

**Muswellbrook Shire Council**  
**Long Term Financial Plan**  
**2019-29**

# Executive Summary

## Who we are and the challenges we face

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Muswellbrook Shire is centrally located in the Upper Hunter Valley, approximately 130km north-west of Newcastle. It is the main centre for New South Wales' power generation capacity and is a major centre for thermal coal mining.

The estimated residential population for the Muswellbrook Shire Local Government Area (LGA) in 2018 was 16,468 people (ABS). This represents an approximate 4% increase from the estimated 15,793 resident population in 2011. Council anticipates the population will continue to grow in response to the availability of more affordable housing, the opportunity to engage in tertiary education as an outcome of Council's investment in educational infrastructure over the past few years, growth in intensive agri-business and the implementation of town centre strategies that will improve livability and amenity. Council supports the development of Muswellbrook as a Regional Centre and this is now identified as a priority by the NSW Government in the Hunter Region Plan 2036.

In NSW, local government annual rate income is subject to rate pegging with each year's percentage increase determined by the Independent Pricing and Regulatory Tribunal (IPART) under delegation of the Minister for Local Government. The rate peg also incorporates a productivity factor. Council continually strives to achieve efficiencies and find improved ways of doing things.

Council is currently in a strong financial position and in 2013 it was assessed, by TCorp, as having a moderate financial sustainability rating with a neutral outlook. Since this time Council has embraced the Integrated Planning & Reporting framework with a greater focus on a longer-term strategic approach. Council was assessed as being sustainable as a stand-alone Council in the *Fit for the Future* assessment summary in 2015.

While Council can display that it is able to continue to operate and remain sustainable within the existing rates capping environment, it has been active in consulting with the community about challenges the community faces of increasing uncertainty from disruption in the power generation and coal mining industries. This has resulted in the community's desire for Council to improve the attractiveness and livability of the Shire, while continuing to support the Shire's economic diversification. In response to the community's need, Council has undertaken to apply for a continuation of its 2018/19 Special Rate Variation to remain permanently in the rate base.

The decision to seek higher revenues above the rate peg through a Special Rate Variation application has not been made in isolation, but rather has been a product of Council's ongoing cycle of corporate and community strategic planning, review and analysis of population and business trends.

This planning, review and analysis has determined that without an injection of funds from the rating base, Council will be unable to improve the attractiveness and liveability of its community which will place its long term sustainability (following any cessation or downturn in mining operations) at risk, as this community does not have the central gathering hub, which would keep its community members engaged, connected and emotionally tied to Muswellbrook.

The continuation of the Special Rate Variation is designed to improve the Shire's attractiveness and liveability and help position Muswellbrook so it is able to become a regional centre and grow its economic base.

## What we know

Each council in NSW is required to prepare a Long Term Financial Plan (LTFP) as part of the Resourcing Strategy that supports the delivery of priorities identified in the Community Strategic Plan. There are specific requirements about the financial data to be provided, together with how each Council meets the *Fit for the Future* indicators in relation to Operating Performance, Own Source Revenue, Building and Asset Renewal Ratio, Infrastructure Backlog Ratio, Asset Maintenance Ratio, Debt Service Ratio and Real Operating Expenditure.

Muswellbrook Shire Council is in a strong financial position however the community faces challenges with a climate of economic change that stems from looming power station closures (Liddell is scheduled to close in 2022), and uncertainty in the thermal coal industry as the national debate on the future of coal fired power generation continues. Council's submissions and the financial assessment under the Fit for the Future analysis show that Muswellbrook Shire Council is financially sustainable as a stand-alone council.

The community has been consulted on the delivery of some key economic stimulus projects and the delivery and funding of these is dependent on a successful continuation of the 2018-19 Special Rate Variation (SRV) to be maintained permanently in the rate base.

Over the past seven (7) years, Council has made a conscious and concerted effort to achieve ongoing improvements in its Operating Result. It has been successful in improving the General Fund's operating result for the year before grants and contributions provided for capital projects from a deficit of -\$3,090k in 2010/11 to a surplus of \$3,706k for 2017/18. This has been achieved through a series of measures including:

- Financial and budgetary discipline in regard to expenditures.
- Careful investment in projects that have reduced ongoing operational costs.
- Diversification of Council's revenues, including investment in commercial properties that have allowed for the payment of an increasing and ongoing dividend.
- Increased revenues related to the expansion of thermal coal extraction driven by the recent increase in thermal coal production, in response to demand from Asia.

As part of its 2015 *Fit for the Future* Plan, Council noted that it had sufficient resources to meet planned levels of service and the renewal of community infrastructure. However, Council now faces a situation of some uncertainty in regard to revenues related to mining operations as some mines reach the end of their approved or useful lives, while other mines open or expand their operations in response to changes in the price and demand for coal globally. If Council is to be able to maintain the strong financial situation that it has currently achieved and maintain services and infrastructure standards, it needs to be able to replace any revenues lost from this source. Similarly, in order to be able to properly plan for the provision of services and replacement and renewal of infrastructure, Council needs to be able to be confident in regard to the ongoing levels of revenue that it expects to receive over time.

Council also recognises that it needs to respond to the local social and economic impacts that are currently arising in relation to the uncertainty facing the thermal coal mining industry and this is why Council proposes a range of new programmes that are geared toward helping the community and the local economy adapt to these changes and to provide the Shire with a new base from which it can progress within the new economic realities that apply.

In order to be able to provide these new services, such as allocations towards job creation, the improvement of the local natural environment and the creation of new facilities such as those proposed in regard to a Regional Entertainment and Conference Centre, a Regional Standard Sports Precinct and improvements in storm water management of the central business district of Denman, Council will need to give serious consideration to all its possible revenue sources in regard to the funding of these proposals. These considerations include a review of service levels, review of the fees and charges levied on specific users of community facilities, the appropriate use of debt and cash reserves and the continuation of the 18-19 Special Rate Variation permanently in the rate base aimed at raising enough revenue to allow for the provision of these new activities and facilities.

## **Management of Council Finances – by separate fund**

Council's finances are managed in 4 separate groupings or funds:

- A Water Fund
- A Sewer Fund

(Council has a legislative requirement to maintain separate funds for water and sewer operations and these are reported separately in the annual report)

- A Future Fund
- A General Fund

The Future Fund has as its main activity the acquisition and lease of commercial buildings. The Fund is designed to be self-sustaining in terms of its financial performance.

The General Fund represents all other council activities which do not form part of the Water, Sewer or Future Funds. The continuation of 18-19 Special Rate Variation (SRV) permanently in the rate base is based on the General Fund's forecasts.

In this document two sets of financial statements are presented for each scenario.

- Consolidated financial statements (whole of Council – including all separate funds)
- General Fund financial statements (General Fund only)

## **What scenarios have we modelled?**

Council considered a range of options and settled on 2 scenarios or options. The options considered in developing this LTFP were:

### **Scenario 1: No Special Rate Variation**

This is the base case without the assistance of a Special Rate Variation, no special projects and a rate increase of 2.7% (the rate peg).

**Scenario 2: A Special Rate Variation (SRV)** – representing a continuation of the 18-19 one-off 12.43% special rate variation plus the 2.7% rate peg for 19-20 continuing permanently in the rate base.

## **What is the recommended approach and why?**

As part of its 2015 *Fit for the Future* Plan, Council noted that it had sufficient resources to meet planned levels of service and the renewal of community infrastructure. It also noted, however, that: “Council would consider as an option, and in consultation with community, making application for a Special Rate Variation to fund any new infrastructure identified by the community.”

Since the last Community Strategic Plan (CSP), Council has developed a view that the local economic conditions have become somewhat uncertain, especially in relation to the ongoing sustainability of the local power and thermal coal industry. Council has sought to address this uncertainty by implementing programs related to regional job creation, innovation, research and environmental sustainability. These programs are under development and are vital aspects of an ongoing effort towards the reconfiguration of the local economy.

These programs, which have substantial priority, have largely been funded by further efficiencies achieved since the *Fit for the Future* process was introduced and additional revenues flowing from Council’s Future Fund. In order to drive the transition of the Shire into a Regional Centre (Goal 4 of the CSP), Council proposes a Special Rate Variation to fund three regionally significant projects: a Regional Entertainment and Conference Centre – a major component of the Muswellbrook Town Centre Plan – an expansion and upgrade to the Olympic Park Sports Precinct and improved storm water infrastructure in the Denman and Muswellbrook town centres. These projects are closely aligned with the priorities of the CSP together with the Premier’s Priorities in Action, State Priorities, Hunter Regional Plan 2036 and other State Government plans.

Each of the projects has been the subject of considerable interest from the community over a sustained period of time but could not be delivered within the current resourcing envelope which is fully committed to higher priority projects in job creation and diversification.

In light of the community’s desire to achieve the goals of this Plan as quickly as possible, Council proposes to continue the 2018-19 one-off Special Rate Variation of 12.43% plus the 2.7% rate peg in 2019-20 which will continue permanently in the rate base plus the annual rate peg.

This has been modelled as Scenario Two.

## Introduction

### Purpose of the Long Term Financial Plan

The Long Term Financial Plan acts as a tool for stakeholders (Council and the community) to use in deciding what resources Council needs to apply to deliver on the outcomes contained within the Muswellbrook Community Strategic Plan. This Long Term Financial Plan seeks to support Council address the following:

- Lead the change required to support a community and economy in transition
- Initiate opportunities for future income and economic growth
- The revenue to deliver the infrastructure necessary to facilitate a sustainable future

In particular, this plan will model the financial implications of the Muswellbrook Community Strategic Plan and Delivery Program, along with the ability to maintain existing facilities and infrastructure based on a range of assumptions and within any known constraints.

### Long Term Financial Sustainability

#### How do we define Long Term Financial Sustainability?







A financially sustainable Council is one that has the ability to fund ongoing service delivery and the renewal and replacement of assets without imposing excessive debt or rate increases on future generations. This definition has been translated into four key financial sustainability principles.

- Council must achieve a **fully funded operating position** reflecting that Council collects enough revenue to fund operational expenditure, repayment of debt and depreciation.
- Council must **maintain sufficient cash reserves** to ensure that it can meet its short-term working capital requirements.
- Council must have an appropriately **funded capital program**, where the source of funding is identified and secured for both capital renewal and new capital works.
- Council must **maintain its asset base**, by renewing ageing infrastructure and ensuring cash reserves are set asides for those future works.

#### How is Long Term Financial Sustainability Measured?

Following the release of the report from the NSW Independent Local Review Panel in October 2013 a range of indicators are now being used to assess the financial sustainability of councils as stand-alone entities.

Council has reviewed its Long Term Financial Plan against these indicators as part of assessing the long term financial health of the organisation and its capacity to fund the proposed delivery program. The following shows Council's performance against the indicators for 2017-18:

	Ratio	Calculation	Sustainable Target	2017/18 Ratio	Actual
SUSTAINABILITY	Operating Performance Ratio	Total operating revenue (excluding capital grants and contributions) less total operating expenditure Divided by continuing operating revenue	> 0%	13.03%	
	Own Source Revenue Ratio	Total continuing operating revenue (excluding capital grants and contributions) Divided by continuing operating revenue	> 60%	65.83%	
	Building and Asset Renewal Ratio	Asset renewals divided by depreciation, amortization and impairment	> 100%	97.11%	
INFRASTRUCTURE & SERVICE MANAGEMENT	Infrastructure Backlog Ratio	Estimated cost to bring assets to a satisfactory condition divided by the total WDV of infrastructure assets	< 2%	5.49%	
	Asset Maintenance Ratio	Actual asset maintenance divided by required asset maintenance	> 100%	75.13%	
	Debt Service Cover Ratio	Operating result before capital excluding interest and depreciation divided by principal repayments plus borrowing costs	> 2x	2.3x	
EFFICIENCY	Real Operating Expenditure	Operating expenditure divided by population	Decreasing	1.87 2017 2.72 2018	

# Financial Management in Council

## Existing Environment and Past Influences

### About Muswellbrook

Muswellbrook Shire covers 3,402km<sup>2</sup>, of which 1,455km (43%) is national park. Approximately 16,468 people live in the Muswellbrook Shire Local Government Area (LGA), up around 4% from 2011.

Muswellbrook and Denman are the largest towns in the Shire along with a number of outlying rural communities including Sandy Hollow, Wybong, Baerami, Martindale, McCullys Gap, Widden and Muscle Creek.

By road, Muswellbrook is approximately three hours from Sydney, two hours from Tamworth and 90 minutes from Newcastle. The Shire's boundary is delineated by Lake Liddell to the east, Wollemi National Park to the west, Aberdeen to the north and Coricudgy State Forest to the south.

There are currently four large mining operations in the Shire, BHP Billiton's Mount Arthur coal mine, New Hope Mining's Bengalla, Glencore's Mangoola Coal mine and MACH Energy's new Mt Pleasant mine which begins coal extraction in March 2019. The mines have brought new families to the Shire and a large number of drive in drive out workers. .

### *Regulatory Environment*

Council operates in a highly regulated environment driven by legislation and state strategies such as:

- The Local Government Act 1993
  - Defines the scope and boundaries of Council's role and the way it must conduct its business.
- The NSW Premier's Priorities and State Priorities
  - These Priorities reflect a whole-of-government approach to addressing a variety of issues from community services to improving and building local infrastructure.
- The Hunter Regional Plan 2036
  - The Regional Plan sets a vision for the Greater Hunter Region centred on a prosperous community, healthy environment and attractive lifestyle choices.

### *Financial Environment - Rate Pegging*

Council's ability to align rating revenues with the increased cost of providing local government services has been restrained for a number of years by rate pegging, a legislative instrument whereby the maximum increase in rating revenues is set by IPART NSW.

### *Financial Environment – The State of the Council's Finances*

Muswellbrook Shire Council has undertaken significant improvements that have seen financial growth for the organisation and opportunities for capacity building.

In 2009, Council embarked upon a fundamental review of its services with a view to substantially



improving its financial position and, particularly, the General Fund revenue available to fund the renewal of infrastructure, new and upgraded assets, and to build capacity and efficiency within Council's operations.

In 2016/17 and 2017/18 Council achieved around \$300,000 of annual efficiencies as a result of the introduction of an entirely new Planning and Regulatory Service team with increased capability; the creation of a new, in-house legal advisor position; the implementation of fibre optics to connect all satellite offices of Council and materially improve their applications speed; the introduction of online invoicing and online leave and the recruitment of a Chief Financial Officer with increased capability.

Additionally, Council realised around \$50,000 of annual savings in the use of energy by the installation of energy efficiency measures – the installation of LEDs, solar PV, solar pumping, and the timing of energy use from peak to off-peak periods.

In 2017/2018, in line with its Fit for the Future submission, Council has continued with its review of business units including a Capacity Review of the Future Fund. The findings of the Capacity Review has resulted in more focused debt and financial management, which is being actioned in 2018-19.

Council has prepared a budget based around the facilitation of the activities and targets outlined in its Delivery Program and these budgets have been projected out for 10 years based on a range of assumptions. The financial impacts, based on the scenario of the Special Rate Variation application being accepted (Scenario 2) and on the scenario of the application being refused (Scenario 1) are presented in this LTFP.

## **Financial Management Principles**

The 2019-2029 Long Term Financial Plan (LTFP) applies the following underpinning principles:

- Council will maintain its existing services to residents
- Management will continually look for ways to improve service delivery
- Services and infrastructure in any new areas will be provided within reason and in consultation with the community
- Council will continue to improve its capacity to fund its recurrent operations and renew critical infrastructure through sustainable financial decision making
- Council will manage within the existing financial constraints as much as possible

In conjunction with these principles, Council's Long Term Financial Plan is guided by a number of policies and strategies which are outlined below.

