Long Term Financial Plan
2020

Shire of Pingelly

Contents

Introduction 3
Longer Term Financial Position 3
Assumptions 4
Rates and Annual Charges 5
Investments and Interest on Investments 5
Grants and Contributions 5
Employee Expenses 5
Materials and Contracts 6
Capital Works Program 6
Financial Statements 6
Appendix 1 Financial Statements 7
Appendix 2 Plant Replacement Program 11
Appendix 3 Electronic Equipment Replacment Program 12
Appendix 4 Reserve Strategy 13

Introduction

The Integrated Planning and Reporting Framework requires every WA Local Government to undertake strategic planning that is based on community engagement and ensures that its activities are informed by long term plans for their finances, assets and workforces.

The Integrated Planning and Reporting Framework is designed so that the Council and community both have a clear picture of:

1. Where we want to go (Strategic Community Plan);
2. How we plan to get there (Corporate Business Plan, Long Term Financial Plan, Annual Budget, Asset Management Plan, Workforce Plan and Information Communication Technology Plan); and
3. How we will measure our progress (quarterly and annual reporting).

The planning and reporting process ensures that Council's planning is aligned with the community's vision for the future, and that the planning process and the implementation of the Corporate Business Plan is transparent.

The Long Term Financial Plan (LTFP) is an important part of Council's strategic planning process. The LTFP is where Council projects the financial implications of delivering the community's vision for the future. It outlines the pressures and economic drivers behind Council's expected financial future. Expected growth rates are aligned with community expectations of service delivery and community projects, and the social outcomes outlined in the Community Strategic Plan.

The LTFP must be for a minimum of 10 years and is updated annually as part of the development of the Corporate Business Plan. It will also be reviewed in detail as part of the four-yearly review of the Strategic Community Plan.

The objectives of the Shire of Pingelly LTFP are to:

- Respond to the changing aspirations and needs of the community, particularly as they are identified and prioritised in the Strategic Community Plan;
- Reflect the true financial position based on the current service levels;
- Ensure the financial sustainability of Council's services for the community;
- Support the implementation of the Strategic Community Plan and Corporate Business Plan as an integral component of Council's resource allocation;
- Guide the future Corporate Business Plan and to determine the ability to invest in new services and infrastructure, and maintain existing assets; and
- Address the legislative requirements for integrated planning and reporting.

Longer Term Financial Position

The Shire of Pingelly has historically adopted balanced budgets each year. This has ensured a sound financial position for the Shire on a year to year approach. Capital expenditure on new infrastructure has been at significant levels in previous years, placing some pressure on the operating budget.

The Shire is currently generating underlying operating deficits. One of the main objectives of creating a LTFP is to see a movement towards a small operating surplus over the longer term. The operating

deficit position has been highlighted by a move to fair value accounting, as the current depreciation expense that is contained within the operating statement is now based on fair value costs. The increase in depreciation has directly impacted the operating statement.

The Shire is currently heavily reliant upon operational and capital grant funding. In the 2019/20 Budget external grants accounted for approximately 54% of total income. A large portion of capital expenditure is reliant upon external funding to assist in the capital works program. Programs such as Roads to Recovery and Regional Road Group are integral to the road network. Any removal or decrease in these external grants will have a direct effect on service levels that the Shire currently undertakes.

The Shire employs 31 staff to maintain service levels. Local Governments are in a competitive employment environment with other employers and need to ensure remuneration and working conditions are comparable.

The Long Term Financial Plan highlights the challenges ahead for Council in order to achieve financial sustainability. The goals of the 2020 LTFP are:

- The provision of current service levels and, where appropriate, increased service levels to meet community expectations
- Reduce the infrastructure renewal backlog
- Achieve a gradual reduction of debt level over the first five years of the Plan in order to provide the ability to utilise loan funding, if needed, in the later years
- Build up appropriate levels of cash reserves for future projects and asset renewal
- Ensure appropriate investment in the maintenance of assets

Assumptions

The assumptions used in the preparation of the Long Term Financial Plan can significantly influence the outcome of the plan. Information as to the major financial assumptions has been included to provide context around how the plan was developed. In seeking to project future financial position outcomes, the development of the LTFP has been built on some underlying indexation factors as detailed below.

