



CITY OF VINCENT

10 YEAR LONG TERM FINANCIAL PLAN

2025/26 – 2034/35



LONG TERM FINANCIAL PLAN

INTRODUCTION

Vincent's primary goal is to develop a financially sustainable organisation, with sufficient financial capacity to deliver the services and projects which align with the community's aspirations.

Vincent community aspirations are expressed through the Strategic Community Plan. The City allocates its resources and capacity through strategy and business planning instruments defined within the Integrated Planning and Reporting Framework and resourced in the Long-Term Financial Plan ("the Plan", "the LTFP") and the Annual Budget ("the Budget").

The LTFP is a significant informing document for the City's integrated strategic planning and reporting framework as it provides information regarding the resourcing requirements and financial capacity of our local government to achieve its stated objectives and priorities. It guides decision makers in their decision making, ensuring the longer-term impact is considered.

This Long-Term Financial Plan is consistent with all the requirements of the Local Government Act 1995, and the Department of Local Government, Sport and Cultural Industries' guidelines on the development of Long-Term financial management plans.

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STRATEGIC FINANCIAL PLANNING

The City uses this strategic financial planning framework when developing and managing the LTFP.

Key Principles

This Plan is guided by the following financial planning principles:

1. Robust sustainable and transparent financial planning approaches are applied.
2. A balanced budget philosophy is expected over both the short and long term, meaning a modest closing position in the budget.
3. Core services must be cost and quality competitive and delivered in line with community expectations.
4. A rates and revenue plan will inform the approach to revenue raising and the share of the rates burden applied to Vincent ratepayers.
5. Sale of significant assets, such as land assets, will not be used to subsidise operating expenditure.
6. Recurrent revenue should always exceed recurrent cash expenditure.
7. Asset renewal activity should be prioritised over the creation of new assets.
8. Responsible accumulation and/or deployment of cash backed reserves supports the management of known or predicted liabilities and minimises the impact of major projects in any one year or allows for specific purpose expenditure in future years.
9. Responsible use of debt is a legitimate option to address long-life community asset acquisitions or upgrades.
10. A suite of Key Financial Indicators and benchmarks will be identified and used to inform deliberations in formulating long term financial plans, budgets or other strategies.

Prioritisation of Scarce Resources

The City recognises there are competing demands for limited financial resources in the delivery of the Strategic Community Plan.

In developing this plan, Vincent has applied the following prioritisation hierarchy:

1. Activities to comply with statutory obligations or standards (ie mandatory services).
2. Renewal, and maintenance of existing infrastructure assets.
3. Capital projects supported by a significant external funding contribution.
4. Current operational funding for programs unless the operational need for any of these programs has been superseded or modified by a service review process. This may also consider service levels exceeding the statutory minimum described in (1).
5. New programs or assets.
6. New operating projects or initiatives that are supported by a significant external funding contribution.
7. Council decision for programs and projects based on the current service levels required by the community or as advised by technical specialists.

Relationship of the LTFP to Annual Budgeting

This Long-Term Financial Plan (LTFP) exerts influence over the development of the Annual Budget.

Projects and initiatives in the LTFP and the Corporate Business Plan form the basis of the Annual Budget.

Dynamic treasury management will also occur and the LTFP and Annual Budget will evolve dynamically. Assumptions and predictive modelling in the LTFP will be updated as the impact of decisions and external factors become known.



All significant financial decisions, including changes to staffing, are to be evaluated and modelled over long-term financial horizons, and at least for a period of 10 years.

Revenue and Rating Plan

Vincent regularly considers new funding opportunities, to increase 'own source revenue' and to reduce the rate burden on Vincent ratepayers. The City's approach to future funding is set out in the Revenue and Rating Plan.

Other funding sources include:

- Fees & Charges
- Parking Revenue
- Leases & Licences
- Investments
- Loans & Borrowings
- Cash, Savings & Reserves
- Operating and Capital Grants
- Sale of Assets

The LTFP will identify the funding gap to be met by Council rates, after other funding sources have been considered.

The LTFP is a strategic document and is designed to be dynamically modified as needed, to reflect changes to assumption.

Service Levels

Service delivery reviews are an ongoing process to ensure local government is delivering what the community needs in the best possible way, especially with changing community needs and emerging external factors such as the need to respond to climate change.

The Service Delivery Review Program (SDRP) is designed to assure Council and the community that our local government services are:

- appropriate – that is, services meet current community needs and wants, and can be adapted to meet future needs and wants
- effective – that is, the City delivers targeted, better quality services in new ways
- efficient – that is, the City improves resource use (people, materials, plant and equipment, infrastructure, buildings) and redirect savings to finance new or improved services.

The information gathered and recommendations inform the Corporate Business Plan review and ensures alignment, cost-benefit and resource capability.

The key benefits of service delivery reviews include:

- alignment of services with community needs and a more engaged community
- higher quality service provision
- cost savings and sometimes income generation
- increased efficiency of often limited resources
- partnerships and networks with other local governments and service providers
- increased capacity of staff to respond to the changing needs of the community
- staff who work cooperatively across directorates
- more systematic approach to understanding future community needs.
- Innovative approach to service deliver

The Service Delivery Review Program is part of a continuous improvement process linked to the Integrated Reporting and Planning Framework focused on:

- alignment of service delivery to Strategic Community Plan priorities and outcomes



- development and implementation of the Corporate Business Plan and Capital Works Program
- annual budget process
- asset management
- community engagement

Why do we have a Service Delivery Review Program? Service delivery reviews help us:

- understand the service needs of our community
- determine how to efficiently and effectively deliver those services
- work internally or with partners to deliver services
- Continuously improve our services.

The City of Vincent is under increasing financial pressure with hard limits on revenue sources and ever-increasing demands or expectations of increased expenditure.

We are also committed to operating in an environmentally and socially responsible manner and provide a wide range of quality services.

The SDRP will help clarify the needs of our community and use an evidence-based approach to assess how efficiently and effectively it is meeting those needs.

The SDRP will guide any future changes to service delivery, which will provide benefits to all stakeholders whilst being financially sustainable.

Service delivery reviews are an ongoing process to ensure local government is delivering what the community needs in the best possible way, especially with changing community needs and emerging external factors such as the need to respond to climate change.

The program helps ensure both staff and the community can think critically and systematically about current and future service needs.

It also leads to innovation in service provision and helps build a culture of continuous improvement within Vincent.

Capital Project Proposals

Vincent's infrastructure, property and equipment assets are used to deliver important community services and the City's strategic community plan.

The development of meaningful asset management plans is essential to delivering on the City's strategic direction, service plans, projects and operational plans. Integrating Asset Management with robust long term financial plans and annual budgets is an essential part of long-term financial planning.

Capital Project Mix

When developing the City's Long Term Financial Plan, due consideration is given to the indicative asset management ratios for Asset Sustainability, Asset Consumption and Asset Renewal Funding. If the indicative asset management ratios disclose an adverse trend, Council will reconsider the capital project mix and assign a greater priority to asset renewal and maintenance.

Typical Capital Project Mix

Priority	Capital works Type	% Capital Works Budget (10-year average)
1	Asset Renewal & Maintenance	87%
2	New/upgrade assets	13%
3	Capital projects funded by grants/contributions	14%

Typical Capital Works Allocation by Asset Category

Asset Class	% Capital Works Budget (10-year average)
Land & Building	27%
Infrastructure	60%
Plant & Equipment	10%
Furniture & Equipment	3%

Asset Consumption

Capital works planning avoids repeated outcomes where the consumption of assets exceeds asset renewal or replacement (ie where depreciation is greater than renewal and maintenance expenditure) other than in exceptional circumstances.

Projects on a Page

All project proposals are documented on a project-plan-on-a-page (POAP) that clearly articulates:

- Links to the Strategic Community Plan
- Alignment with Asset Management Plans or other critical informing strategies
- Assessment of community / organisational impact.
- Measurable outcomes / outputs.
- Achievement of Risk Management Objectives - relating to extreme or high risks
- Synergies with other major capital initiatives.
- Potential future revenue streams or cost savings.
- Full life cycle costs.
- Evidence of external funding efforts and articulation of funding successes and grant funding obligations.
- Cash flow implications for the project.
- Realistic timelines and deliverables with appropriate consideration of organisational capacity.
- Details of any significant financial contingencies included in the costing and the project phase to which they relate.



Commercial Operations

Vincent has specific financial strategies for the management of the following commercial operations. These strategies comply with the requirements of the *Local Government Act 1995*.

Beatty Park Leisure Centre

Beatty Park Leisure Centre is a significant operation that delivers recreation services to over 1 million patrons each year. Sound commercial management practices are applied that ensure Beatty Park is run efficiently and delivers a competitive, value for money, service.

Beatty Park Leisure Centre is managed as a contestable and integrated business unit. Where possible and appropriate, it operates on a user-pays basis. Fees and charges consider the competitive market context and are set annually during the budget process. Fees and charges may be used to fund Beatty Park operational requirements, such as equipment upgrades, such that the users pay for the delivery of these service improvements.

A positive Gross Profit Margin is to be achieved for the following services:

- Gym and Fitness
- Swim School
- Retail Store
- Tenancies – Beatty Park Physio and Beatty Park Café

This is used to offset a negative Gross Profit Margin for Aquatic Services (indoor and outdoor pool) and the subsidised creche, with the overall objective that the centre seeks to break even.

The business unit's financial performance includes:

- Revenue generated through fees and charges
- Revenue generated from commercial leases in the centre
- Repayment of debt associated with capital works and substantial equipment purchases
- Depreciation of assets, excluding the Heritage Grandstand
- Operating and capital expenditure required to deliver services
- Reasonable and proportionate administrative and corporate overheads, including HR, Finance and technology support

To create a contestable benchmark for market comparison, the business unit profit and loss statement excludes revenue and expenditure that is unrelated to Beatty Park Leisure Centre, including:

- City of Vincent sport and recreation functions
- City of Vincent parks, halls and facility bookings
- Expenditure imposed on Beatty Park by virtue of association with the City of Vincent, that would not be applied to a commercial operator

Beatty Park Leisure Centre surplus will be directed to the Beatty Park Leisure Centre Reserve and will fund the major upgrade and redevelopment of the Beatty Park Leisure Centre including the replacement or purchase of major plant, equipment, fixtures, and fittings (excluding the Heritage Grandstand).

Catalina Regional Council

Vincent is a 1/12th owner of the Catalina Regional Council, along with 6 other local authorities.

The purpose of the Catalina Regional Council is to undertake the rezoning, subdivision, development, marketing, and sale of land.