### ***Rating Income Strategy***

Rating Income is generated by a levy on properties within the Council area for the provision of local government services. Council continually reviews its rating system to ensure that it is fair and equitable, where each rating category and property will contribute to the rate levy according to the demands placed on Council's limited resources. In that regard, Council updated its Revenue Policy for the year 2018-19, which introduced a number of new rating sub-categories.

- Council generates a significant portion of its rating base from the thermal coal mining category. Uncertainty in relation to this industry has caused Council to seek

means by which it can diversify the local economy replacing future revenues lost through a contraction in demand for thermal coal with new industry, for example agribusiness..

- A full consultation process was undertaken with all mine operators regarding the Special Rate Variation to mine rating in 2018/19. .

### ***Domestic Waste Management Charges***

Council charges a Domestic Waste Management charge to owners of rateable properties. This covers the cost of kerbside collection , recycling and household clean up and includes the full cost of administration, service provision, State Government charges and tipping fees.

### ***Investment Principles***

Council has an Investment Policy that reinforces Council’s ongoing commitment to maintain a conservative risk/return portfolio, an important component of its ongoing prudent financial management practices. The overall objectives of the policy are to ensure that Council invests its funds:

- in accordance with the requirements of the Local Government Act (1993) and Council’s investment policy.
- in a conservative manner where preservation of capital is the principal objective.
- in a manner that seeks to ensure the security of the Council’s cash and investment portfolio, achieve appropriate earnings and manage cash resources to ensure that there is sufficient liquidity to meet Council’s business objectives.

### ***Loan Borrowings***

The Council’s policy is that the use of debt (borrowings) is appropriate to fund the cost of major new community assets or to smooth the cost of major asset renewals. However any minor asset acquisitions and a normal level of asset renewals (up to the level of the annual depreciation charge) should be funded out of operating revenues.

Council also recognises the need to address the issue of intergenerational equity and therefore seeks to match the term of the borrowing with the life of the asset to which the borrowing is related.

### ***Cash Reserves and Restrictions***

Council has a number of cash reserves which are either a legislative requirement (externally restricted) or through a Council decision (internally restricted).

The establishment and funding of cash reserves is a financial management strategy to provide funds for future expenditure that could not otherwise be financed during a single year without having a material impact on the budget.

The cash reserves are also held as an offset against borrowing requirements. Separate Reserves are also maintained for the Water and Sewer funds.

## ***Section 94 Developer Contributions***

Section 94 of the Environmental Planning and Assessment Act 1979 enables Council to levy contributions for public amenities and services required as a consequence of development.

## ***Discretionary and Regulatory Fees and Charges***

Council has the ability to raise revenues through the adoption of a fee or a charge for services or facilities. Fees and charges are reviewed on an annual basis in conjunction with the preparation of the annual budget.

The fees and charges which Council can charge can be split into two categories:

- 1 Regulatory Fees – These fees are generally determined by State Government Legislation, and primarily relate to building, development or compliance activities. Council has no control over the calculation, and any annual increases of these fees and charges.
- 2 Discretionary Fees - Council has the capacity to determine the charge or fee for discretionary works or services such as the use of community facilities and access to community services.

The general principles under which Council sets its fees and charges are that Council aims to maximise returns from of fees and charges. Fees are set to recover or partially recover the cost of services provided. To this end Council will increase the revenue from Discretionary Fees in the 2019/2020 budget by 2.5%.

## ***Asset Disposal and Investment Strategy***

The majority of Council's property assets deliver on services such as:

- Transport Infrastructure
- Environmental Services, such as stormwater management
- Community Facilities
- Operational Assets, including administration buildings
- Waste management

## ***Diversification of Revenue Streams***

Council has established a Future Fund with the aim of creating a new, ongoing revenue stream for Council and to assist in the transition and diversification of the local economy from its dependence on coal to other industries. The Fund mainly achieves this by the construction and acquisition of a range of commercial buildings in Muswellbrook, Denman and other parts of NSW.

The Future Fund has been established with the aim of being financially sustainable whilst still paying an ongoing and increasing dividend to the General Fund that assists in the funding of General Fund services and infrastructure replacement and renewal.

## Asset Management

### *Muswellbrook Asset Management Strategy*

Muswellbrook Shire Council is the custodian of infrastructure assets with a replacement value of \$824 million and a depreciated value of approximately \$524 million. Ensuring these assets are maintained and able to provide the services required of them is an important function of the Council.

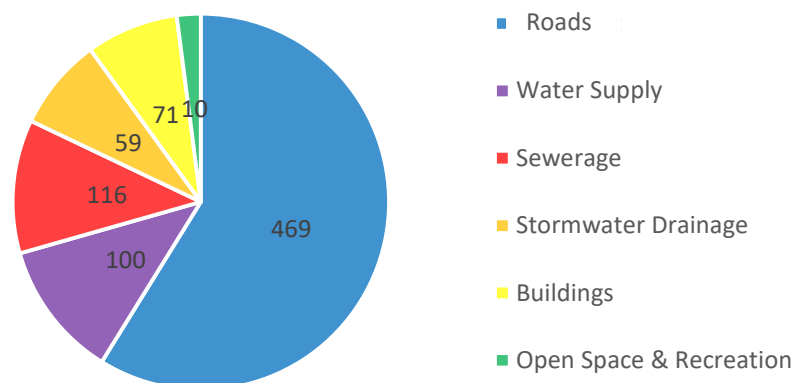
The Asset Management Strategy provides a systematic way of accounting for these assets and planning for their operation, maintenance, rehabilitation, disposal and renewal. The strategy also helps Council to review its asset management practices to ensure they are being done in the most cost effective manner possible.

The broad purpose of the Asset Management Strategy is:

- to have proper plans and strategies that ensure the assets provided by previous generations continue to be available to provide the services required by future generations.
- to be able to plan for new assets confident of our understanding of their impact on Council's long term financial sustainability.
- to provide assurance that assets are being created operated, maintained, rehabilitated and renewed in the most cost effective ways possible.

The Muswellbrook Asset Management Strategy includes revised estimates of the value and useful remaining life of the Council's assets. The strategy also includes a comprehensive program of actions to improve the quality of asset data and asset management systems and practices within Council.

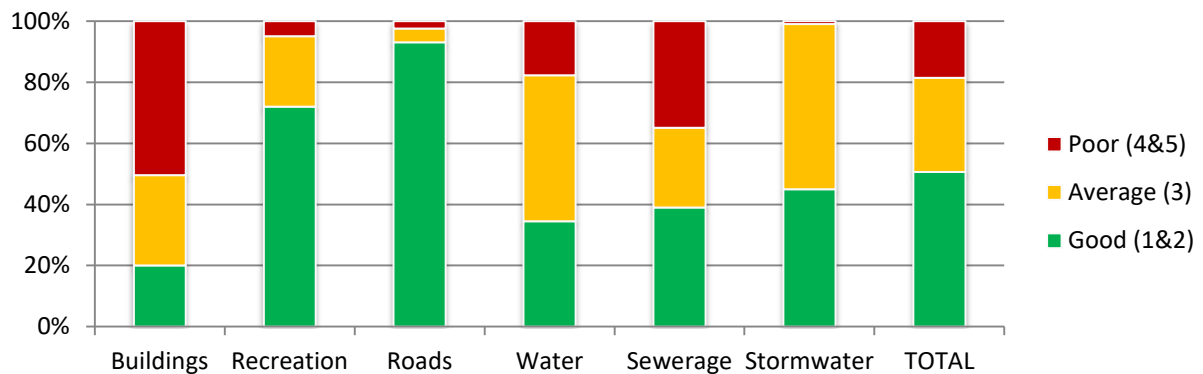
Council's infrastructure assets have a replacement value of \$824m. The chart below shows the value (\$M) of each of the six major asset classes.



Council has recently revised its Asset Management Plans. The Asset Management Plan is a living document, the process of ongoing review will provide Council with an improved understanding of asset conditions, useful life, expected levels of service and funding levels required to adequately maintain replacement and renew infrastructure and other assets.

The chart below shows the condition of assets in each class at a particular time, 2017/2018. Roads, recreation and stormwater assets are generally in good condition, while some buildings, water and sewerage assets are near the end of their useful life. Council will complete the construction of a brand new Muswellbrook Reuse Water Treatment Plant during 18-19, which will significantly

improve the condition of the sewerage assets.



## Long Term Financial Plan Assumptions

The long term financial model requires Council to identify all material items of revenue and expenditure, and determine the external and internal influences which could significantly impact on Council's finances.

In preparing the 2019-29 Long Term Financial Plan, the following underpinning principles have been adopted.

## Market Driven Planning Assumptions

### *Population Forecasts*

Muswellbrook's population is currently estimated at 16,468 and this is projected to increase to 19,550 by 2031. The 2016 Census indicated a stalling in population growth for the Muswellbrook Shire, reflecting a changing mining sector.

In this LTFP conservative estimates have been used to convert the growing population into projections for increases in the number of properties in Muswellbrook. No allowance has been made for additional rate revenues for Council as a result of population growth.

Council faces a degree of uncertainty in terms of its ongoing mine rate revenues but those have been mitigated through a proactive effort of generating economic development opportunities, which are expected to insure against any potential mining revenue losses. It is for this reason that no major charges (including an allowance for rating base growth) have been included at this stage.

### *Factors applied to Revenue and Expenditure in the Long Term Plan*

These are the same as used for the 2018/19 Operational Plan in the first 4 years and they reflect the current low inflation environment in Australia at present.

Assumptions	Year One 2019/20	Years 2 – 4	Years 5 - 10
Rates Cap	2.7%	2.5%	2.5%
Stormwater Management Charge	0.0%	0.0%	0.0%
Salaries and Wages (incl. oncosts)	2.5%	3.0%	3.0%
Financial Assistance Grant and Other Grants	1.0%	2.5%	2.5%
Discretionary Fees and Charges	2.5%	2.5%	2.8%
Materials and Contracts	2.0%	2.3%	2.5%
Other Expenses	2.0%	2.0%	2.0%
Utilities	3.0%	2.0%	2.0%
Depreciation	2.0%	2.5%	2.6%
Interest / Investment Revenue	3.0%	3.4%	4.0%
Interest on Borrowings	4.75%	4.75%	5.3%

In determining the inflationary increase assumption for 2019/20 Council has used IPART projections and the increases for 2020 onwards also reflect guidance on allowances for increases.

### ***Specific Revenue and Expenditure Assumptions***

The following tables outline Council's assumptions by revenue and expenditure types. Included within the assumptions is a brief description as to how Council has determined these assumptions and the external influences which impact the assumptions.

**Note:** The assumptions included in the following tables are those which could have a material impact on Council finances.

Rates Income	Assumption
Minister's Allowable Increase	<b>2.7% in 2019/2020; 2.5% per annum thereafter.</b>
Special Rate Variation Income	<p><b>Scenario 1: No Special Rate Variation</b> This is the base case without the assistance of a special rate variation, no special projects and a rate increase of 2.7% (the rate peg).</p> <p><b>Scenario 2: A Special Rate Variation Continuation(SRV)</b> – continuation of 18-19's one-off 12.43% SRV increase plus the 2.7% rate peg from 2019/20 (rate peg is subject to change every year) continuing permanently in the rate base.</p>

Other Revenue	Assumption
<b>Fees &amp; Charges</b>	<b>Scenario 1 and 2:</b> An allowance has been made to cater for additional revenues arising from the new projects proposed in the SRV. All other fees and charges are to be increased by 2.5% in line with Council cost increases.
<b>Grants and Contributions provided for operating purposes</b>	<b>Scenario 1 and 2:</b> Financial assistance grant budgets reflect expectations based on guidance from the State and Federal governments
<b>Grants and Contributions provided for capital purposes</b>	<p><b>Scenario 1</b> - An assumption is made that council will continue to receive ongoing grant funding from the Resources for Regions (or equivalent) funding source.</p> <p><b>Scenario 2</b> - it is projected that \$20.2m of grants and voluntary planning agreements are received in 2019/20, hence the revenue increase for that year. Remainder years are modeled as per Scenario 1 above.</p>

### Rate income growth

No allowance has been made for additional revenue from new residential properties. The following table shows the adjustments each year.

Operating Expenditure	Assumption
<b>Depreciation</b>	<p><b>Scenario 1</b> – Depreciation costs increase in line with the Asset Management Strategy and the assumptions identified in the “Assumption” table above.</p> <p><b>Scenario 2</b> – The depreciation costs from Scenario 1 increase by \$407.5k per year from 2020/21 due to the completion of the constructions of the Olympic Park project and the Regional Entertainment and Conference Center.</p>
<b>Borrowing Costs</b>	<p><b>Scenario 1</b> – Borrowing costs are reflective of the current Repayment Schedules provided by the banks. Any movements are reflective of the Operational Plan and the interest cost assumptions in the “Assumptions” table above.</p> <p><b>Scenario 2</b> – The borrowing costs from Scenario 1 increase by \$486k in 2019/20 as a result of the \$10.9m loan for the two projects. These additional interest costs gradually decrease over time as the principal payments are made.</p>
<b>Operational Costs (employee benefits and materials and contracts)</b>	<p><b>Scenario 1</b> – Operational costs grow in line with the “Assumptions” table above.</p> <p><b>Scenario 2</b> – The operational costs from Scenario 1 increase by \$695k per annum from 2020/21 after the Regional Entertainment and Conference Centre and Olympic Park begin operations. An additional \$100k road and parks operational expenditure is also added from 2020/21 onwards. Meanwhile, an additional “job creation” expenditure of \$250k commences in 2019/20.</p>

Capital Expenditure and Revenue	Assumption
<b>Asset Renewals</b>	<b>Scenario 1:</b> Renewals grow reflective of the Asset Management Strategy. <b>Scenario 2:</b> The renewal costs in Scenario 1 increase by \$300k per year from 20-21 as additional drainage work starts then.
<b>Borrowed Funds</b>	<b>Scenario 1</b> – Borrowed funds are reflective of the current Repayment Schedules provided by the banks. Any movements are reflective of the Operational Plan. <b>Scenario 2</b> – A principal and interest loan or loans are taken up to the value of \$10.9m in 2019/20 for the SRV projects.
<b>Loan Repayments</b>	<b>Scenario 1</b> – Loan repayment costs are reflective of the current Repayment Schedules provided by the banks. Any changes are reflective of the Operational Plan. <b>Scenario 2</b> – The loan principal repayments costs from Scenario 1 increase by \$161k per year and they grow every year, in line with the principal and interest repayment schedule. There is \$1.3m in extra principal repayments in the 2019/20 year, as some SRV funds are received in 18-19 while construction of the projects has not started yet.
<b>New Assets</b>	<b>Scenario 1</b> – This reflects the proposed expenditure in the Capital Works Program. <b>Scenario 2</b> – The Scenario 1 capital works program is increased by \$26.01m when the Entertainment Centre and the Olympic Park project are constructed.

### ***Discussion on the approach to the preparation of the LTFP budgets for key income and expenditure items***

The following provides additional background to the preparation of the LTFP budgets for key income and expenditure items:-

#### **Rates and Annual Charges**

As at the 2017/18 Financial Year, Muswellbrook Shire Council received around 35% of its General Rates Revenues from the mining category specifically from the thermal coal industry. The thermal coal industry is reliant on coal fired power generation; coal fired power faces an uncertain future nationally and globally while transition to renewable energy takes place. This will impact on the local economy and Council's General Rating Revenue in the following ways:-

- Mount Pleasant coal mine begins extraction in 2019.
- Council regularly assesses whether the mining footprints of the mines have expanded outside the footprint of the assessments currently categorised as mining. Once this is established, Council liaises with the Valuer General to ensure that, if appropriate, new land values are applied to these impacted assessments. This could lead to a significant increase in the level of rates able to be levied, but, until the land values are determined, the actual quantum of the increase is difficult to ascertain.
- The consents for the Mount Arthur and Mangoola mines both expire toward the end of the ten year window of the LTFP, however, both mines may have access to additional coal resources that may extend these lives depending on economic and approval factors.
- Other mines in the Shire (i.e. Muswellbrook Coal and Dartbrook) and Liddell Power Station



are expected to close down within the life of the LTFP.