10 Year Indexation Factors

Nature or Type	1	2	3	4	5	6	7	8	9	10
Rates	0%	4.5%	4.5%	4.5%	4.0%	4.0%	3.5%	3.5%	3.5%	3.5%
Operating grants and contributions	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Fees and charges	0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Service charges	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other revenue	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Employee costs	0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Materials and contracts	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Utility charges	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Insurance expense	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other expenditure	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

The LTFP has been prepared using a high level grouping of operating income and expenditure accounts based upon a nature and type analysis. The information used was from the 2019/20 Annual Budget. Abnormal and carryover income and expenditure has been excluded from the accounts to form a "baseline" income and expenditure on which growth assumptions can then be calculated.

While the LTFP uses specific assumptions to calculate future years estimated operating income and expenditure, it will not remove the need for Council to continue to achieve operational efficiencies.

Rates and Annual Charges

Rates and annual charges make up approximately 57% of the budgeted operating revenue for the Shire. Rates were projected to increase by 4.5% in 2020/21 to ensure the investment in large capital projects of previous years was sustainable, however, due to COVID-19 and the impact on business and the wider community, Council has made the decision to freeze the 2020/21 rates at the previous year levels. Similarly, waste charges have also been frozen at 2019/20 levels, and together these represent a significant saving for households.

Investments and Interest on Investments

The downturn in the investment market will continue to place pressure on Council's forecast investment revenues for some time.

Grants and Contributions

Council relies on income from both grants and contributions. The Federal Government Financial Assistance and the Local Roads grant programs combined constitute approximately 22% of Councils total revenue.

The LTFP has been prepared with the assumption that the Federal Government Financial Assistance and the Roads grants will continue indefinitely based on the current arrangements.

Employee Expenses

Employee costs make up 29% of the projected 2020/21 operating expenditure. This is reflective of the service-based nature of a significant proportion of Councils activities as well as the construction and maintenance of the considerable infrastructure owned and operated by Council.

Councils ability to engage the necessary workforce to achieve the community's expectations is affected by internal and external forces. These include:

- Rising cost of employment
- Skills Shortage
- Staff turnover
- Attraction and retention of quality staff
- Projected superannuation increases
- Award salary increases above CPI
- Changes in service levels

Any significant changes in expenditure related to employee expenses will have a significant impact on the LTFP.

Materials and Contracts

Local government expenditure usually includes relatively high levels of materials and contracts expenditure. Materials and contracts make up 17.5% of projected 2020/21 operating expenditure. This is reflective of the considerable number of assets maintained, and places the Shire under considerable pressure from variable material costs including fuel. Any major unplanned increases in these costs will also impact on the LTFP. In addition, any new assets constructed or acquired will also increase material and contracts expenditure due to increased maintenance requirements.

Capital Works Program

The capital works program reflected in the LTFP is particularly sensitive to changes in the construction index. The construction index measures changes over time in the price of new construction, other than houses. Given that the renewal and construction of new infrastructure forms a substantial proportion of the budget any variations in the underlying pressures have the potential to significantly impact on Councils LTFP and / or the ability to deliver the capital works program.

Financial Statements

The financial projections in this Long Term Financial Plan have been developed in a format that conforms to the Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards. The Financial Statements provided are:

- Statement of Comprehensive Income by Nature or Type
- Statement of Comprehensive Income by Program
- Statement of Financial Position (Balance Sheet)
- Equity Statement

The Statement of Comprehensive Income shows what is expected to happen during the year in terms of revenue, expenses and other adjustments from all activities. The large deficits are expected to decrease over time, however, these are relatively significant due mainly to the increase in depreciation from revaluation of infrastructure that impacts the statement. Rates increases will decrease this deficit position, as well as a review of depreciation rates.

