It is based on current service levels provided to the community as per the recently adopted 2024 Annual Budget.

As the Shire's strategic objectives change, the LTFP will need to be updated and aligned with those new priorities. It is recommended that the LTFP is reviewed every two to four years.

## Basis of Preparation

The LTFP has been prepared under the following guidelines:

- Maintains a balanced budget throughout (ie. zero surplus)
- Maintains a minimum total reserve balance of \$2m each year
- Maintains the current level of service currently provided to the community
- Provides a consistent renewal budget for the Shire's assets

## Key Assumptions

In preparing the LTFP assumptions must be made to accommodate the increases in costs and revenues over the life of the plan. Whilst future inflation rates are unpredictable in this economic climate, tying the assumptions to the CPI allows the LTFP to be flexible.

The LTFP includes the following assumptions:

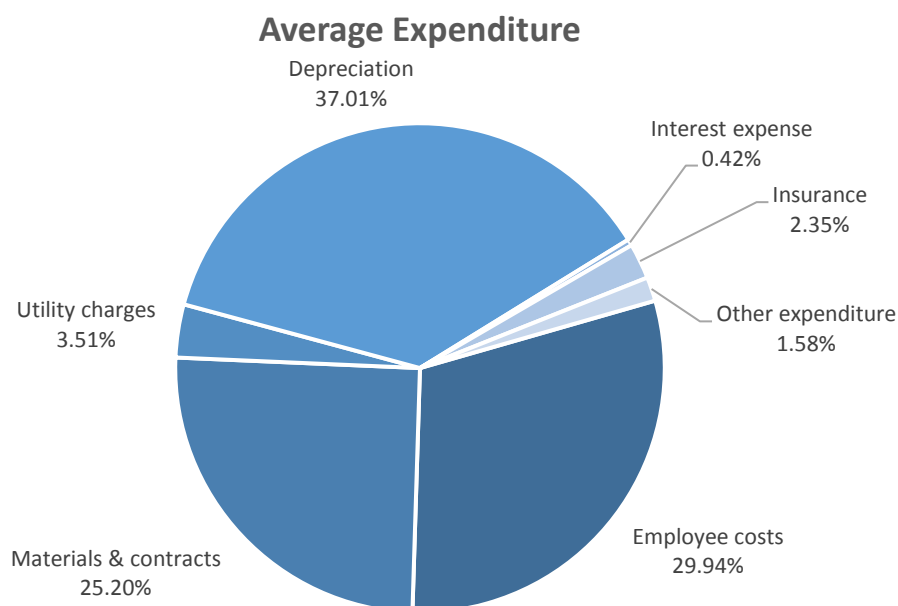
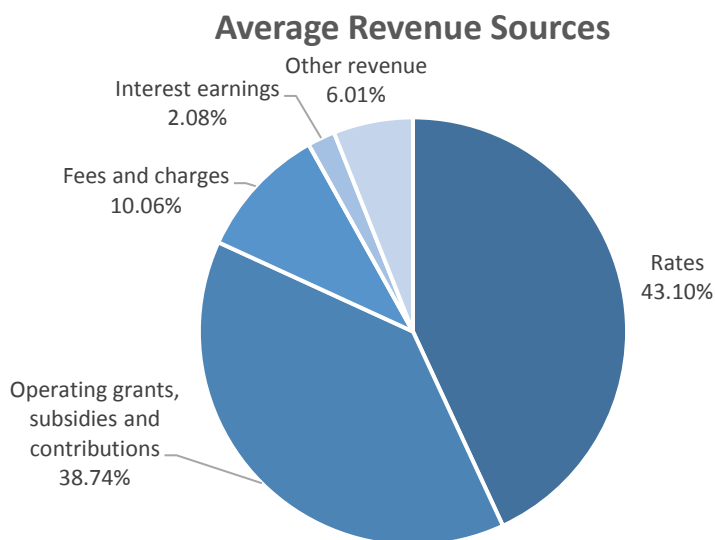
- Annual rate increases of 1.6% above CPI
- Annual increase to Fees & Charges 1.6% above CPI
- Expenditure, except for utilities (assumed higher), assumed in line with CPI

## Operational Budget

The operating budget is based on the current level of income and expenditure in the recently adopted 2024 Annual Budget. The only changes to occur over the life of the plan are:

- New employee for Parks & Gardens in 2025
- New casual officer for the gym in 2025
- Increase in interest payments for the future borrowings funding the Sporting Precinct project.

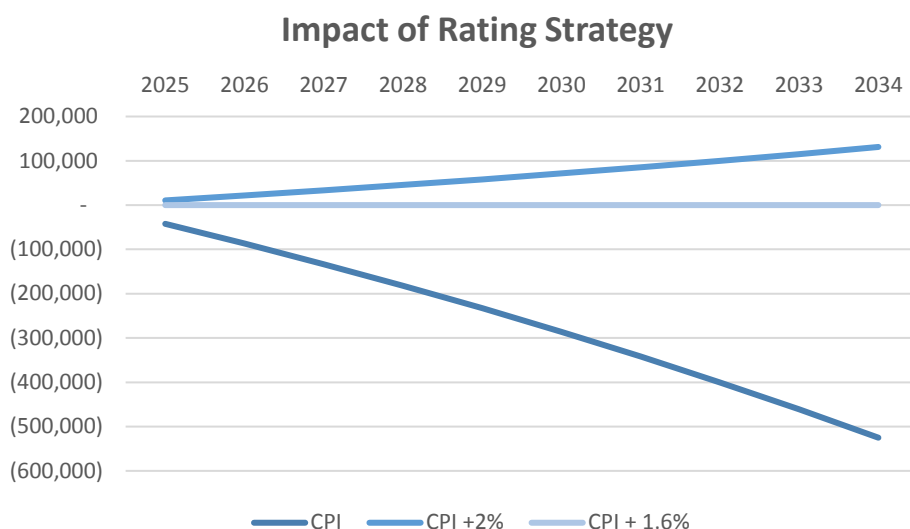
The below charts show the average annual income and expenditure by Nature and Type for the LTFP.



## Rates

Rate revenue is the main source of operating income for the Shire. The LTFP assumes an annual rate increase of 1.6% above CPI. This is essential to maintain the current level of service as well as ensuring the Shire raises enough funds to cover the capital expenditure program.

Reducing the annual increase has a flow on effect to future years. As shown in the graph below, reducing the increase of rates to match CPI results in a significant loss of revenue for the Shire over the 10 year period. Conversely raising above the assumed LTFP strategy of 1.6% will net the Shire a higher income, and the potential to provide more services.



## Non-Operating (Capital) Grants

A limited number of non-operating grants have been assumed in the development of the LTFP.

