



# 10 Year Long Term Financial Plan – 2020/21

Under Section 169 the relevant measures of financial sustainability are as follows and shown in the following graphs:

- (a) asset sustainability ratio;
- (b) net financial liabilities ratio;
- (c) operating surplus ratio

Under Section 171 of the Local Government Regulations 2012, Council must include in its budget statements the long term financial forecast covering a period of at least 10 years and are attached.

Performance Indicators	Target	Budget	Forecast								
		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
<b>1. Operating Surplus Ratio</b>											
Net Result (excluding capital items)	0 - 10%	-16.89%	-14.96%	-13.51%	-12.80%	-12.99%	-11.83%	-11.09%	-10.39%	-9.71%	-9.99%
Total Operating Revenue (excluding capital items)											
<i>An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.</i>											
<b>2. Asset Sustainability Ratio</b>											
Capital Expenditure on the Replacement of Assets (renewals)	> 90%	67.29%	68.42%	70.17%	71.93%	70.89%	72.65%	74.40%	76.14%	77.89%	76.80%
Depreciation Expense											
<i>An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.</i>											
<b>3. Net Financial Liabilities Ratio</b>											
Total Liabilities less Current Assets	< 60%	-82.24%	-79.20%	-71.64%	-66.54%	-59.51%	-52.47%	-45.42%	-38.39%	-31.18%	-30.20%
Total Operating Revenue (excluding capital items)											
<i>An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.</i>											