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

Appendix 1 - Financial Statements

Shire of Pingelly

Forecast Statement of Comprehensive Income - *by Nature or Type*

For the period 2020 - 2030

	1	2	3	4	5	6	7	8	9	10
	2020-21	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**
	$	$	$	$	$	$	$	$	$	$
Revenues										
Rates	2,084,298	2,178,091	2,276,105	2,378,530	2,473,671	2,572,618	2,662,660	2,755,853	2,852,308	2,952,139
Operating grants, subsidies and contributions	1,435,368	1,464,075	1,493,357	1,523,224	1,553,688	1,584,762	1,616,456	1,648,785	1,681,761	1,715,396
Fees and charges	304,826	306,347	315,536	325,004	334,756	344,800	355,144	365,799	376,774	388,079
Interest earnings	42,969	39,167	37,909	34,963	37,856	38,547	34,704	34,163	36,871	37,682
Other revenue	55,004	56,104	57,226	58,372	59,538	60,729	60,454	61,662	62,895	64,153
	3,922,465	4,043,784	4,180,133	4,320,093	4,459,509	4,601,456	4,729,418	4,866,262	5,010,609	5,157,449
Expenses										
Employee costs	(1,693,361)	(1,732,452)	(1,782,532)	(1,833,609)	(1,885,708)	(1,938,850)	(1,977,627)	(2,017,182)	(2,057,527)	(2,098,675)
Materials and contracts	(1,021,398)	(1,050,068)	(1,057,190)	(1,044,475)	(1,041,224)	(975,537)	(983,296)	(1,033,297)	(1,004,486)	(1,009,074)
Utility charges (electricity, gas, water etc.)	(151,800)	(155,601)	(159,490)	(163,478)	(167,563)	(171,753)	(176,046)	(180,448)	(184,957)	(189,583)
Depreciation on non-current assets	(2,585,132)	(2,652,994)	(2,714,337)	(2,778,659)	(2,838,175)	(2,903,907)	(2,958,944)	(2,992,798)	(3,060,625)	(3,105,752)
Interest expense	(103,156)	(97,327)	(91,235)	(82,179)	(80,914)	(71,269)	(64,003)	(56,838)	(28,609)	(47,318)
Insurance expense	(183,638)	(189,150)	(194,823)	(200,665)	(206,685)	(212,888)	(219,276)	(225,855)	(232,631)	(239,609)
Other expenditure	(105,842)	(107,114)	(108,418)	(109,711)	(111,021)	(112,246)	(113,488)	(114,617)	(115,873)	(117,196)
	(5,844,327)	(5,984,706)	(6,108,025)	(6,212,776)	(6,331,290)	(6,386,450)	(6,492,680)	(6,621,035)	(6,684,708)	(6,807,207)
	(1,921,862)	(1,940,922)	(1,927,892)	(1,892,683)	(1,871,781)	(1,784,994)	(1,763,262)	(1,754,773)	(1,674,099)	(1,649,758)
Non-operating grants, subsidies and contributions	1,575,071	787,280	866,658	707,313	1,155,780	870,780	1,155,780	1,194,780	1,000,780	1,155,780
Loss on Revaluation	0	0	0	0	0	0	0	0	0	0
Profit on disposal of assets	0	0	0	0	0	0	0	0	0	0
Loss on asset disposal	0	0	0	0	0	0	0	0	0	0
NET RESULT	(346,791)	(1,153,642)	(1,061,234)	(1,185,370)	(716,001)	(914,214)	(607,482)	(559,993)	(673,319)	(493,978)
Other Comprehensive Income	1,720,416	1,746,909	1,752,841	1,762,434	1,770,354	1,783,240	1,810,261	1,832,548	1,847,325	1,872,447
TOTAL COMPREHENSIVE INCOME	1,373,625	593,267	691,607	577,064	1,054,353	869,026	1,202,779	1,272,555	1,174,006	1,378,469

