



Long Term Financial Plan 2024/25

Acknowledgement of Country

We acknowledge and pay our respects to the Kaurna people, the traditional custodians whose ancestral lands we gather on. We acknowledge the deep feelings of attachment and relationship of the Kaurna people to country, and we respect and value their past, present and ongoing connections to the land and cultural beliefs.



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Long Term Financial Plan



Community Engagement and Submissions Process

The City of Playford recognises the role of community engagement and public consultation to support decision making and ensuring residents and other stakeholders can participate in the decision-making process. The Draft Long Term Financial Plan 2024/25 outlines, in financial terms, the activities that Council proposes to undertake in order to deliver its strategic objectives over the medium to long term.

The community is invited to provide feedback on the Draft Plan during a community engagement period. The community engagement period is undertaken in accordance with Sections 122 and 123 of the *Local Government Act 1999* (the Act), which states that Council must adopt a process or processes to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of its strategic management plans. Specifically, the Act requires Council to make its Annual Business Plan and Budget available for public consultation for a period no less than 21 days.

In accordance with the above, and the City of Playford Community Engagement Policy which states that any legislatively required consultation run for 28 days, the Draft 2024/25 Long Term Financial Plan, Annual Business Plan and Budget, and Strategic Asset Management Plan will be released for a public consultation period from Wednesday 1 May to Tuesday 28 May 2024.

During this time, the following activities will be undertaken:

- Advertisements in local newspapers advising the community that the draft Plans are available for consultation
- Draft Plans and Feedback Forms available at Customer Care locations
- Draft Plans and online Feedback Forms available on Council's website
- Public Hearing at the 28 May 2024 Ordinary Council Meeting

Further information can be found via our online Engagement Hub at playford.engagementhub.com.au

Long Term Financial Plan

About This Document

What is a Long Term Financial Plan?

The City of Playford Long Term Financial Plan (LTFP) expresses, in financial terms, the activities that Council proposes to undertake in order to deliver its strategic objectives over the medium to long term.

The LTFP includes 10 years of financial projections. Most importantly, it includes information on how Council is performing against a set of financial sustainability indicators.

The LTFP is a projection based on the most current available information. In making these projections it is necessary to make assumptions. These assumptions are frequently reviewed and updated when necessary.

The financial projections contained within the LTFP are an indication of Council's direction and financial capacity, rather than a prediction of its future financial performance and position. The LTFP should be viewed as a tool to encourage long-term thinking about the impact today's decisions have on Council's future financial sustainability.

Why Do We Have a LTFP?

While Council is required under legislation to produce an LTFP, it is more than a compliance exercise. Council uses the LTFP to assess the long-term impacts of its decisions. It provides clarity on the long-term financial implications of current decisions to assist with responsible resource management now, and into the future.

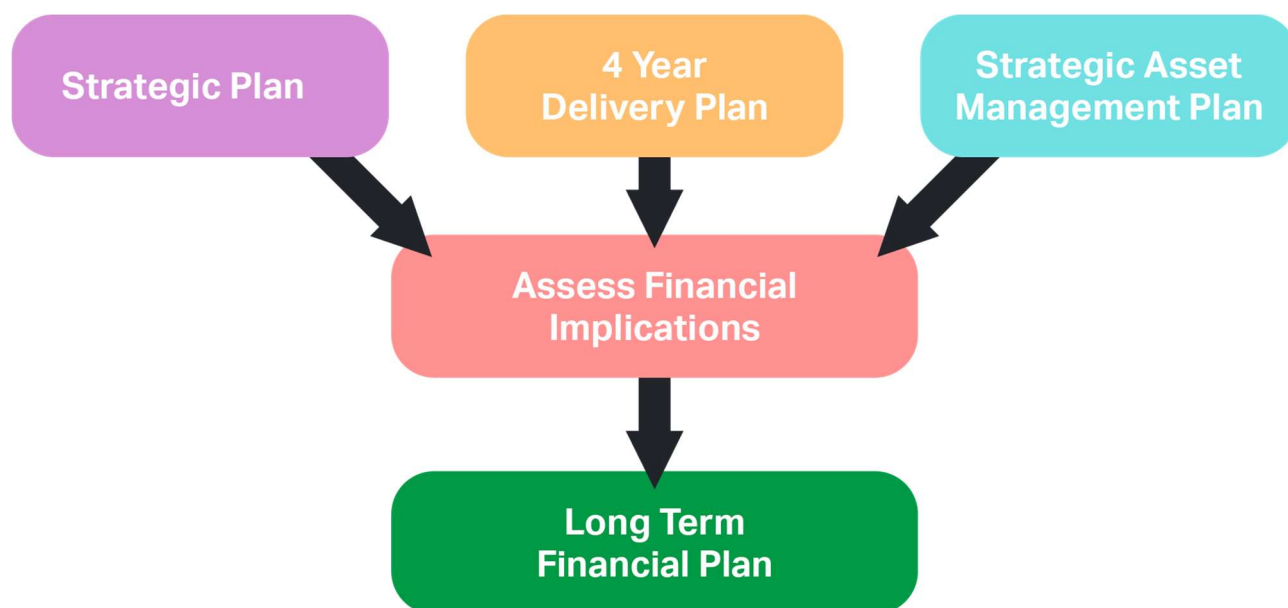
The LTFP is also used as a performance report for financial sustainability. By ensuring we stay within targets outlined in the LTFP over the medium to long term, it provides assurance that Council is adhering to its Finance Strategy and is using money wisely.

Every four years the LTFP is provided for review to the Essential Services Commission of South Australia as part of the Rates Oversight Scheme. City of Playford's 2023/24 LTFP was reviewed in September 2023.

How is It Developed and Reviewed?

When developing our Strategic Plan, Annual Business Plan and Strategic Asset Management Plan, Council assesses the financial implications of each objective, investment, or new service. We take these individual financial implications and build them into long term projections.

Long Term Financial Plan



Key factors are taken into consideration when building long-term projections, including inflationary pressures, interest rates, cost pressures and market conditions. Since these factors continually change, the LTFP is reviewed annually to ensure the resulting financial information remains robust. We run the process in line with the annual budget cycle, taking new projects or Council approved services into consideration.

The 2024/25 LTFP

This year there are several challenges that have long-term financial implications. This plan provides information on those challenges. It also explains the strategies for managing them while maintaining Council’s focus on financial sustainability, fairness and equity.



The Long Term Financial Plan ensures Council can deliver services, maintain assets and achieve its strategic objectives in a financially sustainable manner.

CEO Financial Sustainability Report

From the CEO



The City of Playford adopts a holistic and proactive approach to financial management. The management of operating results, debt and asset growth is integrated into strategic planning, asset management planning and long-term financial plans as well as the day-to-day activities of the Organisation.

Our Long Term Financial Plan (LTFP) demonstrates that Council can deliver its existing services, maintain assets, introduce new programs and achieve its strategic objectives in a financially sustainable manner over the medium to longer term.

Council continues to face some challenges that would have the potential to impact on our long-term financial position if we did not retain our proactive focus on financial sustainability.

A Growing Community

We are one of South Australia's fastest growing council areas, and we can now expect on average 10 new people a day to call Playford home until 2046. That's ten more people each day who are out on our roads, using our parks and accessing our services.

While growth provides great opportunity to improve lifestyle and services in our community, servicing the new suburbs and residents puts increasing demand on Council resources. Financial sustainability is key to ensuring Council can continue to effectively manage growth for the benefit of its existing community and for those generations to come.

A Growing Asset Base

Council is responsible for building, maintaining and renewing community infrastructure. It is essential to have a strong Finance Strategy and responsible financial management so Council can fund ongoing asset management and build new infrastructure in line with community needs. This is especially true for the City of Playford as we balance investment in new infrastructure for growth areas with maintaining our existing community assets.

The LTFP includes our investment in new projects and services and renewal work for 2024/25, as detailed in our Annual Business Plan, and estimates the future investment across the life our plans. Our proposals for future investment have been informed by our four-year delivery plan which incorporates an understanding of our community's needs, our Strategic Asset Management Plan, a detailed assessment of our capacity to deliver multiple infrastructure projects, and an assessment of potential funding pathways. This enables us to plan for infrastructure investment over the longer term and understand the financial impact of those plans. We will continue to work with our community to refine the future scope of those projects.

Council's asset base continues to increase each year as a result of our capital program, and also from assets contributed to Council from new developments and from revaluation of existing assets. A growing asset base enables delivery of services to our growing community, but this also presents long-term financial implications which needs to be managed responsibly.

Rising Costs

Like much of the community, local government is facing rising costs and inflationary pressures in 2024/25 and beyond. The LTFP has been prepared against this backdrop. Many of these cost pressures are outside our control, such as inflation, electricity and insurance increases, as well as legislated superannuation obligations. This means that the cost of providing the same services in 2024/25 will be significantly higher than last year.

CEO Financial Sustainability Report

The Consumer Price Index (CPI), Wage Price Index (WPI) and interest rates are important assumptions used in long-term financial projections. These indices have increased since 2023/24 and are forecast to increase over the life of this Plan.

To maintain long-term financial sustainability, we need to fund the increased costs to deliver our services. To minimise the impact for our ratepayers, we have worked diligently to reduce the impact of these costs wherever possible and have only factored in inflationary pressures where absolutely necessary.

Our Commitment to Financial Sustainability

Financial sustainability, in line with Council’s Finance Strategy, has been a focus in the development of this Plan, ensuring Council has the means to fund the services and projects it provides to the community now and into the future.

When considering financial sustainability, we reference our operating and structural position. The difference between these terms is explained below:

The **operating position** shows Council’s income compared to the operating costs required to deliver services to the community. Where income exceeds expenses, Council would be in an operating surplus, and where income is less than expenses, Council would be in an operating deficit.

The **structural position** is a reflection of our operating position, **without** the inclusion of once-off grants and developer contributions, which are committed to be spent in future years. They do not form part of our ongoing sustainable base budget for delivering day to day services in any given financial year.

Maintaining operating and structural surplus positions over the long term ensures Council can meet current and long-term commitments and be financially sustainable. We monitor our budgets and our performance against an operating surplus ratio and a structural surplus ratio against target ranges endorsed by Council.

Funding Plan

The *Local Government Act 1999* requires the LTFP to include a Funding Plan that outlines Council’s approach to funding services and infrastructure, sets out the Council’s projected total revenue and outlines the intended sources of that revenue.

Our Statement of Comprehensive Income (included at page 38) provides details of projected total revenue and the sources of that revenue. Further, the Annual Business Plan articulates how growth, continuous improvement savings and a general rate rise are all contributing to fund the increased costs of delivering services to our community.

ESCOSA

On 30 April 2022, amendments to the *Local Government Act 1999* came into operation and introduced an advisory scheme that aims to give ratepayers confidence that the rates they pay are set at the level necessary for their council to provide the services they value. The Essential Services Commission SA (ESCOSA) is the advisory body. The State’s 68 councils are subject to the scheme.

