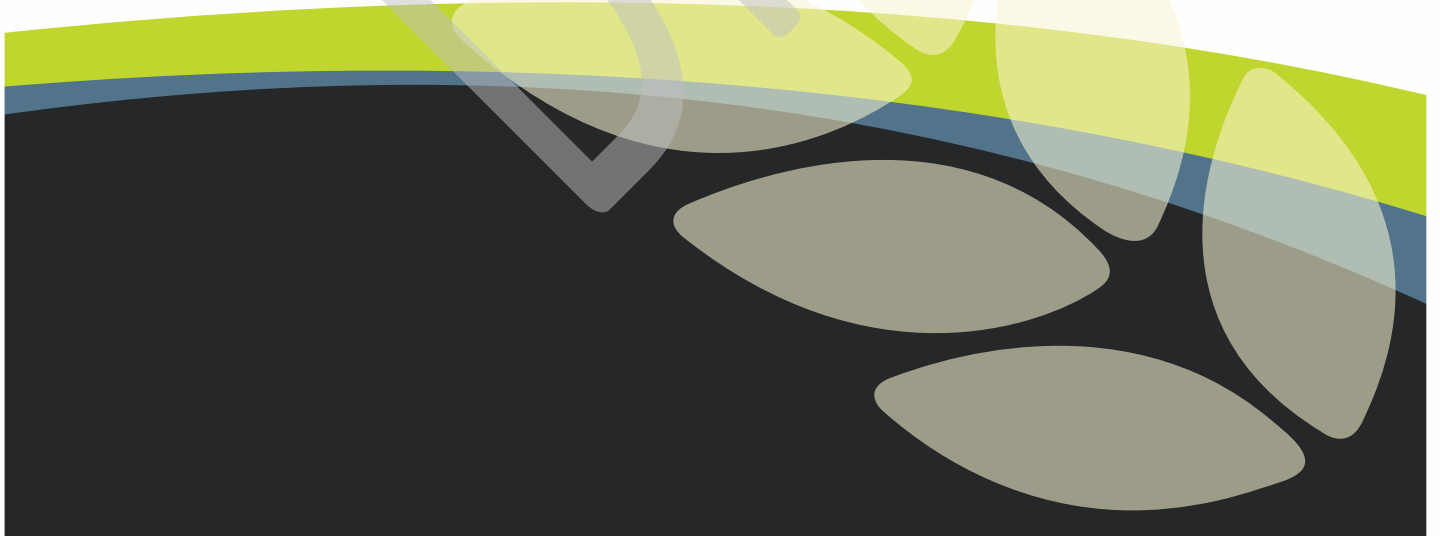




**COOTAMUNDRA-
GUNDAGAI** REGIONAL
COUNCIL

**2020-21 to 2029-30
Long Term
Financial Plan
Addendum for SRV
Application to IPART
February 2021**



Long Term Financial Plan 2020/21 to 2029/30: Addendum for SRV proposal

Council adopted its 2020-21 to 2029-30 Long Term Financial Plan (LTFP) on 30 June 2020 after public exhibition.

The adopted LTFP included provision for a S508A Special Rate Variation of 17.5%, 17.5% and 10% (including rate peg) over three consecutive years, commencing 2021/2022, to be retained permanently in the rate base.

Following the completion of Draft Financial Statements for the 2019/20 financial year, the financial projections for the Long Term Financial Plan were updated in order to inform public consultation and an application for Special Rate Variation to IPART in February 2021.

The addendum applies only to the general fund, as the water, sewer and waste operations will be unaffected by the SRV proposal.

This addendum includes

1. Status Quo Scenario (no special rate variation),
2. Special Rate Variation for public consultation (resolution 412/2020) under S508A of the Local Government Act 1993 of 19%, 18%, 5%, 5% and 5% in five consecutive years, commencing 2021/22, to be retained permanently in the rate base. This is a cumulative rate increase of 62.6% over the five-year period.
3. Special Rate Variation for application to IPART under S508A of the Local Government Act 1993, of 20%, 16%, 5% and 5% in four consecutive years, commencing 2021/22, to be retained permanently in the rate base. This is a cumulative rate increase of 53.5% over the four-year period.

Some adjustments have been made to original projections adopted by Council on 1 June 2020 based on the Draft Financial Statements for 2019/20 (recently completed), and are consistent with the independent report produced by Deloitte Touch Tohmatsu (Deloitte report) for the Boundaries Commission (with data updated based on the Draft Financial Statements 19/20 and budget review to date 20/21) and the submission prepared by Professor Joseph Drew (Drew report). Detailed changes and underlying assumptions are included in the following pages.

The Deloitte report and the Drew report may be found at the following link:
<https://www.cgrc.nsw.gov.au/special-rate-variation-srv/>

Version Control

Ref	Date	Date effective	Council Resolution	Description
1.0	1 June 2020	1 June 2020	134/2020	2020-2021 to 2029-30 LTFP placed on public exhibition. Adopted 30 June 2020.
	3 December 2020	3 December 2020	412/2020	Addendum for SRV placed on Public Exhibition
	3 February 2021	8 February 2021	<>/2021	LTFP Addendum adopted for SRV application to IPART

Material Changes and Underlying Assumptions

Material Changes

The material changes from the adopted 2020-21 to 2029-30 Long Term Financial Plan for the General Fund are as follows:

- Increase in other revenues of around \$500,000 per year from 2020/21. This is a more realistic figure based on historic receipts.
- Increase in capital grants of \$500,000 per year from 2021/22, and indexed thereafter. This is to allow for unknown but reasonably probable grant receipts, and is to apply to capital works already budgeted.
- Include savings of materials and contracts of \$2,100,000 in 2020/21 and \$2,400,000 pa thereafter.
- Increase depreciation by around \$277,000 from 2020/21 and indexed thereafter. The 2019/20 revaluation of transport assets resulted in the recognition of a significantly increased value, and annual depreciation expense.
- Employee costs have been reduced by \$500,000 in 2022/23 and increase by only 1% pa thereafter as Council continues to seek ongoing productivity improvements. Employee costs have increased by approximately 18% since merger. The proposed savings in 2022/23 will reduce post-merger wage increase to a level consistent with other merged Councils.
- Capital expenditure on roads has been reduced by \$1,000,000 in 2020/21 and \$800,000 in 2021/22. The adjusted figure is the same as that recommended by the previous Moloney report, and similar to the recently updated 2020 version.
- Borrow \$1,000,000 in the general fund to provide for co-contributions required by budgeted capital grants. Repayments over 10 years with fixed interest.

Underlying Assumptions

The following underlying assumptions have been made:

- User charges and fees are increased by 4% pa with the exception of RMCC Income which is increased by 1% pa from 2022/23, because this is outside Council control.
- Interest on investments has been included at 1% pa.
- Employee costs are indexed at 2% pa beyond 2022/23 Scenario 3 (1% in Scenarios 1. & 2.)¹
- Materials and Contracts are indexed at 2.5% pa from 2022/23.
- Other expenses are indexed at 2.5% pa.
- Depreciation has been adjusted for the 2019/20 result, and is indexed at 1% pa.

¹ Sensitivity analysis suggests this is still ambitious but is a more realistic assumption.

Sensitivity Analysis

Long term financial plans are inherently uncertain. They contain a wide range of assumptions about interest rates and potential effect of inflation on revenues and expenditures. Some of these assumptions will have a relatively limited impact if they are wrong. Others can have a major impact on future financial plans.

Employee costs

Council's ability to realise the savings proposed in relation to employee costs has a major impact on future performance. Key issues are:

- Award increases
- Achievement of savings of \$500,000 predicted for 2021/22
- Ability to achieve ongoing savings
- Adopted increase in Superannuation Guarantee – uncertain at present
- Any future call for increased contributions for defined benefit superannuation scheme
- Level of capitalisation of employee costs

Interest rates

Currently modelled at historically low rates at 1%. Any increase in interest rates will have a positive impact on results.