Shire of Pingelly

Forecast Statement of Comprehensive Income - *by Program*

For the period 2020 - 2030

	1	2	3	4	5	6	7	8	9	10
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	$	$	$	$	$	$	$	$	$	$
Revenue										
Governance	38,045	38,983	39,945	40,932	41,942	42,979	44,043	45,134	46,255	47,404
General purpose funding	3,427,097	3,543,167	3,666,527	3,793,145	3,918,864	4,046,743	4,161,750	4,283,789	4,412,930	4,544,153
Law, order, public safety	68,170	69,582	71,023	72,496	74,000	75,536	77,102	78,702	80,338	82,007
Health	1,587	1,635	1,684	1,734	1,787	1,841	1,896	1,953	2,011	2,072
Education and welfare	6,209	6,352	6,499	6,650	6,804	6,962	5,634	5,769	5,907	6,049
Community amenities	193,385	199,186	205,162	211,317	217,656	224,186	230,911	237,839	244,975	252,325
Recreation and culture	33,694	27,061	27,851	28,666	29,504	30,366	31,254	32,168	33,108	34,077
Transport	87,824	89,580	91,372	93,199	95,063	96,964	98,903	100,881	102,899	104,957
Economic services	26,134	26,917	27,724	28,556	29,413	30,296	31,206	32,143	33,107	34,100
Other property and services	40,320	41,321	42,346	43,398	44,476	45,583	46,719	47,884	49,079	50,305
	3,922,465	4,043,784	4,180,133	4,320,093	4,459,509	4,601,456	4,729,418	4,866,262	5,010,609	5,157,449
Expenses Excluding Finance Costs										
Governance	(488,714)	(508,630)	(546,616)	(524,883)	(533,264)	(559,958)	(567,428)	(616,406)	(578,577)	(594,401)
General purpose funding	(154,750)	(157,845)	(161,001)	(174,721)	(167,715)	(171,069)	(174,491)	(177,981)	(192,041)	(185,382)
Law, order, public safety	(211,347)	(216,089)	(220,770)	(225,586)	(230,379)	(235,378)	(240,239)	(244,752)	(250,037)	(254,946)
Health	(144,011)	(148,411)	(152,909)	(157,520)	(162,238)	(167,082)	(171,944)	(176,891)	(180,463)	(184,069)
Education and welfare	(39,693)	(40,667)	(41,602)	(42,570)	(43,511)	(44,513)	(45,445)	(46,224)	(47,277)	(48,168)
Community amenities	(377,622)	(385,349)	(393,157)	(401,134)	(409,217)	(417,508)	(425,851)	(434,143)	(442,927)	(451,653)
Recreation and culture	(1,180,965)	(1,207,594)	(1,193,628)	(1,209,657)	(1,225,136)	(1,241,681)	(1,256,832)	(1,269,059)	(1,286,399)	(1,300,605)
Transport	(2,851,021)	(2,920,301)	(2,985,227)	(3,052,744)	(3,117,176)	(3,095,576)	(3,155,793)	(3,200,961)	(3,271,354)	(3,325,607)
Economic services	(275,436)	(281,554)	(287,622)	(293,853)	(300,077)	(306,547)	(312,799)	(318,688)	(325,439)	(331,796)
Other property and services	(17,612)	(20,939)	(34,258)	(47,929)	(61,663)	(75,869)	(77,855)	(79,092)	(81,585)	(83,262)
	(5,741,171)	(5,887,379)	(6,016,790)	(6,130,597)	(6,250,376)	(6,315,181)	(6,428,677)	(6,564,197)	(6,656,099)	(6,759,889)
Finance Costs										
Education and welfare	(9,414)	(8,261)	(7,032)	(3,030)	(7,019)	(2,839)	(1,256)	0	0	0
Recreation and culture	(93,742)	(89,066)	(84,203)	(79,149)	(73,895)	(68,430)	(62,747)	(56,838)	(28,609)	(47,318)
	(103,156)	(97,327)	(91,235)	(82,179)	(80,914)	(71,269)	(64,003)	(56,838)	(28,609)	(47,318)
Non Operating Grants, Subsidies and Contributions										
Transport	1,575,071	787,280	866,658	707,313	1,155,780	870,780	1,155,780	1,194,780	1,000,780	1,155,780
	1,575,071	787,280	866,658	707,313	1,155,780	870,780	1,155,780	1,194,780	1,000,780	1,155,780
NET RESULT	(346,791)	(1,153,642)	(1,061,234)	(1,185,370)	(716,001)	(914,214)	(607,482)	(559,993)	(673,319)	(493,978)
Other Comprehensive Income	1,720,416	1,746,909	1,752,841	1,762,434	1,770,354	1,783,240	1,810,261	1,832,548	1,847,325	1,872,447
TOTAL COMPREHENSIVE INCOME	1,373,625	593,267	691,607	577,064	1,054,353	869,026	1,202,779	1,272,555	1,174,006	1,378,469