Council is working to put in place processes that allow for the variances to be evened out over time. Therefore, for the purposes of the Long Term Financial Plan, Council is working on the assumption that the Notional Amount will be stable over the life of the plan and will only increase by the proposed IPART rate pegging amount from 2019/20 onwards.

### **User Fees and Charges**

Fees and charges are proposed to rise in 2019/2020 by 2.5%. The only variances to this general rule is that additional User Fee revenues have been included resulting from the new or expanded services related to the facilities linked to Council's Special Rating Variation, with additional revenues being estimated from the Regional Entertainment and Conference Centre from 2020/21.

### **Interest and Investments**

Council's cash holdings are invested in Minister approved shorter term (between one and three years) term deposits, bank issued bonds and floating rate notes, which provide short term liquidity should that be needed. For the purposes of the plan, Council has assumed a return of 3% in 2019/20 and 3.4% in future years on its invested funds.

### **Other Revenues**

Council has established a Future Fund, which has as its main activity the acquisition and lease of commercial buildings. The Fund is designed to be self-sustaining in terms of its financial situation with all expenses related to the Fund being paid from the generation of revenues derived from these buildings. In addition to this, the Fund pays a dividend to the General Fund, thereby assisting in the funding of General Fund activities. No significant changes in these other revenues are forecast over the term of this LTFP.

### **Grants Operating and Capital**

Council has assumed that indexation will again be applied to the Financial Assistance Grant and that the Road to Recovery Grant will return to 2014/15 levels with the program being maintained for the life of the plan. For the purposes of the plan, Council has also factored in the receipt of grant funding in relation to the Regional Entertainment and Performance Centre and the ongoing receipt of grant funding from the Resources for Regions Programme (or similar) over the life of the plan. Council has been the recipient of significant funds from this source in the past and expects to continue to benefit from this program over the life of the plan.

### **Employee Costs**

Employee Costs are estimated to increase at 2.5% in 2019/20 and 3% over the life of the plan. The only increases proposed in terms of full time equivalent positions are in relation to the staffing requirements related to the Regional Entertainment and Conference Centre. In terms of the need to pay out Long Service and Annual Leave payments to staff, Council maintains a cash reserve for this purpose that is funded at an adequate level to cover all expected short term needs of Council. The plan does not propose any significant changes in regard to the range of services offered by Council nor the levels at which those services are provided. As such expenditures in this regard are expected to remain consistent over the life of the plan.

## **Borrowing Costs**

Council is proposing to borrow to fund the development of Olympic Park Precinct Master Plan Projects and the Regional Entertainment and Conference Centre detailed in the Special Rate Variation continuation application. The plan indicates that Council can sustainably service the debt proposed in relation to these facilities. Council is estimating that the borrowing rate over the life of the plan will be 4.75%. Council has, though in very recent times been able to source debt at lower rates than this.

## **Materials and Contracts**

Council has made an allowance in its Operating Budget for increased expenditure on maintenance of roads, parks and recreation facilities and its building assets and this increased funding will impact on the allocations for this category as well as on the employee costs outlined above. However, while these additional allocations will greatly increase Council's maintenance ratio, the allocations are not so great as to materially impact on costs related to materials and contracts. In addition to this, the plan makes allowance for the additional costs related to the Olympic Park Precinct Master Plan Projects and the Regional Entertainment and Conference Centre project. The plan does not propose any significant changes in regard to the range of services offered by Council nor the levels at which those services are provided. As such expenditures in this regard are expected to remain consistent over the life of the plan. The costs are indexed at 2.3% for 2019/20; 2.3% for the next 3 years and 2.8% per annum after that.

## Capital Works Program

The following shows a summary of the proposed capital works included for the scenarios in this LTFP.

### Scenario One – General Fund (No SRV)

Capital Expenditure	2020 Budget '000	2021 Budget '000	2022 Budget '000	2023 Budget '000	2024 Budget '000	2025 Budget '000	2026 Budget '000	2027 Budget '000	2028 Budget '000	2029 Budget '000
New asset as per program	10,841	3,109	3,216	1,889	1,964	1,899	2,223	2,285	2,360	2,296
Asset Renewals	8,358	8,895	8,894	9,115	9,263	9,415	9,970	10,155	10,318	10,485
<b>Total</b>	<b>19,199</b>	<b>12,004</b>	<b>12,110</b>	<b>11,004</b>	<b>11,227</b>	<b>11,314</b>	<b>12,193</b>	<b>12,440</b>	<b>12,678</b>	<b>12,781</b>

### Scenario Two– General Fund (with additional projects and SRV)

Capital Expenditure	2020 Budget '000	2021 Budget '000	2022 Budget '000	2023 Budget '000	2024 Budget '000	2025 Budget '000	2026 Budget '000	2027 Budget '000	2028 Budget '000	2029 Budget '000
New asset as per program	35,901	3,109	3,216	1,889	1,964	1,899	2,223	2,285	2,360	2,296
Asset Renewals	8,358	9,195	9,201	9,431	9,586	9,746	10,310	10,502	10,674	10,851
<b>Total</b>	<b>44,259</b>	<b>12,304</b>	<b>12,417</b>	<b>11,320</b>	<b>11,550</b>	<b>11,645</b>	<b>12,533</b>	<b>12,787</b>	<b>13,034</b>	<b>13,147</b>

## **LTFP Financial Model Scenario One – Base Case (No SRV)**

### **Introduction**

This scenario models the continuation of Council's services as currently provided. It is based on taking similar actions as projected in Council's proposals and assessment under the Fit for the Future regime. It reinforces the assessment that Muswellbrook Shire is a sustainable Council under a rate capping environment.

### **Components included in Model for Scenario One**

- The State Government had been setting an annual rate cap for Councils over the last 30 years. This responsibility has been passed to IPART NSW who has set a rate increase of 2.7% for the 2019/20 year. The formula used by IPART assumes that all Councils will continue to achieve operational savings.
- No significant changes to rates revenues over the term of this plan, other than from approved increases (rates cap).
- The capital maintenance, rehabilitation and new capital expenditure program is as outlined in the Asset Management Strategy and is sufficient to meet the asset benchmarks (Asset renewal, asset maintenance and infrastructure backlog ratios). See capital program summary for general fund on the previous page.
- Scenario 1 is predicated on the idea that no significant changes will occur in terms of the level and nature of services provided by Council, the amount of funding required for the maintenance, replacement and renewal of assets or the general environment in which council operates. It does make allowance for some important projects such as the renewal of Muswellbrook pool and the Denman CBD but not to the extent necessary to achieve the preferred goal of becoming a Regional Center.

### **Summary and assessment – Scenario One**

As displayed in the key performance measures in the following table (and in the financial statements) Muswellbrook Shire Council is able to meet each of the performance measure benchmarks over the term of this LTFP.

This scenario presents a continuation of a “status quo” situation where Council delivers existing services and maintains its existing asset base. However, Council is not able to respond to the community's desire for the upgrades to storm water drainage; parks and roads improvements; additional support for job creation; nor the development of the Olympic Park Precinct and the Regional Entertainment and Conference Centre as proposed in Council's continuation application for a Special Rate Variation, all of which aim to improve the attractiveness and livability in the Shire and to stimulate the local economy and also meet community needs for enhanced facilities.

While Council can remain financially sustainable under this Scenario, it does not enable Council to deliver the projects on which the community has been consulted.

Key Performance Measures										
for years ended 30 June 2019/20 - 2028/29	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Performance Ratio</b>										
> 0%	2.2%	1.9%	1.4%	1.4%	1.5%	1.6%	1.6%	1.6%	1.7%	1.7%
<b>Own Source Revenue Ratio</b>										
> 60%	74%	76%	76%	76%	76%	76%	76%	76%	76%	76%
<b>Building and Infrastructure Asset Renewal Ratio</b>										
> 100%	101%	104%	102%	102%	101%	100%	103%	103%	102%	101%
<b>Infrastructure Backlog Ratio</b>										
< 2%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
<b>Asset Maintenance Ratio</b>										
> 100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Debt Service Ratio</b>										
0%<>20%	2.6%	2.1%	2.1%	2.0%	1.5%	1.0%	1.0%	1.0%	0.9%	0.9%
<b>Real Operating Expenditure per Capita</b>										
(a declining trend over time)	2.17	2.16	2.16	2.15	2.15	2.15	2.15	2.14	2.14	2.14

# LTFP Financial Model Scenario Two – SRV to deliver key community projects

## Introduction

This Scenario models the effect a successful continuation of the one-off 18-19 Special Rate Variation (SRV) permanently in the rate base and the delivery and funding of key community projects.

The one-off SRV of 12.43% which occurred in 2018/19 will be continued and retained permanently in the rate base plus the 2.7% rate cap approved by IPART for 2019/20. The SRV will enable the Council to deliver the following projects for the community:

- Improvements in stormwater management, particularly in Denman
- Upgrades to Muswellbrook's Olympic Park precinct
- A new Regional Entertainment and Conference Centre
- Additional support for job creation across the Shire
- Additional roads and parks maintenance funding
- Recovery of rates revenue lost as a consequence of changes in bio-diversity offset state government policy.

The development of Muswellbrook as a Regional centre has been identified as a priority by the NSW Government in the Hunter Region Plan 2036. Scenario Two and the proposed projects are designed to help position Muswellbrook so it is able to become a Regional Centre and grow its economic base.

## Components included in Model for Scenario Two

- The State Government had been setting an annual rate cap for Councils over the last 30 years. This responsibility has been passed to IPART NSW who has set a rate increase of 2.7% for the 2019/20 year. The formula used by IPART assumes that all Councils will continue to achieve operational savings.
- The continuation of the one-off increase of 12.43% which occurred in 18-19 will continue permanently in the rate base plus the 2.7% rate peg.
- The capital maintenance, rehabilitation and new capital expenditure program is as outlined in the Asset Management Strategy and adjusted to ensure Council meets the key asset ratios.
- The inclusion and funding of the additional capital and operational costs for the following community projects.
  - A \$15 million Regional Entertainment and Conference Centre and \$11.01 million Olympic Park Precinct Master Plan funded from:
    - grant funds of \$10.5 million,
    - Voluntary Planning contributions of \$3.71 million,
    - with the remaining \$11.8 million from additional borrowing, which will be reduced to \$10.9 million as a result of SRV funding collected during 18-19.
  - \$300,000 for an additional annual program of stormwater management.

- \$100,000 for an additional program of roads and parks maintenance.
- \$250,000 in additional funding to support job creation programs.
- \$62,069 to be recovered from lost rating revenue arising from changes in state government policy relating to mining biodiversity offsets to be funded by revenues.

## Summary and Assessment – Scenario Two

As displayed in the key performance measures in the following table (and in the financial statements) Muswellbrook Shire Council is still able to meet all of the performance measure benchmarks over the term of this LTFP.

This scenario involves the addition of extra rates revenue from a SRV with the revenue used to fund the cost of servicing additional loans and operational costs for these new community projects.

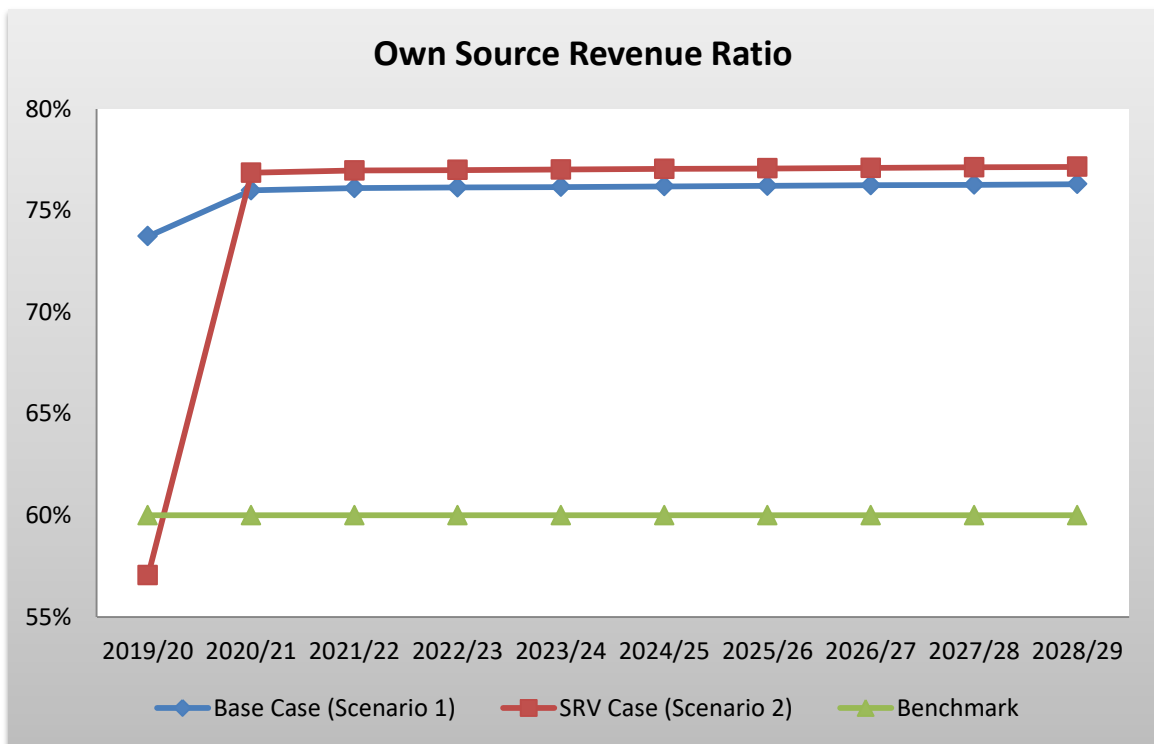
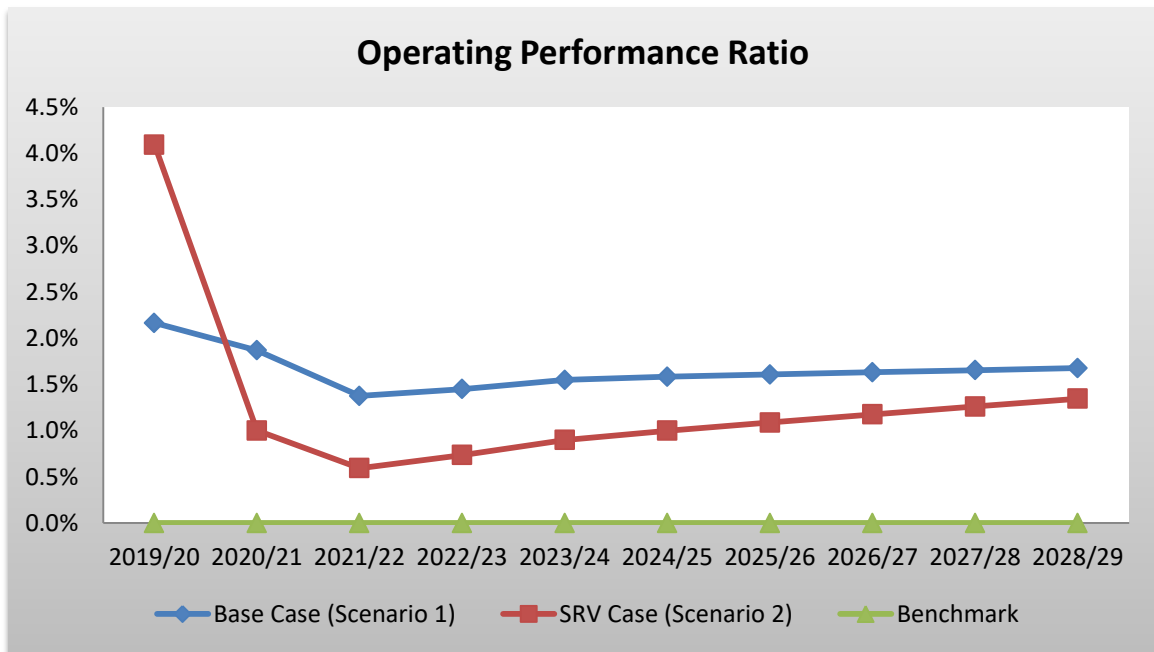
### Scenario Two - with SRV (General Fund)