The objectives of the CRC are:

- to develop and improve the value of the land;
- to maximise, within prudent risk parameters, the financial return to the participants;
- to balance economic, social and environmental issues; and
- to produce a quality development demonstrating the best urban design and development practice.

Revenue received by Vincent from Catalina Regional Council is directed to the Catalina Land Sales Reserve and used to fund future significant/major capital works, underground power projects, infrastructure, project or debt reduction programs. In future, this reserve will be used to manage Western Power payments for the eight underground power projects.

Property Management

Vincent provides access to property for the benefit of the Vincent community.

The Property Management Framework determines how these leases and licences operate across four categories:

Category One	Small Community Groups
Category Two	Sporting Clubs, Community Groups and Organisations
Category Three	Commercial entities, state and national clubs, associations and community organisations
Category Four	Government agencies

The City does not seek to derive profit from leases in categories 1 or 2. The annual fee methodology for these categories is based on the Gross Rental Value (GRV) of the property with a subsidy applied based on a community benefit matrix.

Organisations that fall into categories three and four are responsible for all costs associated with the property. Rent for category three and four tenants is negotiated by reference to the total GRV for a property.

Procurement & Contract Management

Vincent uses a procurement framework and contract management framework to ensure financial decisions:

- demonstrate value for money
- are compliant with relevant legislation, codes and standards, including the Local Government Act 1995 (Act) and the Local Government (Functions and General) Regulations 1996, (Regulations)
- demonstrate probity by establishing processes that promote openness, transparency, fairness and equity to all potential suppliers
- ensure that the sustainable benefits, such as environmental, social and local economic factors are considered in the overall value for money assessment
- ensure that goods and services to be procured are necessary and fit for purpose
- properly evaluate and consider the safety and health characteristics of any goods/services prior to being introduced into the City's workplaces
- are supported by Budget provisions or comply with section 6.8(1) of the Act
- are conducted in a consistent and efficient manner across the City and that ethical decision making is demonstrated.

Cash Backed Reserves

Cash Backed Reserves are created as a long-term savings plan for future major expenditure for the following reasons:

1. Minimising in any one year, the financial impact of major asset acquisitions or replacements.
2. Providing funds to take advantage of emerging opportunities that are aligned to strategic directions.
3. Risk mitigation opportunities that minimise the impact of unanticipated financial risks on the City's operations in any one year.
4. Providing for a known liability listed in the Long-Term Financial Plan (LTFP) and is of a magnitude warranting the accumulation of funds over an extended period.
5. To comply with the requirements of legislation or other contractual requirements.

The proposed balance, and the quantum of increases or decreases to the Cash Backed Reserves over future years, are incorporated into the Long-Term Financial Plan.

The use of Cash Backed Reserves is restricted by the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996. Each Reserve is required to be established with a clearly defined purpose that specifies how, and for what, the funds held in the reserve may be used. The purpose of a reserve can only be changed either through the annual budget process or through the statutory process detailed in Section 6.11 of the Local Government Act (1995).



STRATEGIC CONTEXT

Inflation

Over the 12 months to the December 2024 quarter, annual inflation rose to 2.4%. This is expected to remain within the target band of 2-3% for much of 2025 based on Reserve Bank of Australia data. A 3% rate has been assumed for future years thereafter. In a high inflationary environment ranging from 5% to 7%, this would be equivalent to a 1% to 2% additional rate increase in the respective year.

Underground Power

In 2022/23, Vincent has commenced a project with Western Power to deliver eight underground power projects. Extensive financial modelling was undertaken to consider the most equitable solution for both the City and ratepayers.

The funding for the projects will be shared between Western Power and the City's ratepayers:

- Western Power will fund a portion of the network charge which will vary depending on the project
- Ratepayers will fund the remaining network charges and the connection fee

The financial model was adopted at the Ordinary Council Meeting on 20 June 2023 and includes the following assumptions that has been factored into the LTFP:

- A maximum borrowing capacity of 50% has been assessed using the Western Australian Treasury Corporation's (WATC) Indicative Additional Debt Capacity Calculator
- Ratepayers will be provided the option to pay their service charges upfront payment or through a 4-year payback period option

- The 4-year payback period option will be available for up to an estimated maximum 70% of ratepayers per project and funded by a combination of 4-year fixed interest term loans borrowed from the WATC, the Underground Power Reserve and the Catalina Land Sales Reserve
- The Underground Power Reserve and Catalina Land Sales Reserve will be used during the life of the project
- Properties will be levied a service charge based on the total costs of their specific project area

The financial model will inform the City's negotiation in the Co-Funding Agreements. The first agreement was signed in October 2024 and the construction work commenced in early 2025. It is expected the next agreement will be signed in late 2025 for the work to commence in 2026.

During 2024/25, the City has determined the most appropriate financial modelling for an allocation methodology for the estimated cost of the first underground power project to property owners. Future underground power projects will utilise the same allocation methodology to ensure consistency & equity of the service charges.

Underground Power is a once-in-a-generation project. It takes advantage of diverting Western Power's network upgrade expenditure toward undergrounding power distribution assets.

Asset Management Sustainability

Vincent has identified that our current level of asset renewal demand currently exceeds the City's ability to fully resource asset renewal investment. To meet this challenge, the City must strike the balance between maintaining our current portfolio and the scale of ageing assets whilst meeting the needs of a growing and diverse community and a changing environment. This needs to happen within our means and be financially sustainable in the long term.



In 2018/19 the asset sustainability ratio for Vincent was 33%, equating to an asset renewal gap in a single year of approximately \$7.5m. This was well below the established Local Government benchmark of 90%.

In response, the City has prepared an Asset Management Sustainability Strategy (AMSS). Notably, the strategy identifies two major capital projects requiring investment. The Beatty Park Leisure Centre Grandstand is a highly-valued asset that is in need of significant additional investment to keep it maintained for future generations (AMSS, p26). Additionally, the facilities at Sullivan Logistics Oval are dated and ageing and not keeping pace with community expectations (AMSS, p31). The City is in the process of developing Asset Management Plans for these two ageing facilities to better understand and plan the asset management responsibilities, risk and financial investment required over the next 10 years.

The City is in the process of developing the Building Asset Management Plan (for the City's Building and Facilities asset portfolio) a Building Level of Service (BLOS) framework has been developed which informs and guides the prioritisation of the City's operational and capital works programs.

A new Asset Management Policy, adopted in 2022, is implemented through an Asset Management Framework and asset planning and project planning processes.

The current LTFP has estimated a revised asset sustainability ratio average of 87% over the next 10 years.

For more information, refer to item 10.2 at the Ordinary Council Meeting held 16 November 2021 and item 10.1 at the Ordinary Council Meeting held 8 March 2022.

Waste Management Services

In 2021/22 Vincent used a \$7m loan to exit the Mindarie Regional Council's (MRC) Resource Recovery Facility (RRF) facility.

Vincent was one of 12 Councils involved in this decision. All Councils agreed it was financially beneficial given changes to the waste management market to exit the existing contract, rather than allow the contract to continue.

Exiting the contract and making other changes to waste service delivery, including the implementation of the FOGO system and planned waste to energy transition are forecast to save the City of Vincent \$1M over 10 years. This was approved by Council in a confidential paper, as item 17.1 at the Ordinary Council Meeting held 15 December 2020.

Since the inception of the FOGO system, the City has managed to divert over 15,400 tonnes of organic waste from landfill (November 2021 to March 2025). The cost savings are estimated to be \$31/tonne, which is the difference between MRC member council's landfill gate fee and FOGO processing.

The City will continue to tailor waste education programs to residents in an effort to reduce contamination levels, resulting in increased diversion from landfill (and reduced landfill costs) and operational efficiencies.

For more information, refer also to the discussion on materials and contracts in the Annual Budget, item 11.7 at the Ordinary Council Meeting held 22 June 2021.

Sullivan Logistics Oval Grant

The City has undertaken a \$5.2m major upgrade of the turf and lighting at Sullivan Logistics Oval with the State Government contributing \$3.8m plus \$232k through the Club Night Lights Program. The City of Vincent, AFL, WA Football Commission, Subiaco and East Perth Football Clubs contributed the remaining \$1.2m.

Unfunded Projects & Masterplans

Vincent is unable to fund all major capital projects and has insufficient funds to pay for more expensive, multi-generational projects. This will require the City to build reserves over time, toward funding this expenditure.

The following significant projects have not been included in the LTFP:

- Redevelopment of the Beatty Park Heritage Grandstand
- Investment in Beatty Park Leisure Centre to deliver new or enhanced services
- Sullivan Logistics Oval Precinct development and improvement

NEW REVENUE AND DEBT REDUCTION

While the City has a focus on operating efficiency, it also continuously seeks new revenue and debt reduction opportunities to take the rates burden off ratepayers.

Leederville Carparks Redevelopment

During 2022/23, the City of Vincent commenced a request for proposals (RFP) process for redevelopment of the City's major landholdings in Leederville, being the Avenue Car Park and Frame Court Car Park.

The City approved the sale of land to developer H-U (Human Urban), who also developed the ABN Building in Electric Lane. They have proposed to deliver more than \$300 million in investment into Leederville to transform the two car parks into transit-oriented mixed-use development.

Once the development is completed, there will be a total of 484 car bays on top of an extra 148 bays available after 5.30pm on weekdays and on weekends.

Financial modelling was undertaken to determine the proposed development's financial impact to our long-term financial plan.

For more information, refer to item 9.10 at the Ordinary Council Meeting held 25 July 2023.

Mindarie Regional Council

The City of Vincent is a 1/12th owner of the Mindarie Regional Council (**MRC**), Western Australia's largest waste management authority.

As a part owner, the City may derive a benefit from commercial activities of the MRC.

For more information on Mindarie Regional Council, refer to their website: [Waste Management Authority | Perth WA - Mindarie Regional Council \(mrc.wa.gov.au\)](https://www.mrc.wa.gov.au)

Third Party Partnerships

Where it is financially beneficial, the City of Vincent may create partnerships with third parties. These partnerships are established following a competitive market process, and the terms are approved by Council.

In one example, Vincent has a lease agreement and a management agreement with Belgravia Leisure (**Belgravia**) to operate the Loftus Recreation Centre on the City's behalf. Belgravia pay a leasing fee, a management agreement fee, repay the Loftus Recreation Centre Loan, and contribute toward the Loftus Recreation Centre Reserve.

The City has oversight of the performance of the business in a quarterly management report, and ensures a community benefit is delivered.