Shire of Pingelly

Forecast Statement of Financial Position

For the period 2020 - 2030

	1 2020-21 $	2 2021-22 $	3 2022-23 $	4 2023-24 $	5 2024-25 $	6 2025-26 $	7 2026-27 $	8 2027-28 $	9 2028-29 $	10 2029-30 $
CURRENT ASSETS										
Unrestricted Cash and Equivalents	(122,745)	(122,745)	(122,745)	(122,745)	(122,745)	(122,745)	(122,745)	(122,745)	(122,745)	(122,745)
Restricted Cash and Cash Equivalent	237,499	236,038	285,334	234,198	461,318	355,967	389,309	515,545	553,345	712,152
Non-Cash Investments	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Trade and Other Receivables	164,754	165,983	156,508	179,472	170,176	171,759	146,062	146,062	146,062	146,062
Inventories	8,744	8,744	8,744	8,744	8,744	8,744	8,744	8,744	8,744	8,744
TOTAL CURRENT ASSETS	293,252	293,020	332,841	304,669	522,493	418,725	426,370	552,606	590,406	749,213
NON-CURRENT ASSETS										
Other Receivables	176,286	156,365	145,919	112,509	88,395	62,698	62,698	62,698	62,698	62,698
Inventories	52,551	52,551	52,551	52,551	52,551	52,551	52,551	52,551	52,551	52,551
Property Plant and Equipment	19,925,760	20,355,338	20,775,722	21,248,681	21,633,107	22,034,337	22,380,799	22,631,380	23,128,185	23,417,022
Infrastructure	68,403,073	68,406,737	68,462,315	68,446,153	68,712,303	69,103,328	69,738,498	70,440,522	70,951,060	71,678,651
TOTAL NON-CURRENT ASSETS	88,557,670	88,970,991	89,436,507	89,859,894	90,486,356	91,252,914	92,234,546	93,187,151	94,194,494	95,210,922
TOTAL ASSETS	88,850,922	89,264,011	89,769,348	90,164,563	91,008,849	91,671,639	92,660,916	93,739,757	94,784,900	95,960,135
CURRENT LIABILITIES										
Trade and Other Payables	45,803	45,803	45,803	45,803	45,803	45,803	45,803	45,803	45,803	45,803
Current Portion of Long-term Liabilities	104,983	109,450	114,106	118,960	124,021	129,298	134,798	69,535	143,491	226,764
Provisions	329,150	329,150	329,150	329,150	329,150	329,150	329,150	329,150	329,150	329,150
TOTAL CURRENT LIABILITIES	479,936	484,403	489,059	493,913	498,974	504,251	509,751	444,488	518,444	601,717
NON-CURRENT LIABILITIES										
Long-term Borrowings	3,103,194	2,918,549	2,727,623	2,540,920	2,325,792	2,114,279	1,895,277	1,766,826	1,564,007	1,277,500
Provisions	96,091	96,091	96,091	96,091	96,091	96,091	96,091	96,091	96,091	96,091
TOTAL NON-CURRENT LIABILITIES	3,199,285	3,014,640	2,823,714	2,637,011	2,421,883	2,210,370	1,991,368	1,862,917	1,660,098	1,373,591
TOTAL LIABILITIES	3,679,221	3,499,043	3,312,773	3,130,924	2,920,857	2,714,621	2,501,119	2,307,405	2,178,542	1,975,308
NET ASSETS	**85,171,701**	**85,764,968**	**86,456,575**	**87,033,639**	**88,087,992**	**88,957,018**	**90,159,797**	**91,432,352**	**92,606,358**	**93,984,827**
EQUITY										
Retained Surplus	31,598,723	30,446,542	29,336,012	28,201,778	27,258,657	26,449,794	25,808,970	25,122,741	24,411,622	23,758,837
Reserves - Cash Backed	228,757	227,296	276,592	225,456	452,576	347,225	380,567	506,803	544,603	703,410
Asset Revaluation Surplus	53,344,221	55,091,130	56,843,971	58,606,405	60,376,759	62,159,999	63,970,260	65,802,808	67,650,133	69,522,580
TOTAL EQUITY	**85,171,701**	**85,764,968**	**86,456,575**	**87,033,639**	**88,087,992**	**88,957,018**	**90,159,797**	**91,432,352**	**92,606,358**	**93,984,827**