Key Performance Measures											
for years ended 30 June 2019/20 - 2028/29	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Operating Performance Ratio</b>											
> 0%	4.1%	1.0%	0.6%	0.7%	0.9%	1.0%	1.1%	1.2%	1.3%	1.3%	
<b>Own Source Revenue Ratio</b>											
> 60%	57%	77%	77%	77%	77%	77%	77%	77%	77%	77%	
<b>Building and Infrastructure asset renewal Ratio</b>											
> 100%	101%	103%	101%	101%	100%	99%	102%	102%	101%	100%	
<b>Infrastructure Backlog Ratio</b>											
< 2%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	
<b>Asset Maintenance Ratio</b>											
> 100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
<b>Debt Service Ratio</b>											
0%<>20%	5.7%	3.6%	3.5%	3.4%	2.9%	2.3%	2.3%	2.2%	2.2%	2.1%	
<b>Real Operating Expenditure per Capita</b>											
(a declining trend over time)	2.21	2.27	2.26	2.26	2.25	2.25	2.25	2.24	2.24	2.24	

## Performance Measurement

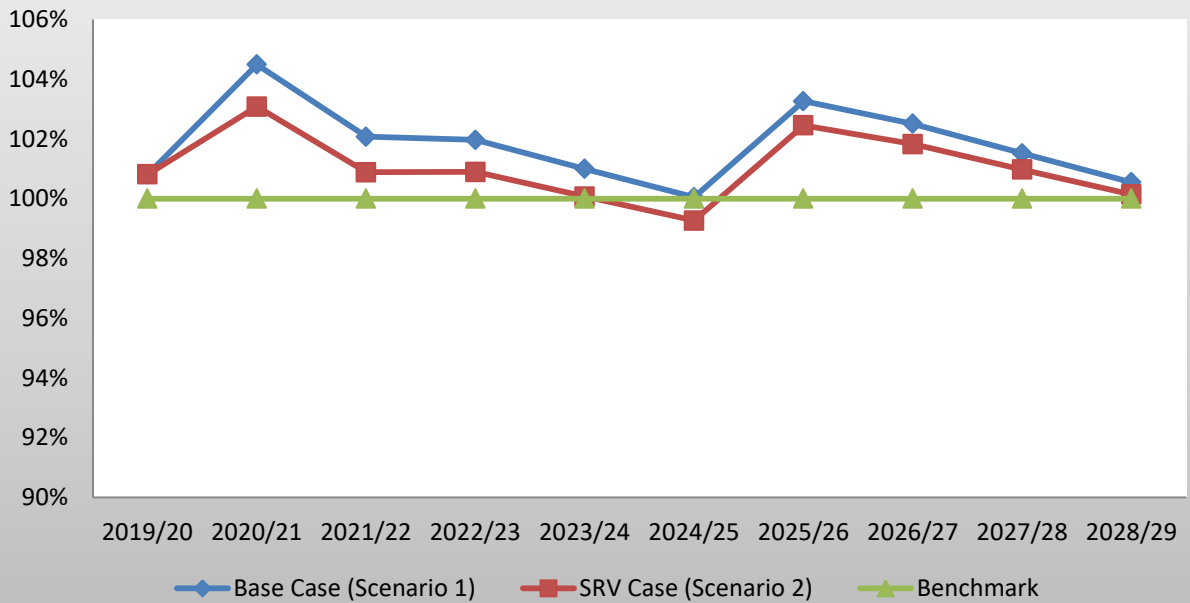
### Comparison of LTFP Scenarios against key performance measures

Council has used the Fit for the Future measures in determining performance measures for this LTFP. A table is included under each of the Scenarios. The following graphs show how the measures for the two scenarios, against each other and against the relevant benchmark.

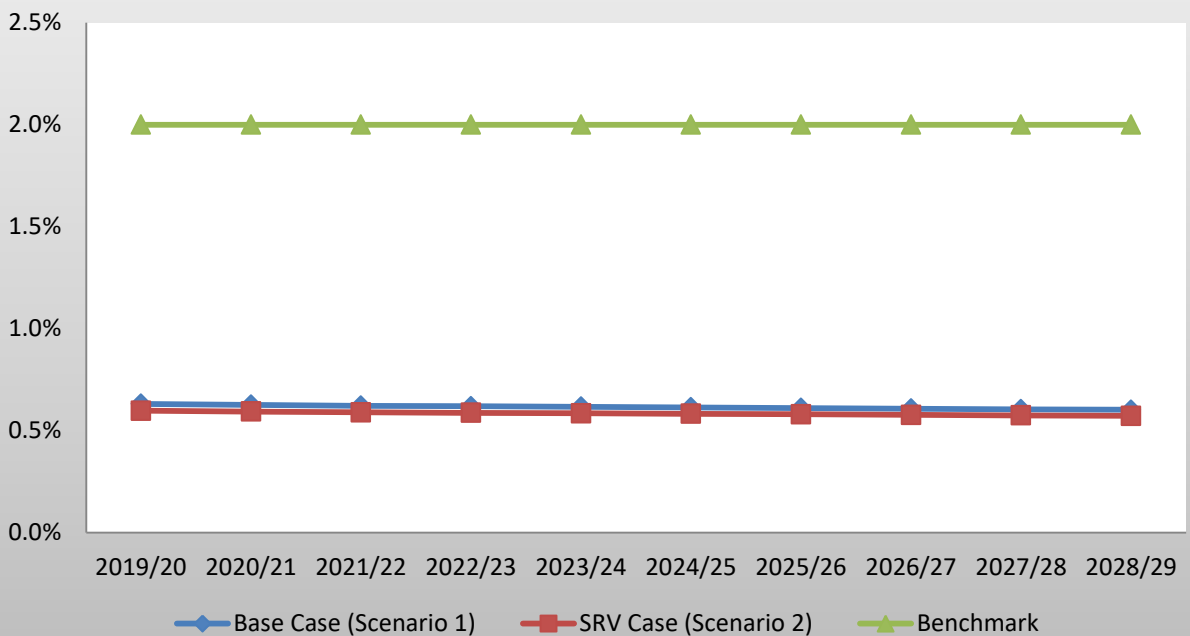


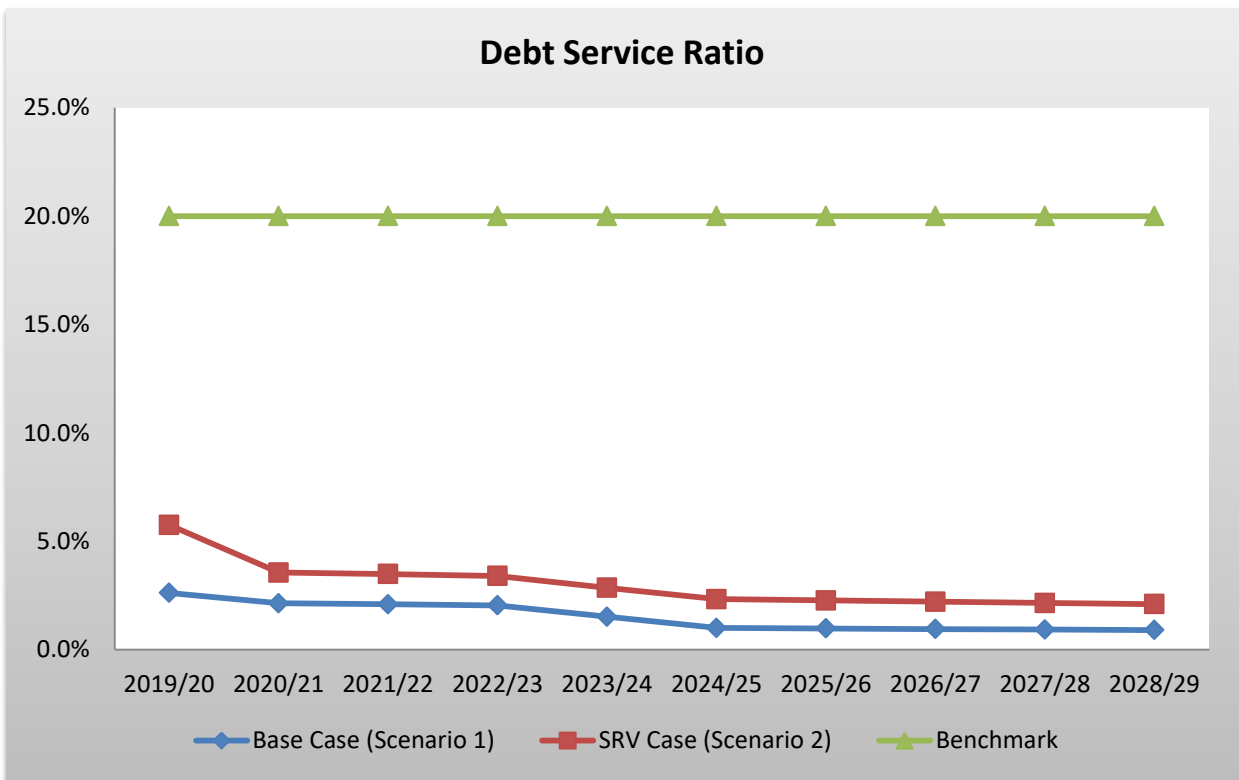
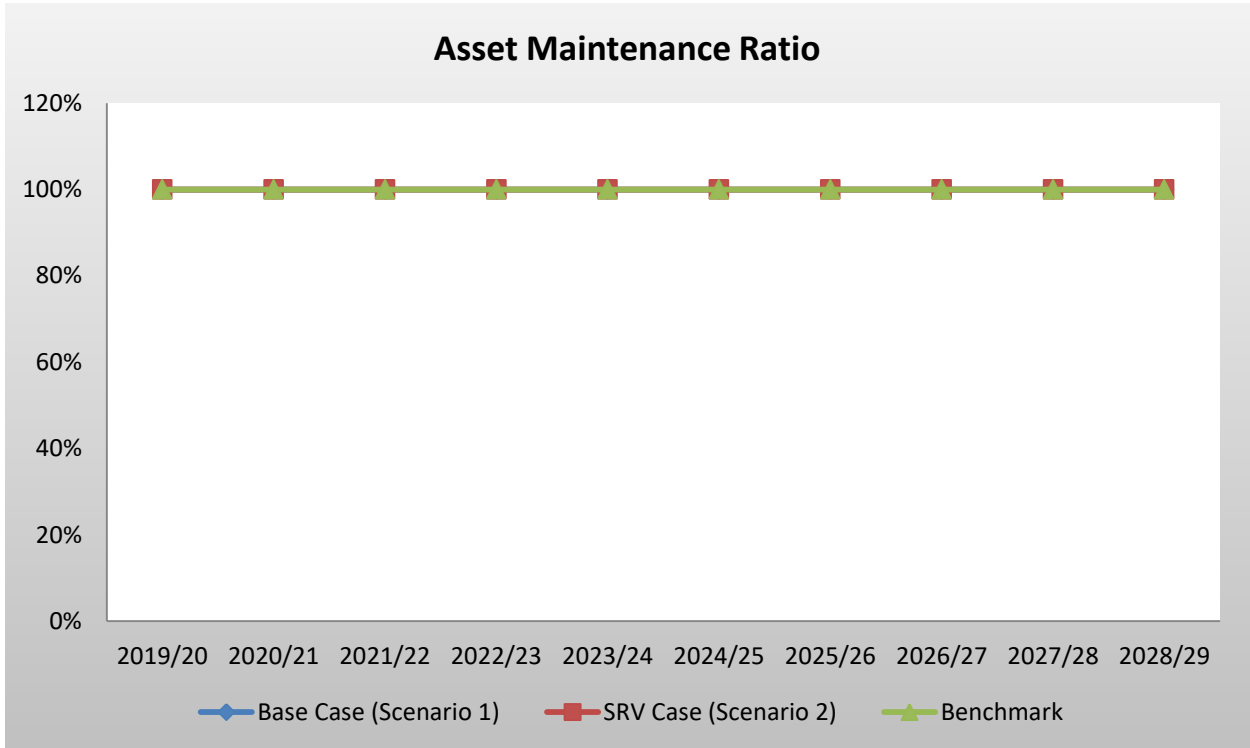


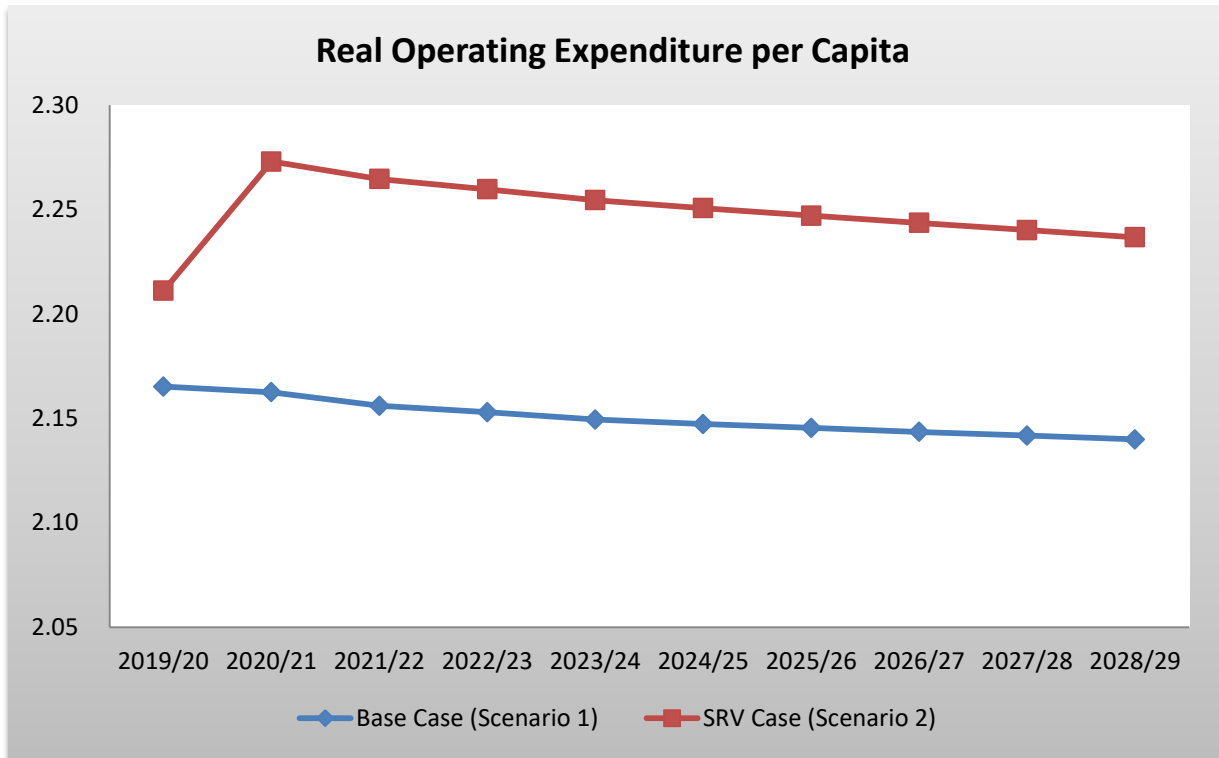
### Building and Infrastructure Asset Renewal Ratio



### Infrastructure Backlog Ratio







## Risks and Sensitivity Analysis

### Risks

The major risk for Council relates to its revenues and, in particular, to revenues received from the thermal coal mining sector.