Grant programs

Council relies heavily on external funding for operations and capital works renewal funding. If such grants reduce or are discontinued, Council will need to increase revenues from other sources, or reduce service levels.

Cost Shifting/ increased cost burdens

Over past years, other levels of government have shifted costs associated with emergency services, weed management, food safety programs road safety programs to local government without funding. Increased audit requirements have also added cost to Council's operations. It is likely these costs will continue to grow and negatively affect Council's operating results.

Insurance and Workers Compensation

Forecasting insurance premiums is difficult. Premiums are influenced by a number of issues, including the occurrence of natural disasters, economic uncertainty and climate change. Workers compensation premiums are heavily dependent on Council's claims history, and industry conditions. Council's WHS Committee is committed to reducing incidents and claims through workplace safety programs.

Scenario 1: Status Quo

In the Status Quo Scenario rates are increased by the rate peg of 2% for 2021/22 and 2.5% each year thereafter.

Applying the material changes and underlying assumptions described on the previous page with no SRV or other drastic measures results in general fund annual operating losses before capital income of between \$3.4 and \$6.2 million over the 10-year period. The liquidity of the general fund continues to be an immediate concern, with unrestricted cash projected to be exhausted in the 2021/22 financial year. As presented, internally restricted and unrestricted cash and investments reduces from \$8.01 million to negative \$-17.15 million and unrestricted cash to less than -\$24.8 million.

The outcomes in the Status Quo scenario as presented cannot be contemplated and if a significant SRV is not implemented, must be prevented by imposition of urgent and significant austerity measures.

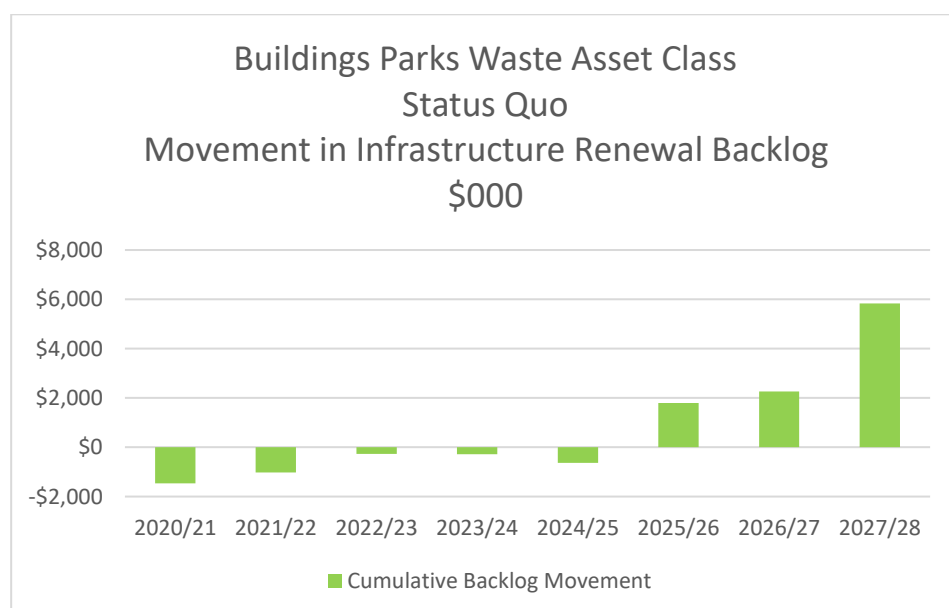
Examples of the scale of the cuts required are:

- Reducing the workforce by 25%; or
- Cutting the capital expenditure budget by 30% causing unsustainable increases in asset renewal backlog; or
- Ceasing Tourism and Economic Development activities; closing libraries, museums, visitor information facilities, swimming pools and sporting facilities, reducing maintenance of parks and gardens.


These measures, or more likely a combination of lesser reductions in each category, would drastically reduce service levels with significant social impacts and generate unsustainable infrastructure renewal backlogs.

It is noted that:

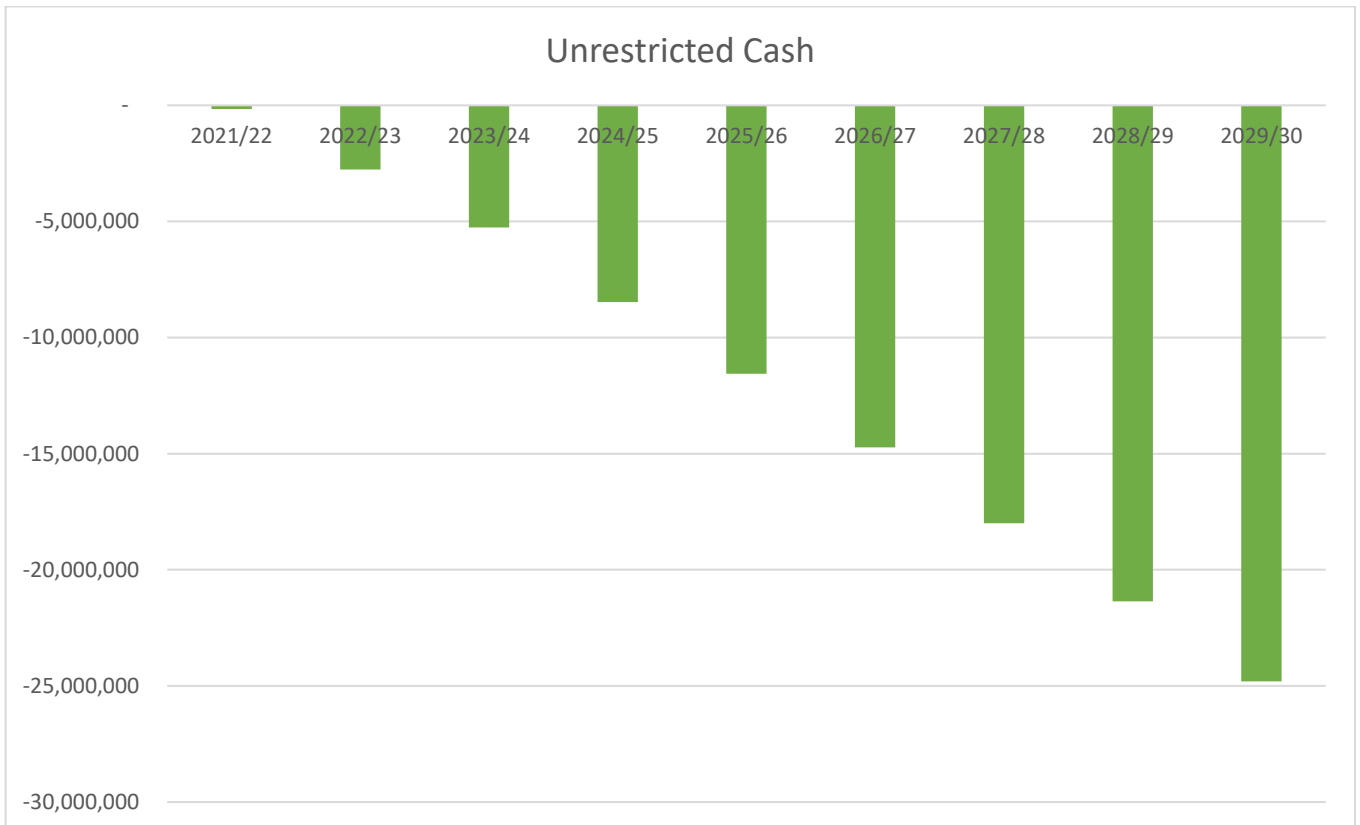
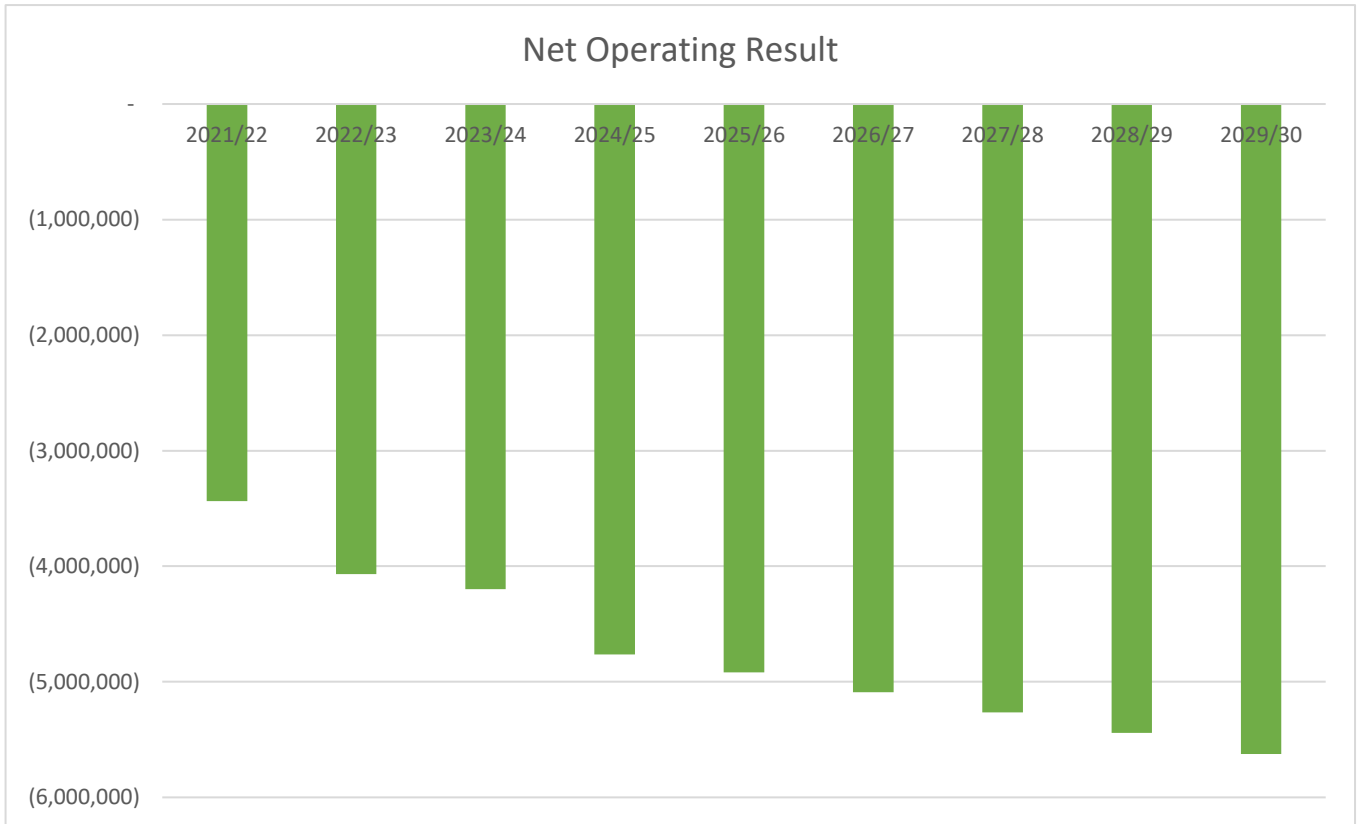
- Council's Asset Management Plan for Buildings, Parks & Waste Assets projects an increasing renewal backlog, based on budgeted capital renewal expenditure of \$590,000 pa. By 2027/28, the cumulative increase in backlog in this class is predicted to be \$5.8 million per the graph below. [The intent of Council is not to undertake renewal on an asset until it reaches its 'intervention level', that is the condition at which the community has determined renewal is required. Typically, assets will be renewed between condition 6 & 8 which ranges from fair/poor to very poor depending on their classification. For the purpose of Council's asset management plans, modelling assumes that all assets will be renewed at condition grade 7]
- Additional increases in fees and charges would not be reasonable given increases already imposed and planned annual increases of 4% pa, and in any case are not a significant income source.
- Unlike LGAs in city areas, Council doesn't have many readily saleable assets. While some asset realisation is possible, this has not been considered as a realistic short-term option.



Status Quo Income Statement and Unrestricted Cash

General fund - Financial Statement										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Income from continuing operations										
Rates	7,653,564	7,806,635	8,001,801	8,201,846	7,981,435	8,180,971	8,385,496	8,595,133	8,810,011	9,030,262
User charges and fees	4,058,911	4,687,467	4,793,588	4,903,140	5,016,252	5,133,058	5,253,698	5,378,317	5,507,065	5,640,100
Interest and investment revenue	65,000	65,065	65,130	65,130	65,195	65,195	65,260	65,260	65,326	65,326
Other revenues	885,649	888,306	890,971	893,644	896,325	899,014	901,711	904,416	907,129	909,850
Operating grants and contributions	10,101,458	8,029,498	8,109,793	8,190,891	8,272,800	8,355,528	8,439,083	8,523,474	8,608,709	8,694,796
Capital grants and contributions	5,313,054	1,565,650	571,307	577,020	582,790	588,618	594,504	600,449	606,453	612,518
Recovery of corporate overhead expenditure	1,877,561	1,894,691	1,912,018	1,929,544	1,947,272	1,965,204	1,983,341	2,001,688	2,020,245	2,039,016
Rental income	-	-	-	-	-	-	-	-	-	-
Net gain from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Total Income	29,955,197	24,937,313	24,344,608	24,761,215	24,762,069	25,187,587	25,623,093	26,068,737	26,524,938	26,991,867
Expenses from continuing operations										
Employee benefits and on-costs	10,700,609	11,045,108	10,816,007	11,093,625	11,378,132	11,669,697	11,968,498	12,274,714	12,588,531	12,910,138
Borrowing costs	86,487	76,259	59,781	40,391	26,263	15,320	15,320	15,320	15,320	15,320
Materials and contracts	5,684,527	5,501,640	5,621,681	5,744,723	5,870,841	6,000,112	6,132,615	6,268,431	6,407,641	6,550,332
Depreciation and amortisation	8,171,135	8,252,847	8,335,375	8,418,729	8,502,916	8,587,945	8,673,825	8,760,563	8,848,169	8,936,650
Other expenses	2,987,250	3,061,931	3,138,480	3,216,942	3,297,365	3,379,799	3,464,294	3,550,902	3,639,674	3,730,666
Corporate overhead costs	432,000	436,320	440,683	445,090	449,541	454,036	458,577	463,162	467,794	472,472
Easement rental expense	-	-	-	-	-	-	-	-	-	-
Net loss from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Total Expenses	28,062,008	28,374,106	28,412,007	28,959,500	29,525,058	30,106,911	30,713,129	31,333,092	31,967,130	32,615,579
Net Operating Result	1,893,189	(3,436,793)	(4,067,399)	(4,198,285)	(4,762,989)	(4,919,323)	(5,090,036)	(5,264,355)	(5,442,191)	(5,623,712)
Net operating result before grants and contributions provided for capital purposes	(3,419,865)	(5,002,443)	(4,638,706)	(4,775,304)	(5,345,779)	(5,507,941)	(5,684,540)	(5,864,804)	(6,048,645)	(6,236,230)
Unrestricted Cash	831,692	158,293	2,768,436	5,256,080	8,464,255	11,557,150	14,735,145	18,000,663	21,356,017	24,803,671
Rates Percentage Increase	2.00%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Status Quo Graphs



Scenario 2: Advertised SRV for community consultation

The following increases to rates via special rate variation are proposed:

Year	Increase
2021/22	19.00%
2022/23	18.00%
2023/24	5.00%
*2024/25	5.00%
2025/26	5.00%

*In 2024/25 the increase is net of expiring Gundagai Main Street SRV. This represents a cumulative increase of 62.6% over the 5-year period.