Roads to Recovery funding and Regional Road Group (RRG) funding has been based on the 2024 budget with increases over the years for inflation. RRG funding is based on a one third contribution from the Shire.

External funding has also been assumed in the construction of the Sports & Recreation Precinct. Federal funding of 50% and State Government funding of 25% has been factored into the LTFP, with the remaining Shire contribution funded from Reserve funds and Borrowings.

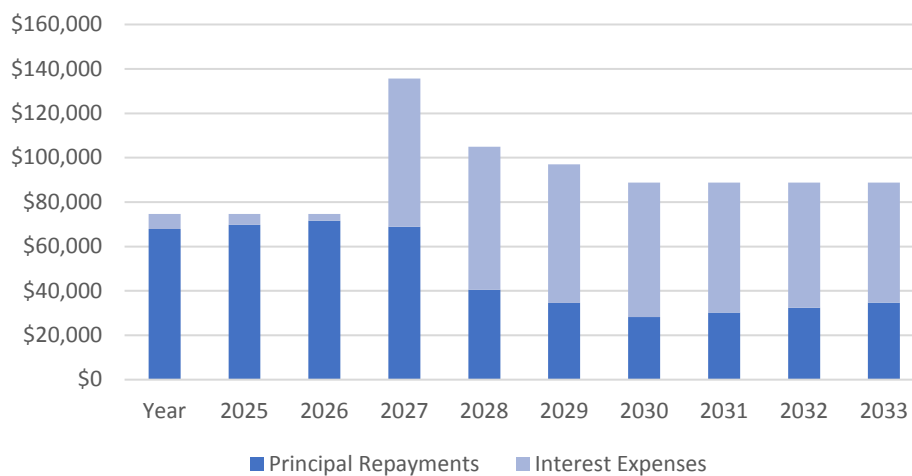
## Borrowings

Existing loans for the Depot Building and the Park Cottages are fully repaid in 2028 and 2030 respectively.

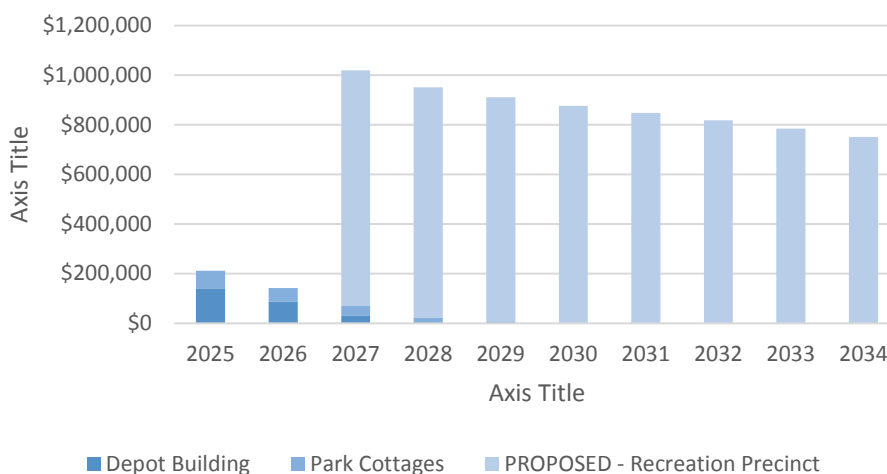
The LTFP currently assumes new borrowings in 2027 to fund the building of the Sports & Recreational Precinct to be repaid over 20 years.

Loans are deemed necessary where there are insufficient operating surpluses available to meet all capital requirements. Utilising loan funds allow the funding of capital costs to be spread over time and provides for greater intergenerational equity in the distribution of the funding burden.

Annual cost of borrowings



Outstanding Loan Balances



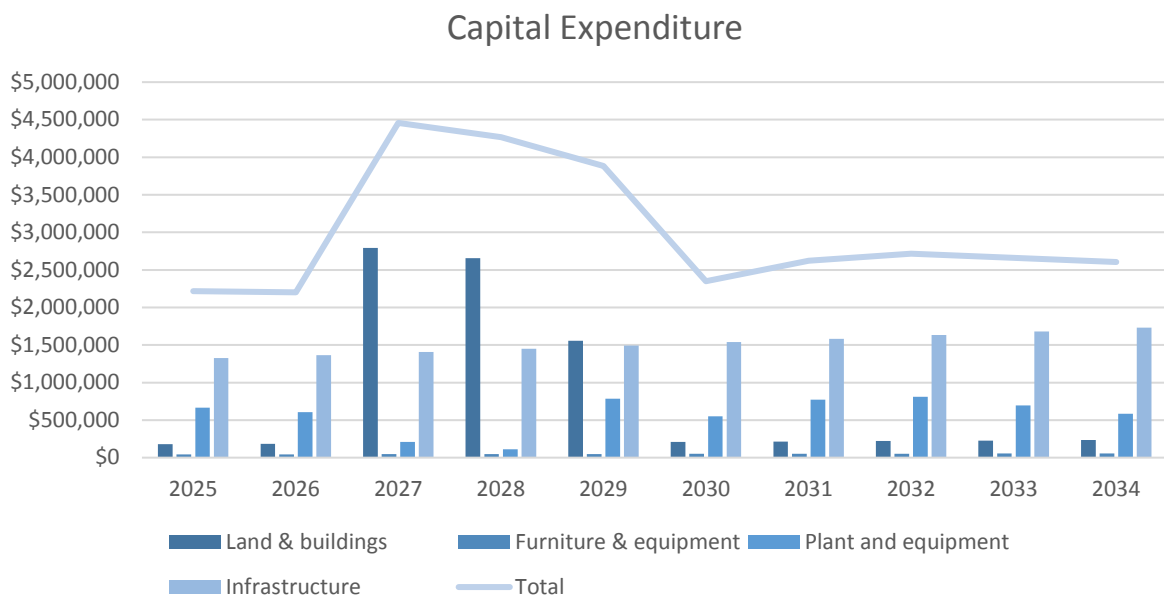
## Capital Expenditure

The Shire’s Asset Management Plan details information about the Shire’s assets and outlines the services to be provided. In addition to this the Plant Replacement Program details the future needs of the Shire’s plant and equipment.

The majority of capital expenditure are renewal projects reflecting the importance of maintaining the Shire’s existing essential infrastructure – Roads and Drainage.

New capital expenditure projects included in the LTFP are:

- Two (2) additional cabins for the Caravan Park.
- Construction and upgrade of the Sports & Recreation facility over a three year period beginning 2027. This has been budgeted as being 75% government funded, with the remainder being funded from Reserve and Borrowings.
- Renewal Expenditure across all asset categories in line with the Asset Management Plan and Plant Replacement Program.