The major risks relate to

- Rates revenue
  - A risk of lower than expected rates cap increases
  - Erosion in the rating base due to a reduction in mining activity in the Shire
- Other revenues such as fees and charges and grants
  - The risk that government grant assistance diminishes or does not grow at the assumed rate
  - Loss of or reduction to ongoing grant funding especially in relation to road renewal
  - Lower than expected growth in other revenues
- Operating expenditure increases for key expenses such as employee costs and materials and contracts.
  - Higher than expected increases in employee costs and in materials\contract costs without an increase in the assumed rates cap
- Interest rates on Council borrowings
  - Increases in the assumed interest rate on borrowings

## Sensitivity Analysis

In this LTFP, Council has outlined two scenarios. Scenario One looks at the difference between the status quo or base case and Scenario Two models the impacts if Council is successful in its application for the continuation of its one-off 18-19 special rate variation (SRV) permanently in the rate base which will be used to fund community projects.

For the purposes of performing a sensitivity analysis, a third scenario has been introduced which looks at the impact on Scenario Two, based on some assumptions on changes to mining activity and a resulting change in rate revenues for Council.

- Rates revenue
  - Every 1% change in ordinary rates revenue will result in a \$120,000 change in total rates revenue
- Other revenues such as fees and charges and grants
  - Revenue from operating grants is \$7.6 million in 2017/18 which is approximately 11% of total income from continuing operations. Every 1% change represents a variation of \$76,000.
- Operating expenditure increases for key expenses such as employee costs and materials and contracts.
  - Employee Costs and Other Operating expenditure (materials and contracts) comprise \$14.9 million and \$10.9 million in 2017/18, respectively. A 1% movement in these costs represents \$149,000 and \$109,000 (\$258,000 combined effect).
- Interest rates on Council borrowings
  - Every 1% increase in Council borrowing costs will have the following effect
    - Scenario One with base, General Fund borrowings of \$6 million in 2017/18, which represents \$60,000 annual cost impact at 1% movement.
    - Scenario Two with \$17 million of borrowings projected for 2019/20, which represents \$170,000 annual impact at 1% movement.

Changes to the revenue or expenditure assumptions could have a material effect on the financial projections in the LTFP however Council believes the assumptions used are robust. A regular review of the LTFP will ensure that Council is able to react and plan for any changes in costs and revenues over the term of this plan.

Scenario 3, as presented, shows the sensitivity of the financial projections to changes in mining revenues. Council is aware that there are potential risks to the revenues and economic input that this sector has to the local economy and is proactively driving economic diversification strategies which will mitigate the impact of reductions in mining revenues. Trends and possible changes will be monitored and the financial effects modeled so that Council and the community are able to respond.

## Summary of this LTFP

### Conclusion

In this LTFP Council has outlined three scenarios, including the Sensitivity Scenario 3.

- Scenario One shows the status quo and this reinforces previous modelling that Muswellbrook Shire is financially sustainable as a standalone Council.
- Scenario Two assumes that Muswellbrook Shire Council is successful in its application to continue the 2018/19 permanent Special Variation of 12.43% plus the 2.7% rate peg. This will enable Council to deliver projects for the community:
  - Improvements in stormwater management, particularly in Denman
  - Upgrades to Muswellbrook's Olympic Park precinct
  - A new Regional Entertainment and Conference Centre
  - Additional support for job creation across the Shire
  - Additional roads and parks maintenance funding
  - Recovery of rates revenue lost as a consequence of changes in bio-diversity offset state government policy.
- Scenario Three assumes that Muswellbrook Shire Council is successful in its application to continue the 2018/19 permanent Special Variation of 12.43% plus the 2.7% rate peg. This will enable Council to deliver projects for the community as outlined in Scenario Two. In addition, this Scenario overlays the sensitivities outlined on the previous page.

The development of Muswellbrook as a Regional Centre has been identified as a priority by the NSW Government in the Hunter Region Plan 2036.

Council's and the community's preferred option is Scenario Two where Council is successful in its application to continue the 2018/19 SRV permanently in the rate base, which will enable new key projects and programs to be delivered and funded. The financial projections show that, with the assistance of the SRV, Council is able to remain financially sustainable wisely delivering projects to stimulate the local economy and provide facilities that strategically place Muswellbrook as a Regional Centre in the Upper Hunter.

The following financial statements demonstrate the current and long-term position of Council's finances under each scenario.

## Scenario One – General Fund – Financial Statements – 2019-29 LTFP

Scenario 1 - Income Statement For the year	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>Income from Continuing Operations</b>											
<i>Revenue:</i>											
Rates and Annual Charges	16,886	17,903	18,360	18,781	19,251	19,732	20,225	20,731	21,249	21,780	22,325
User Charges and Fees	7,047	7,238	7,396	7,543	7,754	7,971	8,195	8,424	8,660	8,902	9,152
Interest and Investment Revenue	572	589	608	629	651	677	704	733	762	792	824
Other Revenue	2,713	2,729	2,779	2,816	2,895	2,976	3,059	3,145	3,233	3,323	3,417
Grants and Contributions provided for Operating Purposes	5,970	5,667	5,766	5,853	5,999	6,149	6,303	6,461	6,622	6,788	6,957
Grants and Contributions provided for Capital Purposes	10,347	6,010	4,829	4,883	5,005	5,130	5,259	5,390	5,525	5,663	5,805
Internal Revenue	5,307	4,314	4,401	4,427	4,551	4,678	4,809	4,944	5,082	5,225	5,371
<i>Other Income:</i>											
Net gain from the disposal of assets											
Share of interests in joint ventures and associates											
<b>Total Income from Continuing Operations</b>	<b>48,842</b>	<b>44,451</b>	<b>44,139</b>	<b>44,932</b>	<b>46,106</b>	<b>47,314</b>	<b>48,554</b>	<b>49,827</b>	<b>51,133</b>	<b>52,474</b>	<b>53,850</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits and On-Costs	11,972	12,185	12,484	12,824	13,209	13,605	14,013	14,434	14,867	15,313	15,772
Borrowing Costs	618	348	308	278	246	205	189	176	163	149	134
Materials and Contracts	12,875	12,368	12,752	13,065	13,392	13,726	14,070	14,421	14,782	15,151	15,530
Overheads	1,672	1,703	1,735	1,768	1,812	1,858	1,904	1,952	2,000	2,050	2,102
Depreciation and Amortisation	7,940	8,291	8,513	8,713	8,940	9,172	9,410	9,655	9,906	10,164	10,428
Impairment											
Net Losses from the disposal of assets											
Other Expenses	2,977	2,713	2,784	2,850	2,907	2,965	3,024	3,085	3,147	3,210	3,274
<b>Total Expenses from Continuing Operations</b>	<b>38,054</b>	<b>37,608</b>	<b>38,576</b>	<b>39,498</b>	<b>40,505</b>	<b>41,531</b>	<b>42,611</b>	<b>43,723</b>	<b>44,865</b>	<b>46,037</b>	<b>47,240</b>
<b>Operating Result from Continuing Operations</b>	<b>10,788</b>	<b>6,842</b>	<b>5,563</b>	<b>5,434</b>	<b>5,601</b>	<b>5,783</b>	<b>5,944</b>	<b>6,104</b>	<b>6,269</b>	<b>6,437</b>	<b>6,610</b>
<b>Discontinued Operations</b>											
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>10,788</b>	<b>6,842</b>	<b>5,563</b>	<b>5,434</b>	<b>5,601</b>	<b>5,783</b>	<b>5,944</b>	<b>6,104</b>	<b>6,269</b>	<b>6,437</b>	<b>6,610</b>
Net Operating Result attributable to Council	10,788	6,842	5,563	5,434	5,601	5,783	5,944	6,104	6,269	6,437	6,610
Net Operating Result attributable to Minority Interests	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>441</b>	<b>832</b>	<b>734</b>	<b>551</b>	<b>596</b>	<b>653</b>	<b>685</b>	<b>714</b>	<b>744</b>	<b>774</b>	<b>806</b>
<b>Net Operating Result for the Year</b>	<b>10,788</b>	<b>6,842</b>	<b>5,563</b>	<b>5,434</b>	<b>5,601</b>	<b>5,783</b>	<b>5,944</b>	<b>6,104</b>	<b>6,269</b>	<b>6,437</b>	<b>6,610</b>
<b>Total Comprehensive Income for the year</b>	<b>10,788</b>	<b>6,842</b>	<b>5,563</b>	<b>5,434</b>	<b>5,601</b>	<b>5,783</b>	<b>5,944</b>	<b>6,104</b>	<b>6,269</b>	<b>6,437</b>	<b>6,610</b>

Scenario 1 - Statement of Cash Flows For the year	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates and Annual Charges	16,886	17,903	18,360	18,781	19,251	19,732	20,225	20,731	21,249	21,780	22,325
User Charges and Fees	7,047	7,238	7,396	7,543	7,754	7,971	8,195	8,424	8,660	8,902	9,152
Investment and Interest Revenue Received	572	589	608	629	651	677	704	733	762	792	824
Grants and Contributions	16,317	11,677	10,595	10,736	11,005	11,280	11,562	11,851	12,147	12,451	12,762
Other	8,020	7,043	7,180	7,243	7,446	7,654	7,869	8,089	8,315	8,548	8,788
<b>Payments:</b>											
Employee Benefits and On-Costs	(11,972)	(12,185)	(12,484)	(12,824)	(13,209)	(13,605)	(14,013)	(14,434)	(14,867)	(15,313)	(15,772)
Materials and Contracts	(14,547)	(14,071)	(14,487)	(14,833)	(15,204)	(15,584)	(15,974)	(16,373)	(16,782)	(17,202)	(17,632)
Borrowing Costs	(618)	(348)	(308)	(278)	(246)	(205)	(189)	(176)	(163)	(149)	(134)
Other	(2,977)	(2,713)	(2,784)	(2,850)	(2,907)	(2,965)	(3,024)	(3,085)	(3,147)	(3,210)	(3,274)
<b>Net Cash provided (or used) in Operating Activities</b>	<b>18,728</b>	<b>15,133</b>	<b>14,076</b>	<b>14,147</b>	<b>14,540</b>	<b>14,955</b>	<b>15,354</b>	<b>15,759</b>	<b>16,175</b>	<b>16,601</b>	<b>17,038</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of Investment Securities	8,069	2,566	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	70	70	70	70	72	74	75	77	79	81	83
<b>Payments:</b>											
Purchase of Investment Securities	(7,187)	-	(1,610)	(1,546)	(3,015)	(3,367)	(3,871)	(3,385)	(3,544)	(3,719)	(4,041)
Purchase of Infrastructure, Property, Plant and Equipment	(19,079)	(19,200)	(12,004)	(12,109)	(11,004)	(11,227)	(11,314)	(12,194)	(12,439)	(12,678)	(12,781)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(18,127)</b>	<b>(16,564)</b>	<b>(13,544)</b>	<b>(13,586)</b>	<b>(13,948)</b>	<b>(14,520)</b>	<b>(15,109)</b>	<b>(15,502)</b>	<b>(15,904)</b>	<b>(16,316)</b>	<b>(16,738)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from Borrowing and Advances	-	2,090	-	-	-	-	-	-	-	-	-
<b>Payments:</b>											
Repayment of borrowing and advances	(601)	(659)	(532)	(561)	(593)	(435)	(245)	(258)	(271)	(285)	(300)
<b>Net Cash provided (or used) in Financing Activities</b>	<b>(601)</b>	<b>1,431</b>	<b>(532)</b>	<b>(561)</b>	<b>(593)</b>	<b>(435)</b>	<b>(245)</b>	<b>(258)</b>	<b>(271)</b>	<b>(285)</b>	<b>(300)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>0</b>	<b>-</b>	<b>(0)</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>
plus: Cash and Cash Equivalents - beginning of year	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225
<b>Cash and Cash Equivalents - end of year</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>
plus: Investments on hand - end of year	23,314	20,748	22,359	23,905	26,920	30,287	34,158	37,543	41,087	44,806	48,847
<b>Total Cash, Cash Equivalents and Investments</b>	<b>28,539</b>	<b>25,973</b>	<b>27,584</b>	<b>29,130</b>	<b>32,145</b>	<b>35,512</b>	<b>39,383</b>	<b>42,768</b>	<b>46,312</b>	<b>50,031</b>	<b>54,072</b>



Scenario 1 - Base Case Balance Sheet	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
As at	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Cash Equivalents	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225
Investments	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784
Receivables	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111
Inventories	219	219	219	219	219	219	219	219	219	219	219
Other	118	118	118	118	118	118	118	118	118	118	118
<b>Total Current Assets</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>	<b>14,457</b>
<b>Non-Current Assets</b>											
Investments	16,530	13,964	15,575	17,121	20,136	23,503	27,374	30,759	34,303	38,022	42,063
Infrastructure, Property, Plant and Equipment	449,017	459,856	463,276	466,603	468,596	470,577	472,405	474,866	477,320	479,753	482,023
Investments accounted for using the equity method	233	233	233	233	233	233	233	233	233	233	233
<b>Total Non-Current Assets</b>	<b>465,780</b>	<b>474,053</b>	<b>479,084</b>	<b>483,957</b>	<b>488,965</b>	<b>494,313</b>	<b>500,012</b>	<b>505,859</b>	<b>511,856</b>	<b>518,009</b>	<b>524,319</b>
<b>TOTAL ASSETS</b>	<b>480,237</b>	<b>488,510</b>	<b>493,541</b>	<b>498,414</b>	<b>503,422</b>	<b>508,770</b>	<b>514,469</b>	<b>520,316</b>	<b>526,313</b>	<b>532,466</b>	<b>538,776</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714
Borrowings	593	462	488	516	354	160	169	177	187	197	197
Provisions	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105
<b>Total Current Liabilities</b>	<b>7,412</b>	<b>7,281</b>	<b>7,307</b>	<b>7,335</b>	<b>7,173</b>	<b>6,979</b>	<b>6,988</b>	<b>6,996</b>	<b>7,006</b>	<b>7,016</b>	<b>7,016</b>
<b>Non-Current Liabilities</b>											
Payables	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291
Borrowings	4,883	6,445	5,887	5,297	4,867	4,626	4,373	4,106	3,826	3,531	3,232
Provisions	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033
<b>Total Non-Current Liabilities</b>	<b>15,207</b>	<b>16,769</b>	<b>16,211</b>	<b>15,621</b>	<b>15,191</b>	<b>14,950</b>	<b>14,697</b>	<b>14,430</b>	<b>14,150</b>	<b>13,855</b>	<b>13,556</b>
<b>TOTAL LIABILITIES</b>	<b>22,619</b>	<b>24,050</b>	<b>23,518</b>	<b>22,957</b>	<b>22,364</b>	<b>21,929</b>	<b>21,684</b>	<b>21,427</b>	<b>21,155</b>	<b>20,871</b>	<b>20,571</b>
<b>Net Assets</b>	<b>457,618</b>	<b>464,460</b>	<b>470,023</b>	<b>475,457</b>	<b>481,058</b>	<b>486,841</b>	<b>492,785</b>	<b>498,889</b>	<b>505,158</b>	<b>511,595</b>	<b>518,205</b>
<b>EQUITY</b>											
Retained Earnings	224,962	231,804	237,367	242,801	248,402	254,185	260,129	266,233	272,502	278,939	285,549
Revaluation Reserves	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656
<b>Total Equity</b>	<b>457,618</b>	<b>464,460</b>	<b>470,023</b>	<b>475,457</b>	<b>481,058</b>	<b>486,841</b>	<b>492,785</b>	<b>498,889</b>	<b>505,158</b>	<b>511,595</b>	<b>518,205</b>