The 68 councils were allocated across four tranches to be reviewed over a four-year cycle.

The ESCOSA advice relates to the appropriateness of councils’ long-term financial plans, infrastructure and asset management plans and revenue sources as outlined in funding plans. It is

CEO Financial Sustainability Report

an advisory scheme, identifying both risks and areas of good practice for councils to consider, with decision making remaining with councils.

The City of Playford was allocated to tranche two and ESCOSA have now completed the review process.

ESCOSA found that Playford's current and projected financial performance is sustainable.

The final report was published and released on the 28 February 2024 and can be found at <https://www.escosa.sa.gov.au/advice/advice-to-local-government>

Summary

It is pleasing to see Council's financial performance and sustainability remain strong over the coming 10 years. Performance against Council's Sustainability Ratios is generally within target ranges, or demonstrates the future financial capacity of Council, to deliver important services and infrastructure for our growing community whilst moderating the rate rise and impact on households and businesses.

Strategic Planning Framework



The three phases of our Strategic Planning Framework are:



PLAN

Our high-level plans guide our investment. **The Playford Community Vision 2043*** was developed in 2013 based on extensive community engagement and reflects the longer-term aspirations of the community, organised under the goals of Prosperity, Liveability and Happiness.

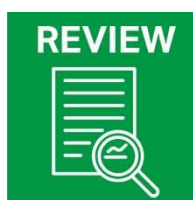
Our **City-wide Strategies** focus on a particular area, such as open space or cycling and walking, and help prioritise projects across the city. Our **Masterplans** outline our vision across a particular precinct or project area, such as the Lyell McEwin Health Precinct, Playford Health and Wellbeing Precinct and the Virginia Township.



INVEST

We continue to invest in our growing community by undertaking new projects and delivering new services. The **Long Term Financial Plan*** ensures Council can deliver services, maintain assets and achieve its strategic objectives in a financially sustainable manner.

The **Annual Business Plan and Budget*** is the 12-month plan to deliver the Strategic Plan and secure funding.



REVIEW

We are constantly reviewing our investment. **The Strategic Asset Management Plan*** ensures effective and comprehensive management of our asset portfolios. We complete a range of different **analyses and planning activities**, such as the Public Health Plan and Disability Access and Inclusion Plan, that continue to guide our investment in our existing services.

**These plans meet our obligations under Section 122 of the Local Government Act 1999, which states that a council must develop and adopt plans for the management of its area, to be called collectively the strategic management plans*

Finance Strategy

Council's Finance Strategy is focused on achieving a long-term financial position that is able to support delivery of planned services, manage debt and support and promote the growth of the city.



Finance Strategy

Finance Strategy

Council's Finance Strategy is focused on achieving a long-term financial position that supports the delivery of planned services, manages debt and supports growth of the city.

LTFP modelling provides a high-level budget framework to guide us in understanding the future impact of decisions we make today. It assumes that Council will continue to use debt as a mechanism for funding new assets, ensuring intergenerational equity.

The Finance Strategy is based on key parameters regarding sustainability and is used as a guiding principle for assessing the financial impact of all decisions. These principles are:

- Surplus
- Debt management
- Managing asset and service growth.

Operating and Structural Position

When considering our financial sustainability, we reference our operating and structural position. The difference between these terms is explained below:

The **operating position** shows Council's income compared to the operating costs required to deliver services to the community. Where income exceeds expenses, Council would be in an operating surplus and where income is less than expenses, Council would be in an operating deficit.

The **structural position** is a reflection of our operating position, **without** the inclusion of once-off grants and developer contributions. Grants and developer contributions are committed to be spent in future years. They do not form part of our ongoing sustainable base budget for delivering day-to-day services in any given financial year.

Maintaining operating and structural surplus positions over the long term ensures Council can meet current and long-term commitments and be financially sustainable.

Managing Asset and Service Growth

Council is responsible for ensuring that its assets and services are made available to the community in an equitable and sustainable manner, over generations. This means understanding the purpose of the asset or service and the benefits to the community. This dictates the funding pathway required to appropriately manage any associated debt.

Our Finance Strategy underpins our decision-making process and allows Council to deliver financial sustainability for the benefit of the Playford community.

Debt Management

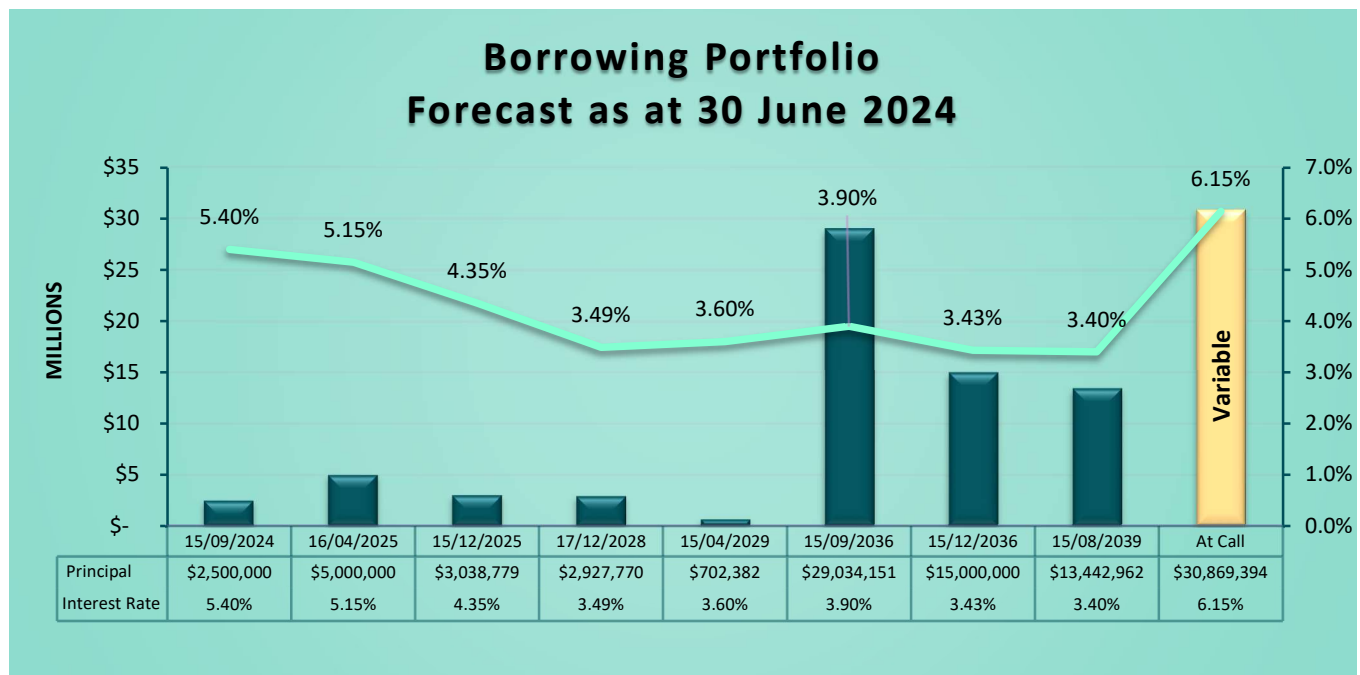
To support a growing community, Council borrows money to invest in the growth of the city. Good debt management ensures we minimise the cost to the community of holding the debt, and that the pathways to repay that debt deliver intergenerational equity – the idea that all ratepayers who benefit from the assets or services contribute to funding those assets and services.

Council structures its overall portfolio of borrowings and investments to balance interest costs with the risk of interest rate changes. Council considers cost effectiveness, risk management and flexibility and interest expense ratio when making these decisions.

Finance Strategy

Council adopts the guidance of the LGA 'Financial Sustainability Information Paper No. 15: Treasury Management', which identifies best practice as having at least 30% of borrowings with a fixed interest rate and at least 30% with a variable interest rate.

Good treasury management practices ensure sufficient cash flow is available to meet council deliverables with the most appropriate interest cost that supports a risk averse appetite.



Asset Management

Council is responsible for building, maintaining and renewing community infrastructure. It has a strong finance strategy in order to fund the ongoing management of existing assets as well as the development of new assets when required.



Asset Management

Asset Management

Asset Management is a comprehensive process which ensures Council is managing its infrastructure and other assets to an agreed service standard.

Asset Management considers all stages of the asset lifecycle including:

- Acquisition (referred to below as New Projects and Services)
- Renewal (referred to below as Strategic Asset Management Plan)
- Operations and Maintenance
- Disposal.

New Projects and Services

Year one of this LTFP includes \$33.1M of capital expenditure to fund newly initiated infrastructure and services. Refer to the 2024/25 Annual Business Plan for further details.

New capital expenditure from year two onwards is an estimate based on the average of the current year forecast and the previous two years' actual capital project delivery. We will continue to work with our community to refine the exact nature of these projects each year in line with community needs.

Strategic Asset Management Plan

The Strategic Asset Management Plan (SAMP) provides information on the state of the Council's assets and the associated renewal and replacement program. The LTFP contains the financial forecast for the 10-year SAMP, ensuring Council has full visibility of the financial impacts of renewing its assets. The renewal program is funded through Council's cash operating surplus, generated through rate revenue. This is the financially responsible funding pathway for renewal of assets and ensures that we continue to deliver the services we have always delivered.

The LTFP shows that the City of Playford has a fully funded asset renewal program.

Council's rolling 10-year renewal program is updated annually with the latest asset data including predicted remaining life and asset condition. This identifies the timing of asset replacement and, in combination with the LTFP, demonstrates how asset renewal can be achieved in a financially sustainable manner.