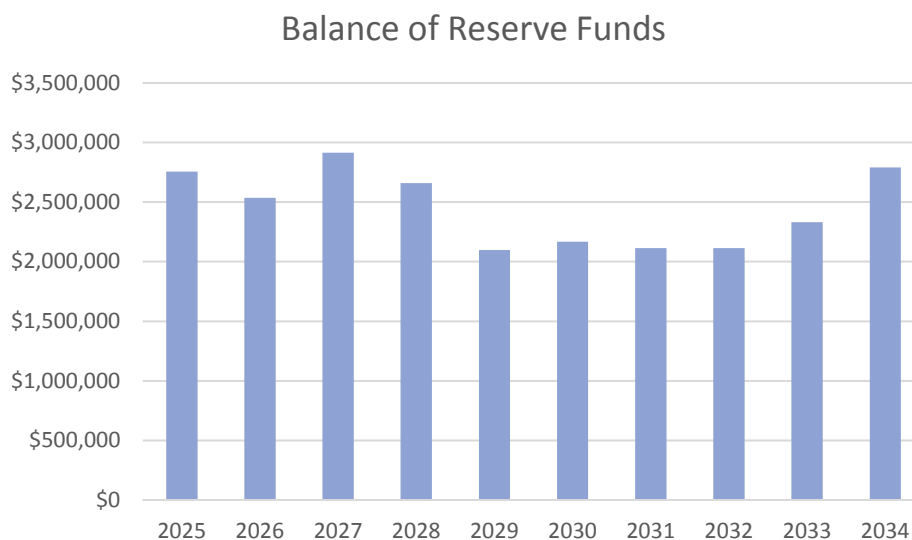
## Cashflows

The LTFP sets out to achieve a “balanced budget”, meaning the municipal closing surplus/(deficit) is nil, except for cash held in reserve funds.

Reserves are established for the purpose of setting aside funds in current and past years to assist in funding future projects and services. Transferring funds to reserves ensures the community who are benefitting now, will contribute to funding the purpose into the future. Having cash reserves eases the financial impact of a community when a project is required to be delivered in one year, to be funded by monies collected over a period.

The LTFP has been compiled with the following strategies in place:

- A minimum balance of \$2 million every year. This gives the Shire a funding option if monies are required urgently to attend to an emergency.
- Funds are transferred to the Reserves annually and used to fund the capital projects. This ensures that all monies flagged for renewal works can remain in the Reserve for the future if projects are delayed or priorities change.
- Funds have been added consistently to the Swimming Pool Reserve over the life of the plan to ensure there is a contingency fund in the case of any unforeseen works needing to be carried out.



## Key Financial Indicators

### Operating Surplus Ratio

The Operating Surplus Ratio is a measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes. If a local government consistently achieves a positive operating surplus ratio and has soundly based long term financial plans showing that it can continue to do so in future, having regard to asset management and the community's service level needs, then it is considered financially sustainable.

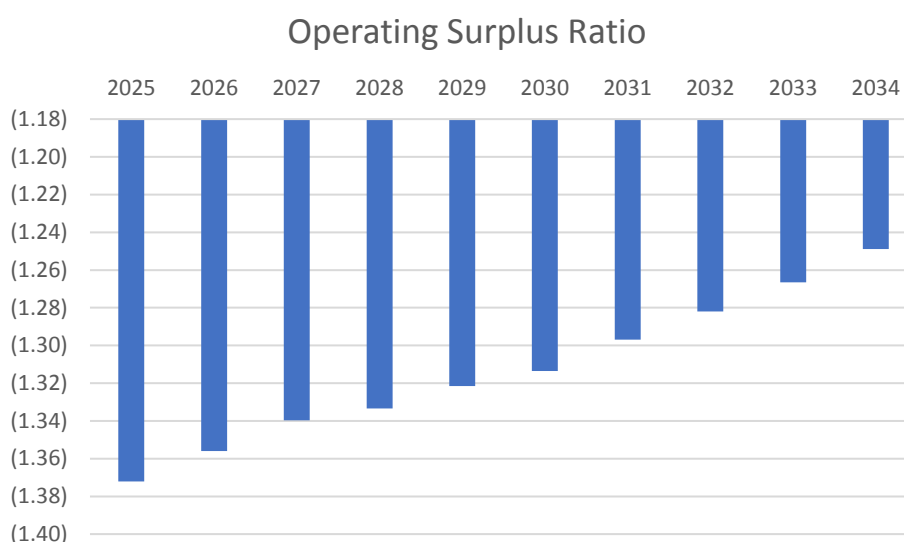
A positive ratio indicates the percentage of total own source revenue available to help fund proposed capital expenditure, transfer to cash reserves or to reduce debt. A negative ratio indicates the percentage increase in total own source revenue (principally rates) that would have been required to achieve a break-even operating result.

### Target

The standards set by the Department of Local Government, Sports, and Cultural Industries (DLGSC) is that the basic standard is between 1% and 15% (0.01 and 0.15) and the advanced standard is greater than 15% (>0.15).

### Commentary

Whilst the Shire is performing below the Department standard with a negative ratio, the assumption of rate increases in the LTFP, together with the consistent renewal expenditure program sees the Shire slowly improving the ratio over the life of the LTFP.





### Asset Sustainability Ratio

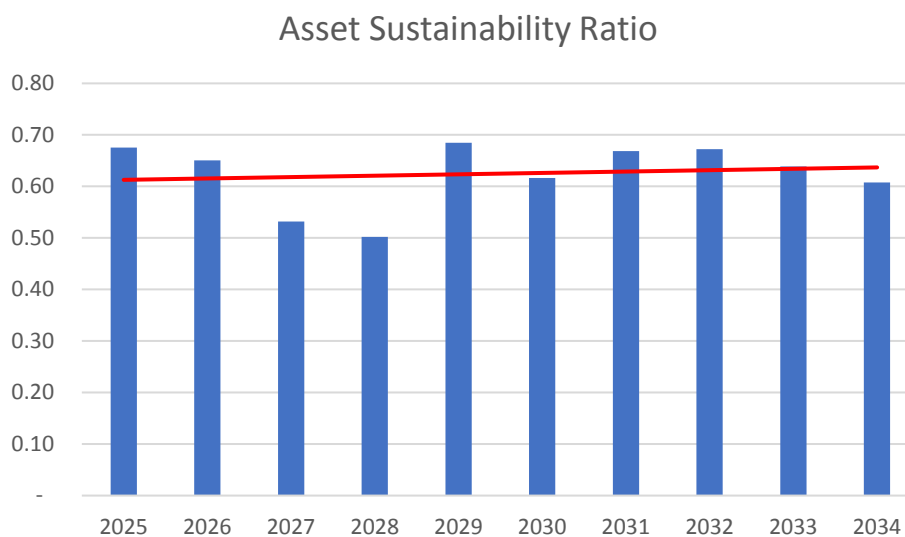
The Asset Sustainability Ratio expresses capital expenditure on renewal and replacement of existing assets as a percentage of depreciation costs. It is used to identify any potential decline or improvement in asset conditions. A percentage of less than 100% on an ongoing basis indicates assets may be deteriorating at a greater rate than spending on renewal or replacement.