For more information, refer to item 9.6 at the Ordinary Council Meeting held 8 February 2022.

LTFP ASSUMPTIONS & MODELLING

The LTFP's assumptions and modelling provides the City with reliable, robust information to assess our capacity to maintain overall financial sustainability into the Long-Term and, most importantly, to ensure that we have in place the

necessary funding arrangements to support proposed capital replacement programs and new capital projects.

The Plan is expected to influence the City's Annual Budget each year - but it is recognised that the Plan is a dynamic and evolving document that responds to changing strategic priorities, service level expectations and economic conditions.

In regularly reviewing the plan, where such changes occur and the impact is significant, the financial modelling will be adjusted to reflect these changes. This iterative approach reflects responsible business practice.

Qualifications & Limitations

As with any long-term financial model, it is important to understand any qualifications and/or limitations that may relate to the outputs of the model.

It is based on several financial assumptions relating to the:

- quantum of and anticipated movements in both revenues and expenditures
- anticipated timeframes for cash flows into and out of the organisation
- expectations of the continuation of (at least), existing funding initiatives.

Indicative funding or cost estimates included in this plan may relate to broad proposals that:

- Have been approved by Council and are in progress.
- Have been considered by Council but have yet to be given final approval to proceed.
- Have only been considered by Council at a strategic or conceptual level.
- Are operational in nature and based on the continued delivery of existing services.

- Are operational in nature and relate to the maintenance of City assets in accordance with management plans and maintenance plans.

Adoption of the Plan by Council does not constitute an irrevocable commitment to any specific project or service referenced in the plan, nor to its timing.

Similarly, it does not preclude the possible subsequent inclusion of further service or capital initiatives in future years if the financial modelling and strategic direction of Council indicate that it aligns with that strategic direction and could be supported without adversely impacting on the City's financial sustainability.

Any assumptions in relation to either the financial modelling parameters, projects or service proposals are prepared based on the best available information and knowledge at hand.

Key Financial Indicators

There are a number of statutory financial indicators that a local government must calculate and disclose in both their financial planning and financial reporting documents.

The calculation of each indicator - and the specific inclusions in both the denominator and numerator used in the calculation are strictly prescribed in the Local Government Financial Management Regulations (LGFRM). This ensures that financial indicators published by different local governments are comparable.

However, it must be appreciated that there is no single indicator that demonstrates a local government's financial sustainability - nor does it necessarily mean that it is fatal if a particular local government falls below the Department of Local Government's 'preferred' benchmark for that particular indicator in a single year.

It is important to understand not only the trend in a particular indicator but also the circumstances leading to the calculation of that particular indicator value to ensure that it is interpreted 'in context'.



The results of the calculation of each of the key financial indicators and detail of the industry benchmarks is provided in the scenario modelling below.

Assumptions for all Scenarios

The following assumptions are included in all scenarios in this LTFP:

Key Metrics	Assumptions
Service Charges	<ul style="list-style-type: none">- Service charges levied for the first project area are based on E10 estimates provided by Western Power.- E30 estimates provided by Western Power are used for the remaining seven underground power projects- It is estimated that up to 70% ratepayers will elect for a 4-year payback option per project
Underground Power Project Costs	A 10% contingency is included on the E30 cost estimates provided by Western Power for modelling purposes
Loans	Individual 4-year fixed interest loans are borrowed from the WATC based on 50% of the total costs for each underground project
Reserves	The Underground Power Reserve and Catalina Land Sales Reserve will be used to fund 4-year instalment options for up to 70% of ratepayers, help manage service charge recoverability timing issues and potential project cost escalations
Inflation	<ul style="list-style-type: none">- 3% from 2026/27 onwards, based on Reserve Bank of Australia data

Employee Costs	<ul style="list-style-type: none">- 4.0% increase in wages for 2025/26 & 2026/27, 2.5% for each year until 2034/35- Superannuation contribution increase to 12% in 2025/26- Staff numbers (FTE) remain at the same level and any increase in service expectations is absorbed through operational efficiencies
Fees & Charges	Reflects inflationary assumptions
Beatty Park Fees	
Car Parking Increases	
Interest Revenue	Interest revenue is at higher levels compared to the previous LTFP 2024/25 – 2033/34. Lower interest rates over the long-term have been offset by higher cash balances.
Service Delivery	No changes to service delivery
Light Fleet Renewal	Assumes light fleet vehicles are renewed every 3 years
Leederville Carpark Development (Commercial Rates)	<ul style="list-style-type: none">- \$5.5m additional surplus over 10 years- \$10m revenue generating asset in 2028/29

Potential revenue sources not included in the LTFP

The following revenue opportunities may arise during the life of the LTFP:



Source	Description
Car Parking	Additional revenue generated from changes to parking fees, above inflation
Grant Funding	Additional grant funding opportunities are likely in this period
Asset Sales	Potential sale of assets (ie land)

Potential operating efficiencies not included in the LTFP

The following operating efficiencies may arise during the life of the LTFP:

Source	Description
Operational Cost Savings	Delivering operational efficiencies that reduce operating costs and the required rates burden

Key Projects Funded

The following key projects are funded in the LTFP:

Description	Delivery Year	Amount	Funded from Rates/Service Charges
Underground Power Project (based on E30 cost estimates provided by Western Power)	2025/26 to 2030/31	>\$80m	>\$80m
Leederville Carpark Development	2025/26 to 2033/34	-	-

Robertson Park Development Plan – Stages 1 & 2	2025/26	\$1.4m	\$1.4m
	2026/27	\$1.1m	\$1.1m
Banks Reserve Master Plan (without a community facility)	2026/27	\$0.15m	\$0.15m
	2027/28	\$0.08m	\$0.08m
	2028/29	\$0.20m	\$0.20m

Projects not included in the LTFP:

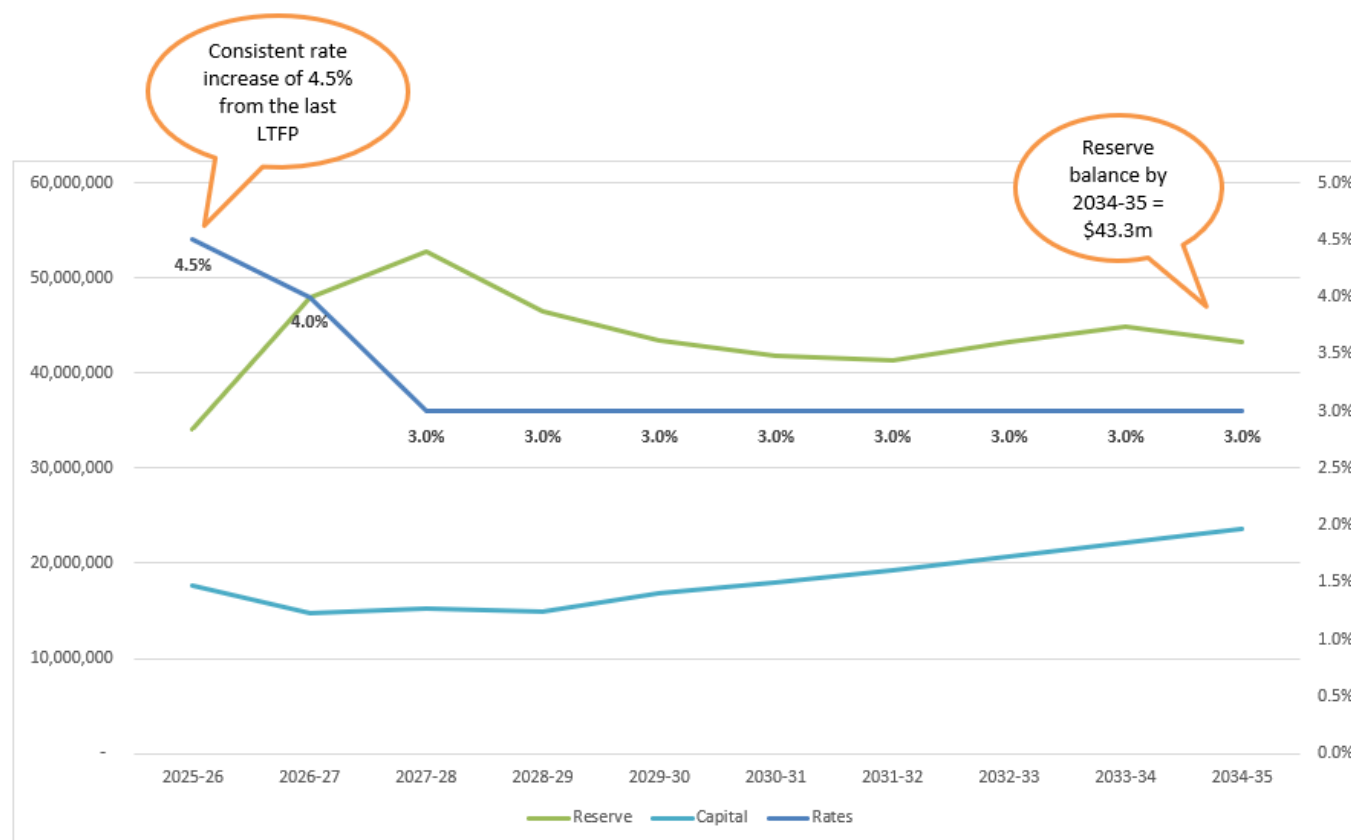
The following key projects are not included in the LTFP:

Description	Delivery Year	Amount
Beatty Park 2062: - Heritage Grandstand preservation		\$7.5m
Beatty Park 2062: - Heritage Grandstand redevelopment of original entry hall		\$3.2m
Leederville Oval: - Clubroom and Grandstand development		\$19m