Scenario 1 Statement of Changes in Equity For the year	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>RETAINED EARNINGS</b>											
Opening Balance	214,174	224,962	231,804	237,367	242,801	248,402	254,185	260,129	266,233	272,502	278,939
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	214,174	224,962	231,804	237,367	242,801	248,402	254,185	260,129	266,233	272,502	278,939
<b>Net Operating Result for the Year</b>	<b>10,788</b>	<b>6,842</b>	<b>5,563</b>	<b>5,434</b>	<b>5,601</b>	<b>5,783</b>	<b>5,944</b>	<b>6,104</b>	<b>6,269</b>	<b>6,437</b>	<b>6,610</b>
<b>Total Comprehensive Income</b>	<b>10,788</b>	<b>6,842</b>	<b>5,563</b>	<b>5,434</b>	<b>5,601</b>	<b>5,783</b>	<b>5,944</b>	<b>6,104</b>	<b>6,269</b>	<b>6,437</b>	<b>6,610</b>
<b>Balance at End of the Reporting Period</b>	<b>224,962</b>	<b>231,804</b>	<b>237,367</b>	<b>242,801</b>	<b>248,402</b>	<b>254,185</b>	<b>260,129</b>	<b>266,233</b>	<b>272,502</b>	<b>278,939</b>	<b>285,549</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>											
Opening Balance	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>
<b>Balance at End of the Reporting Period</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>
<b>COUNCIL EQUITY INTEREST</b>											
Opening Balance	446,830	457,618	464,460	470,023	475,457	481,058	486,841	492,785	498,889	505,158	511,595
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	446,830	457,618	464,460	470,023	475,457	481,058	486,841	492,785	498,889	505,158	511,595
<b>Net Operating Result for the Year</b>	<b>10,788</b>	<b>6,842</b>	<b>5,563</b>	<b>5,434</b>	<b>5,601</b>	<b>5,783</b>	<b>5,944</b>	<b>6,104</b>	<b>6,269</b>	<b>6,437</b>	<b>6,610</b>
<b>Total Comprehensive Income</b>	<b>10,788</b>	<b>6,842</b>	<b>5,563</b>	<b>5,434</b>	<b>5,601</b>	<b>5,783</b>	<b>5,944</b>	<b>6,104</b>	<b>6,269</b>	<b>6,437</b>	<b>6,610</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>457,618</b>	<b>464,460</b>	<b>470,023</b>	<b>475,457</b>	<b>481,058</b>	<b>486,841</b>	<b>492,785</b>	<b>498,889</b>	<b>505,158</b>	<b>511,595</b>	<b>518,205</b>

## Scenario One – Consolidated - Financial Statements – 2019-29 LTFP

Income Statement - Consolidated For the year	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>Income from Continuing Operations</b>											
<i>Revenue:</i>											
Rates and Annual Charges	22,748	23,978	24,666	25,350	26,049	26,769	27,508	28,269	29,051	29,855	30,682
User Charges and Fees	17,866	18,639	19,148	19,654	20,241	20,845	21,468	22,110	22,771	23,452	24,153
Interest and Investment Revenue	974	996	1,002	992	1,388	1,447	1,594	1,787	1,992	2,222	2,471
Other Revenue	2,713	2,729	2,779	2,816	2,895	2,976	3,059	3,145	3,233	3,323	3,417
Grants and Contributions provided for Operating Purposes	6,040	5,738	5,839	5,928	6,076	6,228	6,384	6,543	6,707	6,875	7,047
Grants and Contributions provided for Capital Purposes	11,201	6,893	5,743	5,811	5,956	6,105	6,258	6,414	6,575	6,739	6,908
Internal Revenue	5,307	4,314	4,401	4,427	4,551	4,678	4,809	4,944	5,082	5,225	5,371
<b>Total Income from Continuing Operations</b>	<b>66,849</b>	<b>63,288</b>	<b>63,578</b>	<b>64,978</b>	<b>67,157</b>	<b>69,049</b>	<b>71,081</b>	<b>73,213</b>	<b>75,411</b>	<b>77,691</b>	<b>80,049</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits and On-Costs	14,003	14,267	14,608	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448
Borrowing Costs	3,013	2,988	2,961	2,806	2,769	2,594	2,417	2,244	2,087	1,926	1,777
Materials and Contracts	16,659	16,283	16,748	17,197	17,627	18,068	18,519	18,982	19,457	19,943	20,442
Overheads	4,277	4,343	4,432	4,527	4,640	4,756	4,875	4,997	5,122	5,250	5,381
Depreciation and Amortisation	11,427	12,124	12,446	12,734	13,065	13,405	13,753	14,111	14,478	14,854	15,240
Other Expenses	4,300	3,995	4,189	4,289	4,375	4,462	4,552	4,643	4,735	4,830	4,927
<b>Total Expenses from Continuing Operations</b>	<b>53,679</b>	<b>54,000</b>	<b>55,384</b>	<b>56,553</b>	<b>57,926</b>	<b>59,198</b>	<b>60,508</b>	<b>61,859</b>	<b>63,268</b>	<b>64,715</b>	<b>66,215</b>
<b>Operating Result from Continuing Operations</b>	<b>13,170</b>	<b>9,288</b>	<b>8,193</b>	<b>8,425</b>	<b>9,231</b>	<b>9,851</b>	<b>10,574</b>	<b>11,353</b>	<b>12,143</b>	<b>12,976</b>	<b>13,834</b>
<b>Discontinued Operations</b>											
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>13,170</b>	<b>9,288</b>	<b>8,193</b>	<b>8,425</b>	<b>9,231</b>	<b>9,851</b>	<b>10,574</b>	<b>11,353</b>	<b>12,143</b>	<b>12,976</b>	<b>13,834</b>
Net Operating Result attributable to Council	13,170	9,288	8,193	8,425	9,231	9,851	10,574	11,353	12,143	12,976	13,834
Net Operating Result attributable to Minority Interests	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>1,969</b>	<b>2,394</b>	<b>2,451</b>	<b>2,614</b>	<b>3,275</b>	<b>3,745</b>	<b>4,316</b>	<b>4,939</b>	<b>5,569</b>	<b>6,237</b>	<b>6,926</b>
<b>Net Operating Result for the Year</b>	<b>13,170</b>	<b>9,288</b>	<b>8,193</b>	<b>8,425</b>	<b>9,231</b>	<b>9,851</b>	<b>10,574</b>	<b>11,353</b>	<b>12,143</b>	<b>12,976</b>	<b>13,834</b>
<b>Total Comprehensive Income for the year</b>	<b>13,170</b>	<b>9,288</b>	<b>8,193</b>	<b>8,425</b>	<b>9,231</b>	<b>9,851</b>	<b>10,574</b>	<b>11,353</b>	<b>12,143</b>	<b>12,976</b>	<b>13,834</b>

Statement of Cash Flows - Consolidated For the year (000's)	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates and Annual Charges	22,748	23,978	24,666	25,350	26,049	26,769	27,508	28,269	29,051	29,855	30,682
User Charges and Fees	17,866	18,639	19,148	19,654	20,241	20,845	21,468	22,110	22,771	23,452	24,153
Investment and Interest Revenue Received	974	996	1,002	992	1,388	1,447	1,594	1,787	1,992	2,222	2,471
Grants and Contributions	17,241	12,631	11,582	11,739	12,033	12,333	12,642	12,958	13,282	13,614	13,954
Other	8,020	7,043	7,180	7,243	7,446	7,654	7,869	8,089	8,315	8,548	8,788
<b>Payments:</b>											
Employee Benefits and On-Costs	(14,003)	(14,267)	(14,608)	(15,000)	(15,450)	(15,914)	(16,391)	(16,883)	(17,389)	(17,911)	(18,448)
Materials and Contracts	(20,936)	(20,626)	(21,180)	(21,724)	(22,267)	(22,824)	(23,394)	(23,979)	(24,579)	(25,193)	(25,823)
Borrowing Costs	(3,013)	(2,988)	(2,961)	(2,806)	(2,769)	(2,594)	(2,417)	(2,244)	(2,087)	(1,926)	(1,777)
Other	(4,300)	(3,995)	(4,189)	(4,289)	(4,375)	(4,462)	(4,552)	(4,643)	(4,735)	(4,830)	(4,927)
<b>Net Cash provided (or used) in Operating Activities</b>	<b>24,597</b>	<b>21,412</b>	<b>20,639</b>	<b>21,159</b>	<b>22,296</b>	<b>23,255</b>	<b>24,327</b>	<b>25,464</b>	<b>26,621</b>	<b>27,830</b>	<b>29,074</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of Investment Securities	13,328	5,339	453	1,400	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	70	70	70	70	72	74	75	77	79	81	83
<b>Payments:</b>											
Purchase of Investment Securities	(8,173)	(883)	(2,524)	(2,275)	(5,338)	(6,366)	(7,987)	(7,770)	(8,527)	(9,164)	(9,945)
Purchase of Investment Property	(350)	(350)	(350)	(350)	(350)	(350)	(500)	(350)	(350)	(350)	(350)
Purchase of Infrastructure, Property, Plant and Equipment	(31,508)	(28,169)	(16,059)	(17,905)	(14,014)	(13,993)	(13,674)	(14,766)	(15,137)	(15,443)	(15,649)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(26,633)</b>	<b>(23,993)</b>	<b>(18,411)</b>	<b>(19,060)</b>	<b>(19,630)</b>	<b>(20,636)</b>	<b>(22,086)</b>	<b>(22,809)</b>	<b>(23,934)</b>	<b>(24,876)</b>	<b>(25,859)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from Borrowing and Advances	5,000	6,908	772	1,145	1,174	1,203	1,233	1,264	1,296	1,328	1,362
<b>Payments:</b>											
Repayment of borrowing and advances	(2,963)	(4,327)	(3,001)	(3,245)	(3,840)	(3,823)	(3,475)	(3,920)	(3,984)	(4,283)	(4,576)
<b>Net Cash provided (or used) in Financing Activities</b>	<b>2,037</b>	<b>2,581</b>	<b>(2,229)</b>	<b>(2,099)</b>	<b>(2,666)</b>	<b>(2,620)</b>	<b>(2,241)</b>	<b>(2,656)</b>	<b>(2,688)</b>	<b>(2,954)</b>	<b>(3,214)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>1</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>
<b>plus: Cash and Cash Equivalents - beginning of year</b>	<b>5,225</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,225</b>	<b>5,225</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,226</b>	<b>5,225</b>	<b>5,225</b>	<b>5,225</b>
<b>plus: Investments on hand - end of year</b>	<b>42,750</b>	<b>38,294</b>	<b>40,366</b>	<b>41,240</b>	<b>46,578</b>	<b>52,944</b>	<b>60,932</b>	<b>68,702</b>	<b>77,229</b>	<b>86,393</b>	<b>96,338</b>
<b>Total Cash, Cash Equivalents and Investments</b>	<b>47,976</b>	<b>43,520</b>	<b>45,591</b>	<b>46,466</b>	<b>51,804</b>	<b>58,170</b>	<b>66,158</b>	<b>73,928</b>	<b>82,454</b>	<b>91,618</b>	<b>101,563</b>



Balance Sheet - Consolidated As at (000's)	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Cash Equivalents	5,226	5,226	5,226	5,226	5,226	5,226	5,226	5,226	5,225	5,225	5,225
Investments	12,516	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784
Receivables	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206
Inventories	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718
Other	123	123	123	123	123	123	123	123	123	123	123
<b>Total Current Assets</b>	<b>26,789</b>	<b>26,057</b>	<b>26,057</b>	<b>26,057</b>	<b>26,057</b>	<b>26,057</b>	<b>26,057</b>	<b>26,057</b>	<b>26,056</b>	<b>26,056</b>	<b>26,056</b>
<b>Non-Current Assets</b>											
<b>Investments</b>	30,653	26,929	29,001	29,875	35,214	41,579	49,567	57,337	65,864	75,028	84,973
Infrastructure, Property, Plant and Equipment	608,099	624,074	627,617	632,718	633,595	634,110	633,955	634,533	635,113	635,621	635,946
Investments accounted for using the equity method	233	233	233	233	233	233	233	233	233	233	233
Investment Property	55,702	56,052	56,402	56,752	57,102	57,452	57,952	58,303	58,652	59,002	59,351
<b>Total Non-Current Assets</b>	<b>694,687</b>	<b>707,288</b>	<b>713,253</b>	<b>719,579</b>	<b>726,144</b>	<b>733,375</b>	<b>741,708</b>	<b>750,406</b>	<b>759,862</b>	<b>769,884</b>	<b>780,503</b>
<b>TOTAL ASSETS</b>	<b>721,476</b>	<b>733,345</b>	<b>739,310</b>	<b>745,636</b>	<b>752,201</b>	<b>759,432</b>	<b>767,764</b>	<b>776,462</b>	<b>785,918</b>	<b>795,940</b>	<b>806,559</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	6,232	6,232	6,232	6,232	6,232	6,232	6,232	6,232	6,232	6,232	6,232
Borrowings	1,475	4,380	3,051	3,561	3,788	3,594	3,528	3,733	4,025	4,327	3,603
Provisions	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837
<b>Total Current Liabilities</b>	<b>10,544</b>	<b>13,449</b>	<b>12,120</b>	<b>12,630</b>	<b>12,857</b>	<b>12,663</b>	<b>12,597</b>	<b>12,802</b>	<b>13,094</b>	<b>13,396</b>	<b>12,672</b>
<b>Non-Current Liabilities</b>											
Payables	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291
Borrowings	66,787	66,466	65,564	62,956	60,063	57,636	55,463	52,600	49,622	46,366	43,875
Provisions	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033
<b>Total Non-Current Liabilities</b>	<b>77,111</b>	<b>76,790</b>	<b>75,888</b>	<b>73,280</b>	<b>70,387</b>	<b>67,960</b>	<b>65,787</b>	<b>62,924</b>	<b>59,946</b>	<b>56,690</b>	<b>54,199</b>
<b>TOTAL LIABILITIES</b>	<b>87,656</b>	<b>90,238</b>	<b>88,009</b>	<b>85,910</b>	<b>83,245</b>	<b>80,624</b>	<b>78,383</b>	<b>75,727</b>	<b>73,040</b>	<b>70,086</b>	<b>66,871</b>
<b>Net Assets</b>	<b>633,820</b>	<b>643,107</b>	<b>651,301</b>	<b>659,726</b>	<b>668,957</b>	<b>678,808</b>	<b>689,381</b>	<b>700,735</b>	<b>712,878</b>	<b>725,854</b>	<b>739,688</b>
<b>EQUITY</b>											
Retained Earnings	351,499	360,786	368,980	377,405	386,636	396,487	407,060	418,414	430,557	443,533	457,367
Revaluation Reserves	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
<b>Total Equity</b>	<b>633,820</b>	<b>643,107</b>	<b>651,301</b>	<b>659,726</b>	<b>668,957</b>	<b>678,808</b>	<b>689,381</b>	<b>700,735</b>	<b>712,878</b>	<b>725,854</b>	<b>739,688</b>