Shire of Pingelly

Forecast Statement of Changes in Equity

For the period 2020 - 2030

	1 30 June 21	2 30 June 22	3 30 June 23	4 30 June 24	5 30 June 25	6 30 June 26	7 30 June 27	8 30 June 28	9 30 June 29	10 30 June 30
	$	$	$	$	$	$	$	$	$	$
RETAINED SURPLUS										
Opening Balance	31,974,205	31,598,723	30,446,542	29,336,012	28,201,778	27,258,657	26,449,794	25,808,970	25,122,741	24,411,622
Net Result	(346,791)	(1,153,642)	(1,061,234)	(1,185,370)	(716,001)	(914,214)	(607,482)	(559,993)	(673,319)	(493,978)
Amount transferred (to)/from Reserves	(28,691)	1,461	(49,296)	51,136	(227,120)	105,351	(33,342)	(126,236)	(37,800)	(158,807)
Closing Balance	31,598,723	30,446,542	29,336,012	28,201,778	27,258,657	26,449,794	25,808,970	25,122,741	24,411,622	23,758,837
RESERVES - CASH/INVESTMENT BACKED										
Opening Balance	200,066	228,757	227,296	276,592	225,456	452,576	347,225	380,567	506,803	544,603
Amount transferred to/(from) Retained Surplus	28,691	(1,461)	49,296	(51,136)	227,120	(105,351)	33,342	126,236	37,800	158,807
Closing Balance	228,757	227,296	276,592	225,456	452,576	347,225	380,567	506,803	544,603	703,410
ASSET REVALUATION SURPLUS										
Opening Balance	51,623,805	53,344,221	55,091,130	56,843,971	58,606,405	60,376,759	62,159,999	63,970,260	65,802,808	67,650,133
Total Other Comprehensive Income	1,720,416	1,746,909	1,752,841	1,762,434	1,770,354	1,783,240	1,810,261	1,832,548	1,847,325	1,872,447
Closing Balance	53,344,221	55,091,130	56,843,971	58,606,405	60,376,759	62,159,999	63,970,260	65,802,808	67,650,133	69,522,580
TOTAL EQUITY	85,171,701	85,764,968	86,456,575	87,033,639	88,087,992	88,957,018	90,159,797	91,432,352	92,606,358	93,984,827