SCENARIO MODELLING

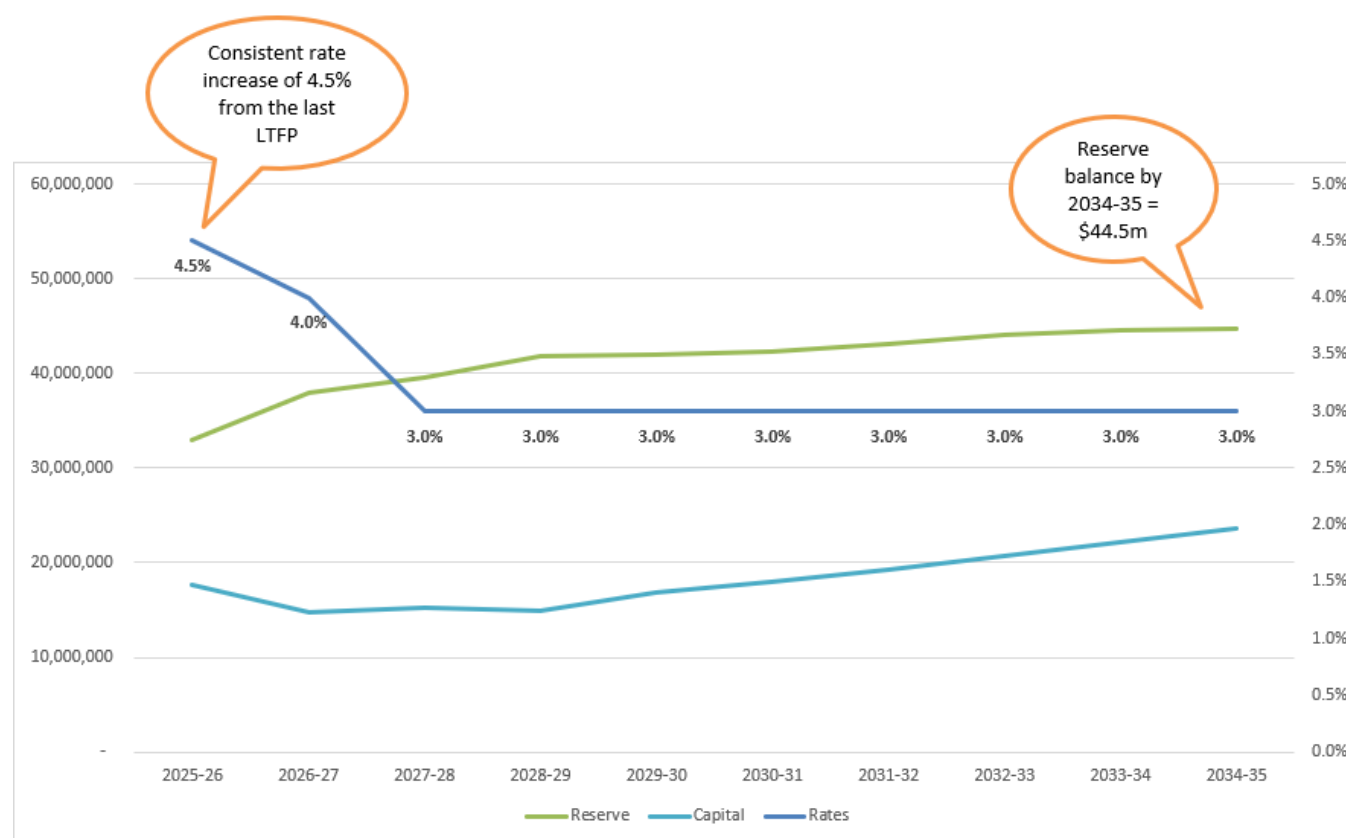
Capex/Rates/Reserves (Including Underground Power)



- **Capex**
- 4-year capital works is fully funded which includes Robertson Park Stage 1B.
- Total capital spend until 2033/34 has been maintained at a consistent level of ~\$159m to balance the recent review of the 4 Year Capital Works plan & long-term asset renewal needs.
- **Rates**
- For 2025/26, the rate increase is maintained at 4.5% despite higher operational costs due to higher interest revenue and fees and charges (carparking and Beatty Park)
- **Reserves**
- ~\$9m increase over 10 years
- Closing balance of reserves at \$43.3m by 2034/35



Capex/Rates/Reserves (Excluding Underground Power)



Capex

- 4-year capital works is fully funded which includes Robertson Park Stage 1B.
- Total capital spend until 2033/34 has been maintained at a consistent level of ~\$159m to balance the recent review of the 4 Year Capital Works plan & long-term asset renewal needs.

Rates

- For 2025/26, the rate increase is maintained at 4.5% despite higher operational costs due to higher interest revenue and fees and charges (carparking and Beatty Park)

Reserves

- ~\$11m increase over 10 years
- Closing balance of reserves at \$44.5m by 2034/35



Financial Ratios

	Benchmark	Average	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Current Ratio (incl. term deposits) - The ability of a local government to meet its short-term financial obligations out of unrestricted current assets	> 1.0	0.95	0.88	0.97	1.02	0.99	0.87	0.95	1.01	1.00	0.88	0.95
Debt Service Cover Ratio - measurement of a local government's ability to repay its debt including lease payments. The higher the ratio is, the easier it is for a local government to obtain a loan.	> 2.0	6.14	11.89	7.61	7.11	2.22	0.20	3.34	2.93	6.17	6.26	13.67
Operating Surplus Ratio - Measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes.	> 0.0	0.04	0.07	0.12	0.22	0.00	(0.17)	0.04	(0.03)	0.03	0.04	0.05
Net Financial Liability Ratio - Contrasts the level of debt of a local government to its operating revenue	< 0.3	(0.50)	(0.32)	(0.42)	(0.51)	(0.61)	(0.55)	(0.45)	(0.55)	(0.55)	(0.54)	(0.52)

GREEN indicates that the projected indicator exceeds the minimum range prescribed by DLGSC

AMBER indicates that the projected indicator is below the minimum range prescribed by DLGSC

¹ The Current Ratio falls below the benchmark range of 1.0 due to a focus on transferring any excess surplus funds to build up the reserve balances over the 10-year period

² The Debt Service Coverage Ratio falls below the benchmark range of 2.0 due to timing of the disposal of Avenue carpark land (Leederville carpark) and high operational costs associated with underground power projects.

³ The Operating Surplus Ratio falls below the benchmark range of 0.0 due to timing of the disposal of Avenue carpark land (Leederville carpark) and high operational costs associated with the underground power projects

⁴ The Net Financial Liability Ratio exceeds the benchmark range of 0.3 in all years



LTFP ANALYSIS

Commentary on the 2024/25 – 2033/34 LTFP

Loan Borrowing Analysis

Reserve Fund Analysis

Funding Mix and Funding Use

Financial Statement Analysis

Appendices



COMMENTARY ON THE 2025/26 – 2034/35 LTFP

The LTFP modelled above provides guidance towards capital expenditure and reserve funding based on varying levels of rate rises. It is noted that the optimum financial model is prepared to inform the Corporate Business Plan and allocate the necessary resources to ensure that the Strategic Community Plan priorities are achieved.

A conservative approach has been adopted in the preparation of the LTFP considering that significant and unprecedented economic impacts, high inflation and aggressive interest rate fluctuations have occurred in the prior year.

Base Scenario

The LTFP supports long-term financial sustainability through growth in reserves and the ability to fund the 4-year capital works without adopting significant rate rises over the life of the LTFP. Key projects including Underground Power, Leederville Carpark Development, Robertson Park Development Plan Stage 1 & 2 and the Banks Reserve Master Plan (without community facility) have been included in the plan. The key assumptions and outcomes of this scenario are:

- Rate increases (4%-4.5%) from 2025/26 to 2026/27 and reducing to 3% from 2027/28
- Rate rise has been kept consistent compared to the previous LTFP 2024/25 – 2033/34 in the medium term due to higher interest revenue and fees & charges (carparking and Beatty Park).
- 4-year capital works to be fully funded and a steady average increase of 8% in capital expenditure from 2029/30
- Reserve balance to increase by \$9m over 10 years (2034/35 balance \$43.2m)
- The debt service coverage ratio falls below the minimum prescribed range of 2.0 due to timing of the disposal of Avenue carpark land (Leederville carpark). It

is assumed that funds will not be borrowed for other projects other than for underground power over the 10 years.

- The current ratio falls below the minimum prescribed range of 1.0 due to a focus on transferring any excess surplus funds to build up the reserve balance over the 10-year period
- Majority of key financial ratios meet the minimum target prescribed by the Department of Local Government, Sport and Cultural Industries (DLGSC)

LOAN BORROWING ANALYSIS

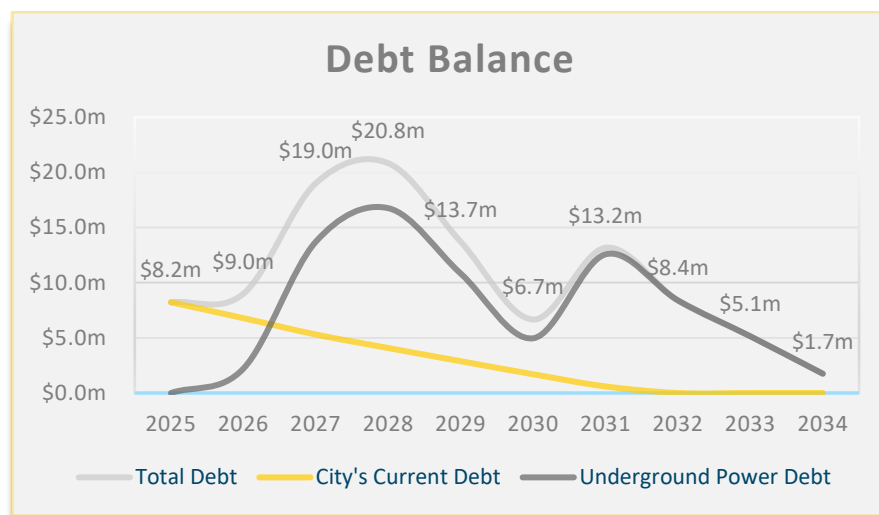
Loan borrowings are a legitimate financing facility available to local governments to sustainably meet the long-term needs of its community, particularly in respect to major capital works projects. The Act empowers the City to borrow within a financial strategy as part of a balanced funding package and are included in the City's Long Term Financial Plan where appropriate.

The City is expected to borrow 4-year fixed interest term loans up to a maximum of 50% of the total costs for each underground power project over the next 10 years. The loans will fund ratepayers that have elected for the 4-year instalment plan.

The City's outstanding loan borrowings at the commencement of the LTFP is projected to start at \$8.2m early in 2025/26 and then progressively peak to \$20.8m in 2027/28 due to the loans borrowed for the underground power project.

To increase the City's borrowing capacity for the underground power project, an additional loan repayment of \$0.48m towards the Beatty Park Development loan was approved during the 2024/25 mid-year budget review.

The City's debt levels over the life of the project; including existing loans are shown below:



RATES YIELD ANALYSIS

The rate setting model used in preparing the financial plan represents an annual rate yield increase between 3% - 4.5% (2025/26 to 2034/35). This is the level required to ensure that the balance between the City's operational expenditure and its operational revenue generating capacity is maintained at a sustainable level - as reflected in the Operating Surplus Ratio.