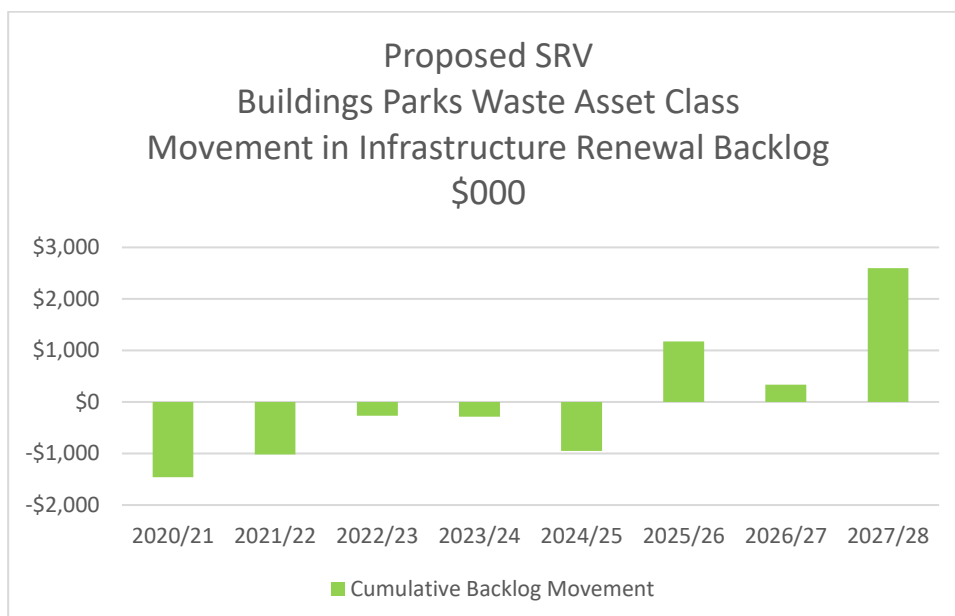
In this scenario, general fund operating losses before capital income are still projected after 10 years in the order of \$1.5 million pa.

Unrestricted cash remains uncomfortably tight in the early years reducing to a low of \$831,000 in 2020/21 before increasing to a reasonable range of between \$1.5 million and \$3 million.


Additional funding of \$310,000 is invested in building renewals from 2024/25 and additional \$1,000,000 in renewals for the Buildings, Parks & Waste Asset Class in each of 2026/27, 2027/28 and 2028/29, rising to \$2,000,000 in 2029/30. The projected increase of Infrastructure Renewal Backlog in the Proposed SRV Scenario is reduced to \$2.6 million, compared to the increase of renewal backlog in the Status Quo Scenario of \$5.8 million.

The easing liquidity pressures later in the projection also allow capital works on transport assets to be increased to the 2020 Moloney Report recommendation of \$4,700,000 pa from the amount of \$4,290,000 pa included in the Status Quo Scenario.

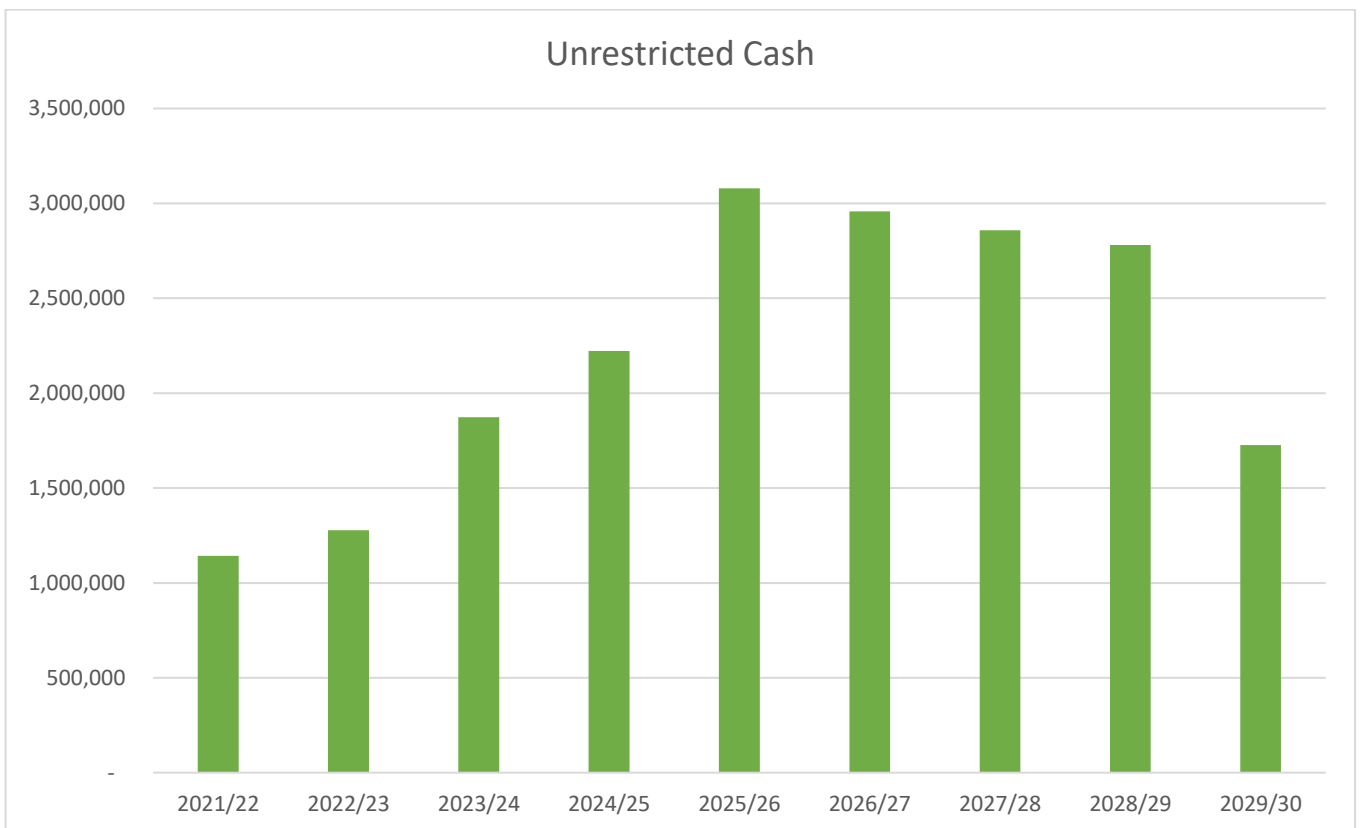
While ongoing operating losses before capital are predicted for the 10 year term of the plan, the improved cash flow delivered by the proposed SRV will allow Council time to implement further service level reviews and productivity improvements.