### Target

The standards set by DLGSC is that the basic standard is met if the ratio can be measured and is 90% (0.90) and the improving standard is met if the ratio is between 90% and 110% (0.90 and 1.10).

### Commentary

Except for the new Sporting & Recreation Precinct, the Shire's capital expenditure is focused on maintaining and renewing its current asset base, with the help of external funding where available. Whilst the Shire is not reaching the standard sent by the Department, very few regional Councils can afford to do so. Importantly the Shire is forecasting a very slight increasing trend over the life of the LTFP.



### Debt Service Coverage Ratio

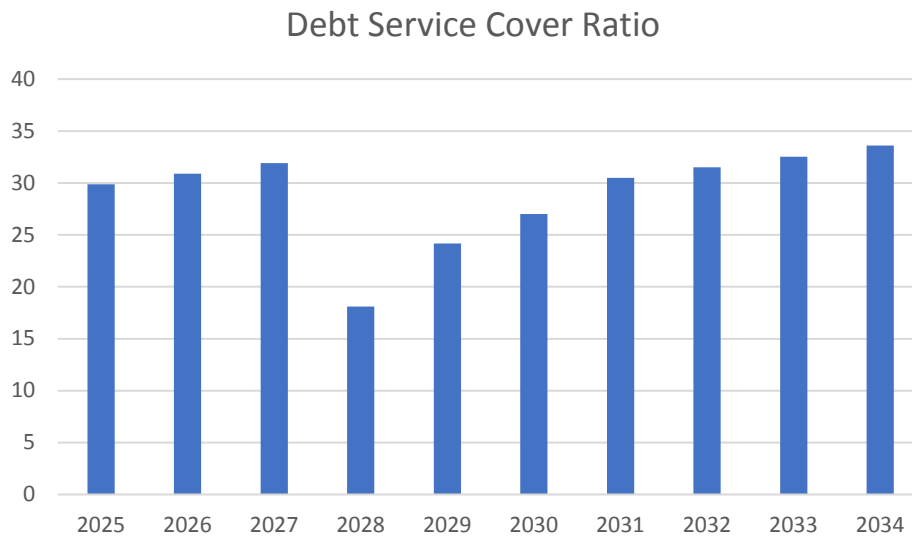
The Debt Service Coverage Ratio represents a local governments ability to produce enough cash to cover its debt payments. The higher the ratio is, the easier it is for a local government to obtain a loan.

#### Target

The standards set by DLGSC is that the basic standard is met if the ratio can be measured and is greater than 2.00 and the advanced standard is met if the ratio is greater than 5.00 (500%).

#### Commentary

The Shire is within the Department’s target for the course of the LTFP. The Shire has capacity to borrow further, but with consideration to be given to all ratios.



Shire of Quairading  
Long Term Financial Plan 2025 - 2034  
Appendix 1 - Statement of Financial Activity