RESERVE FUND ANALYSIS

Local governments rely heavily on own source income, with Rates being a majority component. Given the demands to fund ongoing operations and specific major projects, funding strategies are required to avoid significant variations in the demand for funds and the consequential impact on ratepayers. Financial Reserves are considered an appropriate mechanism to sustainably manage a local government's financial stability, helping to avoid the need for

large or irregular rate movements in the years that relevant projects are delivered, spreading or smoothing the financial implications.

Cash backed Reserves are used to set aside funds for a proposed future purpose (see Appendices). Subject to the requirements of section 6.11 of the Act, reserve funds must only be used for the nominated purpose. These reserves may be funded by appropriation from the City's Municipal fund or by the proceeds of asset sales, distributions from Catalina Regional Council (CRC) or linked to a specific income source.

The City will utilise the Underground Power Reserve and the Catalina Land Sales Reserve during the life of the underground power project. The use would allow for the funding of 4-year instalment options for up to 70% of ratepayers, help manage service charge recoverability timing issues and potential project cost escalations.

The Forecast Schedule of Reserves prepared which provides a breakdown of reserve funds over the life of the LTFP. Over the 10-year period, the balance is projected to grow to \$43.3m in 2034/35.



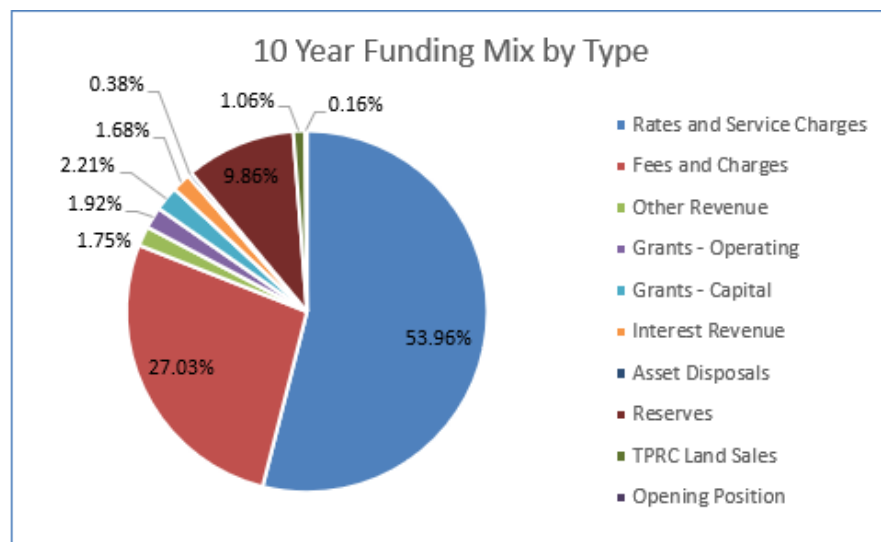
City of Vincent
Forecast Schedule of Reserves
For the period 2025 - 2035

	1	2	3	4	5	6	7	8	9	10
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset Sustainability Reserve	8,055,806	6,155,522	7,288,632	8,399,405	7,669,243	7,067,534	7,034,237	7,008,035	6,586,303	5,888,279
Beatty Park Leisure Centre Reserve	209,295	213,481	217,751	222,106	226,548	231,079	235,701	240,415	245,223	250,127
Cash in Lieu Parking Reserve	261,807	132,043	4,684	4,778	4,874	4,971	5,070	5,171	5,274	5,379
Hyde Park Lake Reserve	190,884	194,702	198,596	202,568	206,619	210,751	214,966	219,265	223,650	228,123
Land and Building Acquisition Reserve	351,806	358,842	366,019	373,339	380,806	388,422	396,190	404,114	412,196	420,440
Leederville Oval Reserve	72,598	74,050	75,531	77,042	78,583	80,155	81,758	83,393	85,061	86,762
Loftus Community Centre Reserve	162,843	166,100	169,422	172,810	176,266	179,791	183,387	187,055	190,796	194,612
Loftus Recreation Centre Reserve	225,215	305,090	388,824	476,561	568,452	664,652	765,321	780,627	796,240	812,165
Investment Reserve	-	-	-	-	-	-	-	-	-	-
Office Building Reserve - 246 Vincent Street	31,523	32,153	32,796	33,452	34,121	34,803	35,499	36,209	36,933	37,672
Parking Facility Reserve	125,006	127,506	130,056	132,657	135,310	138,016	140,776	143,592	146,464	149,393
Percentage For Public Art Reserve	174,237	177,722	181,276	184,902	188,600	192,372	196,219	200,143	204,146	208,229
State Gymnastics Centre Reserve	12,998	27,745	43,222	44,086	44,968	45,867	46,784	47,720	48,674	49,647
Strategic Waste Management Reserve	495,453	605,362	717,469	831,818	948,454	1,067,423	1,188,771	1,312,546	1,438,797	1,567,573
Catalina Land Sales Reserve	18,217,283	24,831,629	25,328,262	25,998,759	26,518,734	27,049,109	25,905,746	28,108,206	28,670,370	29,243,777
Underground Power Reserve	3,745,853	12,606,226	15,848,118	7,527,572	4,318,017	2,527,404	2,726,488	2,291,617	3,542,276	1,822,790
POS reserve - Haynes Street	194,968	193,537	7,408	7,556	7,707	7,861	8,018	8,178	8,342	8,509
POS reserve - General	1,631,022	1,714,565	1,721,307	1,809,758	1,901,599	1,996,946	2,095,919	2,198,642	2,305,244	2,351,349
	34,158,597	47,916,275	52,719,373	46,499,169	43,408,901	41,887,156	41,260,850	43,274,928	44,945,989	43,324,826

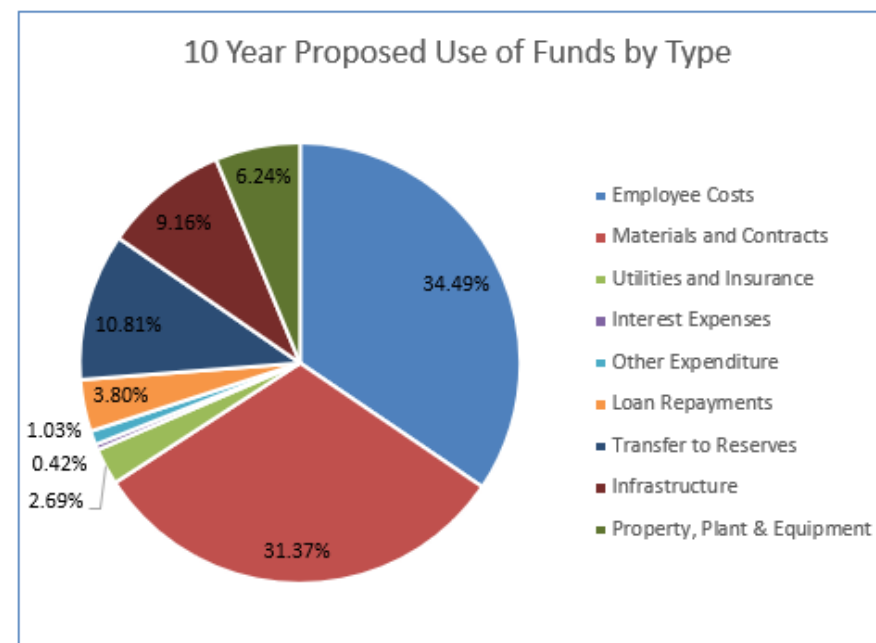
Refer to Appendices for a breakdown of specified reserve purposes



FUNDING MIX AND FUNDING USE



The chart above indicates the respective contributions of the various funding sources to the total funding mix over the ten-year period covered by the plan. The major elements of the funding model are rates and service charges (54.0%), fees and charges (27.0%), reserves (9.8%), operating & non-operating grants (4.1%), land and asset disposals (0.4%), interest revenue (1.7%) and other revenue (1.7%).



The proposed expenditure program reveals that approximately 34.5% of cash expenditure relates to employee costs and another 31.4% to materials and contracts, 2.7% to utilities and insurances, 3.8% towards loan servicing and interest, 1% for other expenditure with 15.4% applied to capital expenditure, with the remaining 10.8% going to Reserves.

Over the life of the plan, funds will be applied towards meeting the costs of operational service delivery as well as expenditure on the underground power project, infrastructure renewals, debt servicing and replenishing Reserves.



FINANCIAL STATEMENTS AND SUPPORTING SCHEDULES

Primary Financial Statements

The ten-year LTFP is presented as a suite of summarised financial statements:

- FS1 - Statement of Comprehensive Income by Nature and Type
- FS2 - Statement of Funding (Statement of Financial Activity)
- FS3 - Statement of Cash Flows
- FS4 - Statement of Net Current Asset Position
- FS5 - Statement of Financial Position
- FS6 - Statement of Change in Equity.

Please note the financial statements provided below are derived from the base scenario.

FS1 - Statement of Comprehensive Income

This financial statement includes estimates of all revenues and expenditures that are included in the operating (normal day to day) activities of the City. This also includes non-cash items such as depreciation as well as interest payments on loans. It excludes repayments of loan principal, proceeds from loan borrowings and capital expenditure items - those are all reflected in the aggregated Rate Setting Statement FS2.

Information from the Income Statement is used to calculate the Operating Surplus Ratio which is one of the statutory measures of financial sustainability.

FS2 - Statement of Funding (Statement of Financial Activity)

This important statutory financial statement includes estimates of all operating and non-operating revenues and expenditures as well as repayments of loan

principal, proceeds from loan borrowings, capital expenditure items and transfers to or from cash backed reserves. It does however, exclude all non-cash items.

The purpose of the statement is to demonstrate the calculation of the amount of rates expected to be required to fund the budget each year.

FS3 - Statement of Cash Flows

This financial statement demonstrates the projected impact on the overall cash position of the City of the planned financial transactions. It is derived from the Operating Position which is then adjusted for the impact of the non-cash transactions and non-operating items.

FS4 - Statement of Net Current Asset Position

This financial statement contains projected balances for Current Assets (Cash, Receivables and Inventories) and Current Liabilities (Creditors, Provisions and Restricted Reserves) across each year of the plan.

It is used to calculate the Net Current Assets figure which is essentially the starting point for developing the Rate Setting Statement which determines the amount of rates required to fund the budget each year.

FS5 - Statement of Financial Position

This financial statement demonstrates the impact of the proposals in the Long Term Financial Plan on the assets and liabilities of the City. The financial plan should indicate maintenance or improvement in the value of the City's Equity (Net Assets).