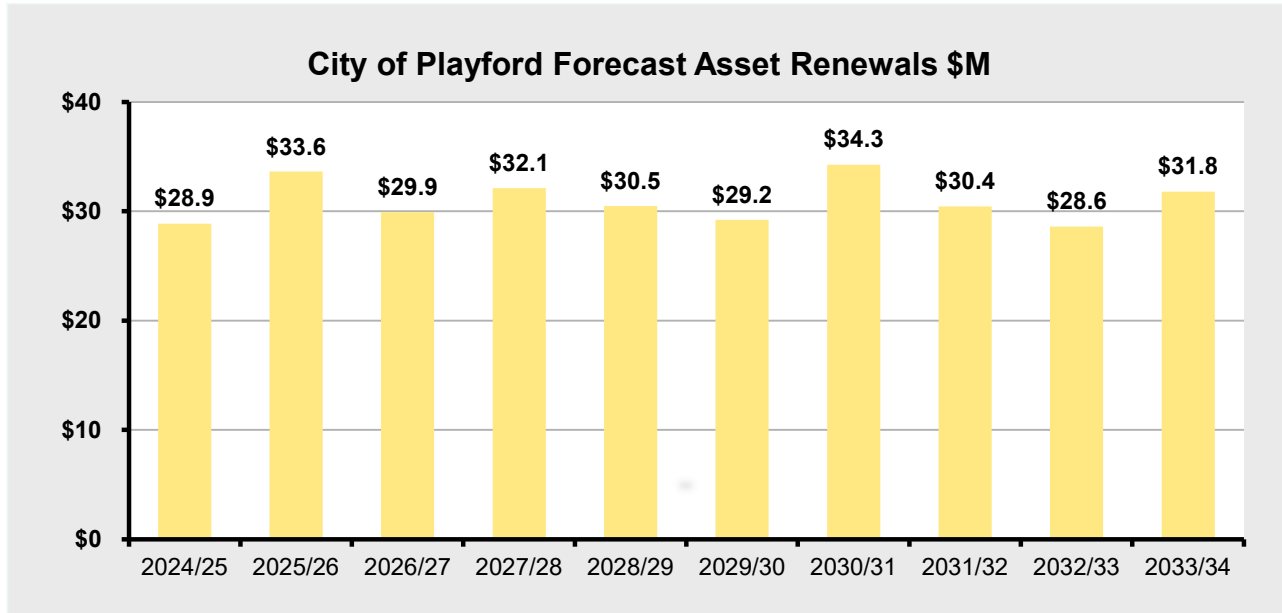
Costs associated with Council's assets form a significant part of Council's operating costs. Depreciation alone accounts for an average of 24% of the Council's annual operating budget over the 10-year plan. Once the cost of maintaining and operating these assets is factored in, this number becomes significantly higher.

Changes to the lifecycle estimates, particularly the cost of asset renewal, can have a significant impact on this Plan.

The LTFP includes \$28.9M in 2024/25 for asset renewal. Renewal amounts for years 2–10 range from \$28.6M to \$34.3M depending on the age, condition and type of asset.

Asset Management

The LTFP includes \$309.4M in asset renewal over 10 years:



Revaluation of Assets

In 2023/24, Council undertook its annual revaluation of its existing assets. Annual revaluations are a legislative requirement, with external independent review also required every five years (maximum). The key underlying principle aims to provide a more accurate representation of an asset's value by taking into account changes in market conditions, supply and demand, technological advancements, or any other factors that may impact its worth.

The outcome of the revaluation resulted in an uplift in the value of Council's assets which in turn leads to additional depreciation expenditure.

Key Assumptions

In making projections in the Long Term Financial Plan, Council makes a series of assumptions. These assumptions are made based on the best information known at the time.



Key Assumptions

Key Assumptions

A number of assumptions underpin this LTFP in regard to:

- Service Levels/Delivery
- Cost Drivers
- Rate Revenue
- Growth
- Grants
- Investment Decisions
- Repurposing of Assets.

Further detail on each of these assumptions is outlined below.

Service Levels/Delivery

The City of Playford provides a wide range of services and programs to our community. Each service has a Service Standard to ensure we are meeting our community’s needs. The LTFP assumes Council will continue to provide existing services at the current service levels except where Council proposes a change to our service delivery.

Commencing from 2024/25 Council will introduce two new service increases.

A green bin rollout will continue from 2023/24 and provide a free opt-in Food Organics Green Organics (FOGO) bin to residents who currently do not have one. This supports community and Council efforts to increase our environmental sustainability by reducing the amount of material going to landfill.

A service increase to the Community Organisation Support Framework will ensure access and equity to community groups throughout Playford, including community development and event grants, programs and events sponsorship, building spaces and financial support.

Cost Drivers

Several indices were used as cost drivers in preparing this Plan:

- Consumer Price Index (CPI)
- Estimates for wage escalation (Enterprise Agreement and Wage Price Index (WPI))
- Interest Rates

Using these indices shows the effect of inflationary pressures and economic conditions over time. Council will continue to closely monitor inflation forecasts, as projected inflation is likely higher in the short term before it returns to the longer-term average. Future LTFP documents will incorporate the latest inflationary estimates.

CPI is only applied to non-salary expenditure lines where the inflationary impact is unavoidable in the provision of Council services and to years 2 to 10 for asset revaluation. Council applies CPI sourced from the Deloitte Access Economics Forecast December 2023 release of 4.8%. The inflation index applied in the LTFP still represents a significant increase from the inflation assumption adopted in 2023/24 plan for 2024/25 of 2.58%.

Years 2–10 are also based on the Deloitte Forecast Economics December 2023 Release with CPI reverting to more historic values of between 2.3% and 2.6% for the remainder of the Plan.

Key Assumptions

For salaries, year 1 of this Plan is based on an estimate of 5% as negotiations are still underway for the Enterprise Agreement. Years 2–10 are based on the Wage Price Index (WPI) from the Deloitte Forecast Economics December 2023 release of between 3.0% and 3.2% per annum. The LTFP also includes the additional statutory Superannuation Guarantee Charge increase through to 2025/26. Refer to the table below for statutory increases to Superannuation Guarantee Charge included in the LTFP.

Year	Increase	Total Superannuation Guarantee
2024/25	0.5%	11.5%
2025/26	0.5%	12.0%

Interest costs are based on projected debt levels. Existing interest rates are applied to fixed debt. The Deloitte Access Economics Business Outlook rates are applied to variable debt in years 1–10.

The table below summarises the indices included in the LTFP.

Driver	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Consumer Price Index	4.80%	2.58%	2.50%	2.50%	2.41%	2.27%	2.27%	2.39%	2.48%	2.48%
Enterprise Agreement/Wage Price Index	5.00%	3.08%	3.02%	2.98%	3.02%	3.11%	3.14%	3.15%	3.13%	3.15%
Interest Rates – variable	5.96%	4.56%	4.16%	3.97%	3.76%	3.50%	3.39%	3.38%	3.38%	3.38%

Rate Revenue

The City of Playford’s Rating Policy is applied consistently across the LTFP.

Council has set annual rate revenue increases at the level required to meet a 1% structural surplus, (the operating surplus when adjusted for once-off grants or events), at the lower end of the target range resolved by Council. This rating approach is in line with Council’s desire to remain financially sustainable over the medium to longer term whilst covering cost pressures.

To ensure a structural surplus over the life of the Plan and the ability to deliver new projects consistent with historic levels the rate increase for years 2–10 of the Plan averages 2.3%.

Growth

Growth assumptions are based on development approvals and expected rates of land release, as well as consideration of the State Government’s 30-Year Plan for Greater Adelaide.

The rate of growth of the city has several financial impacts, including:

- Developer contributions recorded as revenue in the income statement in accordance with accounting standards whilst the funds are being used for the construction of capital infrastructure (often in later years)
- Additional rate revenue resulting from new residents/businesses and additional expenditures to provide services to those ratepayers
- The value of assets increasing significantly over time, with infrastructure such as roads, footpaths and parks being donated to Council from developers once construction is complete

Key Assumptions

- Maintenance costs to service and replace these large amounts of infrastructure placing an increasing financial pressure on Council’s budget.

The LTFP ensures Council is not reliant on growth to maintain a strong sustainable financial position. For year 2, residential growth is assumed at 1800 new dwellings, with the rate of residential growth expected to moderate to slightly lower levels over the remaining 8 years. The LTFP assumes residential rates revenue growth of between \$2.8M and \$3.2M per year over the next 10 years.

Council is party to a number of Infrastructure Deeds Agreements with landowners and the State Government for the expansion of the Virginia and Angle Vale townships and the Playford North Extension area. Council also receives developer contributions associated with the developments. These Deed Agreements and developer contributions ensure roads, drainage, parks and community buildings will be constructed to support the growth of new dwellings over the next 20 years. Estimates in the LTFP are an estimate based on development activity and historic trends.

Grants

Council receives significant revenue through Federal Government Financial Assistance Grants (FA Grants). The Australian Accounting Standards require disclosure of these grants as income in the year they are received. Despite recent occasions whereby payments have been paid in advance, the LTFP assumes that these funds will all be paid in the year to which they relate. This provides consistency and comparability of financial performance over the life of the Plan and removes the impact of timing variability caused by these prepayments.

In addition to FA Grants, Council has included a number of other grants in the LTFP. These include Roads to Recovery and Local Roads and Community Infrastructure grants. The LTFP assumes that a level of grant funding will continue, adjusted for known once-off occurrences.

Cost Savings

Council’s focus on continuous improvement has resulted in savings of over \$17.9M since 2011, including \$0.4M as part of 2024/24 budget process.

The savings have either been:

- allocated to services to reduce the rate burden of providing new services and assets to the community
- or
- used to ensure that Council is operating within its means and not using debt to fund its operations.

Investment Decisions

Investment decisions relate to projects or services requiring an upfront capital outlay with an expected future financial return. The investments are intended to be self-funded over time, which in turn allows Council to bring new services to the community without a rate increase. Investment decisions produce substantial benefits to the community, such as:

- relief on the pressure to raise rates as investments generate a broadening of our rate base
- new services to the community
- future positive financial returns
- equity across generations.

Key Assumptions

The investment decision included in the LTFP centres on the development of the CBD. Only projects where there is a legal commitment are included.

Repurposing of Assets

A key direction in our Finance Strategy is the elimination of historic debt incurred to fund deficits (bad debt) through the repurposing of assets. This strategy identifies Council-owned properties that are surplus to community requirements. The identified assets will be disposed of, and the proceeds used to reduce debt, and the property may contribute to an increase in rate revenue. The increased rate revenue will in turn reduce bad debt through increased operating surpluses.

Proposed asset disposals are only included in the LTFP when there is a high level of certainty associated with the disposal.

The key outcome of this strategy is to improve Council's debt profile by removing the legacy debt created by years of operating deficits. Council will focus on delivering a financially sustainable budget by utilising debt to achieve intergenerational equity and reduce future rate rises and impacts on households. This strategy is more about debt management than debt reduction.

Risks

While the Long Term Financial Plan is based on the latest available information, it is a predictive document and subject to certain risks.



Risks

Risks

The following section highlights risks to Council's long-term financial position. The analysis focuses on those risks that have the highest sensitivity to movement.

Delivering on the LTFP's ten-year targets is subject to certain inherent risks and influences, including:

- unforeseen economic changes or circumstances
- unforeseen political changes or circumstances
- market conditions and cost pressures.

Service Delivery

Any changes to service levels in response to community expectations and needs, legislative requirements or changing economic conditions are managed via the annual business planning process.

Council's ability to respond to such financial pressures cannot be absorbed into current budgets without adversely impacting current service standards. As such these pressures create a direct cost impact for the community.

Indexation

CPI is regarded as Australia's key measure of household inflation, designed to provide a general measure of the cost of living. Assumptions about future CPI movements are based on data projected by Deloitte Access Economics. However, forecast CPI rates are subject to change as economic conditions change. The past 12 months have demonstrated a 2.2% increase in the 2024/25 inflation forecast using the same index.