Appendix 2 - Plant Replacement Program

Asset	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
CEO Vehicle		$55,000		$55,000		$55,000		$55,000		$55,000
EMCS Vehicle	$45,000		$45,000		$45,000		$45,000		$45,000	
EMTS Vehicle	$45,000		$45,000		$45,000		$45,000		$45,000	
WS Vehicle		$40,000		$40,000		$40,000		$40,000		$40,000
Building Maintenance Ute			$33,320							
Parks and Gardens Ute	$33,500								$33,500	
Grader Ute					$37,300					
Mechanic Ute		$34,000				$34,000				
2008 Cat 120M Grader	$360,000 (Lease)									
2014 Cat 120M Grader					$360,000					
2018 Front End Wheel Loader									$339,000	
2007 Cat Skid Steer Loader		$100,000								
2007 Conplant Multi Tyre Roller		$180,000								
2010 Bomag D-4 Roller				$170,000						
2012 Bomag Multi Tyre Roller							$185,000			
2007 Mitsubishi Tip Truck			$270,000							
2008 Isuzu Tip Truck	$45,000							$45,000		
2009 Mitsubishi Tip Truck						$275,000				
2010 Isuzu Crew Cab Tray Top	$115,000							$115,000		
2016 Isuzu Mtce Truck				$73,000						
2016 Isuzu Dual Cab Tip Truck						$79,400				
2005 John Deere Tractor		$72,000								
2015 Komatsu Backhoe Loader										$180,000
2014 Kubota F2880 Mower			$45,000				$45,000			
2014 Kubota Ride on Mower			$15,000							$15,000

Appendix 3 - Electronic Equipment Replacement Programm

Asset	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Admin Server	Lease over 5 years					$36,750				
Phone System				$12,000						
Mobile 1	$850			$850			$850			$850
Mobile 2	$850			$850			$850			$850
Mobile 3			$850			$850			$850	
Mobile 4		$850			$850			$850		
Mobile 5		$850			$850			$850		
PC1		$2,000				$2,000				$2,000
PC2				$2,000				$2,000		
PC3					$2,000				$2,000	
PC4			$2,000				$2,000			
PC5				$2,000				$2,000		
PC6	$2,000				$2,000				$2,000	
PC7			$2,000				$2,000			
PC8		$2,000				$2,000				$2,000
PC9			$2,000				$2,000			
PC10		$2,000				$2,000				$2,000
PC11	$2,000				$2,000				$2,000	
PC12				$2,000				$2,000		
PC13			$2,000				$2,000			
PC14				$2,000				$2,000		
PC15	$2,000				$2,000				$2,000	
Toughpad		$2,800					$2,800			
Projector			$2,000				$2,000			
Main Photocopier	Lease (yr 2 of 4)			Lease				Lease		
CCTV										
Main Street			$25,000					$25,000		
Swimming Pool			$2,000					$2,000		
Admin Office		$7,000					$10,000			
Admin Office		$13,500			$10,000				$10,000	
Works Depot		$10,000					$10,000			
PRACC					$15,000					
PRACC				$15,000			$15,000			
Network Printers										
Printer 1				$1,000				$1,000		
Printer 2				$1,000				$1,000		
Printer 3	$1,000				$1,000				$1,000	

Appendix 4 - Financial Reserves

Leave Reserve

To be used to fund annual and long service leave requirements

Informing Strategy/Plans	Minimum Balance	Strategy to Achieve Minimum Balance
Nil – assessed on an annual basis to meet the minimum balance percentage.	Goal to cash back 10% of the total of the annual leave current liability Plus Cash back 50% of the total of the long service current liability Plus 50% of the personal leave current liability	Interest to be applied to the reserve each year. Where long service leave or annual leave is funded from reserve, that amount will only be utilised from reserve if the total salaries and wages expenditure is over budget for the year. Savings realised in salaries and wages to be used to increase reserve balance to a maximum of $15,000 per year.