FS6 - Statement of Change in Equity

This financial statement recognises the impact on the City's Net Assets (Equity).



City of Vincent
FS 1 - Forecast Statement of Comprehensive Income - by Nature or Type
For the period 2025-2035

	1	2	3	4	5	6	7	8	9	10
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues										
Rates	46,397,757	48,422,875	50,045,726	51,719,276	53,445,107	55,224,851	57,060,187	58,952,850	60,904,629	62,917,367
Operating grants, subsidies and contributions	2,138,561	1,983,220	2,042,718	2,103,998	2,167,119	2,232,130	2,299,093	2,368,066	2,439,107	2,512,281
Fees and charges	26,817,820	27,053,421	29,065,070	30,108,200	30,642,661	31,768,666	33,151,217	33,670,485	34,672,785	36,017,735
Service charges	7,114,538	28,917,439	16,473,737	0	0	27,295,922	0	0	0	0
Interest earnings	2,112,800	1,732,496	1,784,470	1,838,004	1,893,144	1,931,008	1,969,628	2,009,021	2,049,202	2,090,186
Other Revenues	1,770,254	1,823,686	1,878,395	1,934,745	1,992,787	2,052,572	2,114,150	2,177,573	2,242,901	2,310,185
	86,351,730	109,933,137	101,290,116	87,704,223	90,140,818	120,505,149	96,594,275	99,177,995	102,308,624	105,847,754
Expenses										
Employee costs	(36,202,448)	(37,650,546)	(38,568,312)	(39,339,679)	(40,126,472)	(40,929,002)	(41,747,582)	(42,582,533)	(43,434,184)	(44,302,868)
Materials and contracts	(31,250,931)	(42,781,146)	(39,727,758)	(38,788,693)	(34,005,134)	(54,427,177)	(32,738,956)	(32,054,858)	(33,052,012)	(34,328,570)
Utilities	(2,028,869)	(2,089,736)	(2,152,428)	(2,216,998)	(2,283,508)	(2,352,013)	(2,422,572)	(2,495,253)	(2,570,110)	(2,647,214)
Depreciation	(14,192,696)	(13,780,847)	(14,305,509)	(14,845,569)	(15,429,446)	(16,045,085)	(16,694,529)	(16,839,422)	(17,524,516)	(18,222,249)
Interest Expenses	(341,520)	(660,318)	(988,562)	(873,770)	(596,277)	(486,800)	(477,648)	(309,944)	(174,334)	(35,428)
Insurance expenses	(761,739)	(784,591)	(808,129)	(832,373)	(857,344)	(883,065)	(909,556)	(936,844)	(964,949)	(993,897)
Other expenditure	(1,059,342)	(1,082,557)	(1,118,565)	(1,155,820)	(1,194,379)	(1,234,287)	(1,275,600)	(1,318,361)	(1,362,630)	(1,408,463)
	(85,837,545)	(98,829,741)	(97,669,263)	(98,052,901)	(94,492,561)	(116,357,429)	(96,266,443)	(96,537,215)	(99,082,734)	(101,938,689)
Net Result from Operations	514,185	11,103,396	3,620,853	(10,348,678)	(4,351,743)	4,147,720	327,832	2,640,780	3,225,890	3,909,065
Non-operating grants, subsidies and contributions	2,958,570	2,104,096	3,240,804	2,490,804	2,064,609	2,209,131	2,363,770	2,529,234	2,706,281	2,895,720
Loss on Revaluation	0	0	0	0	0	0	0	0	0	0
Profit on Assets Disposal	6,119,741	6,542,135	23,747,976	10,467,868	310,015	1,116,216	322,541	328,991	335,570	1,742,280
Loss on assets disposal	(41,058)	(4,344,603)	(42,717)	(43,571)	(10,559,059)	(45,331)	(3,802,871)	(47,163)	(48,106)	(49,068)
NET RESULT	9,551,438	15,405,024	30,566,916	2,566,423	(12,536,178)	7,427,736	(788,727)	5,451,842	6,219,634	8,497,998
Other Comprehensive Income	4,991,537	5,168,548	5,281,183	5,399,342	5,501,133	5,631,546	5,988,800	6,422,133	6,657,026	6,914,555
TOTAL COMPREHENSIVE INCOME	14,542,975	20,573,572	35,848,099	7,965,765	(7,035,045)	13,059,282	5,200,072	11,873,975	12,876,660	15,412,553



City of Vincent
FS 2 - Forecast Statement of Funding
For the period 2025-2035

	1	2	3	4	5	6	7	8	9	10
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
FUNDING FROM OPERATIONAL ACTIVITIES										
Revenues										
Rates	46,397,757	48,422,875	50,045,726	51,719,276	53,445,107	55,224,851	57,060,187	58,952,850	60,904,629	62,917,367
Operating grants, subsidies and contributions	2,138,561	1,983,220	2,042,718	2,103,998	2,167,119	2,232,130	2,299,093	2,368,066	2,439,107	2,512,281
Profit on asset disposal	6,119,741	6,542,135	23,747,976	10,467,868	310,015	1,116,216	322,541	328,991	335,570	1,742,280
Fees and charges	26,817,820	27,053,421	29,065,070	30,108,200	30,642,661	31,768,666	33,151,217	33,670,485	34,672,785	36,017,735
Service charges	7,114,538	28,917,439	16,473,737	0	0	27,295,922	0	0	0	0
Interest earnings	2,112,800	1,732,496	1,784,470	1,838,004	1,893,144	1,931,008	1,969,628	2,009,021	2,049,202	2,090,186
Other revenue	1,770,254	1,823,686	1,878,395	1,934,745	1,992,787	2,052,572	2,114,150	2,177,573	2,242,901	2,310,185
	92,471,471	116,475,272	125,038,092	98,172,091	90,450,833	121,621,365	96,916,816	99,506,986	102,644,194	107,590,034
Expenses										
Employee costs	(36,202,448)	(37,650,546)	(38,566,734)	(39,516,529)	(40,489,682)	(41,486,751)	(42,508,340)	(43,555,056)	(44,627,505)	(45,726,325)
Materials and contracts	(31,250,931)	(42,781,146)	(39,727,758)	(38,788,693)	(34,005,134)	(54,427,177)	(32,738,956)	(32,054,858)	(33,052,012)	(34,328,570)
Utility charges (electricity, gas, water etc.)	(2,028,869)	(2,089,736)	(2,152,428)	(2,216,998)	(2,283,508)	(2,352,013)	(2,422,572)	(2,495,253)	(2,570,110)	(2,647,214)
Depreciation on non-current assets	(14,192,696)	(13,780,847)	(14,305,509)	(14,845,569)	(15,429,446)	(16,045,085)	(16,694,529)	(16,839,422)	(17,524,516)	(18,222,249)
Loss on asset disposal	(41,058)	(4,344,603)	(42,717)	(43,571)	(10,559,059)	(45,331)	(3,802,871)	(47,163)	(48,106)	(49,068)
Interest expense	(341,520)	(660,318)	(988,562)	(873,770)	(596,277)	(486,800)	(477,648)	(309,944)	(174,334)	(35,428)
Insurance expense	(761,739)	(784,591)	(808,129)	(832,373)	(857,344)	(883,065)	(909,556)	(936,844)	(964,949)	(993,897)
Other expenditure	(1,059,342)	(1,082,557)	(1,118,565)	(1,155,820)	(1,194,379)	(1,234,287)	(1,275,600)	(1,318,361)	(1,362,630)	(1,408,463)
	(85,878,603)	(103,174,344)	(97,710,402)	(98,273,323)	(105,414,829)	(116,960,509)	(100,830,072)	(97,556,901)	(100,324,162)	(103,411,214)
	6,592,868	13,300,928	27,327,690	(101,232)	(14,963,996)	4,660,856	(3,913,256)	1,950,085	2,320,032	4,178,820
Funding Position Adjustments										
Depreciation on non-current assets	14,192,696	13,780,847	14,305,509	14,845,569	15,429,446	16,045,085	16,694,529	16,839,422	17,524,516	18,222,249
Net profit and losses on disposal	(6,078,683)	(2,197,531)	(23,705,260)	(10,424,297)	10,249,045	(1,070,885)	3,480,330	(281,829)	(287,464)	(1,693,212)
Adjustment for underground power service charges	(2,792,457)	(14,830,744)	(2,995,703)	8,834,410	7,933,936	(11,910,544)	4,752,547	4,752,547	4,752,547	0
Net Funding From Operational Activities	11,914,424	10,053,500	14,932,236	13,154,450	18,648,431	7,724,512	21,014,150	23,260,225	24,309,631	20,707,857
FUNDING FROM CAPITAL ACTIVITIES										
Inflows										
Proceeds on disposal	6,241,643	6,576,000	430,000	513,932	395,500	423,185	452,808	484,505	518,420	554,709
Non-operating grants, subsidies and contributions	2,958,570	2,104,096	3,240,804	2,490,804	2,064,609	2,209,131	2,363,770	2,529,234	2,706,281	2,895,720
Outflows										
Purchase of property plant and equipment	(6,349,141)	(3,277,850)	(6,037,436)	(6,441,210)	(7,278,567)	(7,788,067)	(8,333,232)	(8,916,558)	(9,540,717)	(10,208,567)
Purchase of infrastructure	(11,225,926)	(11,396,146)	(9,244,970)	(8,489,970)	(9,593,666)	(10,265,223)	(10,983,788)	(11,752,654)	(12,575,339)	(13,455,613)
Net Funding From Capital Activities	(8,374,854)	(5,993,900)	(11,611,602)	(11,926,444)	(14,412,124)	(15,420,974)	(16,500,442)	(17,655,473)	(18,891,355)	(20,213,751)
FUNDING FROM FINANCING ACTIVITIES										
Inflows										
Transfer from reserves	3,512,712	17,886,834	12,533,705	16,329,747	11,486,813	26,988,077	8,506,584	5,865,251	5,960,258	5,140,941
New borrowings	2,500,000	13,660,581	7,802,770	0	0	13,031,587	0	0	0	0
Outflows										
Transfer to reserves	(8,669,511)	(31,644,512)	(17,336,803)	(10,109,544)	(8,396,545)	(25,466,332)	(7,880,279)	(7,879,328)	(7,631,320)	(3,519,777)
Principal elements of finance lease payments	(306,230)	(312,355)	(318,602)	(324,974)	(331,473)	(338,103)	(344,865)	(351,762)	(358,797)	(365,973)
Repayment of borrowings	(1,776,541)	(3,643,492)	(5,994,977)	(7,117,349)	(6,997,760)	(6,520,736)	(4,778,368)	(3,254,612)	(3,388,047)	(1,745,763)
Net Funding From Financing Activities	(4,739,570)	(4,052,943)	(3,313,907)	(1,222,120)	(4,238,965)	7,694,493	(4,496,928)	(5,620,451)	(5,417,906)	(490,572)
Estimated Surplus/(Deficit) July 1 B/Fwd	1,250,000	50,000	56,657	63,383	69,270	66,612	64,643	81,422	65,723	66,093
Estimated Surplus/(Deficit) June 30 C/Fwd	50,000	56,657	63,383	69,270	66,612	64,643	81,422	65,723	66,093	69,627