Movement in CPI affects rate increases, expenditure on services and asset replacement costs. As the cost of doing business increases, Council's costs increase, as does the need to ensure financial sustainability.

Council will continue to monitor the long-term implications of inflationary pressures to ensure ongoing financial sustainability.

Interest Rates

Movements in interest rates have the potential to substantially affect the future forecast financial position of the LTFP. Interest rate impacts are closely monitored and managed through Council's treasury management practices. The mix of variable and fixed interest debt facilities are considered in conjunction with the treasury management policy to minimise the impact of interest rate changes.

Risks

Sensitivity Analysis

The table below summarises the potential impact to Council’s operating expenditure over the 10 -year LTFP as a result of a 1% increase in each index, each year. There are significant impacts to Council’s operating expenditure which would have to be funded via rates or other revenue.

Index	10-year Impact Operating Expenditure
Interest Rates	Increase of \$7.1M
CPI	Increase of \$33.9M
WPI	Increase of \$39.1M

Investment Decisions

All Investment decisions contain inherent risks and uncertainty. Council has ensured that these risks are minimised via our Risk Management Framework.

Growth

As the City of Playford is a high growth Council, we make assumptions in our LTFP for growth in the form of developer contributions and rate revenue. These assumptions are based on the best and most current available data at the time of drafting. Despite this, there is inherent risk in any future assumptions which could have impacts on the future forecast financial position of Council.

Long Term Financial Plan Results

The financial projections contained within the LTFP provide an indication of Council's direction and financial capacity.



Long Term Financial Plan Results

Financial Plan Summary

The following section provides an overview of the key financial data and ratios resulting from the Plan.

Long Term Financial Plan 2024/25	Current 2023/24 \$mill	Year 1 2024/25 \$mill	Year 2 2025/26 \$mill	Year 3 2026/27 \$mill	Year 4 2027/28 \$mill	Year 5 2028/29 \$mill	Year 6 2029/30 \$mill	Year 7 2030/31 \$mill	Year 8 2031/32 \$mill	Year 9 2032/33 \$mill	Year 10 2033/34 \$mill	10 Year Average \$mill
Operating Result - Surplus (Deficit)	9.3	7.0	6.3	6.9	6.8	6.8	6.7	6.6	6.6	6.3	6.6	6.7
Non-Structural Items	8.0	5.5	4.7	5.3	5.1	5.0	5.0	4.8	4.6	4.2	4.4	4.9
Structural Operating Surplus/(Deficit)	1.3	1.5	1.6	1.6	1.7	1.8	1.7	1.8	2.0	2.1	2.2	1.8
Operating Surplus Ratio	6.5%	4.7%	4.0%	4.2%	4.0%	3.8%	3.6%	3.4%	3.3%	3.0%	3.0%	3.7%
Structural Surplus Ratio	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Closing Balance Borrowings	99.9	137.0	133.2	125.4	126.1	123.4	117.9	115.7	108.1	97.3	86.9	117.1

Key financial data summary

Sustainable Surplus

Council is committed to maintaining a sustainable operating surplus as part of its Finance Strategy.

The operating surplus over the 10 years of the LTFP remains positive, and the operating surplus ratio is towards the lower end of the target range for this ratio with an average of 3.7%. This ratio includes the revenue Council receives from grants and contributions which will be spent on future infrastructure projects when the needs of our growing community are known.

To ensure Council uses money wisely in the short term we also monitor the structural surplus ratio which adjusts for once-off grants/contributions. Our LTFP has a structural surplus within the Council endorsed target range over the life of the LTFP.

The operating surplus in 2024/25 is \$7.0M, which reflects the budget required to deliver existing services to agreed service standards, as well as the new and enhanced services as detailed in the 2024/25 Annual Business Plan. This is the surplus required to deliver a financially sustainable budget, keep rate increases to a minimum, manage future contingencies and continue to deliver services to the standard we have been achieving.

Closing Balance Borrowings

The LTFP shows that borrowings increase in 2024/25 consistent with increase in capital spend in 2024/25. Over the 10-year LTFP the debt reduces. This is due to new capital expenditure being estimated at an average of the two most current years of historical actuals, plus the current year forecast, coupled with ongoing cashflow from operations in excess of the short-term funding requirements for the annual asset renewal program. While it may appear that Council has “extra money”, these funds are committed to replacing assets which will come to the end of life over the next 20–50 years. This ensures intergenerational equity – the idea that each generation pays their fair share for the use of an asset or resource.

Long Term Financial Plan Results

Reserves Policy

The LTFP applies the existing Council policy for reserves where all funds collected for reserves will be applied to temporarily reduce borrowings. The policy aims to reduce the interest cost to Council over the long term.

The reserves currently held by Council and used to offset borrowings are:

- Open Space Reserve
- Playford Alive Initiatives Fund (committed to by the Playford Alive Steering Committee)
- Growth Areas Infrastructure Reserves.

The reserve balances included in the LTFP are as follows:

Reserves Balance	Year 1 2024/25 \$mill	Year 2 2025/26 \$mill	Year 3 2026/27 \$mill	Year 4 2027/28 \$mill	Year 5 2028/29 \$mill	Year 6 2029/30 \$mill	Year 7 2030/31 \$mill	Year 8 2031/32 \$mill	Year 9 2032/33 \$mill	Year 10 2033/34 \$mill
Reserves Balance	10.8	10.9	11.7	12.3	12.8	13.2	13.5	13.6	13.3	13.3

If Council’s policy for reserves was amended and the reserves were no longer used to temporarily reduce variable borrowings, the debt balance would be estimated as follows:

Reserve Policy not applied	Year 1 2024/25 \$mill	Year 2 2025/26 \$mill	Year 3 2026/27 \$mill	Year 4 2027/28 \$mill	Year 5 2028/29 \$mill	Year 6 2029/30 \$mill	Year 7 2030/31 \$mill	Year 8 2031/32 \$mill	Year 9 2032/33 \$mill	Year 10 2033/34 \$mill
Total Debt	147.8	144.1	137.1	138.4	136.3	131.1	129.2	121.7	110.6	100.2

Financial Indicators

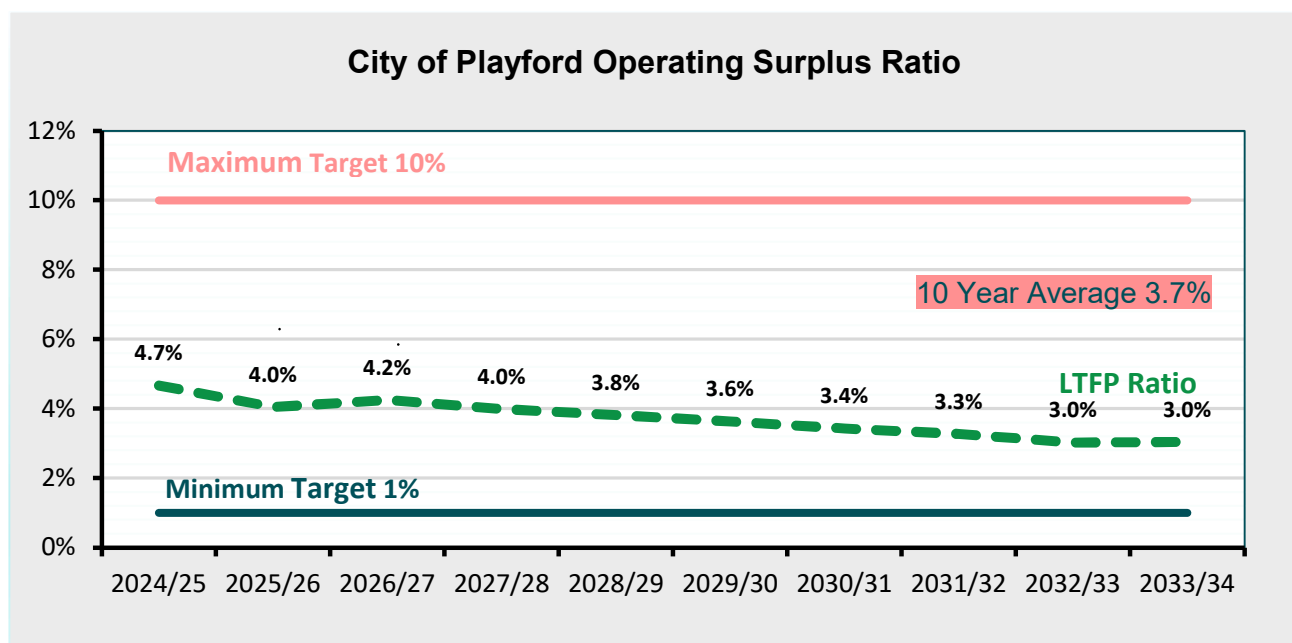
Council has six key performance indicators (KPIs) which it uses to track its financial sustainability. These are reviewed annually as a way of monitoring our performance.



Financial Indicators

Council’s Financial Sustainability Policy provides the financial ratios and targets by which Council’s financial performance and financial sustainability can be assessed. This section provides a summary of Council’s performance against the financial ratios.

Operating Surplus Ratio



Calculated as Operating Result / Total Operating Income

Indicates Financial Sustainability

Target Between 1% and 10%

Long Term Financial Plan Commentary:

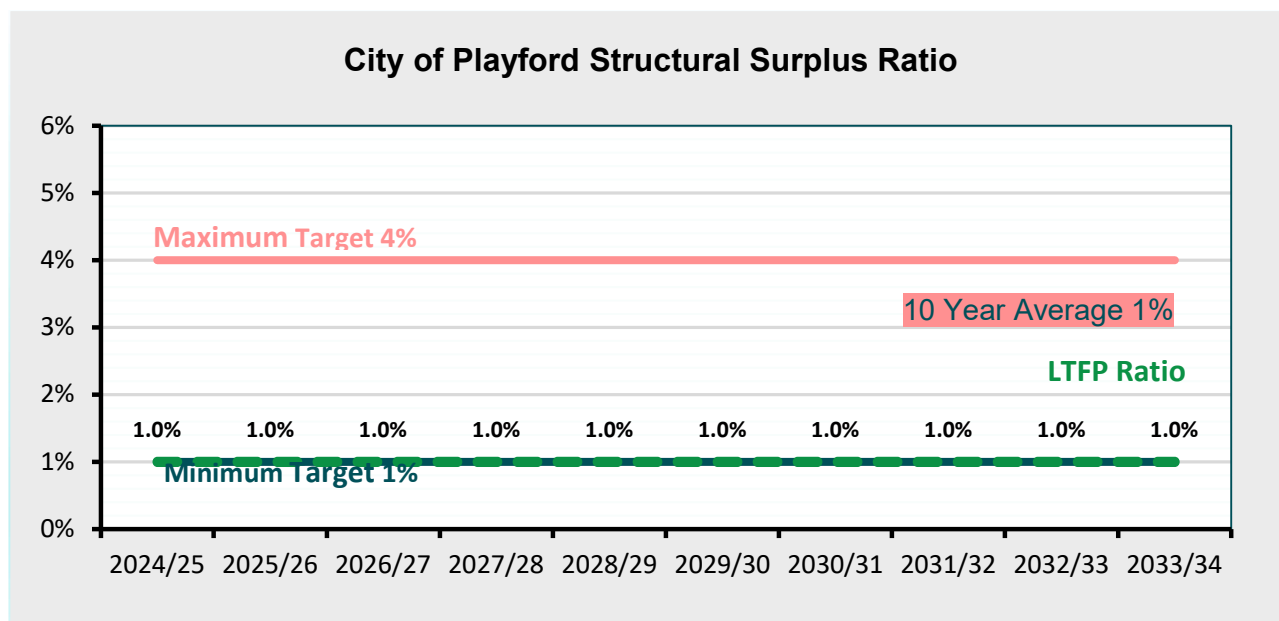
The Operating Surplus Ratio indicates Council’s ability to service its operations from expected income, while maintaining long-term financial sustainability. Council is committed to maintaining an operating surplus within the target range over the duration of the LTFP as part of its Finance Strategy.