Advertised SRV Income Statement and Unrestricted Cash

										
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
General fund - Financial Statement										
Income from continuing operations										
Rates	7,653,564	9,107,741	10,747,135	11,284,491	11,848,716	12,441,152	12,752,180	13,070,985	13,397,760	13,732,704
User charges and fees	4,058,911	4,687,467	4,793,588	4,903,140	5,016,252	5,133,058	5,253,698	5,378,317	5,507,065	5,640,100
Interest and investment revenue	65,000	65,065	65,130	65,130	65,195	65,195	65,260	65,260	65,326	65,326
Other revenues	885,649	888,306	890,971	893,644	896,325	899,014	901,711	904,416	907,129	909,850
Operating grants and contributions	10,101,458	8,029,498	8,109,793	8,190,891	8,272,800	8,355,528	8,439,083	8,523,474	8,608,709	8,694,796
Capital grants and contributions	5,313,054	1,565,650	571,307	577,020	582,790	588,618	594,504	600,449	606,453	612,518
Recovery of corporate overhead expenditure	1,877,561	1,894,691	1,912,018	1,929,544	1,947,272	1,965,204	1,983,341	2,001,688	2,020,245	2,039,016
Rental income	-	-	-	-	-	-	-	-	-	-
Net gain from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Total Income	29,955,197	26,238,419	27,089,941	27,843,860	28,629,349	29,447,768	29,989,778	30,544,589	31,112,687	31,694,309
Expenses from continuing operations										
Employee benefits and on-costs	10,700,609	11,045,108	10,816,007	11,093,625	11,378,132	11,669,697	11,968,498	12,274,714	12,588,531	12,910,138
Borrowing costs	86,487	76,259	59,781	40,391	26,263	15,320	15,320	15,320	15,320	15,320
Materials and contracts	5,684,527	5,501,640	5,621,681	5,744,723	5,870,841	6,000,112	6,132,615	6,268,431	6,407,641	6,550,332
Depreciation and amortisation	8,171,135	8,252,847	8,335,375	8,418,729	8,502,916	8,587,945	8,673,825	8,760,563	8,848,169	8,936,650
Other expenses	2,987,250	3,061,931	3,138,480	3,216,942	3,297,365	3,379,799	3,464,294	3,550,902	3,639,674	3,730,666
Corporate overhead costs	432,000	436,320	440,683	445,090	449,541	454,036	458,577	463,162	467,794	472,472
Easement rental expense	-	-	-	-	-	-	-	-	-	-
Net loss from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Total Expenses	28,062,008	28,374,106	28,412,007	28,959,500	29,525,058	30,106,911	30,713,129	31,333,092	31,967,130	32,615,579
Net Operating Result	1,893,189	(2,135,687)	(1,322,066)	(1,115,640)	(895,709)	(659,143)	(723,351)	(788,503)	(854,443)	(921,270)
Net operating result before grants and contributions provided for capital purposes	(3,419,865)	(3,701,337)	(1,893,372)	(1,692,659)	(1,478,498)	(1,247,761)	(1,317,855)	(1,388,952)	(1,460,896)	(1,533,788)
Unrestricted Cash	831,692	1,142,813	1,278,003	1,873,004	2,222,110	3,079,396	2,958,085	2,858,419	2,780,813	1,725,602
Rates Percentage Increase		19.00%	18.00%	5.00%	5.00%	5.00%	2.50%	2.50%	2.50%	2.50%

Advertised SRV Graphs



Scenario 3: Proposed SRV for Application to IPART

The following increases to rates via special rate variation are proposed:

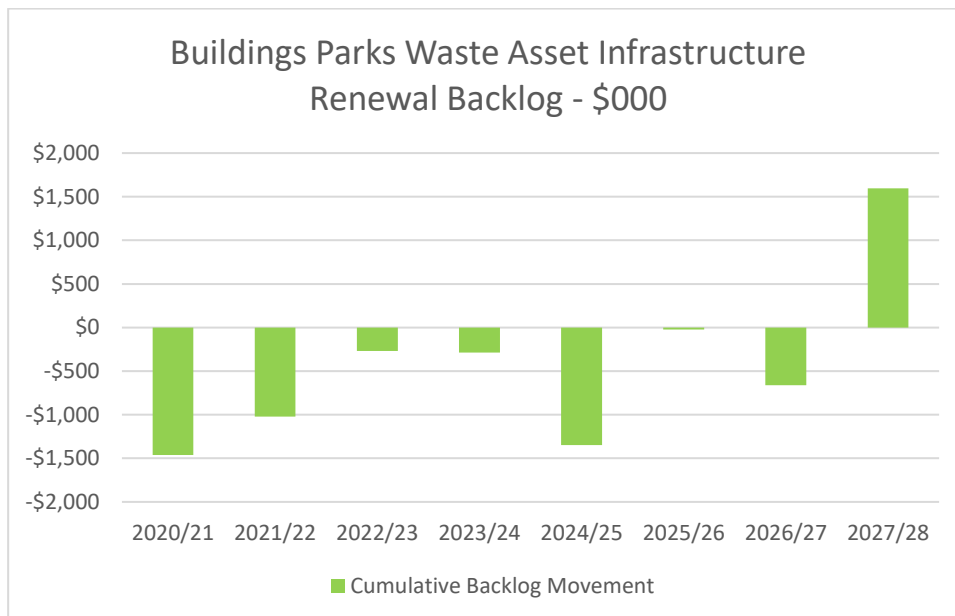
Year	Increase
2021/22	20.00%
2022/23	16.00%
2023/24	5.00%
*2024/25	5.00%

*In 2024/25 the increase is net of expiring Gundagai Main Street SRV. This represents a cumulative increase of 53.5% over the 4-year period.

In this scenario, general fund operating losses before capital income are still projected after 10 years in the order of \$1.5 million pa. This scenario will not deliver long term financial sustainability without additional sources of revenue or cost savings. However, it does secure Council's cash position while opportunities are identified.

Unrestricted cash remains uncomfortably tight in the early years reducing to a low of \$831,000 in 2020/21 before increasing to remain steady around \$2.2 million.

Additional funding of \$310,000 is invested in building renewals from 2024/25 and additional \$400,000 in renewals for the Buildings, Parks & Waste (Other) Asset Class in 2024/25, then \$800,000 per annum in 2025/26 through to 2028/29 and \$1.2 million in 2029/30. The projected increase of Infrastructure Renewal Backlog in this asset class in Scenario 3 is reduced to \$1.595 million, compared to the increase of renewal backlog in the Status Quo Scenario (Scenario 1) of \$5.8 million. Forecast expenditure is not sufficient to meet the cost of predicted asset renewals, however the very significant capital grant funding provided by the State Government in the four years post merger has reduced Council's immediate renewal backlog.



The easing liquidity pressures later in the projection also allow capital works on transport assets to be increased to \$4,488,000 pa from the amount of \$4,290,000 pa included in the Status Quo Scenario.

Cumulative rate increases for Scenario 3 are lower than Scenario 2 by \$401,736 by 2025/26.

General fund - Financial Statement

Proposed SRV Income Statement & Unrestricted Cash



	Operational Plan 2020/21	Delivery Program 2021/22	Delivery Program 2022/23	Delivery Program 2023/24	Long Term Financial Plan 2024/25	Long Term Financial Plan 2025/26	Long Term Financial Plan 2026/27	Long Term Financial Plan 2027/28	Long Term Financial Plan 2028/29	Long Term Financial Plan 2029/30
Income from continuing operations										
Rates	7,653,564	9,184,277	10,653,761	11,186,449	11,745,772	12,039,416	12,340,401	12,648,911	12,965,134	13,289,262
User charges and fees	4,058,911	4,687,467	4,793,588	4,903,140	5,016,252	5,133,058	5,253,698	5,378,317	5,507,065	5,640,100
Interest and investment revenue	65,000	65,065	65,130	65,130	65,195	65,195	65,260	65,260	65,326	65,326
Other revenues	885,649	888,306	890,971	893,644	896,325	899,014	901,711	904,416	907,129	909,850
Operating grants and contributions	10,101,458	8,029,498	8,109,793	8,190,891	8,272,800	8,355,528	8,439,083	8,523,474	8,608,709	8,694,796
Capital grants and contributions	5,313,054	1,565,650	571,307	577,020	582,790	588,618	594,504	600,449	606,453	612,518
Recovery of corporate overhead expenditure	1,877,561	1,894,691	1,912,018	1,929,544	1,947,272	1,965,204	1,983,341	2,001,688	2,020,245	2,039,016
Rental income	-	-	-	-	-	-	-	-	-	-
Net gain from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Total Income	29,955,197	26,314,954	26,996,568	27,745,818	28,526,405	29,046,032	29,577,999	30,122,515	30,680,061	31,250,868
Expenses from continuing operations										
Employee benefits and on-costs	10,700,609	11,048,560	10,823,014	11,039,474	11,260,263	11,485,469	11,715,178	11,949,482	12,188,471	12,432,241
Borrowing costs	86,487	76,259	59,781	40,391	26,263	15,320	15,320	15,320	15,320	15,320
Materials and contracts	5,684,527	5,501,640	5,621,681	5,744,723	5,870,841	6,000,112	6,132,615	6,268,431	6,407,641	6,550,332
Depreciation and amortisation	8,171,135	8,252,847	8,335,375	8,418,729	8,502,916	8,587,945	8,673,825	8,760,563	8,848,169	8,936,650
Other expenses	2,987,250	3,061,931	3,138,480	3,216,942	3,297,365	3,379,799	3,464,294	3,550,902	3,639,674	3,730,666
Corporate overhead costs	432,000	436,320	440,683	445,090	449,541	454,036	458,577	463,162	467,794	472,472
Easement rental expense	-	-	-	-	-	-	-	-	-	-
Net loss from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Total Expenses	28,062,008	28,377,557	28,419,014	28,905,348	29,407,190	29,922,682	30,459,809	31,007,859	31,567,070	32,137,682
Net Operating Result	1,893,189	(2,062,603)	(1,422,446)	(1,159,530)	(880,785)	(876,650)	(881,810)	(885,344)	(887,008)	(886,814)
Net operating result before grants and contributions provided for capital purposes	(3,419,865)	(3,628,253)	(1,993,753)	(1,736,550)	(1,463,574)	(1,465,268)	(1,476,314)	(1,485,793)	(1,493,462)	(1,499,332)
Unrestricted Cash	831,692	1,215,897	1,250,706	1,801,817	1,977,847	2,029,625	2,161,856	2,177,348	2,279,176	2,270,422
Percentage Increase		20.00%	16.00%	5.00%	5.00%	2.50%	2.50%	2.50%	2.50%	2.50%