	Adopted Budget										
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Opening Funding Surplus (Deficit)</b>	2,269,765	18,541	0	0	0	0	0	0	0	0	0
<b>OPERATING ACTIVITIES</b>											
<b>Revenue from operating activities</b>											
Rates	2,642,094	2,779,483	2,910,119	3,043,985	3,184,008	3,330,472	3,483,674	3,643,923	3,811,544	3,986,875	4,170,271
Operating grants, subsidies and contributions	405,611	2,656,249	2,738,592	2,822,114	2,909,673	3,001,758	3,099,102	3,202,794	3,314,469	3,436,625	3,573,137
Fees and charges	616,835	648,906	679,407	710,654	743,342	777,541	813,308	850,719	889,853	930,785	973,600
Service charges	0	0	0	0	0	0	0	0	0	0	0
Interest earnings	118,855	158,345	160,822	165,440	186,263	175,595	149,644	155,356	154,996	157,488	170,960
Other revenue	413,183	423,097	435,787	446,693	457,883	469,358	481,135	493,226	505,647	518,415	531,550
Profit On Asset Disposal	42,582	0	0	0	0	0	0	0	0	0	0
<b>Total income</b>	<b>4,239,159</b>	<b>6,666,080</b>	<b>6,924,727</b>	<b>7,188,886</b>	<b>7,481,169</b>	<b>7,754,724</b>	<b>8,026,863</b>	<b>8,346,018</b>	<b>8,676,509</b>	<b>9,030,188</b>	<b>9,419,518</b>
<b>Expenditure from operating activities</b>											
Employee costs	(2,411,926)	(2,498,755)	(2,576,217)	(2,653,509)	(2,733,114)	(2,815,105)	(2,899,567)	(2,986,554)	(3,076,153)	(3,168,443)	(3,263,489)
Materials & contracts	(2,146,075)	(2,223,328)	(2,292,238)	(2,360,994)	(2,431,861)	(2,504,821)	(2,580,012)	(2,657,393)	(2,737,123)	(2,819,229)	(2,903,821)
Utility charges	(268,450)	(283,485)	(297,944)	(312,857)	(328,501)	(344,923)	(362,164)	(380,275)	(399,293)	(419,250)	(440,211)
Depreciation	(3,152,353)	(3,265,837)	(3,367,080)	(3,468,091)	(3,572,133)	(3,679,296)	(3,789,676)	(3,903,366)	(4,020,466)	(4,141,080)	(4,265,314)
Interest expense	(13,248)	(6,864)	(5,026)	(3,134)	(66,945)	(64,640)	(62,663)	(60,741)	(58,750)	(56,618)	(54,210)
Insurance	(199,849)	(207,044)	(213,460)	(219,865)	(226,463)	(233,258)	(240,259)	(247,466)	(254,890)	(262,534)	(270,409)
Other expenditure	(134,755)	(139,606)	(143,931)	(148,248)	(152,697)	(157,279)	(161,999)	(166,859)	(171,865)	(177,020)	(182,331)
Loss On Asset Disposal	(75,359)	0	0	0	0	0	0	0	0	0	0
<b>Total expenses</b>	<b>(8,402,015)</b>	<b>(8,624,919)</b>	<b>(8,895,896)</b>	<b>(9,166,698)</b>	<b>(9,511,714)</b>	<b>(9,799,322)</b>	<b>(10,096,340)</b>	<b>(10,402,654)</b>	<b>(10,718,540)</b>	<b>(11,044,174)</b>	<b>(11,379,785)</b>
	(5,249,662)	(5,359,082)	(5,528,816)	(5,698,607)	(5,939,581)	(6,120,026)	(6,306,664)	(6,499,288)	(6,698,074)	(6,903,094)	(7,114,471)
<b>Additional net operating expenses</b>											
Employee costs	0	(142,946)	(147,377)	(151,798)	(156,352)	(161,043)	(165,874)	(170,850)	(175,975)	(181,255)	(186,692)
	0	(142,946)	(147,377)	(151,798)	(156,352)	(161,043)	(165,874)	(170,850)	(175,975)	(181,255)	(186,692)
Non-cash amounts excluded from operating activities											
	3,188,686	3,265,837	3,367,080	3,468,091	3,572,133	3,679,296	3,789,676	3,903,366	4,020,466	4,141,080	4,265,314
<b>Amount attributable to operating activities</b>	<b>(974,170)</b>	<b>1,164,052</b>	<b>1,248,534</b>	<b>1,338,481</b>	<b>1,385,236</b>	<b>1,473,655</b>	<b>1,554,325</b>	<b>1,675,880</b>	<b>1,802,460</b>	<b>1,945,839</b>	<b>2,118,355</b>
<b>INVESTING ACTIVITIES</b>											
Non-operating grants, subsidies and contributions	2,273,037	810,000	835,110	2,652,171	2,731,736	1,926,490	939,924	968,121	997,165	1,027,080	1,057,893
Proceeds On Disposal Of Assets	335,000	0	0	0	0	0	0	0	0	0	0
Purchase of property, plant and equipment	(1,709,645)	(890,000)	(835,110)	(3,049,863)	(2,816,504)	(2,389,522)	(809,959)	(1,038,639)	(1,083,341)	(978,896)	(873,741)
Purchase and construction of infrastructure	(3,082,644)	(1,325,000)	(1,366,075)	(1,407,059)	(1,449,269)	(1,492,747)	(1,537,530)	(1,583,656)	(1,631,164)	(1,680,100)	(1,730,504)
<b>Amount attributable to investing activities</b>	<b>(2,184,252)</b>	<b>(1,405,000)</b>	<b>(1,366,075)</b>	<b>(1,804,751)</b>	<b>(1,534,037)</b>	<b>(1,955,780)</b>	<b>(1,407,565)</b>	<b>(1,654,174)</b>	<b>(1,717,340)</b>	<b>(1,631,916)</b>	<b>(1,546,352)</b>
<b>FINANCING ACTIVITIES</b>											
Repayment of borrowings	(64,364)	(67,898)	(69,741)	(71,637)	(68,903)	(40,492)	(34,590)	(28,202)	(30,199)	(32,337)	(34,627)
Proceeds from borrowings	0	0	0	950,000	0	0	0	0	0	0	0
Lease Principal Repayments	(31,797)	(31,797)	(32,783)	(34,235)	(36,256)	(38,991)	(42,666)	(47,630)	(54,416)	(63,856)	(77,254)
Transfers to reserves (restricted assets)	(85,000)	(1,082,899)	(1,146,010)	(2,182,608)	(1,280,077)	(1,644,172)	(1,477,069)	(1,600,049)	(1,767,846)	(1,849,646)	(2,006,474)
Transfers from reserves (restricted assets)	1,088,359	1,405,000	1,366,075	1,804,751	1,534,037	2,205,780	1,407,565	1,654,174	1,767,340	1,631,916	1,546,352
<b>Amount attributable to financing activities</b>	<b>907,198</b>	<b>222,406</b>	<b>117,541</b>	<b>466,270</b>	<b>148,801</b>	<b>482,124</b>	<b>(146,760)</b>	<b>(21,707)</b>	<b>(85,121)</b>	<b>(313,923)</b>	<b>(572,003)</b>
<b>Surplus/(deficit)</b>	<b>18,541</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating Surplus Ratio</b>	<b>(1.37)</b>	<b>(1.37)</b>	<b>(1.36)</b>	<b>(1.34)</b>	<b>(1.33)</b>	<b>(1.32)</b>	<b>(1.31)</b>	<b>(1.30)</b>	<b>(1.28)</b>	<b>(1.27)</b>	<b>(1.25)</b>

Shire of Quairading  
Long Term Financial Plan 2025 - 2034  
Appendix 2 - Statement of Capital Works