The operating surplus ratio remains within the target range over the 10 years of the LTFP, despite the cost pressures and increasing costs of doing business. This is through a combination of grant revenue, developer contributions, continuous improvement savings and rate revenue, which covers the costs associated with new projects and inflation.

The downward trend in the ratio over the 10 years reflects declining estimates for developer contributions and grants which are not certain at this time. Council closely monitors development across our city and the availability of future grants so the assumptions underlying these estimates can be updated.

Financial Indicators

Structural Surplus Ratio



Calculated as Structural Operating Result / Structural Operating Income

Indicates Financial Sustainability

Target Between 1% and 4%

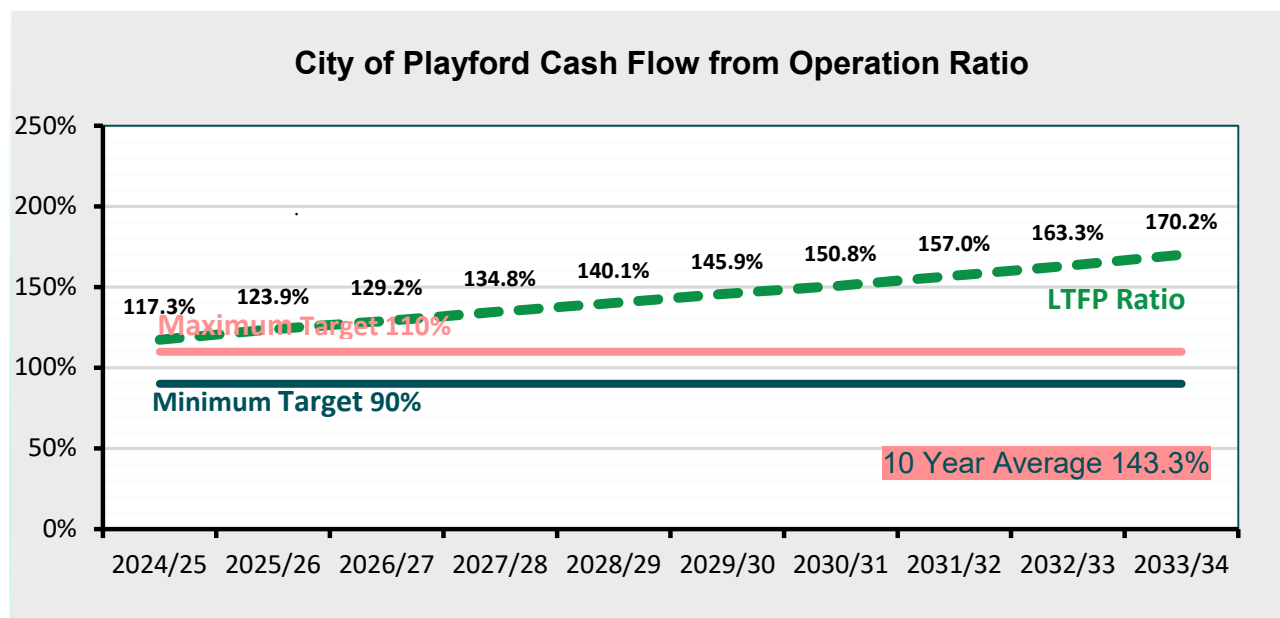
Long Term Financial Plan Commentary:

The structural surplus ratio excludes once-off operating grants and contributions which need to be spent on future infrastructure projects. It demonstrates whether Council has a sustainable source of revenue to cover its underlying operating costs.

The structural surplus ratio is steady across the 10 years of the LTFP at 1% - the lower end of the target range for this ratio. Planning to achieve the lower end of the target range achieves a financially sustainable position whilst moderating the impact on rates for ratepayers.

Financial Indicators

Cash Flow from Operations Ratio



Calculated as Cash Flow from Operations / Asset Management Plan Replacement Annuity

Indicates If Council is generating enough cash from operations to cover the replacement of assets over time

Target Between 90% and 110%, allowing for annual variation

Long Term Financial Plan Commentary:

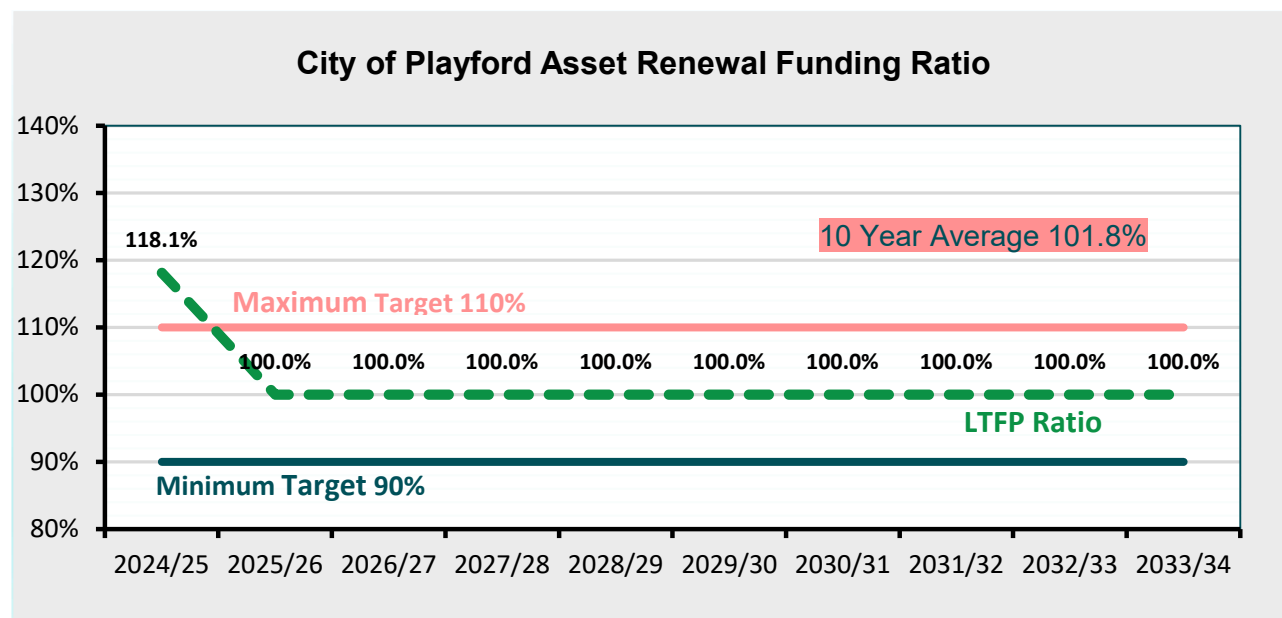
Council's Cash Flow from Operations increases over the life of the Plan. This indicates Council will have sufficient cash reserves to replace infrastructure as it ages.

Over the 10 years of the LTFP, this ratio is above the target range. While it may appear that Council has "extra" money, this is not the case due to timing lags.

Cashflows from operations is in excess of the short-term funding requirements for the asset management plan replacement annuity asset. These funds are committed to replacing assets which will come to end of their life over the next 20 to 50 years. Smoothing the requirement to fund the renewal over time ensures intergenerational equity – the idea that each generation pays their fair share for use of an asset or resource.

Financial Indicators

Asset Renewal Funding Ratio



Calculated as Amount spent on the replacement of assets (net of sale proceeds from replaced assets) / Amount Planned to be spent in SAMP.

Indicates If Council is performing the required work to replace assets and maintain the level of service.

Target Between 90% and 110%.

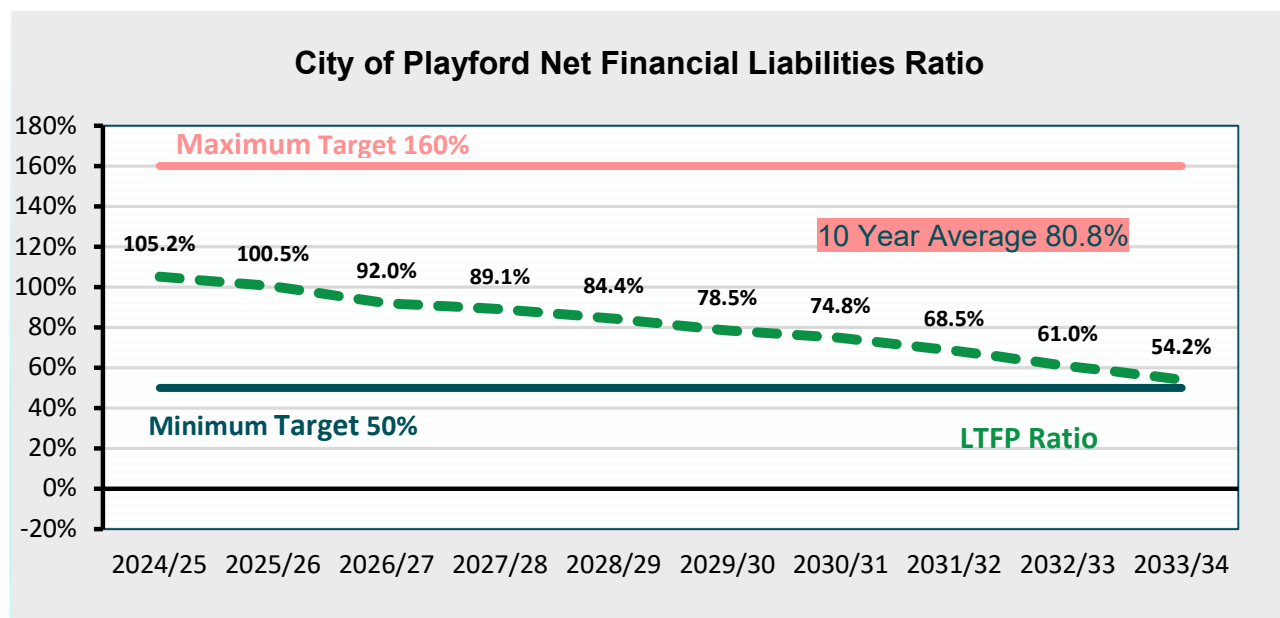
Long Term Financial Plan Commentary:

Council's Strategic Asset Management Plan determines when assets need to be replaced. A ratio of 100% means Council is spending exactly what is needed as per the Strategic Asset Management Plan. Spending within the target ranges shows that Council is replacing assets and infrastructure at a time that optimises asset lifespan – not too early and not too late.