City of Vincent
FS 3 - Forecast Statement of Cashflows
For the period 2025-2035

	1	2	3	4	5	6	7	8	9	10
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows From Operating Activities										
Receipts										
Rates	46,397,757	48,422,875	50,045,726	51,719,276	53,445,107	55,224,851	57,060,187	58,952,850	60,904,629	62,917,367
Operating grants, subsidies and contributions	2,138,561	1,983,220	2,042,718	2,103,998	2,167,119	2,232,130	2,299,093	2,368,066	2,439,107	2,512,281
Fees and charges	25,769,839	21,847,646	26,035,249	30,854,831	35,544,405	31,543,259	34,799,168	35,316,788	39,263,976	35,854,822
Service charges	4,322,080	14,365,847	13,745,124	9,009,479	8,091,160	15,690,266	4,846,726	4,846,726	4,846,726	0
Interest earnings	2,112,800	1,732,496	1,784,470	1,838,004	1,893,144	1,931,008	1,969,628	2,009,021	2,049,202	2,090,186
Other revenue	1,770,254	1,823,686	1,878,395	1,934,745	1,992,787	2,052,572	2,114,150	2,177,573	2,242,901	2,310,185
	82,511,291	90,175,770	95,531,682	97,460,333	103,133,722	108,674,085	103,088,952	105,671,024	111,746,541	105,684,841
Payments										
Employee costs	(35,958,430)	(37,460,212)	(38,372,268)	(38,935,829)	(39,912,431)	(40,708,540)	(41,520,506)	(42,348,645)	(43,193,279)	(44,054,736)
Materials and contracts	(30,701,616)	(42,197,847)	(39,326,944)	(38,193,323)	(33,593,575)	(53,998,772)	(32,293,018)	(31,590,674)	(32,568,841)	(33,825,639)
Utility charges	(2,028,869)	(2,089,736)	(2,152,428)	(2,216,998)	(2,283,508)	(2,352,013)	(2,422,572)	(2,495,253)	(2,570,110)	(2,647,214)
Interest expenses	(341,520)	(660,318)	(988,562)	(873,770)	(596,277)	(486,800)	(477,648)	(309,944)	(174,334)	(35,428)
Insurance expenses	(761,739)	(784,591)	(808,129)	(832,373)	(857,344)	(883,065)	(909,556)	(936,844)	(964,949)	(993,897)
Other expenditure	(1,059,342)	(1,082,557)	(1,118,565)	(1,155,820)	(1,194,379)	(1,234,287)	(1,275,600)	(1,318,361)	(1,362,630)	(1,408,463)
	(70,851,516)	(84,275,261)	(82,766,896)	(82,208,112)	(78,437,515)	(99,663,477)	(78,898,900)	(78,999,721)	(80,834,143)	(82,965,376)
Net Cash Provided By (Used In) Operating Activities	11,659,775	5,900,509	12,764,786	15,252,221	24,696,207	9,010,608	24,190,052	26,671,303	30,912,399	22,719,465
Cash Flows from Investing Activities										
Payments for purchase of property, plant & equipment	(6,349,141)	(3,277,850)	(6,037,436)	(6,441,210)	(7,278,567)	(7,788,067)	(8,333,232)	(8,916,558)	(9,540,717)	(10,208,567)
Payments for construction of infrastructure	(11,225,926)	(11,396,146)	(9,244,970)	(8,489,970)	(9,593,666)	(10,265,223)	(10,983,788)	(11,752,654)	(12,575,339)	(13,455,613)
Principal elements of lease payments	(306,230)	(312,355)	(318,602)	(324,974)	(331,473)	(338,103)	(344,865)	(351,762)	(358,797)	(365,973)
Non-operating grants, subsidies and contributions	2,958,570	2,104,096	3,240,804	2,490,804	2,064,609	2,209,131	2,363,770	2,529,234	2,706,281	2,895,720
Proceeds from disposal of assets	408,310	326,000	430,000	350,000	395,500	423,185	452,808	484,505	518,420	554,709
Proceeds from sale of land	5,833,333	6,250,000	0	163,932	0	0	0	0	0	0
Transfers (to)/from investments	(1,868,584)	(9,371,252)	(1,791,779)	4,959,115	(2,402,483)	669,785	(2,068,407)	(4,973,499)	(7,706,532)	288,184
Net Cash Provided By (Used In) Investing Activities	(10,549,668)	(15,677,507)	(13,721,983)	(7,292,303)	(17,146,080)	(15,089,292)	(18,913,714)	(22,980,734)	(26,956,684)	(20,291,540)
Cash Flows from Financing Activities										
Repayment of borrowings	(1,776,541)	(3,643,492)	(5,994,977)	(7,117,349)	(6,997,760)	(6,520,736)	(4,778,367)	(3,254,612)	(3,388,047)	(1,745,763)
Proceeds from new borrowings	2,500,000	13,660,581	7,802,770	0	0	13,031,587	0	0	0	0
Net Cash Provided By (Used In) Financing Activities	723,459	10,017,090	1,807,793	(7,117,349)	(6,997,760)	6,510,851	(4,778,367)	(3,254,612)	(3,388,047)	(1,745,763)
Net Increase (Decrease) in Cash Held	1,833,566	240,092	850,596	842,569	552,367	432,167	497,971	435,957	567,667	682,162
Cash at beginning of year	7,055,916	8,889,483	9,129,574	9,980,171	10,822,740	11,375,108	11,807,275	12,305,246	12,741,203	13,308,870
Cash and Cash Equivalents at the End of Year	8,889,482	9,129,574	9,980,171	10,822,740	11,375,107	11,807,275	12,305,246	12,741,203	13,308,871	13,991,032



City of Vincent
FS 4 - Forecast Composition of Estimated Net Current Asset Position
For the period 2025-2035

	1	2	3	4	5	6	7	8	9	10
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimated Surplus/Deficit July 1 B/Fwd	1,250,000	50,000	56,657	63,383	69,270	66,612	64,643	81,422	65,723	66,093
CURRENT ASSETS										
Cash and cash Equivalents	8,889,483	9,129,574	9,980,171	10,822,740	11,375,108	11,807,275	12,305,246	12,741,203	13,308,870	13,991,032
Financial Assets at amortised cost	34,312,183	48,324,397	52,719,373	46,499,170	43,316,194	41,844,286	41,243,349	43,335,876	44,994,294	43,274,743
Trade and Other Receivables	6,634,322	11,840,098	14,869,918	14,123,288	9,221,544	11,253,005	11,411,108	11,570,859	6,979,668	7,142,582
Inventories	1,173,560	1,208,767	1,245,030	1,282,381	1,320,852	1,360,478	1,401,292	1,443,331	1,486,631	1,531,230
CURRENT LIABILITIES										
Trade and Other Payables	(10,308,428)	(10,926,934)	(11,364,011)	(11,996,732)	(12,446,762)	(12,914,793)	(13,401,546)	(13,907,768)	(14,434,240)	(14,981,770)
Movement in Accruals	(6,344,461)	(6,534,795)	(6,730,838)	(7,134,689)	(7,348,729)	(7,569,191)	(7,796,267)	(8,030,155)	(8,271,060)	(8,519,191)
Reserves	(34,158,597)	(47,916,275)	(52,719,373)	(46,499,170)	(43,408,902)	(41,887,157)	(41,260,852)	(43,274,929)	(44,945,991)	(43,324,827)
Current Long Term Borrowings	(2,386,106)	(5,410,473)	(7,435,950)	(7,322,734)	(5,335,476)	(5,116,470)	(3,599,476)	(3,739,809)	(2,104,560)	(365,973)
ADJUSTMENTS										
Add: Current Long Term Borrowings	2,386,106	5,410,473	7,435,950	7,322,734	5,335,476	5,116,470	3,599,476	3,739,809	2,104,560	365,973
Add: Infringement Debtors transferred to non current asset	1,625,000	1,787,499	1,823,251	1,859,717	1,896,912	1,934,854	1,973,553	2,013,025	2,053,287	2,094,356
Less: Land Held For Resale	(872,587)	(898,765)	(925,728)	(953,500)	(982,105)	(1,011,568)	(1,041,915)	(1,073,172)	(1,105,367)	(1,138,528)
Less: Current portion of underground power service charges	(900,475)	(5,956,910)	(8,834,410)	(7,933,936)	(2,877,501)	(4,752,547)	(4,752,547)	(4,752,547)	0	0
Estimated Surplus/Deficit June 30 C/Fwd	50,000	56,657	63,383	69,270	66,612	64,642	81,422	65,723	66,093	69,627



City of Vincent
FS 5 - Forecast Statement of Financial Position
For the period 2025-2035