	Adopted Budget										
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Land &amp; buildings</b>											
Land improvements	0	10,000	10,310	10,619	10,938	11,266	11,604	11,952	12,311	12,680	13,060
Buildings renewal	294,240	170,000	175,270	180,528	185,944	191,522	197,268	203,186	209,282	215,560	222,027
Buildings new - 1 Edwards Way	350,000	0	0	0	0	0	0	0	0	0	0
Buildings new - cabins	0	0	0	212,386	0	0	0	0	0	0	0
Buildings new - Sporting Precinct	0	0	0	2,389,343	2,461,023	1,351,922	0	0	0	0	0
<b>Total land &amp; buildings</b>	<b>644,240</b>	<b>180,000</b>	<b>185,580</b>	<b>2,792,876</b>	<b>2,657,905</b>	<b>1,554,710</b>	<b>208,872</b>	<b>215,138</b>	<b>221,593</b>	<b>228,240</b>	<b>235,087</b>
<b>Furniture &amp; equipment</b>											
Computer equipment	0	28,000	28,868	29,734	30,626	31,545	32,491	33,466	34,470	35,504	36,569
Furniture and Equipment	35,000	15,000	15,465	15,929	16,407	16,899	17,406	17,928	18,466	19,020	19,591
<b>Total furniture &amp; equipment</b>	<b>35,000</b>	<b>43,000</b>	<b>44,333</b>	<b>45,663</b>	<b>47,033</b>	<b>48,444</b>	<b>49,897</b>	<b>51,394</b>	<b>52,936</b>	<b>54,524</b>	<b>56,160</b>
<b>Plant and equipment</b>											
Plant & equipment renewal	1,030,405	667,000	605,197	211,324	111,566	786,368	551,190	772,107	808,812	696,132	582,494
<b>Total plant and equipment</b>	<b>1,030,405</b>	<b>667,000</b>	<b>605,197</b>	<b>211,324</b>	<b>111,566</b>	<b>786,368</b>	<b>551,190</b>	<b>772,107</b>	<b>808,812</b>	<b>696,132</b>	<b>582,494</b>
<b>Infrastructure</b>											
Roads renewal	1,675,291	1,060,000	1,092,860	1,125,647	1,159,416	1,194,198	1,230,024	1,266,924	1,304,932	1,344,080	1,384,403
Drainage renewal	180,112	150,000	154,650	159,290	164,068	168,990	174,060	179,282	184,660	190,200	195,906
Footpaths renewal	-	50,000	51,550	53,097	54,689	56,330	58,020	59,761	61,553	63,400	65,302
Other Infrastructure renewal	1,227,241	65,000	67,015	69,025	71,096	73,229	75,426	77,689	80,019	82,420	84,893
<b>Total infrastructure</b>	<b>3,082,644</b>	<b>1,325,000</b>	<b>1,366,075</b>	<b>1,407,059</b>	<b>1,449,269</b>	<b>1,492,747</b>	<b>1,537,530</b>	<b>1,583,656</b>	<b>1,631,164</b>	<b>1,680,100</b>	<b>1,730,504</b>
<b>Total capital works expenditure</b>	<b>4,792,289</b>	<b>2,215,000</b>	<b>2,201,185</b>	<b>4,456,922</b>	<b>4,265,773</b>	<b>3,882,269</b>	<b>2,347,489</b>	<b>2,622,295</b>	<b>2,714,505</b>	<b>2,658,996</b>	<b>2,604,245</b>
<b>Represented by:</b>											
New asset expenditure	366,145	10,000	10,310	2,612,348	2,471,961	1,363,188	11,604	11,952	12,311	12,680	13,060
Asset renewal expenditure	4,076,144	2,205,000	2,190,875	1,844,574	1,793,812	2,519,081	2,335,885	2,610,343	2,702,194	2,646,316	2,591,185
<b>Total capital works expenditure</b>	<b>4,442,289</b>	<b>2,215,000</b>	<b>2,201,185</b>	<b>4,456,922</b>	<b>4,265,773</b>	<b>3,882,269</b>	<b>2,347,489</b>	<b>2,622,295</b>	<b>2,714,505</b>	<b>2,658,996</b>	<b>2,604,245</b>
<b>Funding sources represented by:</b>											
Grants & Contributions	2,273,037	810,000	835,110	2,652,171	2,731,736	1,926,490	939,924	968,121	997,165	1,027,080	1,057,893
Municipal Contribution	2,169,252	1,405,000	1,366,075	854,751	1,534,037	1,955,780	1,407,565	1,654,174	1,717,340	1,631,916	1,546,352
Borrowings	0	0	0	950,000	0	0	0	0	0	0	0
<b>Total capital works expenditure</b>	<b>4,442,289</b>	<b>2,215,000</b>	<b>2,201,185</b>	<b>4,456,922</b>	<b>4,265,773</b>	<b>3,882,269</b>	<b>2,347,489</b>	<b>2,622,295</b>	<b>2,714,505</b>	<b>2,658,996</b>	<b>2,604,245</b>
<b>Asset Sustainability Ratio</b>	<b>1.29</b>	<b>0.68</b>	<b>0.65</b>	<b>0.53</b>	<b>0.50</b>	<b>0.68</b>	<b>0.62</b>	<b>0.67</b>	<b>0.67</b>	<b>0.64</b>	<b>0.61</b>

Shire of Quairading  
Long Term Financial Plan 2025 - 2034  
Reserve Accounts

Reserves	2024 \$000's	2025 \$000's	2026 \$000's	2027 \$000's	2028 \$000's	2029 \$000's	2030 \$000's	2031 \$000's	2032 \$000's	2033 \$000's	2034 \$000's
<b>Building &amp; Infrastructure Reserve</b>	<b>To be used to develop and upgrade Council infrastructure and building assets.</b>										
Opening balance	921,846	511,043	531,485	555,402	370,786	389,325	158,791	166,731	175,068	133,821	140,512
Transfer to reserve	0	0	0	0	0	0	0	0	0	0	300,000
Transfer to reserve - interest	19,197	20,442	23,917	27,770	18,539	19,466	7,940	8,337	8,753	6,691	7,026
Transfer from reserve	(430,000)	0	0	(212,386)	0	(250,000)	0	0	(50,000)	0	0
<b>Closing balance</b>	<b>511,043</b>	<b>531,485</b>	<b>555,402</b>	<b>370,786</b>	<b>389,325</b>	<b>158,791</b>	<b>166,731</b>	<b>175,068</b>	<b>133,821</b>	<b>140,512</b>	<b>447,538</b>
<b>Building Renewal Reserve</b>	<b>To be used to fund the maintenance and renewal of Council building assets.</b>										
Opening balance	125,339	127,949	143,067	19,235	198,669	187,658	95,519	268,027	168,242	67,372	15,181
Transfer to reserve	0	180,000	45,000	359,000	165,000	90,000	365,000	90,000	100,000	160,000	210,000
Transfer to reserve - interest	2,610	5,118	6,438	962	9,933	9,383	4,776	13,401	8,412	3,369	759
Transfer from reserve	0	(170,000)	(175,270)	(180,528)	(185,944)	(191,522)	(197,268)	(203,186)	(209,282)	(215,560)	(222,027)
<b>Closing balance</b>	<b>127,949</b>	<b>143,067</b>	<b>19,235</b>	<b>198,669</b>	<b>187,658</b>	<b>95,519</b>	<b>268,027</b>	<b>168,242</b>	<b>67,372</b>	<b>15,181</b>	<b>3,913</b>
<b>Long Service Leave Reserve</b>	<b>To be used to fund future employee leave requirements.</b>										
Opening balance	170,758	174,314	181,287	189,445	198,917	208,863	219,306	230,271	241,785	253,874	266,568
Transfer to reserve	0	0	0	0	0	0	0	0	0	0	0
Transfer to reserve - interest	3,556	6,973	8,158	9,472	9,946	10,443	10,965	11,514	12,089	12,694	13,328
Transfer from reserve	0	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>	<b>174,314</b>	<b>181,287</b>	<b>189,445</b>	<b>198,917</b>	<b>208,863</b>	<b>219,306</b>	<b>230,271</b>	<b>241,785</b>	<b>253,874</b>	<b>266,568</b>	<b>279,896</b>
<b>Furniture, Fittings &amp; Equipment Reserve</b>	<b>To be used in funding the various furniture, fittings and equipment installed in Council buildings and for the purchase of IT hardware and software.</b>										
Opening balance	71,881	63,378	22,913	9,611	4,429	7,617	9,554	10,135	9,248	6,774	2,589
Transfer to reserve	0	0	30,000	40,000	50,000	50,000	50,000	50,000	50,000	50,000	105,000
Transfer to reserve - interest	1,497	2,535	1,031	481	221	381	478	507	462	339	129
Transfer from reserve	(10,000)	(43,000)	(44,333)	(45,663)	(47,033)	(48,444)	(49,897)	(51,394)	(52,936)	(54,524)	(56,160)
<b>Closing balance</b>	<b>63,378</b>	<b>22,913</b>	<b>9,611</b>	<b>4,429</b>	<b>7,617</b>	<b>9,554</b>	<b>10,135</b>	<b>9,248</b>	<b>6,774</b>	<b>2,589</b>	<b>51,558</b>
<b>Health Reserve</b>	<b>To be used to assist in funding the improvement of medical services and facilities</b>										
Opening balance	99,418	101,488	105,548	110,298	115,813	121,604	127,684	134,068	140,771	147,810	155,201
Transfer to reserve	0	0	0	0	0	0	0	0	0	0	0
Transfer to reserve - interest	2,070	4,060	4,750	5,515	5,791	6,080	6,384	6,703	7,039	7,391	7,760
Transfer from reserve	0	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>	<b>101,488</b>	<b>105,548</b>	<b>110,298</b>	<b>115,813</b>	<b>121,604</b>	<b>127,684</b>	<b>134,068</b>	<b>140,771</b>	<b>147,810</b>	<b>155,201</b>	<b>162,961</b>