The result for 2024/25 is slightly higher than the target range at 118.1% due to carry-forward of capital expenditure from 2023/24. This is a combination of projects which were planned to be delivered over multiple years, and some projects where external factors have limited our ability to deliver projects this financial year, and some renewal works deferred to align with other projects and reduced disruption to the community. This ratio returns to within the target range by year 2 of the LTFP.

Financial Indicators

Net Financial Liabilities Ratio



- Calculated as** Net financial liabilities ¹ / Total Operating Income
- Indicates** The extent to which Council is managing its debt
- Target** Between 50% and 160%

Long Term Financial Plan Commentary:

Funding the replacement of existing assets or the construction of new assets through borrowings addresses intergenerational equity – the idea that each generation pays their fair share for the use of an asset or resource. The Net Financial Liabilities ratio shows the extent to which Council is managing its debt. The target range for this ratio allows for delivery of assets as our community develops. This ratio is considered in conjunction with the Interest Expense Ratio (ratio 6).

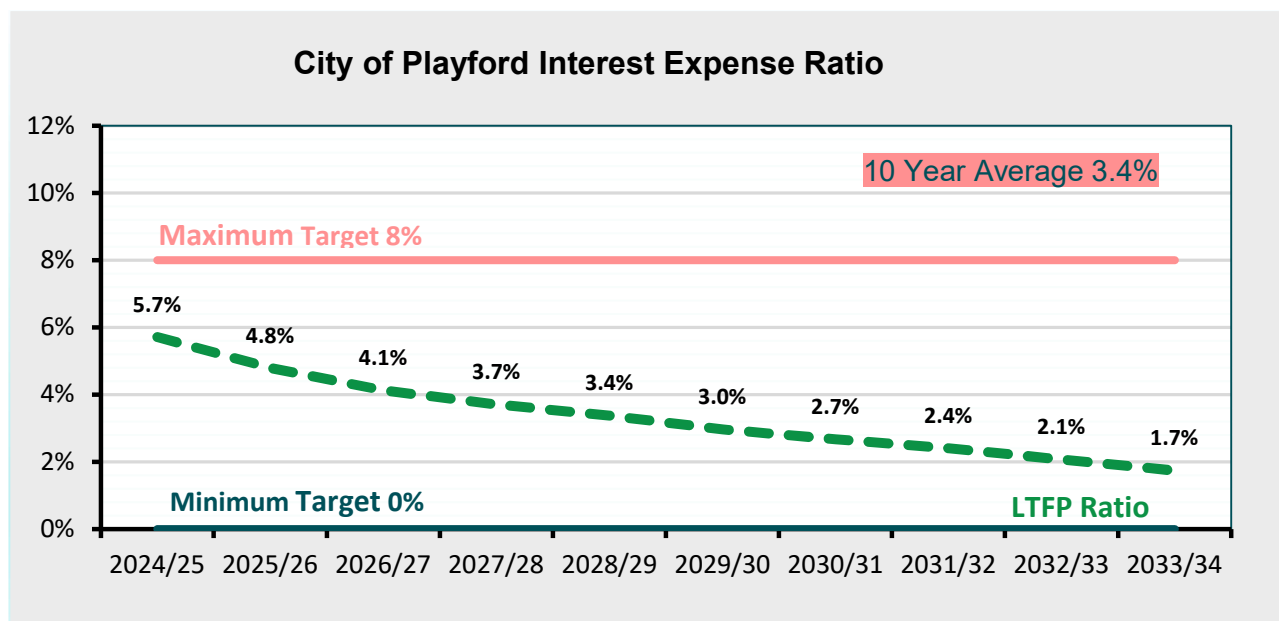
Our considered approach to developing the Annual Business Plan and Budget ensures we remain within the target range for this ratio over the 10-year period.

Our focus on sustainable surpluses, responsible debt management and repurposing of assets sees a declining net asset ratio over the life of the LTFP. The ratio also demonstrates the future borrowing capacity of Council to replace assets which will come to the end of life over the next 20 to 50 years.

¹ Net financial liabilities are total liabilities less cash and other financial assets readily convertible to cash.

Financial Indicators

Interest Expense Ratio



Calculated as Interest expense less interest income / General rate income (less Regional Landscape Levy)

Indicates Affordability of Council's debt

Target Between 0% and 8%

Long Term Financial Plan Commentary:

The target range of 0% to 8% provides flexibility to introduce new projects and services, while keeping the cost of debt affordable.

The Interest Expense Ratio is budgeted to be within the target range for the period of the LTFP. This reflects Council's focus on responsible debt and interest rate risk management, only delivering services our community has told us they want through a responsible budget.

A low Interest Expense Ratio enables Council to manage its ability to fund interest costs which is particularly important given the uncertainty in interest rates and councils ongoing borrowing requirements.

This ratio, combined with the Net Financial Liabilities ratio, indicates the capacity of Council to borrow if required over the medium to longer term. Building borrowing capacity to meet the growing needs of our new and existing communities and to meet the future commitments is important.

Financial Statements

Financial statements provide information about the financial position, financial performance and cash flows of Council.



Financial Statements

Financial Statements

Uniform Presentation of Finances

The *Uniform Presentation of Finances* statement provides the adjusted operating surplus/(deficit) and capital investment activities enabling comparisons between councils.

The Annual Net Impact to Financing Activities is a 'flow' measure that takes account of both operating and capital activities for the financial year.

Statement of Comprehensive Income

The *Statement of Comprehensive Income* presents the operating income, expenses, and result. It also presents those amounts that are classified as capital income and other comprehensive income. It is based on the model financial statements as required under the *Local Government Act 1999*. Amounts included within this statement are used to calculate a number of the financial indicators that assist in assessing our financial performance and viability over time.

Balance Sheet

The *Balance Sheet* provides a projection of total 'community wealth' (total equity). The balance sheet summarises our financial worth at a specific point in time including assets, liabilities and net equity. Amounts included within the balance sheet are used to calculate a number of the financial indicators that assist in assessing our financial position and viability over time.

Statement of Changes in Equity

The *Statement of Changes in Equity* is used to illustrate the movement between the equity shown in the balance sheet at the beginning of an accounting period, and the equity at the end of a period. It also provides details of reserves currently held including forecast movements.

Statement of Cash Flows

The *Statement of Cash Flows* forecasts incoming and outgoing cash for the financial year. It also explains changes in the balance sheet and statement of comprehensive income affected by cash and cash equivalents. The statement is useful in determining the short-term viability of Council, particularly our ability to meet cash commitments.

Financial Statements

Projected financial statements 2024-25 / 2033-34

City of Playford												
10 Year Financial Plan for the Years ending 30 June 2034												
UNIFORM PRESENTATION OF FINANCES - GENERAL FUND												
Scenario: Draft LTFP	Actuals	Current Year	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income												
Rates	91,750,000	102,004,416	112,044,030	116,288,103	122,201,349	128,633,648	135,276,807	141,936,427	148,940,833	156,415,919	164,041,646	172,457,244
Statutory Charges	3,169,000	2,888,416	3,134,018	3,214,941	3,295,393	3,377,753	3,459,201	3,537,875	3,618,234	3,704,647	3,796,419	3,890,752
User Charges	3,881,000	6,046,579	6,242,943	6,404,140	6,564,400	6,728,461	6,890,704	7,047,422	7,207,497	7,379,632	7,562,442	7,750,351
Grants, Subsidies and Contributions - operating	24,012,000	21,336,557	21,858,970	23,789,924	24,307,322	24,774,007	25,204,720	25,672,524	25,945,940	26,432,365	26,948,956	27,479,960
Grants, Subsidies and Contributions - capital	8,675,000	8,819,895	6,254,903	5,464,743	6,007,743	5,819,743	5,761,743	5,653,743	5,692,743	5,482,743	5,136,743	5,337,743
Investment Income	56,000	51,873	71,989	70,349	69,672	68,959	68,206	67,414	66,580	65,702	64,779	64,779
Reimbursements	1,094,000	636,770	676,938	694,417	711,794	729,584	747,176	764,169	781,527	800,192	820,014	840,390
Other Income	710,000	176,828	173,482	173,482	173,482	173,482	173,482	173,482	173,482	173,482	173,482	173,482
Net gain - equity accounted Council businesses	-	-	-	-	-	-	-	-	-	-	-	-
Total Income	133,347,000	141,961,335	150,457,273	156,100,097	163,331,156	170,305,637	177,582,039	184,853,057	192,426,837	200,454,683	208,544,482	217,994,701
Expenses												
Employee Costs	42,828,000	47,785,149	50,390,964	53,298,949	56,029,382	58,847,927	61,807,317	64,852,428	68,096,142	71,482,071	74,992,507	78,658,705
Materials, Contracts & Other Expenses	41,243,000	48,371,521	51,573,699	54,240,156	57,039,553	59,937,242	62,878,244	65,758,094	68,780,067	71,985,919	75,358,221	79,385,833
Depreciation, Amortisation & Impairment	28,029,000	30,783,239	34,480,533	36,069,558	37,668,678	39,331,320	40,932,609	42,687,448	44,340,045	46,043,316	47,848,102	49,685,395
Finance Costs	3,895,000	5,182,016	6,390,507	5,570,924	5,055,025	4,783,367	4,579,932	4,238,235	4,010,202	3,789,717	3,436,598	3,039,473
Net loss - Equity Accounted Council Businesses	303,000	584,962	598,631	598,631	598,631	598,631	598,631	598,631	598,631	598,631	598,631	598,631
Total Expenses	116,298,000	132,706,888	143,434,334	149,778,217	156,391,269	163,498,486	170,796,734	178,134,836	185,825,087	193,899,654	202,234,059	211,368,037
Operating Surplus / (Deficit)	17,049,000	9,254,447	7,022,939	6,321,880	6,939,887	6,807,150	6,785,304	6,718,221	6,601,750	6,555,029	6,310,422	6,626,664
Timing adjustment for grant revenue	(5,130,000)	(5,130,000)	-	-	-	-	-	-	-	-	-	-
Adjusted Operating Surplus / (Deficit)	11,919,000	4,124,447	7,022,939	6,321,880	6,939,887	6,807,150	6,785,304	6,718,221	6,601,750	6,555,029	6,310,422	6,626,664
Net Outlays on Existing Assets												
Capital Expenditure on Renewal and Replacement of Existing Assets	(12,098,000)	(29,635,207)	(34,124,838)	(33,634,749)	(29,922,098)	(32,129,283)	(30,492,988)	(29,213,016)	(34,254,661)	(30,444,321)	(28,612,923)	(31,799,732)
add back Depreciation, Amortisation and Impairment	28,029,000	30,783,239	34,480,533	36,069,558	37,668,678	39,331,320	40,932,609	42,687,448	44,340,045	46,043,316	47,848,102	49,685,395
add back Proceeds from Sale of Replaced Assets	1,610,000	-	-	-	-	-	-	-	-	-	-	-
Total Net Outlays on Existing Assets	17,541,000	1,148,032	355,695	2,434,809	7,746,580	7,202,037	10,439,621	13,474,432	10,085,384	15,598,995	19,235,179	17,885,663
Net Outlays on New and Upgraded Assets												
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(24,950,000)	(25,362,258)	(66,261,320)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)
add back Amounts Received Specifically for New and Upgraded Assets	5,220,000	9,357,945	9,227,096	4,494,516	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411
add back Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments & non-current assets held for sale)	11,606,000	-	11,210,750	8,011,000	7,300,750	-	-	-	-	-	-	-
Total Net Outlays on New and Upgraded Assets	(8,124,000)	(16,004,313)	(45,823,474)	(8,337,637)	(8,667,992)	(15,968,742)	(15,968,742)	(15,968,742)	(15,968,742)	(15,968,742)	(15,968,742)	(15,968,742)
Annual Net Impact to Financing Activities (surplus / (deficit))	21,336,000	(10,731,834)	(38,444,840)	419,051	6,018,475	(1,959,555)	1,256,184	4,223,910	718,391	6,185,282	9,576,860	8,543,586