	1	2	3	4	5	6	7	8	9	10
	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31	30 June 32	30 June 33	30 June 34	30 June 35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS										
Cash and cash Equivalents	8,889,483	9,129,574	9,980,171	10,822,740	11,375,108	11,807,275	12,305,246	12,741,203	13,308,870	13,991,032
Financial Assets at amortised cost	34,312,183	48,324,397	52,719,373	46,499,170	43,316,194	41,844,286	41,243,349	43,335,876	44,994,294	43,274,743
Trade and Other Receivables	6,634,322	11,840,098	14,869,918	14,123,288	9,221,544	11,253,005	11,411,108	11,570,859	6,979,668	7,142,582
Inventories	1,173,560	1,208,767	1,245,030	1,282,381	1,320,852	1,360,478	1,401,292	1,443,331	1,486,631	1,531,230
TOTAL CURRENT ASSETS	51,009,548	70,502,836	78,814,492	72,727,579	65,233,698	66,265,044	66,360,995	69,091,269	66,769,463	65,939,587
NON-CURRENT ASSETS										
Other Receivables	4,705,468	14,393,743	14,041,689	5,882,047	3,101,784	13,237,436	8,057,644	3,411,351	3,520,793	3,633,518
Inventories	15,398	15,398	15,398	15,398	15,398	15,398	15,398	15,398	15,398	15,398
Investments	42,833	44,118	45,442	10,046,805	10,348,209	10,658,655	10,978,415	11,307,767	11,647,000	11,996,410
Interests in Joint Arrangements	17,792,205	17,792,205	17,792,205	17,792,205	17,792,205	17,792,205	17,792,205	17,792,205	17,792,205	17,792,205
Property Plant and Equipment	265,873,394	264,916,279	280,555,488	282,023,770	277,946,787	286,314,596	286,410,385	292,711,651	295,425,664	304,005,315
Infrastructure	140,387,305	143,582,090	158,292,603	162,976,774	163,680,691	164,117,669	169,945,794	174,615,684	184,056,544	190,333,597
Right of Use Assets	247,526	252,476	257,526	262,677	267,930	273,289	278,754	284,330	290,016	295,816
TOTAL NON-CURRENT ASSETS	429,064,129	440,996,309	471,000,351	478,999,676	473,153,004	492,409,248	493,478,595	500,138,386	512,747,620	528,072,259
TOTAL ASSETS	480,073,676	511,499,146	549,814,843	551,727,255	538,386,702	558,674,292	559,839,591	569,229,655	579,517,084	594,011,847
CURRENT LIABILITIES										
Trade and Other Payables	10,308,428	10,926,934	11,364,011	11,996,732	12,446,762	12,914,793	13,401,546	13,907,768	14,434,240	14,981,770
Current Portion of Long-term Liabilities	2,079,876	5,098,118	7,117,349	6,997,760	5,004,002	4,778,367	3,254,612	3,388,047	1,745,763	0
Provisions	6,344,461	6,534,795	6,730,838	7,134,689	7,348,729	7,569,191	7,796,267	8,030,155	8,271,060	8,519,191
Lease liabilities	306,230	312,355	318,602	324,974	331,473	338,103	344,865	351,762	358,797	365,973
TOTAL CURRENT LIABILITIES	19,038,995	22,872,202	25,530,799	26,454,155	25,130,967	25,600,454	24,797,289	25,677,732	24,809,860	23,866,934
NON-CURRENT LIABILITIES										
Long-term Borrowings	6,866,289	13,865,136	13,653,698	6,655,938	1,651,936	8,388,422	5,133,810	1,745,763	0	0
Provisions	661,435	681,278	701,716	722,768	744,451	766,785	789,788	813,482	837,886	863,023
TOTAL NON-CURRENT LIABILITIES	7,527,724	14,546,414	14,355,414	7,378,706	2,396,387	9,155,207	5,923,598	2,559,245	837,886	863,023
TOTAL LIABILITIES	26,566,718	37,418,615	39,886,214	33,832,861	27,527,353	34,755,661	30,720,887	28,236,977	25,647,746	24,729,957
NET ASSETS	453,506,958	474,080,530	509,928,629	517,894,394	510,859,349	523,918,631	529,118,703	540,992,678	553,869,337	569,281,890
EQUITY										
Retained Surplus	113,513,718	115,161,064	140,924,882	149,711,508	140,265,598	149,215,079	149,052,657	152,490,422	157,038,994	167,158,155
Reserves - Cash Backed	34,158,597	47,916,275	52,719,373	46,499,170	43,408,902	41,887,157	41,260,852	43,274,929	44,945,991	43,324,827
Asset Revaluation Surplus	305,834,643	311,003,191	316,284,374	321,683,716	327,184,849	332,816,395	338,805,195	345,227,327	351,884,353	358,798,908
TOTAL EQUITY	453,506,958	474,080,530	509,928,629	517,894,394	510,859,349	523,918,631	529,118,703	540,992,678	553,869,337	569,281,890



City of Vincent
FS 6 - Forecast Statement of Changes in Equity
For the period 2025 - 2035

	1	2	3	4	5	6	7	8	9	10
	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31	30 June 32	30 June 33	30 June 34	30 June 35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RETAINED SURPLUS										
Opening Balance	109,119,079	113,513,718	115,161,064	140,924,882	149,711,508	140,265,598	149,215,079	149,052,657	152,490,422	157,038,994
Net Result	9,551,438	15,405,024	30,566,916	2,566,423	(12,536,178)	7,427,736	(788,727)	5,451,842	6,219,634	8,497,998
Amount transferred (to)/from Reserves	(5,156,799)	(13,757,678)	(4,803,098)	6,220,203	3,090,268	1,521,745	626,305	(2,014,077)	(1,671,062)	1,621,164
Closing Balance	113,513,718	115,161,064	140,924,882	149,711,508	140,265,598	149,215,079	149,052,657	152,490,422	157,038,994	167,158,155
RESERVES - CASH/INVESTMENT BACKED										
Opening Balance	29,001,798	34,158,597	47,916,275	52,719,373	46,499,170	43,408,902	41,887,157	41,260,852	43,274,929	44,945,991
Amount transferred to/(from) Retained Surplus	5,156,799	13,757,678	4,803,098	(6,220,203)	(3,090,268)	(1,521,745)	(626,305)	2,014,077	1,671,062	(1,621,164)
Closing Balance	34,158,597	47,916,275	52,719,373	46,499,170	43,408,902	41,887,157	41,260,852	43,274,929	44,945,991	43,324,827
ASSET REVALUATION SURPLUS										
Opening Balance	300,843,106	305,834,643	311,003,191	316,284,374	321,683,716	327,184,849	332,816,395	338,805,195	345,227,327	351,884,353
Total Other Comprehensive Income	4,991,537	5,168,548	5,281,183	5,399,342	5,501,133	5,631,546	5,988,800	6,422,133	6,657,026	6,914,555
Closing Balance	305,834,643	311,003,191	316,284,374	321,683,716	327,184,849	332,816,395	338,805,195	345,227,327	351,884,353	358,798,908
TOTAL EQUITY	453,506,958	474,080,530	509,928,629	517,894,394	510,859,349	523,918,631	529,118,703	540,992,678	553,869,337	569,281,890

APPENDICES

Specific Purpose Reserves

Vincent will maintain Cash Backed Reserves having the following specified purposes.

	Name of Reserve	Purpose of the Reserve	Timeframe	Informing Strategy, Plan or Decision
1. Asset Management Reserves				
1.1	Asset Sustainability Reserve	For assisting Council in funding its long-term asset management objectives and provide a means to spread the cost of intergenerational assets over multiple years.	Ongoing	Asset Management and Sustainability Strategy
1.2	Beatty Park Leisure Centre Reserve	For the major upgrade and redevelopment of the Beatty Park Leisure Centre including the replacement or purchase of major plant, equipment, fixtures, and fittings.	Ongoing	Asset Management and Sustainability Strategy Asset Prioritisation Plan for Buildings
1.3	Office Building Reserve - 246 Vincent Street	For major building upgrade, maintenance, repairs, renovation and replacement of floorcovering, fixtures and fittings associated with the new Office Building and Land.	Ongoing	Asset Management and Sustainability Strategy Asset Prioritisation Plan for Buildings
1.4	Hyde Park Land Reserve	For works associated with the investigation, maintenance, remedial works and the rehabilitation of the Hyde Park Lakes and surrounds.	Ongoing	Asset Management and Sustainability Strategy
1.5	Leederville Oval Reserve	For the works associated with the maintenance, repairs, upgrade and replacement of Leederville Oval buildings, fixtures, fittings, and associated land.	Ongoing	Asset Management and Sustainability Strategy Asset Prioritisation Plan for Buildings
1.6	Loftus Community Centre Reserve	This reserve is for the purpose of capital improvements, including replacing major items of plant and equipment or renewal and modifications to the Centre.	Ongoing	Asset Management and Sustainability Strategy Asset Prioritisation Plan for Buildings
1.7	Loftus Recreation Centre Reserve	This reserve is for the purpose of capital improvements, including replacing major items of plant and equipment or renewal and modifications to the Centre.	Ongoing	Asset Management and Sustainability Strategy Asset Prioritisation Plan for Buildings



1.8	State Gymnastics Centre Reserve	This reserve is for the purpose of capital improvements, including replacing major items of plant and equipment or renewal and modifications to the Centre.	Ongoing	Asset Management and Sustainability Strategy Asset Prioritisation Plan for Buildings
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2. Strategic Purpose Reserves

2.1	Percent for Art Reserve	This reserve is funded from payment of public art contributions from development applicants and is to be used for the acquisition and provision of Public Art and associated infrastructure.	Ongoing	Percent for Art Policy 7.5.13
2.2	Land and Building Acquisition Reserve	To ensure that proceeds of real assets disposed of are restricted to purchase other land and buildings for civic purposes.	Ongoing	Public Open Space Strategy 2018
2.3	Public Open Space – Haynes Street Reserve	For the future development of POS at Haynes Street		Haynes Street Reserve Transition Plan Item 9.8 Extension of Lease – 31 Sydney Street, North Perth, Ordinary Council Meeting 12 October 2021 Public Open Space Strategy 2018
2.4	Strategic Waste Management Reserve	Investigation and implementation of integrated waste management strategies/programmes and initiatives, (including secondary waste treatment and costs associated with the redevelopment of Lot 118 Tamala Park).	Ongoing	Waste Strategy 2018-2023
2.5	Underground Power Reserve	For the purpose of funding the City's contribution to approved underground power projects.	2023/24-2034/35	Memorandum of Understanding for Tranche 2 Western Power's Network Renewal Underground Pilot Program

3. Parking & Transport Related Reserves

3.1	Cash in Lieu Parking Reserve	This reserve is established from payment of cash-in-lieu of car parking from development applicants and is to be used for providing and/or upgrading existing and proposed Transport infrastructure as defined in the City's Parking and Access Policy 7.7.1.		Parking and Access Policy 7.7.1 Accessible City Strategy Bike Network Plan
3.2	Parking Facility and Equipment Reserve	This reserve is for the purchase and replacement of parking ticket machines, provision and improvement of parking information systems, security lighting, improved pathways and associated infrastructure to access parking areas and associated works.		Accessible City Strategy Car Parking Strategy Precinct Parking Management Plan Safer Vincent Plan 2019-2022



4. Other Special Purpose Reserves

4.1	Catalina Land Sales Reserve	For future significant/major capital works, underground power projects, infrastructure, project or debt reduction programme for the benefit of the City.		Catalina Regional Council, Joint Ownership, established 3 Feb 2006
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