Shire of Quairading  
Long Term Financial Plan 2025 - 2034  
Reserve Accounts

Reserves	2024 \$000's	2025 \$000's	2026 \$000's	2027 \$000's	2028 \$000's	2029 \$000's	2030 \$000's	2031 \$000's	2032 \$000's	2033 \$000's	2034 \$000's
<b>HomesWest Joint Venture Housing Reserve</b> To be used to assist with compliance with Council's joint venture agreement held with the State Housing Commission and to provide funds for the maintenance, management and improvement of the joint venture units.											
Opening balance	5,408	5,521	5,742	6,000	6,300	6,615	6,946	7,293	7,658	8,041	8,443
Transfer to reserve	0	0	0	0	0	0	0	0	0	0	0
Transfer to reserve - interest	113	221	258	300	315	331	347	365	383	402	422
Transfer from reserve	0	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>	<b>5,521</b>	<b>5,742</b>	<b>6,000</b>	<b>6,300</b>	<b>6,615</b>	<b>6,946</b>	<b>7,293</b>	<b>7,658</b>	<b>8,041</b>	<b>8,443</b>	<b>8,865</b>
<b>Independent Living Reserve</b> To be used to fund the development of the independent living units.											
Opening balance	560,036	486,823	506,296	529,079	555,533	583,310	612,476	643,100	675,255	709,018	744,469
Transfer to reserve	0	0	0	0	0	0	0	0	0	0	0
Transfer to reserve - interest	11,663	19,473	22,783	26,454	27,777	29,166	30,624	32,155	33,763	35,451	37,223
Transfer from reserve	(84,876)	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>	<b>486,823</b>	<b>506,296</b>	<b>529,079</b>	<b>555,533</b>	<b>583,310</b>	<b>612,476</b>	<b>643,100</b>	<b>675,255</b>	<b>709,018</b>	<b>744,469</b>	<b>781,692</b>
<b>Plant Reserve</b> To be used to assist in funding the purchase of major plant items.											
Opening balance	776,912	315,091	70,695	38,679	29,289	269,187	196,278	59,902	40,790	59,018	145,837
Transfer to reserve	0	410,000	570,000	200,000	350,000	700,000	405,000	750,000	825,000	780,000	550,000
Transfer to reserve - interest	16,179	12,604	3,181	1,934	1,464	13,459	9,814	2,995	2,040	2,951	7,292
Transfer from reserve	(478,000)	(667,000)	(605,197)	(211,324)	(111,566)	(786,368)	(551,190)	(772,107)	(808,812)	(696,132)	(582,494)
<b>Closing balance</b>	<b>315,091</b>	<b>70,695</b>	<b>38,679</b>	<b>29,289</b>	<b>269,187</b>	<b>196,278</b>	<b>59,902</b>	<b>40,790</b>	<b>59,018</b>	<b>145,837</b>	<b>120,635</b>
<b>Rec Centre Multipurpose Precinct Reserve</b> To be used in providing assistance in the future redevelopment and capital upgrade works at the multi purpose precinct.											
Opening balance	537,375	548,566	570,509	596,182	978,655	412,333	94,969	99,717	104,703	109,938	115,435
Transfer to reserve	0	0	0	950,000	0	0	0	0	0	0	0
Transfer to reserve - interest	11,191	21,943	25,673	29,809	48,933	20,617	4,748	4,986	5,235	5,497	5,772
Transfer from reserve	0	0	0	(597,336)	(615,256)	(337,981)	0	0	0	0	0
<b>Closing balance</b>	<b>548,566</b>	<b>570,509</b>	<b>596,182</b>	<b>978,655</b>	<b>412,333</b>	<b>94,969</b>	<b>99,717</b>	<b>104,703</b>	<b>109,938</b>	<b>115,435</b>	<b>121,207</b>
<b>Road Infrastructure Reserve</b> To be used towards road infrastructure projects including replacement of culverts and bridges.											
Opening balance	549,527	475,488	319,508	159,901	111,001	72,627	147,227	89,129	59,701	95,842	181,541
Transfer to reserve	0	340,000	356,980	490,000	519,376	651,168	532,147	581,651	667,155	733,927	704,871
Transfer to reserve - interest	11,444	19,020	14,378	7,995	5,550	3,631	7,361	4,456	2,985	4,792	9,077
Transfer from reserve	(85,483)	(515,000)	(530,965)	(546,895)	(563,300)	(580,199)	(597,606)	(615,535)	(633,999)	(653,020)	(672,611)
<b>Closing balance</b>	<b>475,488</b>	<b>319,508</b>	<b>159,901</b>	<b>111,001</b>	<b>72,627</b>	<b>147,227</b>	<b>89,129</b>	<b>59,701</b>	<b>95,842</b>	<b>181,541</b>	<b>222,878</b>