Statement of Changes in Equity - Consolidated For the year (000's)	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>RETAINED EARNINGS</b>											
Opening Balance	338,329	351,499	360,786	368,980	377,405	386,636	396,487	407,060	418,414	430,557	443,533
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	338,329	351,499	360,786	368,980	377,405	386,636	396,487	407,060	418,414	430,557	443,533
<b>Net Operating Result for the Year</b>	13,170	9,288	8,193	8,425	9,231	9,851	10,574	11,353	12,143	12,976	13,834
<b>Total Comprehensive Income</b>	13,170	9,288	8,193	8,425	9,231	9,851	10,574	11,353	12,143	12,976	13,834
<b>Balance at End of the Reporting Period</b>	351,499	360,786	368,980	377,405	386,636	396,487	407,060	418,414	430,557	443,533	457,367
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>											
Opening Balance	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
<b>Balance at End of the Reporting Period</b>	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
<b>COUNCIL EQUITY INTEREST</b>											
Opening Balance	620,650	633,820	643,107	651,301	659,726	668,957	678,808	689,381	700,735	712,878	725,854
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	620,650	633,820	643,107	651,301	659,726	668,957	678,808	689,381	700,735	712,878	725,854
<b>Net Operating Result for the Year</b>	13,170	9,288	8,193	8,425	9,231	9,851	10,574	11,353	12,143	12,976	13,834
<b>Total Comprehensive Income</b>	13,170	9,288	8,193	8,425	9,231	9,851	10,574	11,353	12,143	12,976	13,834
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	633,820	643,107	651,301	659,726	668,957	678,808	689,381	700,735	712,878	725,854	739,688

## Scenario Two – General Fund – Financial Statements – 2019-29 LTFP

Scenario 2 SRV Income Statement	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Income from Continuing Operations</b>											
<i>Revenue:</i>											
Rates and Annual Charges	18,637	19,509	20,006	20,468	20,980	21,504	22,042	22,593	23,158	23,737	24,330
User Charges and Fees	7,047	7,238	7,396	7,543	7,754	7,971	8,195	8,424	8,660	8,902	9,152
Interest and Investment Revenue	572	589	608	629	651	677	704	733	762	792	824
Other Revenue	2,713	2,729	2,779	2,816	2,895	2,976	3,059	3,145	3,233	3,323	3,417
Grants and Contributions provided for Operating Purposes	5,970	5,667	5,766	5,853	5,999	6,149	6,303	6,461	6,622	6,788	6,957
Grants and Contributions provided for Capital Purposes	10,347	20,220	4,829	4,883	5,005	5,130	5,259	5,390	5,525	5,663	5,805
Internal Revenue	5,307	4,314	4,401	4,427	4,551	4,678	4,809	4,944	5,082	5,225	5,371
<b>Total Income from Continuing Operations</b>	<b>50,593</b>	<b>60,266</b>	<b>45,785</b>	<b>46,619</b>	<b>47,836</b>	<b>49,087</b>	<b>50,371</b>	<b>51,689</b>	<b>53,042</b>	<b>54,430</b>	<b>55,855</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits and On-Costs	11,972	12,435	13,335	13,697	14,103	14,522	14,953	15,397	15,854	16,324	16,809
Borrowing Costs	618	834	755	718	678	628	602	580	557	532	506
Materials and Contracts	12,875	12,368	12,952	13,270	13,602	13,942	14,290	14,648	15,014	15,389	15,774
Overheads	1,672	1,703	1,735	1,768	1,812	1,858	1,904	1,952	2,000	2,050	2,102
Depreciation and Amortisation	7,940	8,291	8,921	9,121	9,347	9,579	9,818	10,063	10,314	10,571	10,835
Other Expenses	2,977	2,775	2,848	2,915	2,974	3,034	3,095	3,157	3,220	3,285	3,351
<b>Total Expenses from Continuing Operations</b>	<b>38,054</b>	<b>38,406</b>	<b>40,546</b>	<b>41,488</b>	<b>42,516</b>	<b>43,562</b>	<b>44,662</b>	<b>45,796</b>	<b>46,959</b>	<b>48,152</b>	<b>49,378</b>
<b>Operating Result from Continuing Operations</b>	<b>12,539</b>	<b>21,860</b>	<b>5,239</b>	<b>5,131</b>	<b>5,320</b>	<b>5,525</b>	<b>5,709</b>	<b>5,894</b>	<b>6,083</b>	<b>6,278</b>	<b>6,478</b>
<b>Discontinued Operations</b>											
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>12,539</b>	<b>21,860</b>	<b>5,239</b>	<b>5,131</b>	<b>5,320</b>	<b>5,525</b>	<b>5,709</b>	<b>5,894</b>	<b>6,083</b>	<b>6,278</b>	<b>6,478</b>
Net Operating Result attributable to Council	12,539	21,860	5,239	5,131	5,320	5,525	5,709	5,894	6,083	6,278	6,478
Net Operating Result attributable to Minority Interests	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>2,192</b>	<b>1,640</b>	<b>410</b>	<b>248</b>	<b>315</b>	<b>395</b>	<b>451</b>	<b>504</b>	<b>558</b>	<b>615</b>	<b>673</b>
<b>Net Operating Result for the Year</b>	<b>12,539</b>	<b>21,860</b>	<b>5,239</b>	<b>5,131</b>	<b>5,320</b>	<b>5,525</b>	<b>5,709</b>	<b>5,894</b>	<b>6,083</b>	<b>6,278</b>	<b>6,478</b>
<b>Total Comprehensive Income for the year</b>	<b>12,539</b>	<b>21,860</b>	<b>5,239</b>	<b>5,131</b>	<b>5,320</b>	<b>5,525</b>	<b>5,709</b>	<b>5,894</b>	<b>6,083</b>	<b>6,278</b>	<b>6,478</b>

Scenario 2 SRV Statement of Cash Flows	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates and Annual Charges	18,637	19,509	20,006	20,468	20,980	21,504	22,042	22,593	23,158	23,737	24,330
User Charges and Fees	7,047	7,238	7,396	7,543	7,754	7,971	8,195	8,424	8,660	8,902	9,152
Investment and Interest Revenue Received	572	589	608	629	651	677	704	733	762	792	824
Grants and Contributions	16,317	25,887	10,595	10,736	11,005	11,280	11,562	11,851	12,147	12,451	12,762
Other	7,860	8,020	7,043	7,180	7,243	7,446	7,654	7,869	8,089	8,315	8,548
<b>Payments:</b>											
Employee Benefits and On-Costs	(11,972)	(12,435)	(13,335)	(13,697)	(14,103)	(14,522)	(14,953)	(15,397)	(15,854)	(16,324)	(16,809)
Materials and Contracts	(14,547)	(14,071)	(14,687)	(15,038)	(15,414)	(15,799)	(16,194)	(16,599)	(17,014)	(17,439)	(17,875)
Borrowing Costs	(618)	(834)	(755)	(718)	(678)	(628)	(602)	(580)	(557)	(532)	(506)
Other	(2,977)	(2,775)	(2,848)	(2,915)	(2,974)	(3,034)	(3,095)	(3,157)	(3,220)	(3,285)	(3,351)
<b>Net Cash provided (or used) in Operating Activities</b>	<b>20,319</b>	<b>31,128</b>	<b>14,022</b>	<b>14,189</b>	<b>14,464</b>	<b>14,896</b>	<b>15,313</b>	<b>15,736</b>	<b>16,170</b>	<b>16,616</b>	<b>17,074</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of Investment Securities	8,069	3,182	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	70	70	70	70	72	74	75	77	79	81	83
<b>Payments:</b>											
Purchase of Investment Securities	(7,988)	-	(1,226)	(1,167)	(2,642)	(3,000)	(3,510)	(3,031)	(3,196)	(3,378)	(3,706)
Purchase of Infrastructure, Property, Plant and Equipment	(20,029)	(44,260)	(12,304)	(12,417)	(11,319)	(11,550)	(11,645)	(12,533)	(12,787)	(13,035)	(13,146)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(19,878)</b>	<b>(41,007)</b>	<b>(13,459)</b>	<b>(13,514)</b>	<b>(13,889)</b>	<b>(14,476)</b>	<b>(15,079)</b>	<b>(15,486)</b>	<b>(15,904)</b>	<b>(16,331)</b>	<b>(16,770)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from Borrowing and Advances	-	12,323	-	-	-	-	-	-	-	-	-
<b>Payments:</b>											
Repayment of borrowing and advances	(601)	(1,467)	(700)	(738)	(778)	(628)	(448)	(470)	(493)	(518)	(544)
<b>Net Cash provided (or used) in Financing Activities</b>	<b>(601)</b>	<b>10,856</b>	<b>(700)</b>	<b>(738)</b>	<b>(778)</b>	<b>(628)</b>	<b>(448)</b>	<b>(470)</b>	<b>(493)</b>	<b>(518)</b>	<b>(544)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(160)</b>	<b>977</b>	<b>(137)</b>	<b>(63)</b>	<b>(203)</b>	<b>(208)</b>	<b>(214)</b>	<b>(220)</b>	<b>(226)</b>	<b>(233)</b>	<b>(239)</b>
<b>plus: Cash and Cash Equivalents - beginning of year</b>	<b>5,225</b>	<b>5,065</b>	<b>6,042</b>	<b>5,905</b>	<b>5,842</b>	<b>5,639</b>	<b>5,430</b>	<b>5,216</b>	<b>4,996</b>	<b>4,769</b>	<b>4,537</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>5,065</b>	<b>6,042</b>	<b>5,905</b>	<b>5,842</b>	<b>5,639</b>	<b>5,430</b>	<b>5,216</b>	<b>4,996</b>	<b>4,769</b>	<b>4,537</b>	<b>4,297</b>
<b>plus: Investments on hand - end of year</b>	<b>24,115</b>	<b>20,933</b>	<b>22,158</b>	<b>23,325</b>	<b>25,967</b>	<b>28,967</b>	<b>32,477</b>	<b>35,508</b>	<b>38,704</b>	<b>42,081</b>	<b>45,788</b>
<b>Total Cash, Cash Equivalents and Investments</b>	<b>29,180</b>	<b>26,975</b>	<b>28,063</b>	<b>29,167</b>	<b>31,606</b>	<b>34,398</b>	<b>37,693</b>	<b>40,504</b>	<b>43,473</b>	<b>46,618</b>	<b>50,085</b>



Scenario 2 SRV Balance Sheet	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
As at	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Cash Equivalents	5,065	6,042	5,905	5,842	5,639	5,430	5,216	4,996	4,769	4,537	4,297
Investments	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784
Receivables	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111
Inventories	219	219	219	219	219	219	219	219	219	219	219
Other	118	118	118	118	118	118	118	118	118	118	118
<b>Total Current Assets</b>	<b>14,297</b>	<b>15,274</b>	<b>15,137</b>	<b>15,074</b>	<b>14,871</b>	<b>14,662</b>	<b>14,448</b>	<b>14,228</b>	<b>14,001</b>	<b>13,769</b>	<b>13,529</b>
<b>Non-Current Assets</b>											
Investments	17,331	14,149	15,374	16,541	19,183	22,183	25,693	28,724	31,920	35,297	39,004
Infrastructure, Property, Plant and Equipment	449,967	485,866	489,179	492,405	494,306	496,203	497,954	500,347	502,742	505,124	507,352
Investments accounted for using the equity method	233	233	233	233	233	233	233	233	233	233	233
<b>Total Non-Current Assets</b>	<b>467,531</b>	<b>500,247</b>	<b>504,786</b>	<b>509,180</b>	<b>513,722</b>	<b>518,619</b>	<b>523,880</b>	<b>529,304</b>	<b>534,894</b>	<b>540,654</b>	<b>546,589</b>
<b>TOTAL ASSETS</b>	<b>481,828</b>	<b>515,521</b>	<b>519,923</b>	<b>524,253</b>	<b>528,593</b>	<b>533,281</b>	<b>538,329</b>	<b>543,532</b>	<b>548,896</b>	<b>554,423</b>	<b>560,118</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714
Borrowings	601	1,467	700	738	778	628	448	470	493	518	544
Provisions	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105
<b>Total Current Liabilities</b>	<b>7,420</b>	<b>8,286</b>	<b>7,519</b>	<b>7,557</b>	<b>7,597</b>	<b>7,447</b>	<b>7,267</b>	<b>7,289</b>	<b>7,312</b>	<b>7,337</b>	<b>7,363</b>
<b>Non-Current Liabilities</b>											
Payables	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291
Borrowings	4,715	15,682	15,612	14,774	13,753	13,066	12,585	11,872	11,129	10,353	9,545
Provisions	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033
<b>Total Non-Current Liabilities</b>	<b>15,039</b>	<b>26,006</b>	<b>25,936</b>	<b>25,098</b>	<b>24,077</b>	<b>23,390</b>	<b>22,909</b>	<b>22,196</b>	<b>21,453</b>	<b>20,677</b>	<b>19,869</b>
<b>TOTAL LIABILITIES</b>	<b>22,459</b>	<b>34,292</b>	<b>33,455</b>	<b>32,654</b>	<b>31,674</b>	<b>30,837</b>	<b>30,176</b>	<b>29,485</b>	<b>28,765</b>	<b>28,014</b>	<b>27,232</b>
<b>Net Assets</b>	<b>459,369</b>	<b>481,229</b>	<b>486,468</b>	<b>491,599</b>	<b>496,919</b>	<b>502,444</b>	<b>508,153</b>	<b>514,047</b>	<b>520,131</b>	<b>526,409</b>	<b>532,886</b>
<b>EQUITY</b>											
Retained Earnings	226,713	248,573	253,812	258,943	264,263	269,788	275,497	281,391	287,475	293,753	300,230
Revaluation Reserves	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656
<b>Total Equity</b>	<b>459,369</b>	<b>481,229</b>	<b>486,468</b>	<b>491,599</b>	<b>496,919</b>	<b>502,444</b>	<b>508,153</b>	<b>514,047</b>	<b>520,131</b>	<b>526,409</b>	<b>532,886</b>

Scenario 2 SRV Statement of Changes in Equity	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>RETAINED EARNINGS</b>											
Opening Balance	214,174	226,713	248,573	253,812	258,943	264,263	269,788	275,497	281,391	287,475	293,753
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>214,174</b>	<b>226,713</b>	<b>248,573</b>	<b>253,812</b>	<b>258,943</b>	<b>264,263</b>	<b>269,788</b>	<b>275,497</b>	<b>281,391</b>	<b>287,475</b>	<b>293,753</b>
<b>Net Operating Result for the Year</b>	<b>12,539</b>	<b>21,860</b>	<b>5,239</b>	<b>5,131</b>	<b>5,320</b>	<b>5,525</b>	<b>5,709</b>	<b>5,894</b>	<b>6,083</b>	<b>6,278</b>	<b>6,478</b>
<b>Total Comprehensive Income</b>	<b>12,539</b>	<b>21,860</b>	<b>5,239</b>	<b>5,131</b>	<b>5,320</b>	<b>5,525</b>	<b>5,709</b>	<b>5,894</b>	<b>6,083</b>	<b>6,278</b>	<b>6,478</b>
<b>Balance at End of the Reporting Period</b>	<b>226,713</b>	<b>248,573</b>	<b>253,812</b>	<b>258,943</b>	<b>264,263</b>	<b>269,788</b>	<b>275,497</b>	<b>281,391</b>	<b>287,475</b>	<b>293,753</b>	<b>300,230</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>											
Opening Balance	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>
<b>Balance at End of the Reporting Period</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>
<b>COUNCIL EQUITY INTEREST</b>											
Opening Balance	446,830	459,369	481,229	486,468	491,599	496,919	502,444	508,153	514,047	520,131	526,409
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>446,830</b>	<b>459,369</b>	<b>481,229</b>	<b>486,468</b>	<b>491,599</b>	<b>496,919</b>	<b>502,444</b>	<b>508,153</b>	<b>514,047</b>	<b>520,131</b>	<b>526,409</b>
<b>Net Operating Result for the Year</b>	<b>12,539</b>	<b>21,860</b>	<b>5,239</b>	<b>5,131</b>	<b>5,320</b>	<b>5,525</b>	<b>5,709</b>	<b>5,894</b>	<b>6,083</b>	<b>6,278</b>	<b>6,478</b>
<b>Total Comprehensive Income</b>	<b>12,539</b>	<b>21,860</b>	<b>5,239</b>	<b>5,131</b>	<b>5,320</b>	<b>5,525</b>	<b>5,709</b>	<b>5,894</b>	<b>6,083</b>	<b>6,278</b>	<b>6,478</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>459,369</b>	<b>481,229</b>	<b>486,468</b>	<b>491,599</b>	<b>496,919</b>	<b>502,444</b>	<b>508,153</b>	<b>514,047</b>	<b>520,131</b>	<b>526,409</b>	<b>532,886</b>