General fund - Balance Sheet



Proposed SRV Balance Sheet

	Operational Plan 2020/21	Delivery Program 2021/22	Delivery Program 2022/23	Delivery Program 2023/24	Long Term Financial Plan 2024/25	Long Term Financial Plan 2025/26	Long Term Financial Plan 2026/27	Long Term Financial Plan 2027/28	Long Term Financial Plan 2028/29	Long Term Financial Plan 2029/30
Assets										
Current Assets										
Cash & Equivalents	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Investments	5,952,446	8,197,757	9,539,231	10,127,448	10,412,194	10,424,253	11,242,005	11,242,005	11,598,946	12,610,251
Receivables	1,347,500	1,320,550	1,294,139	1,268,256	1,242,891	1,218,033	1,193,673	1,169,799	1,146,403	1,123,475
Inventories	808,000	808,000	808,000	808,000	808,000	808,000	808,000	808,000	808,000	808,000
Other	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Current Assets	13,107,946	15,299,896	16,615,487	17,178,339	17,438,227	17,425,926	18,219,805	18,219,805	18,553,349	19,541,726
Non-Current Assets										
Receivables	89,000	89,000	89,000	89,000	89,000	89,000	89,000	89,000	89,000	89,000
Inventories	1,302,000	1,302,000	1,302,000	1,302,000	1,302,000	1,302,000	1,302,000	1,302,000	1,302,000	1,302,000
IPP&E	505,648,217	504,077,118	504,343,008	504,962,353	504,714,607	505,017,851	504,771,520	504,438,254	493,984,539	493,984,539
Intangible Assets	172,000	172,000	172,000	172,000	172,000	172,000	172,000	172,000	172,000	172,000
Total Non-Current Assets	507,211,217	505,640,118	505,906,008	506,525,353	506,277,607	506,580,851	506,334,520	506,001,254	495,547,539	495,547,539
Total Assets	520,319,163	520,940,014	522,521,495	523,703,693	523,715,835	524,006,777	524,554,324	524,554,324	524,554,603	515,089,265
Liabilities										
Current Liabilities										
Payables	3,692,160	3,689,068	3,687,498	3,685,913	3,684,313	3,682,696	3,681,063	3,679,413	3,677,747	3,677,747
Contract Liabilities	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Borrowings	536,594	607,211	435,998	450,126	92,959	92,959	92,959	92,959	92,959	-
Provisions	4,098,000	3,998,000	3,798,000	3,698,000	3,698,000	3,698,000	3,698,000	3,698,000	3,698,000	3,698,000
Total Current Liabilities	9,326,754	9,023,066	8,935,625	8,476,873	8,475,272	8,473,655	8,472,022	8,470,373	8,470,373	8,375,747
Non-Current Liabilities										
Provisions	1,086,000	1,086,000	1,086,000	1,086,000	1,086,000	1,086,000	1,086,000	1,086,000	1,086,000	1,086,000
Borrowings	1,958,133	1,350,922	914,923	371,838	278,878	185,919	92,959	-	-	-
Total Non-Current Liabilities	3,044,133	2,436,922	2,000,923	1,457,838	1,364,878	1,271,919	1,178,959	1,086,000	1,086,000	1,086,000
Total Liabilities	12,370,886	11,732,754	11,023,990	10,486,422	9,934,711	9,745,574	9,650,982	9,556,373	9,556,373	9,461,747
Net Assets	507,948,276	509,916,024	512,035,073	513,768,982	513,875,684	514,261,202	514,903,343	514,998,230	514,998,230	505,627,517
Equity										
Accumulated Surplus	331,576,476	336,156,364	339,594,628	342,661,079	344,109,835	345,847,106	347,850,885	349,317,489	341,328,765	341,328,765
Revaluation Reserves	176,371,800	173,759,660	172,440,445	171,107,903	169,765,849	168,414,097	167,052,458	165,680,740	164,298,752	164,298,752
Total Equity	507,948,276	509,916,024	512,035,073	513,768,982	513,875,684	514,261,202	514,903,343	514,998,230	514,998,230	505,627,517