LTFP 2020 Leave Reserve Balances

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
$ 26,270	$ 26,833	$ 27,409	$ 27,997	$ 28,598	$ 29,211	$ 29,838	$ 30,478	$ 31,132	$ 31,800

Electronic Equipment Reserve

To be used to fund the purchase of information technology hardware and software.

Informing Strategy/Plans	Minimum Balance	Strategy to Achieve Minimum Balance
10 year Electronic Equipment Replacement Program **ICT Strategy (to be developed)**	An amount that provides the ability to fund the 10-year Electronic Equipment renewal program is to be accommodated by the reserve, plus $10,000 to fund unplanned information Technology failure. Plus An amount that funds the ICT Strategy over the 10 years.	Interest to be applied to the reserve each year. Savings realised in salaries and wages to be used to increase reserve balance to a maximum of $15,000 per year.

LTFP 2020 Electronic Equipment Reserve Balances

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
$ 2,563	$ 3,118	$ 10,335	$ 19,857	$ 27,583	$ 23,575	$ 22,581	$ 31,365	$ 40,188	$ 51,350

Community Bus Reserve

To be used to fund the changeover of the community bus.

Informing Strategy/Plans	Minimum Balance	Strategy to Achieve Minimum Balance
Plant Replacement Program	An amount that funds the full changeover of the community bus every 10 years.	Interest to be applied to the reserve each year. Annual budget allocation to achieve the changeover.

LTFP 2020 Community Bus Reserve Balances

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
$23,924	$44,437	$ 65,390	$793	$30,910	$41,573	$52,465	$63,590	$74,954	$81,562

Swimming Pool Reserve

To be used to fund the upgrading of the swimming pool complex.

Informing Strategy/Plans	Minimum Balance	Strategy to Achieve Minimum Balance
Asset Management Plan (to be developed)	An amount equal to the 10-year renewal and upgrades is to be accommodated by the reserve, plus $25,000 to fund unplanned infrastructure failure.	Interest to be applied to the reserve each year. Annual budget allocation to achieve the changeover.

LTFP 2020 Swimming Pool Reserve Balances

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
$59,250	$65,521	$71,926	$78,469	$85,152	$91,979	$98,952	$106,075	$113,350	$120,781

Plant Reserve

To be used for the purchase of major plant.

Informing Strategy/Plans	Minimum Balance	Strategy to Achieve Minimum Balance
10 year Plant Replacement Program	An amount that provides the ability to fund the 10-year Plant renewal program is to be accommodated by the reserve, plus $80,000 to fund unplanned plant failure. *Note – full plant replacement program is contained within the 10 LTFP	Interest to be applied to the reserve each year. Annual budget allocation to achieve the minimum reserve balance level.

LTFP 2020 Plant Reserve Balances

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
$49,212	$22,401	$62,651	$59,626	$231,788	$70,801	$10,214	$40,706	$8,358	$94,862

Refuse Site Rehab / Closure Reserve

To be used to facilitate the rehabilitation/closure of the town refuse site.

Informing Strategy/Plans	Minimum Balance	Strategy to Achieve Minimum Balance
Waste Management Strategy (yet to be developed)	To be determined based on future Waste Management Strategy.	Interest to be applied to the reserve each year. Allocation of any savings from within the waste management operating budget to a maximum of $5,000. Where the allocation of savings from waste management operating budget can not be achieved, the budget allocation of $5,000 is to be transferred to the Reserve.

LTFP 2020 Refuse Site Reserve Balances

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
$ 16,275	$16,624	$16,981	$17,345	$17,717	$23,097	$28,592	$34,205	$39,939	$45,796

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