Shire of Quairading  
Long Term Financial Plan 2025 - 2034  
Reserve Accounts

Reserves	2024 \$000's	2025 \$000's	2026 \$000's	2027 \$000's	2028 \$000's	2029 \$000's	2030 \$000's	2031 \$000's	2032 \$000's	2033 \$000's	2034 \$000's
<b>Sustainable Environment Reserve</b> To be used to assist in funding projects and initiatives which foster a sustainable environment. Such areas include waste management, recycling, water usage, gravel supplies, energy coservation and environmentally sustainable projects.											
Opening balance	170,867	174,425	181,402	189,565	199,043	208,995	219,445	230,417	241,938	254,035	266,737
Transfer to reserve	0	0	0	0	0	0	0	0	0	0	0
Transfer to reserve - interest	3,558	6,977	8,163	9,478	9,952	10,450	10,972	11,521	12,097	12,702	13,337
Transfer from reserve	0	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>	<b>174,425</b>	<b>181,402</b>	<b>189,565</b>	<b>199,043</b>	<b>208,995</b>	<b>219,445</b>	<b>230,417</b>	<b>241,938</b>	<b>254,035</b>	<b>266,737</b>	<b>280,074</b>
<b>Swimming Pool Reserve</b> To be used to assist in funding future major capital / upgrade works a the Quairading Memorial Swimming Pool.											
Opening balance	20,271	20,693	43,284	55,232	64,793	108,033	123,435	139,607	156,587	174,416	193,137
Transfer to reserve	0	21,763	10,000	6,799	40,000	10,000	10,000	10,000	10,000	10,000	10,000
Transfer to reserve - interest	422	828	1,948	2,762	3,240	5,402	6,172	6,980	7,829	8,721	9,657
Transfer from reserve	0	0	0	0	0	0	0	0	0	0	0
<b>Closing balance</b>	<b>20,693</b>	<b>43,284</b>	<b>55,232</b>	<b>64,793</b>	<b>108,033</b>	<b>123,435</b>	<b>139,607</b>	<b>156,587</b>	<b>174,416</b>	<b>193,137</b>	<b>212,794</b>
<b>Town Planning &amp; Development Reserve</b> To be used to assist in funding of planning and implementation of the development of Council land and the purchase of land for future development.											
Opening balance	72,049	73,549	74,491	77,533	80,791	83,893	86,822	89,559	92,085	94,378	96,417
Transfer to reserve	0	8,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Transfer to reserve - interest	1,500	2,942	3,352	3,877	4,040	4,195	4,341	4,478	4,604	4,719	4,821
Transfer from reserve	0	(10,000)	(10,310)	(10,619)	(10,938)	(11,266)	(11,604)	(11,952)	(12,311)	(12,680)	(13,060)
<b>Closing balance</b>	<b>73,549</b>	<b>74,491</b>	<b>77,533</b>	<b>80,791</b>	<b>83,893</b>	<b>86,822</b>	<b>89,559</b>	<b>92,085</b>	<b>94,378</b>	<b>96,417</b>	<b>98,178</b>
<b>Reserves Summary</b>											
Opening balance	4,081,687	3,078,328	2,756,227	2,536,162	2,914,019	2,660,060	2,098,452	2,167,956	2,113,831	2,114,337	2,332,067
Transfer to reserve	0	959,763	1,021,980	2,055,799	1,134,376	1,511,168	1,372,147	1,491,651	1,662,155	1,743,927	1,889,871
Transfer to reserve - interest	85,000	123,136	124,030	126,809	145,701	133,004	104,922	108,398	105,691	105,719	116,603
Transfer from reserve	(1,088,359)	(1,405,000)	(1,366,075)	(1,804,751)	(1,534,037)	(2,205,780)	(1,407,565)	(1,654,174)	(1,767,340)	(1,631,916)	(1,546,352)
<b>Closing balance</b>	<b>3,078,328</b>	<b>2,756,227</b>	<b>2,536,162</b>	<b>2,914,019</b>	<b>2,660,060</b>	<b>2,098,452</b>	<b>2,167,956</b>	<b>2,113,831</b>	<b>2,114,337</b>	<b>2,332,067</b>	<b>2,792,189</b>

Shire of Quairading  
Long Term Financial Plan 2025 - 2034  
Appendix 4 - Borrowings

Purpose	Loan Number	Adopted Budget	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
		2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Depot Building</b>		<b>118</b>										
Opening balance			243,727	193,914	141,003	86,471	30,269	0	0	0	0	0
Plus New loans												
Less Principal repayment			(49,813)	(52,911)	(54,532)	(56,202)	(30,269)	0	0	0	0	0
<b>Closing balance</b>			<b>193,914</b>	<b>141,003</b>	<b>86,471</b>	<b>30,269</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Interest payment			(10,647)	(5,479)	(3,858)	(2,188)	(451)	0	0	0	0	0
<b>Park Cottages</b>		<b>119</b>										
Opening balance			99,996	85,445	70,458	55,249	39,814	24,150	8,253	0	0	0
Plus New loans												
Less Principal repayment			(14,551)	(14,987)	(15,209)	(15,435)	(15,664)	(15,897)	(8,253)	0	0	0
<b>Closing balance</b>			<b>85,445</b>	<b>70,458</b>	<b>55,249</b>	<b>39,814</b>	<b>24,150</b>	<b>8,253</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Interest payment			(2,431)	(1,214)	(992)	(766)	(536)	(304)	(64)	0	0	0
<b>PROPOSED - Recreation Precinct</b>		<b>NEW</b>										
Opening balance			0	0	0	0	950,000	927,031	902,436	876,099	847,897	817,698
Plus New loans			0	0	0	950,000	0	0	0	0	0	0
Less Principal repayment			0	0	0	0	(22,969)	(24,595)	(26,337)	(28,202)	(30,199)	(32,337)
<b>Closing balance</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>950,000</b>	<b>927,031</b>	<b>902,436</b>	<b>876,099</b>	<b>847,897</b>	<b>817,698</b>	<b>785,361</b>
Interest payment						0	(65,772)	(64,145)	(62,403)	(60,539)	(58,542)	(56,403)
<b>Summary of Borrowings</b>												
Opening balance			343,723	279,359	211,461	141,720	1,020,083	951,181	910,689	876,099	847,897	817,698
Plus New loans			0	0	0	950,000	0	0	0	0	0	0
Less Principal repayment			(64,364)	(67,898)	(69,741)	(71,637)	(68,902)	(40,492)	(34,590)	(28,202)	(30,199)	(32,337)
<b>Closing balance</b>			<b>279,359</b>	<b>211,461</b>	<b>141,720</b>	<b>1,020,083</b>	<b>951,181</b>	<b>910,689</b>	<b>876,099</b>	<b>847,897</b>	<b>817,698</b>	<b>785,361</b>
Interest payment			(13,078)	(6,693)	(4,850)	(2,954)	(66,759)	(64,449)	(62,467)	(60,539)	(58,542)	(56,403)
Debt Service Cover Ratio			26.91	29.89	30.89	31.90	18.11	24.18	27.00	30.49	31.49	32.53



## Disclaimer

This Long Term Financial Plan was prepared by Viaje Strategic for the Shire of Quairading only.

The LTFP is based on the information supplied by officers of the Shire of Quairading. The report is based on estimates and assumptions concerning the future performance of the Shire of Quairading and the economic environment and therefore subject to uncertainties. Our procedures do not include verification or validation of the information provided. We do not accept any liability of any kind whatsoever, including liability by reason of negligence, to the Shire of Quairading or any other person for losses incurred as a result of placing reliance on this report.

This is an advisory engagement. No audit or review engagement has been performed and accordingly no assurance is expressed.

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