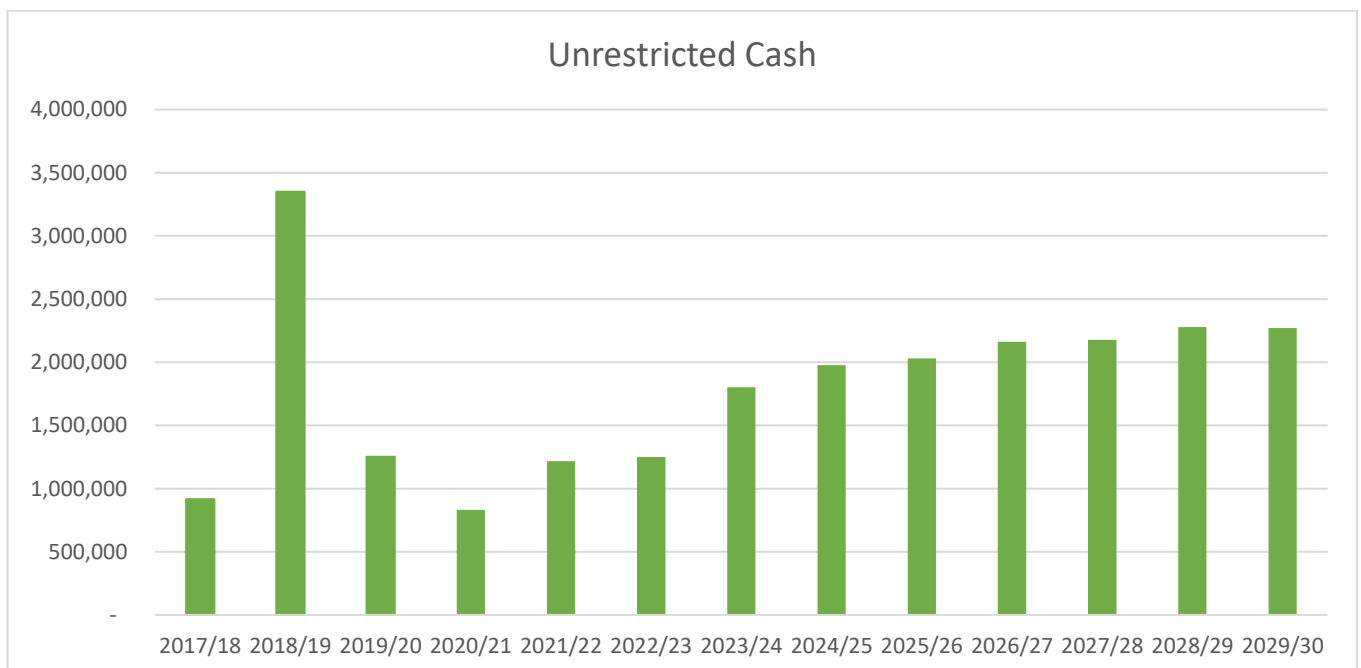
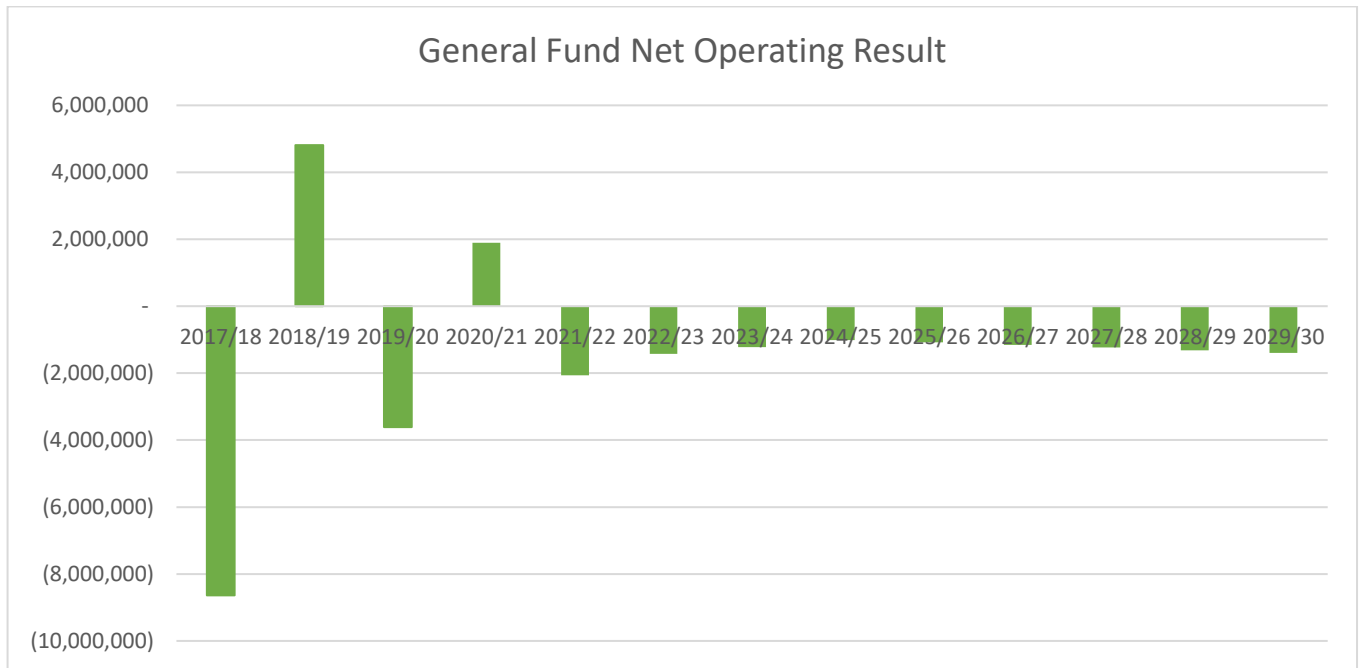
Proposed SRV Cashflow Report