Financial Statements

City of Playford												
10 Year Financial Plan for the Years ending 30 June 2034												
STATEMENT OF COMPREHENSIVE INCOME - GENERAL FUND												
Scenario: Draft LTFP												
	Actuals	Current Year	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income												
Rates	91,750,000	102,004,416	112,044,030	116,288,103	122,201,349	128,633,648	135,276,807	141,936,427	148,940,833	156,415,919	164,041,646	172,457,244
Statutory Charges	3,169,000	2,888,416	3,134,018	3,214,941	3,295,393	3,377,753	3,459,201	3,537,875	3,618,234	3,704,647	3,796,419	3,890,752
User Charges	3,881,000	6,046,579	6,242,943	6,404,140	6,564,400	6,728,461	6,890,704	7,047,422	7,207,497	7,379,632	7,562,442	7,750,351
Grants, Subsidies and Contributions - operating	24,012,000	21,336,557	21,858,970	23,789,924	24,307,322	24,774,007	25,204,720	25,672,524	25,945,940	26,432,365	26,948,956	27,479,960
Grants, Subsidies and Contributions - capital	8,675,000	8,819,895	6,254,903	5,464,743	6,007,743	5,819,743	5,761,743	5,653,743	5,692,743	5,482,743	5,136,743	5,337,743
Investment Income	56,000	51,873	71,989	70,349	69,672	68,959	68,206	67,414	66,580	65,702	64,779	64,779
Reimbursements	1,094,000	636,770	676,938	694,417	711,794	729,584	747,176	764,169	781,527	800,192	820,014	840,390
Other Income	710,000	176,828	173,482	173,482	173,482	173,482	173,482	173,482	173,482	173,482	173,482	173,482
Net gain - equity accounted Council businesses	-	-	-	-	-	-	-	-	-	-	-	-
Total Income	133,347,000	141,961,335	150,457,273	156,100,097	163,331,156	170,305,637	177,582,039	184,853,057	192,426,837	200,454,683	208,544,482	217,994,701
Expenses												
Employee Costs	42,828,000	47,785,149	50,390,964	53,298,949	56,029,382	58,847,927	61,807,317	64,852,428	68,096,142	71,482,071	74,992,507	78,658,705
Materials, Contracts & Other Expenses	41,243,000	48,371,521	51,573,699	54,240,156	57,039,553	59,937,242	62,878,244	65,758,094	68,780,067	71,985,919	75,358,221	79,385,833
Depreciation, Amortisation & Impairment	28,029,000	30,783,239	34,480,533	36,069,558	37,668,678	39,331,320	40,932,609	42,687,448	44,340,045	46,043,316	47,848,102	49,685,395
Finance Costs	3,895,000	5,182,016	6,390,507	5,570,924	5,055,025	4,783,367	4,579,932	4,238,235	4,010,202	3,789,717	3,436,598	3,039,473
Net loss - Equity Accounted Council Businesses	303,000	584,962	598,631	598,631	598,631	598,631	598,631	598,631	598,631	598,631	598,631	598,631
Total Expenses	116,298,000	132,706,888	143,434,334	149,778,217	156,391,269	163,498,486	170,796,734	178,134,836	185,825,087	193,899,654	202,234,059	211,368,037
Operating Surplus / (Deficit)	17,049,000	9,254,447	7,022,939	6,321,880	6,939,887	6,807,150	6,785,304	6,718,221	6,601,750	6,555,029	6,310,422	6,626,664
Asset Disposal & Fair Value Adjustments	1,612,000	-	-	-	-	-	-	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	5,220,000	7,832,110	13,931,756	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411
Physical Resources Received Free of Charge	21,571,000	25,000,000	39,460,000	39,460,000	39,460,000	39,460,000	39,460,000	32,460,000	32,460,000	32,460,000	32,460,000	32,460,000
Operating Result from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	45,452,000	42,086,557	60,414,695	50,656,291	51,274,298	51,141,561	51,119,715	44,052,632	43,936,161	43,889,440	43,644,833	43,961,075
Other Comprehensive Income												
Amounts which will not be reclassified subsequently to operating result												
Changes in Revaluation Surplus - I,PP&E	88,266,000	46,024,349	31,664,481	31,941,889	34,185,563	35,995,170	36,221,907	35,528,244	37,001,393	40,133,934	41,812,030	49,134,400
Share of Other Comprehensive Income - Equity Accounted Council Businesses	125,000	-	-	-	-	-	-	-	-	-	-	-
Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	524,000	-	-	-	-	-	-	-	-	-	-	-
Transfer to Accumulated Surplus on Sale of Revalued I,PP&E	-	-	-	-	-	-	-	-	-	-	-	-
Net assets transferred - Council restructure	-	-	-	-	-	-	-	-	-	-	-	-
Other	(403,000)	-	-	-	-	-	-	-	-	-	-	-
Amounts which will be reclassified subsequently to operating result												
Available-for-Sale Financial Instruments - Change in Fair Value	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Accumulated Surplus on Sale of Available-for-Sale Financial Instrum	-	-	-	-	-	-	-	-	-	-	-	-
Movements in Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income	88,512,000	46,024,349	31,664,481	31,941,889	34,185,563	35,995,170	36,221,907	35,528,244	37,001,393	40,133,934	41,812,030	49,134,400
Total Comprehensive Income	133,964,000	88,110,905	92,079,176	82,598,179	85,459,861	87,136,731	87,341,622	79,580,876	80,937,554	84,023,374	85,456,864	93,095,475

Financial Statements

City of Playford												
10 Year Financial Plan for the Years ending 30 June 2034												
STATEMENT OF FINANCIAL POSITION - GENERAL FUND												
Scenario: Draft LTFFP												
	Actuals	Current Year	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS												
Current Assets												
Cash & Cash Equivalents	15,403,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Trade & Other Receivables	13,948,000	6,671,093	8,186,383	8,074,492	8,425,759	8,767,700	9,122,083	9,475,876	9,843,294	10,195,551	10,588,628	11,043,063
Other Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Inventories	254,000	237,477	253,198	266,288	280,032	294,258	308,697	322,835	337,671	353,410	369,966	389,740
Other Current Assets	897,000	818,188	872,352	917,454	964,805	1,013,819	1,063,565	1,112,276	1,163,392	1,217,618	1,274,659	1,342,785
Non-current assets classified as "Held for Sale"	362,000	11,210,750	8,011,000	7,300,750	-	-	-	-	-	-	-	-
Total Current Assets	30,864,000	20,437,508	18,822,932	18,058,985	11,170,596	11,575,777	11,994,344	12,410,988	12,844,357	13,266,579	13,733,253	14,275,588
Non-Current Assets												
Financial Assets	248,000	222,152	195,101	166,558	136,466	104,765	71,393	36,286	0	0	0	0
Equity Accounted Investments in Council Businesses	10,178,000	9,593,038	8,994,407	8,395,776	7,797,145	7,198,514	6,599,883	6,001,252	5,402,621	4,803,990	4,205,359	3,606,728
Investment Property	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,620,697,000	1,742,877,192	1,871,896,297	1,954,405,780	2,041,147,916	2,130,244,203	2,216,329,642	2,291,686,607	2,371,905,769	2,449,743,861	2,525,623,865	2,610,175,754
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as "Held for Sale"	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Current Assets	31,754,000	12,726,000	12,726,000	12,726,000	12,726,000	12,726,000	12,726,000	12,726,000	12,726,000	12,726,000	12,726,000	12,726,000
Total Non-Current Assets	1,662,877,000	1,765,418,382	1,893,811,806	1,975,694,114	2,061,807,528	2,150,273,482	2,235,726,918	2,310,450,145	2,390,034,390	2,467,273,852	2,542,555,225	2,626,508,483
TOTAL ASSETS	1,693,741,000	1,785,855,891	1,912,634,738	1,993,753,099	2,072,978,124	2,161,849,259	2,247,721,261	2,322,861,133	2,402,878,747	2,480,540,431	2,556,288,478	2,640,784,071
LIABILITIES												
Current Liabilities												
Cash Advance Debenture	-	-	-	-	-	-	-	-	-	-	-	-
Trade & Other Payables	20,581,000	25,704,532	23,001,707	25,120,470	26,394,408	27,183,082	28,075,209	28,914,610	29,893,925	30,763,882	31,591,262	33,007,810
Borrowings	6,531,000	5,312,141	4,442,065	3,504,633	3,635,823	3,417,595	3,029,677	3,144,939	3,264,602	3,388,833	3,517,809	3,651,710
Provisions	6,268,000	6,429,394	6,637,043	6,851,087	7,071,592	7,298,660	7,532,591	7,773,788	8,022,551	8,279,149	8,543,782	8,816,752
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities relating to Non-Current Assets classified as "Held for Sale"	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	33,380,000	37,446,068	34,080,815	35,476,191	37,101,822	37,899,337	38,637,477	39,833,337	41,181,078	42,431,864	43,652,853	45,476,272
Non-Current Liabilities												
Cash Advance Debenture	30,500,000	35,666,656	78,129,449	78,713,331	74,441,752	78,747,906	79,520,032	76,976,770	77,920,744	73,642,485	66,174,161	59,344,470
Trade & Other Payables	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	64,222,000	58,914,802	54,472,738	50,968,104	47,332,282	43,914,886	40,885,010	37,740,071	34,475,469	31,086,636	27,568,827	23,917,117
Provisions	1,290,000	1,368,459	1,412,655	1,458,213	1,505,147	1,553,477	1,603,268	1,654,605	1,707,553	1,762,168	1,818,494	1,876,594
Liability - Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities relating to Non-Current Assets classified as "Held for Sale"	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	96,012,000	95,949,917	134,014,842	131,139,648	123,279,180	124,216,069	122,008,309	116,371,445	114,103,765	106,491,289	95,561,482	85,138,181
TOTAL LIABILITIES	129,392,000	133,395,985	168,095,657	166,615,839	160,381,003	162,115,406	160,645,786	156,204,782	155,284,843	148,923,152	139,214,335	130,614,454
Net Assets	1,564,349,000	1,652,459,905	1,744,539,081	1,827,137,260	1,912,597,121	1,999,733,853	2,087,075,475	2,166,656,351	2,247,593,904	2,331,617,278	2,417,074,142	2,510,169,617
EQUITY												
Accumulated Surplus	447,720,000	492,340,055	555,403,832	605,887,564	656,381,775	706,928,175	757,538,489	801,164,777	844,814,525	888,627,551	932,541,972	976,571,634
Asset Revaluation Reserves	1,100,688,000	1,146,712,349	1,178,376,829	1,210,318,718	1,244,504,281	1,280,499,451	1,316,721,358	1,352,204,782	1,389,250,995	1,429,384,929	1,471,196,959	1,520,331,359
Available for Sale Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Other Reserves	15,941,000	13,407,502	10,758,420	10,930,979	11,711,065	12,306,226	12,815,628	13,241,972	13,528,385	13,604,798	13,335,211	13,266,624
Total Equity	1,564,349,000	1,652,459,905	1,744,539,081	1,827,137,260	1,912,597,121	1,999,733,853	2,087,075,475	2,166,656,351	2,247,593,904	2,331,617,278	2,417,074,142	2,510,169,617

