

# Understanding the Draft Long Term Financial Plan 2027–2036

## A Community Guide Prepared by Councillor Ian Schlein

### Disclaimer

The views expressed in this document are my own personal opinions and interpretations as an elected member of the Berri Barrera Council. They do not represent the official position of Council, its administration or my fellow elected members.

### Why I Prepared This Guide

The Long Term Financial Plan is one of the most important documents considered by Council because it looks beyond a single budget year and asks whether services and infrastructure can be sustained over time.

It attempts to answer a simple question:

**Can we afford the future we are planning?**

### A Little History

The infrastructure we enjoy today did not appear overnight. It was built by previous generations who sought to create thriving communities and opportunities for future residents. Improved financial reporting and asset management practices have helped councils better understand the long-term costs associated with maintaining those assets. This has required difficult conversations about affordability, priorities and intergenerational responsibility.

### Financial Snapshot

The Draft Long Term Financial Plan proposes:

- an operating surplus target by approximately **2032/33**;
- projected rate increases of approximately **8.7 percent, 7.6 percent, 7.4 percent and 7.4 percent** over the first four years;
  - borrowings peaking at approximately **\$14.8 million**;
  - debt reducing to approximately **\$619,000 by 2033**; and
  - debt elimination by approximately **2035**.

### Major Financial Pressures

The principal long-term financial pressures include:

- roads;
- buildings;
- wastewater infrastructure;
- stormwater infrastructure;
- plant replacement;
- debt servicing;
- wage growth;
- insurance costs;
- depreciation; and
- governance and compliance obligations.

## **Sustainability Strategies**

The plan relies upon several strategies, including:

- achieving operating surpluses;
- controlled rate increases;
- reducing debt;
- maintaining staffing levels;
- undertaking service reviews;
- prioritising renewal over expansion;
- continuing efficiency programs;
- applying user-pays principles;
- rationalising property holdings; and
- exercising restraint in future borrowing.

## **My Interpretation**

My interpretation is that this plan attempts to place Council on a more sustainable financial footing while preserving the essential services and infrastructure upon which our community depends. It is not about perfection. It is about planning.

## **Uncomfortable Truths**

- Debt eventually has to be repaid.
- Assets eventually have to be renewed.
- Difficult decisions become harder when delayed.
- Financial sustainability is not achieved through wishful thinking.
- Leadership sometimes requires necessary rather than popular decisions.

## **Final Thoughts**

Local government is not about winning arguments.

It is about balancing the needs of today's community with our responsibility to future generations. These plans belong to the community, so please read them and question them.

Contribute where you can and provide honest, well thought out and respectful feedback.