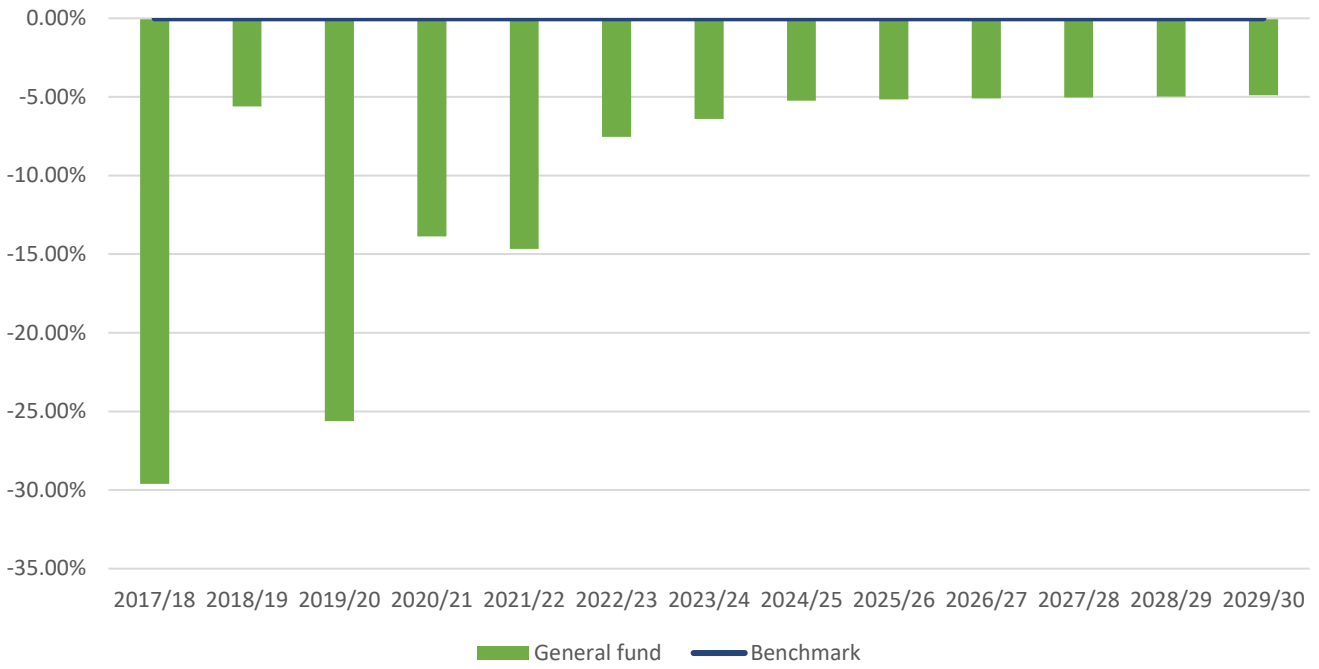
Cash flow report

General fund	Operational Plan 2020/21 Budget	2021/22		2022/23		2023/24		2024/25		2025/26		2026/27		2027/28		2028/29		2029/30	
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash in bank at the start of the year	11,226,000	8,385,204	9,135,166	9,580,226	10,357,714	10,450,807	10,219,103	9,693,197	9,951,283	9,726,669									
Funds received																			
Rates and annual charges	7,653,564	9,184,277	10,653,761	11,186,449	11,745,772	12,039,416	12,340,401	12,648,911	12,965,134	13,289,262									
User fees and charges	4,058,911	4,687,467	4,793,588	4,903,140	5,016,252	5,133,058	5,253,698	5,378,317	5,507,065	5,640,100									
Grant income	15,414,512	9,595,148	8,681,099	8,767,910	8,855,590	8,944,145	9,033,587	9,123,923	9,215,162	9,307,314									
Interest income	65,000	65,065	65,130	65,130	65,195	65,195	65,260	65,260	65,326	65,326									
Other income	885,649	888,306	890,971	893,644	896,325	899,014	901,711	904,416	907,129	909,850									
Overhead income	1,877,561	1,894,691	1,912,018	1,929,544	1,947,272	1,965,204	1,983,341	2,001,688	2,020,245	2,039,016									
Easement income	-	-	-	-	-	-	-	-	-	-									
Sale of assets	696,500	528,000	495,000	952,000	798,000	718,000	580,500	499,000	567,000	647,550									
Proceeds from loans	-	1,000,000	-	-	-	-	-	-	-	-									
Total funds received	30,651,697	27,842,954	27,491,568	28,697,818	29,324,405	29,764,032	30,158,499	30,621,515	31,247,061	31,898,418									
Funds spent																			
Salaries and wages	10,700,609	11,048,560	10,823,014	11,039,474	11,260,263	11,485,469	11,715,178	11,949,482	12,188,471	12,432,241									
Materials and contracts	5,684,527	5,501,640	5,621,681	5,744,723	5,870,841	6,000,112	6,132,615	6,268,431	6,407,641	6,550,332									
Other	2,987,250	3,061,931	3,138,480	3,216,942	3,297,365	3,379,799	3,464,294	3,550,902	3,639,674	3,730,666									
Overhead costs	432,000	436,320	440,683	445,090	449,541	454,036	458,577	463,162	467,794	472,472									
Easement costs	-	-	-	-	-	-	-	-	-	-									
Repayment of loans	558,712	612,853	666,992	476,389	476,389	108,280	108,280	108,280	108,280	108,280									
Capital works	13,129,395	6,431,688	6,355,658	6,997,712	7,876,912	8,568,040	8,805,461	8,023,173	8,659,814	8,196,747									
Total funds spent	33,492,493	27,092,992	27,046,507	27,920,330	29,231,312	29,995,737	30,684,405	30,363,429	31,471,675	31,490,738									
Funds generated / (used)	(2,840,796)	749,962	445,060	777,488	93,093	(231,705)	(525,906)	258,086	(224,614)	407,680									
Cash in bank at year end	8,385,204	9,135,166	9,580,226	10,357,714	10,450,807	10,219,103	9,693,197	9,951,283	9,726,669	10,134,349									

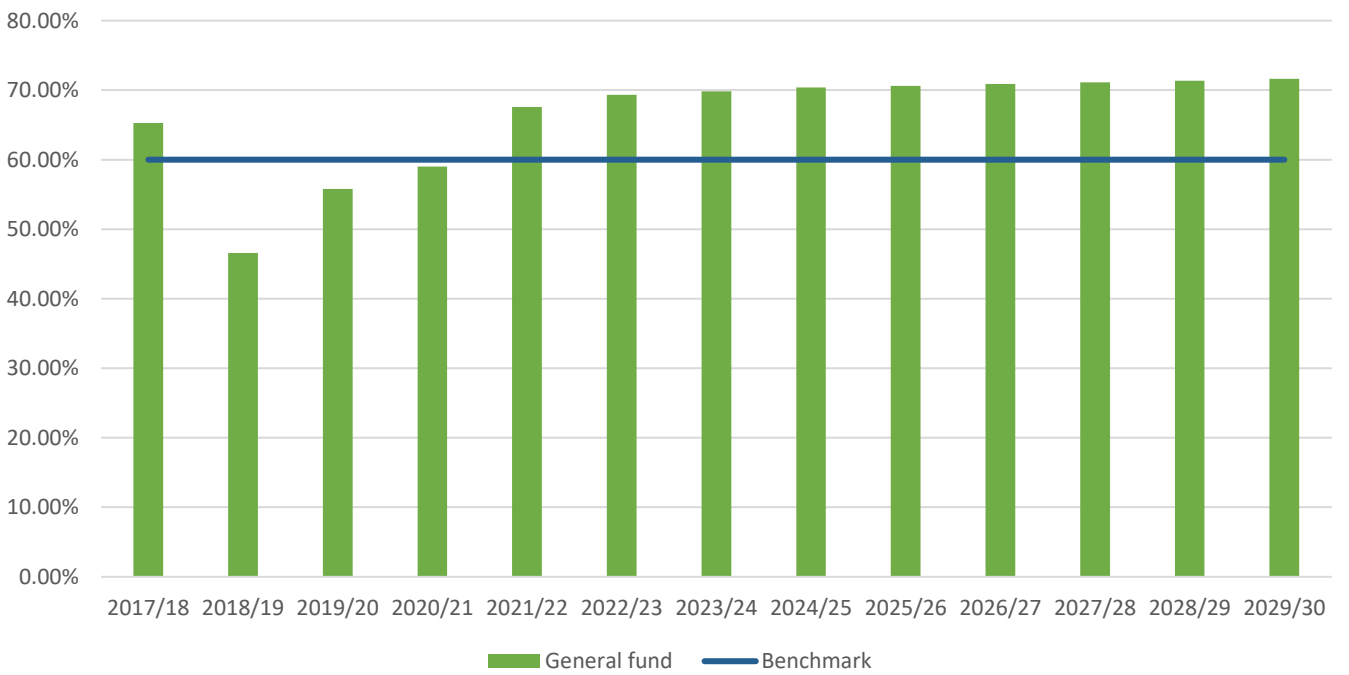
Proposed SRV Graphs



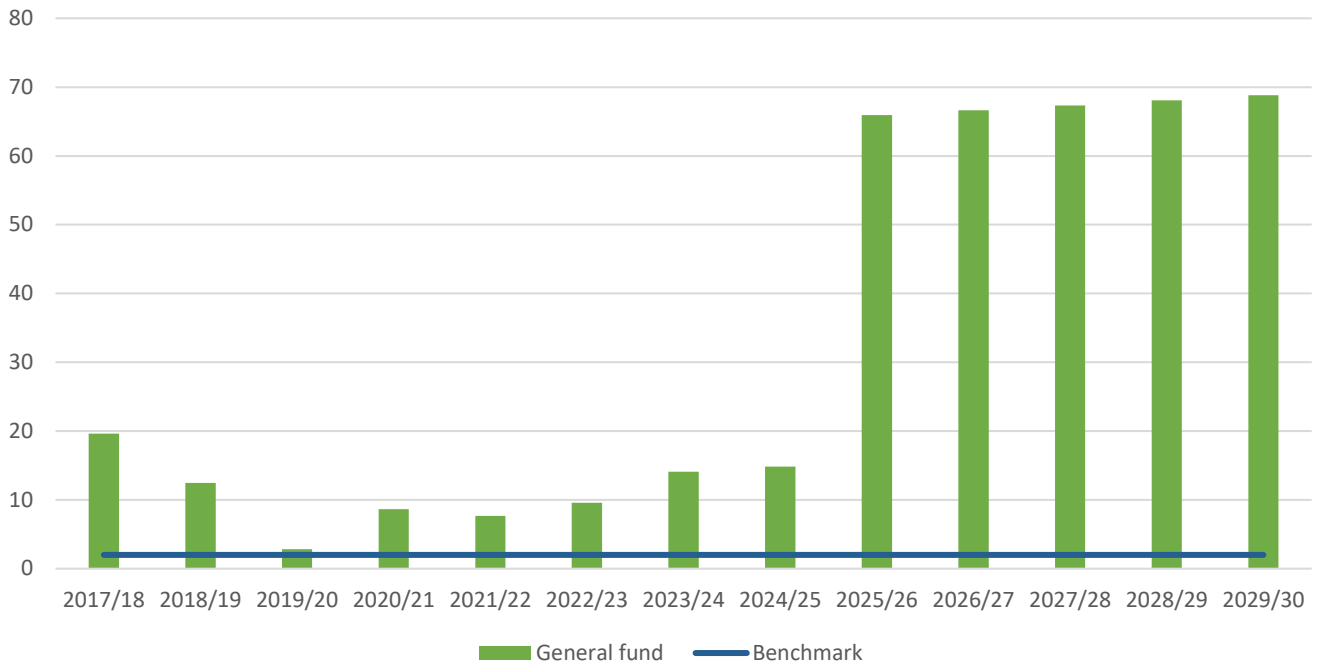
General Fund Operating Performance



General Fund Own Source Revenue



General Fund Debt Service Cover Ratio



General Fund Infrastructure Renewal Ratio