Financial Statements

City of Playford												
10 Year Financial Plan for the Years ending 30 June 2034												
STATEMENT OF CHANGES IN EQUITY - GENERAL FUND												
Scenario: Draft LTFP												
	Actuals	Current Year	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance	1,430,385,000	1,564,349,000	1,652,459,905	1,744,539,081	1,827,137,260	1,912,597,121	1,999,733,853	2,087,075,475	2,166,656,351	2,247,593,904	2,331,617,278	2,417,074,142
Net Surplus / (Deficit) for Year	45,452,000	42,086,557	60,414,695	50,656,291	51,274,298	51,141,561	51,119,715	44,052,632	43,936,161	43,889,440	43,644,833	43,961,075
Other Comprehensive Income												
- Gain (Loss) on Revaluation of I,PP&E	88,266,000	46,024,349	31,664,481	31,941,889	34,185,563	35,995,170	36,221,907	35,528,244	37,001,393	40,133,934	41,812,030	49,134,400
- Available for Sale Financial Instruments: change in fair value	-	-	-	-	-	-	-	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	524,000	-	-	-	-	-	-	-	-	-	-	-
- Transfer to Accumulated Surplus on Sale of I,PP&E	-	-	-	-	-	-	-	-	-	-	-	-
- Transfer to Acc. Surplus on Sale of AFS Financial Instruments	-	-	-	-	-	-	-	-	-	-	-	-
- Share of OCI - Equity Accounted Council Businesses	125,000	-	-	-	-	-	-	-	-	-	-	-
- Other Equity Adjustments - Equity Accounted Council Businesses	(403,000)	-	-	-	-	-	-	-	-	-	-	-
- Other Movements	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	88,512,000	46,024,349	31,664,481	31,941,889	34,185,563	35,995,170	36,221,907	35,528,244	37,001,393	40,133,934	41,812,030	49,134,400
Total Comprehensive Income	133,964,000	88,110,905	92,079,176	82,598,179	85,459,861	87,136,731	87,341,622	79,580,876	80,937,554	84,023,374	85,456,864	93,095,475
Transfers between Equity	-	-	-	-	-	-	-	-	-	-	-	-
Equity - Balance at end of the reporting period	1,564,349,000	1,652,459,905	1,744,539,081	1,827,137,260	1,912,597,121	1,999,733,853	2,087,075,475	2,166,656,351	2,247,593,904	2,331,617,278	2,417,074,142	2,510,169,617

Financial Statements

City of Playford												
10 Year Financial Plan for the Years ending 30 June 2034												
STATEMENT OF CASH FLOWS - GENERAL FUND												
Scenario: Draft LTFF												
	Actuals	Current Year	Projected Years									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates Receipts	90,845,000	101,595,392	111,680,161	116,091,807	121,929,122	128,337,830	134,972,305	141,630,924	148,619,771	156,073,388	163,692,129	172,071,631
Statutory Charges	3,169,000	3,421,843	3,103,621	3,204,925	3,285,436	3,367,560	3,449,120	3,528,138	3,608,288	3,693,952	3,785,061	3,879,077
User Charges	4,184,000	6,389,300	6,218,640	6,384,189	6,544,565	6,708,156	6,870,624	7,028,026	7,187,686	7,358,328	7,539,816	7,727,095
Grants, Subsidies and Contributions (operating purpose)	23,816,000	10,423,199	21,554,867	23,800,910	24,305,443	24,772,313	25,203,156	25,670,825	25,944,948	26,430,599	26,947,080	27,478,032
Investment Receipts	56,000	60,045	71,332	70,402	69,694	68,982	68,231	67,440	66,607	65,730	64,809	64,779
Reimbursements	1,160,000	856,868	672,388	692,437	709,826	727,569	745,184	762,245	779,561	798,078	817,769	838,082
Other	1,098,000	335,424	179,031	174,736	172,420	173,850	173,595	173,693	173,406	173,893	174,158	173,089
Payments:												
Payments to Employees	(42,977,000)	(47,545,296)	(50,139,118)	(53,039,347)	(55,761,943)	(58,572,529)	(61,523,595)	(64,559,894)	(67,794,431)	(71,170,858)	(74,671,548)	(78,327,635)
Payments for Materials, Contracts & Other Expenses	(48,366,000)	(45,125,446)	(50,646,369)	(53,467,967)	(56,228,866)	(59,098,090)	(62,026,549)	(64,924,109)	(67,904,924)	(71,057,525)	(74,381,625)	(78,219,463)
Finance Payments	(3,895,000)	(5,182,016)	(6,390,507)	(5,570,924)	(5,055,025)	(4,783,367)	(4,579,932)	(4,238,235)	(4,010,202)	(3,789,717)	(3,436,598)	(3,039,473)
Net Cash provided (or used in) Operating Activities	29,090,000	25,229,311	36,304,046	38,341,167	39,970,673	41,702,272	43,352,138	45,139,053	46,670,710	48,575,867	50,531,053	52,645,214
Cash Flows from Investing Activities												
Receipts:												
Amounts Received Specifically for New/Upgraded Assets	5,220,000	9,357,945	9,227,096	4,494,516	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411	4,874,411
Grants utilised for capital purposes	8,429,000	7,853,539	6,468,000	7,462,351	6,367,087	5,695,329	5,723,360	5,582,271	5,718,552	5,343,770	4,907,769	5,470,760
Sale of Replaced Assets	1,610,000	-	-	-	-	-	-	-	-	-	-	-
Sale of Surplus Assets	11,606,000	-	-	-	-	-	-	-	-	-	-	-
Sale of Investment Property	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Non Current Assets "Held for Sale"	-	-	11,210,750	8,011,000	7,300,750	-	-	-	-	-	-	-
Net Disposal of Investment Securities	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Real Estate Developments	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Repayments of Loans by Community Groups	24,000	24,233	25,615	27,051	28,543	30,092	31,701	33,372	35,107	36,286	-	-
Sale of Interests in Joint Ventures & Associates	-	-	-	-	-	-	-	-	-	-	-	-
Distributions Received from Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-	-	-
Other Investing Activity Receipts	-	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Expenditure on Renewal/Replacement of Assets	(12,098,000)	(29,635,207)	(34,124,838)	(33,634,749)	(29,922,098)	(32,129,283)	(30,492,988)	(29,213,016)	(34,254,661)	(30,444,321)	(28,612,923)	(31,799,732)
Expenditure on New/Upgraded Assets	(24,950,000)	(25,362,258)	(66,261,320)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)	(20,843,153)
Net Cash provided (or used in) Investing Activities	(10,159,000)	(37,761,747)	(73,454,697)	(34,482,985)	(32,194,460)	(42,372,604)	(40,706,669)	(39,566,115)	(44,469,744)	(41,033,007)	(39,673,896)	(42,297,714)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from CAD	75,950,000	5,166,656	42,462,793	583,882	-	4,306,154	772,126	-	943,974	-	-	-
Proceeds from Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of Funds from Leases	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Aged Care Facility Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Bonds & Deposits	21,000	-	-	-	-	-	-	-	-	-	-	-
Receipts from Other Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Repayments of CAD	(74,990,000)	-	-	-	(4,271,579)	-	-	(2,543,262)	-	(4,278,259)	(7,468,323)	(6,829,691)
Repayments of Borrowings	(6,174,000)	(6,439,957)	(5,260,313)	(4,412,992)	(3,504,633)	(3,635,823)	(3,417,595)	(3,029,677)	(3,144,939)	(3,264,602)	(3,388,833)	(3,517,809)
Repayment of Principal Portion of Lease Liabilities	(153,000)	(97,263)	(51,828)	(29,073)	-	-	-	-	-	-	-	-
Repayment of Aged Care Facility Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Bonds & Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Payments of Other Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	(5,346,000)	(1,370,564)	37,150,651	(3,858,183)	(7,776,212)	670,331	(2,645,469)	(5,572,938)	(2,200,965)	(7,542,861)	(10,857,156)	(10,347,500)
Net Increase/(Decrease) in Cash & Cash Equivalents	13,585,000	(13,903,000)	-	-	-	-	-	-	-	-	-	-
plus: Cash & Cash Equivalents - beginning of year	1,818,000	15,403,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Cash & Cash Equivalents - end of the year	15,403,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Cash & Cash Equivalents - end of the year	15,403,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Investments - end of the year	-	-	-	-	-	-	-	-	-	-	-	-
Cash, Cash Equivalents & Investments - end of the year	15,403,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000