## Scenario Two – Consolidated - Financial Statements – 2019-29 LTFP

Income Statement - Consolidated For the year	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>Income from Continuing Operations</b>											
<i>Revenue:</i>											
Rates and Annual Charges	24,499	25,584	26,312	27,037	27,779	28,541	29,325	30,131	30,960	31,812	32,688
User Charges and Fees	17,866	18,639	19,148	19,654	20,241	20,845	21,468	22,110	22,771	23,452	24,153
Interest and Investment Revenue	974	996	1,002	992	1,388	1,447	1,594	1,787	1,992	2,222	2,471
Other Revenue	2,713	2,729	2,779	2,816	2,895	2,976	3,059	3,145	3,233	3,323	3,417
Grants and Contributions provided for Operating Purposes	6,040	5,738	5,839	5,928	6,076	6,228	6,384	6,543	6,707	6,875	7,047
Grants and Contributions provided for Capital Purposes	11,201	21,103	5,743	5,811	5,956	6,105	6,258	6,414	6,575	6,739	6,908
Internal Revenue	5,307	4,314	4,401	4,427	4,551	4,678	4,809	4,944	5,082	5,225	5,371
<b>Total Income from Continuing Operations</b>	<b>68,600</b>	<b>79,103</b>	<b>65,224</b>	<b>66,665</b>	<b>68,887</b>	<b>70,822</b>	<b>72,898</b>	<b>75,075</b>	<b>77,320</b>	<b>79,647</b>	<b>82,054</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits and On-Costs	14,003	14,517	15,459	15,873	16,344	16,830	17,331	17,846	18,376	18,923	19,485
Borrowing Costs	3,013	3,474	3,409	3,245	3,200	3,017	2,831	2,648	2,480	2,309	2,149
Materials and Contracts	16,659	16,283	16,948	17,402	17,837	18,283	18,740	19,209	19,689	20,181	20,686
Overheads	4,277	4,343	4,432	4,527	4,640	4,756	4,875	4,997	5,122	5,250	5,381
Depreciation and Amortisation	11,427	12,124	12,854	13,142	13,473	13,812	14,161	14,518	14,885	15,262	15,648
Other Expenses	4,300	4,057	4,253	4,354	4,442	4,531	4,622	4,715	4,809	4,906	5,004
<b>Total Expenses from Continuing Operations</b>	<b>53,679</b>	<b>54,798</b>	<b>57,354</b>	<b>58,543</b>	<b>59,936</b>	<b>61,229</b>	<b>62,559</b>	<b>63,932</b>	<b>65,362</b>	<b>66,830</b>	<b>68,353</b>
<b>Operating Result from Continuing Operations</b>	<b>14,921</b>	<b>24,305</b>	<b>7,869</b>	<b>8,122</b>	<b>8,950</b>	<b>9,593</b>	<b>10,339</b>	<b>11,143</b>	<b>11,958</b>	<b>12,817</b>	<b>13,701</b>
<b>Discontinued Operations</b>											
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>14,921</b>	<b>24,305</b>	<b>7,869</b>	<b>8,122</b>	<b>8,950</b>	<b>9,593</b>	<b>10,339</b>	<b>11,143</b>	<b>11,958</b>	<b>12,817</b>	<b>13,701</b>
Net Operating Result attributable to Council	14,921	24,305	7,869	8,122	8,950	9,593	10,339	11,143	11,958	12,817	13,701
Net Operating Result attributable to Minority Interests	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>3,720</b>	<b>3,202</b>	<b>2,127</b>	<b>2,311</b>	<b>2,994</b>	<b>3,487</b>	<b>4,081</b>	<b>4,729</b>	<b>5,383</b>	<b>6,078</b>	<b>6,794</b>
<b>Net Operating Result for the Year</b>	<b>14,921</b>	<b>24,305</b>	<b>7,869</b>	<b>8,122</b>	<b>8,950</b>	<b>9,593</b>	<b>10,339</b>	<b>11,143</b>	<b>11,958</b>	<b>12,817</b>	<b>13,701</b>
<b>Total Comprehensive Income for the year</b>	<b>14,921</b>	<b>24,305</b>	<b>7,869</b>	<b>8,122</b>	<b>8,950</b>	<b>9,593</b>	<b>10,339</b>	<b>11,143</b>	<b>11,958</b>	<b>12,817</b>	<b>13,701</b>

Statement of Cash Flows - Consolidated For the year (000's)	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates and Annual Charges	24,499	25,584	26,312	27,037	27,779	28,541	29,325	30,131	30,960	31,812	32,688
User Charges and Fees	17,866	18,639	19,148	19,654	20,241	20,845	21,468	22,110	22,771	23,452	24,153
Investment and Interest Revenue Received	974	996	1,002	992	1,388	1,447	1,594	1,787	1,992	2,222	2,471
Grants and Contributions	17,241	26,841	11,582	11,739	12,033	12,333	12,642	12,958	13,282	13,614	13,954
Other	7,860	7,043	7,180	7,243	7,446	7,654	7,869	8,089	8,315	8,548	8,788
<b>Payments:</b>											
Employee Benefits and On-Costs	(14,003)	(14,517)	(15,459)	(15,873)	(16,344)	(16,830)	(17,331)	(17,846)	(18,376)	(18,923)	(19,485)
Materials and Contracts	(20,936)	(20,626)	(21,380)	(21,921)	(22,468)	(23,041)	(23,628)	(24,230)	(24,848)	(25,480)	(26,129)
Borrowing Costs	(3,013)	(3,474)	(3,409)	(3,245)	(3,200)	(3,017)	(2,831)	(2,648)	(2,480)	(2,309)	(2,149)
Other	(4,300)	(4,057)	(4,253)	(4,354)	(4,442)	(4,531)	(4,622)	(4,715)	(4,809)	(4,906)	(5,004)
<b>Net Cash provided (or used) in Operating Activities</b>	<b>26,188</b>	<b>36,429</b>	<b>20,723</b>	<b>21,272</b>	<b>22,432</b>	<b>23,403</b>	<b>24,487</b>	<b>25,637</b>	<b>26,806</b>	<b>28,029</b>	<b>29,287</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of Investment Securities	13,328	5,956	453	1,276	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	70	70	70	70	72	74	75	77	79	81	83
<b>Payments:</b>											
Purchase of Investment Securities	(8,974)	(883)	(2,140)	(2,101)	(5,025)	(5,875)	(7,488)	(7,262)	(8,103)	(8,734)	(9,507)
Purchase of Investment Property	(350)	(350)	(350)	(350)	(350)	(350)	(500)	(350)	(350)	(350)	(350)
Purchase of Infrastructure, Property, Plant and Equipment	(32,458)	(53,229)	(16,359)	(17,891)	(14,279)	(14,439)	(14,131)	(15,234)	(15,523)	(15,840)	(16,055)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(28,384)</b>	<b>(48,436)</b>	<b>(18,326)</b>	<b>(18,996)</b>	<b>(19,582)</b>	<b>(20,590)</b>	<b>(22,043)</b>	<b>(22,769)</b>	<b>(23,897)</b>	<b>(24,842)</b>	<b>(25,829)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from Borrowing and Advances	5,000	17,142	772	1,145	1,174	1,203	1,233	1,264	1,296	1,328	1,362
<b>Payments:</b>											
Repayment of borrowing and advances	(2,963)	(5,135)	(3,169)	(3,421)	(4,025)	(4,017)	(3,677)	(4,132)	(4,206)	(4,516)	(4,820)
<b>Net Cash provided (or used) in Financing Activities</b>	<b>2,037</b>	<b>12,007</b>	<b>(2,397)</b>	<b>(2,276)</b>	<b>(2,851)</b>	<b>(2,813)</b>	<b>(2,444)</b>	<b>(2,868)</b>	<b>(2,910)</b>	<b>(3,187)</b>	<b>(3,459)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(159)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>
plus: Cash and Cash Equivalents - beginning of year	5,225	5,066	5,066	5,066	5,066	5,066	5,066	5,066	5,066	5,065	5,065
<b>Cash and Cash Equivalents - end of year</b>	<b>5,066</b>	<b>5,066</b>	<b>5,066</b>	<b>5,066</b>	<b>5,066</b>	<b>5,066</b>	<b>5,066</b>	<b>5,066</b>	<b>5,065</b>	<b>5,065</b>	<b>5,065</b>
plus: Investments on hand - end of year	43,551	38,478	40,165	40,991	46,015	51,890	59,378	66,640	74,743	83,477	92,985
<b>Total Cash, Cash Equivalents and Investments</b>	<b>48,617</b>	<b>43,544</b>	<b>45,231</b>	<b>46,056</b>	<b>51,081</b>	<b>56,956</b>	<b>64,444</b>	<b>71,706</b>	<b>79,808</b>	<b>88,542</b>	<b>98,050</b>

Balance Sheet - Consolidated	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
As at (000's)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Cash Equivalents	5,066	5,066	5,066	5,066	5,066	5,066	5,066	5,066	5,065	5,065	5,065
Investments	12,516	12,516	12,516	12,516	12,516	12,516	12,516	12,516	12,516	12,516	12,516
Receivables	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206
Inventories	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718
Other	123	123	123	123	123	123	123	123	123	123	123
<b>Total Current Assets</b>	<b>26,629</b>	<b>26,629</b>	<b>26,629</b>	<b>26,629</b>	<b>26,629</b>	<b>26,629</b>	<b>26,629</b>	<b>26,629</b>	<b>26,628</b>	<b>26,628</b>	<b>26,628</b>
<b>Non-Current Assets</b>											
Investments	31,454	26,381	28,068	28,894	33,919	39,793	47,281	54,543	62,646	71,381	80,888
Infrastructure, Property, Plant and Equipment	609,049	650,084	653,520	658,199	658,933	659,486	659,381	660,019	660,578	661,074	661,398
Investments accounted for using the equity method	233	233	233	233	233	233	233	233	233	233	233
Investment Property	55,702	56,052	56,402	56,752	57,102	57,452	57,952	58,303	58,652	59,002	59,351
<b>Total Non-Current Assets</b>	<b>696,438</b>	<b>732,751</b>	<b>738,223</b>	<b>744,078</b>	<b>750,187</b>	<b>756,965</b>	<b>764,847</b>	<b>773,098</b>	<b>782,109</b>	<b>791,690</b>	<b>801,871</b>
<b>TOTAL ASSETS</b>	<b>723,067</b>	<b>759,380</b>	<b>764,852</b>	<b>770,707</b>	<b>776,816</b>	<b>783,594</b>	<b>791,476</b>	<b>799,726</b>	<b>808,737</b>	<b>818,318</b>	<b>828,498</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	6,233	6,233	6,233	6,241	6,250	6,249	6,236	6,211	6,174	6,124	6,063
Borrowings	1,483	5,187	3,220	3,737	3,973	3,788	3,731	3,946	4,247	4,560	3,847
Provisions	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837
<b>Total Current Liabilities</b>	<b>10,553</b>	<b>14,257</b>	<b>12,290</b>	<b>12,815</b>	<b>13,060</b>	<b>12,873</b>	<b>12,804</b>	<b>12,994</b>	<b>13,258</b>	<b>13,521</b>	<b>12,747</b>
<b>Non-Current Liabilities</b>											
Payables	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291
Borrowings	66,619	74,923	74,493	71,700	68,614	65,985	63,598	60,516	57,304	53,806	51,058
Provisions	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033
<b>Total Non-Current Liabilities</b>	<b>76,943</b>	<b>85,247</b>	<b>84,817</b>	<b>82,024</b>	<b>78,938</b>	<b>76,309</b>	<b>73,922</b>	<b>70,840</b>	<b>67,628</b>	<b>64,130</b>	<b>61,382</b>
<b>TOTAL LIABILITIES</b>	<b>87,496</b>	<b>99,504</b>	<b>97,107</b>	<b>94,839</b>	<b>91,998</b>	<b>89,183</b>	<b>86,726</b>	<b>83,834</b>	<b>80,886</b>	<b>77,650</b>	<b>74,129</b>
<b>Net Assets</b>	<b>635,571</b>	<b>659,876</b>	<b>667,745</b>	<b>675,868</b>	<b>684,818</b>	<b>694,411</b>	<b>704,750</b>	<b>715,893</b>	<b>727,851</b>	<b>740,668</b>	<b>754,369</b>
<b>EQUITY</b>											
Retained Earnings	353,250	377,555	385,424	393,547	402,497	412,090	422,429	433,572	445,530	458,347	472,048
Revaluation Reserves	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
<b>Total Equity</b>	<b>635,571</b>	<b>659,876</b>	<b>667,745</b>	<b>675,868</b>	<b>684,818</b>	<b>694,411</b>	<b>704,750</b>	<b>715,893</b>	<b>727,851</b>	<b>740,668</b>	<b>754,369</b>



Statement of Changes in Equity - Consolidated For the year (000's)	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>RETAINED EARNINGS</b>											
Opening Balance	338,329	353,250	377,555	385,424	393,547	402,497	412,090	422,429	433,572	445,530	458,347
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	338,329	353,250	377,555	385,424	393,547	402,497	412,090	422,429	433,572	445,530	458,347
<b>Net Operating Result for the Year</b>	14,921	24,305	7,869	8,122	8,950	9,593	10,339	11,143	11,958	12,817	13,701
<b>Total Comprehensive Income</b>	14,921	24,305	7,869	8,122	8,950	9,593	10,339	11,143	11,958	12,817	13,701
<b>Balance at End of the Reporting Period</b>	353,250	377,555	385,424	393,547	402,497	412,090	422,429	433,572	445,530	458,347	472,048
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>											
Opening Balance	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
<b>Balance at End of the Reporting Period</b>	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
<b>COUNCIL EQUITY INTEREST</b>											
Opening Balance	620,650	635,571	659,876	667,745	675,868	684,818	694,411	704,750	715,893	727,851	740,668
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
Revised Opening Balance	620,650	635,571	659,876	667,745	675,868	684,818	694,411	704,750	715,893	727,851	740,668
<b>Net Operating Result for the Year</b>	14,921	24,305	7,869	8,122	8,950	9,593	10,339	11,143	11,958	12,817	13,701
<b>Total Comprehensive Income</b>	14,921	24,305	7,869	8,122	8,950	9,593	10,339	11,143	11,958	12,817	13,701
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	635,571	659,876	667,745	675,868	684,818	694,411	704,750	715,893	727,851	740,668	754,369

## Sensitivity Analysis- General Fund - Financial Statements - 2019-29 LTFP

Sensitivity Analysis Income Statement	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Income from Continuing Operations</b>											
<i>Revenue:</i>											
Rates and Annual Charges	18,730	19,431	19,772	20,176	20,575	21,089	21,617	22,157	22,240	21,756	22,215
User Charges and Fees	7,047	7,238	7,396	7,603	7,816	8,035	8,260	8,491	8,729	8,973	9,224
Interest and Investment Revenue	572	589	608	629	651	677	704	733	762	792	824
Other Revenue	2,713	2,729	2,779	2,957	3,090	3,226	3,366	3,511	3,709	4,613	4,842
Grants and Contributions provided for Operating Purposes	5,970	5,667	5,766	5,853	5,999	6,149	6,303	6,461	6,622	6,788	6,957
Grants and Contributions provided for Capital Purposes	10,347	20,220	4,829	4,949	5,073	5,200	5,330	5,463	5,600	5,740	5,883
Internal Revenue	5,307	4,314	4,401	4,427	4,551	4,678	4,809	4,944	5,082	5,225	5,371
<b>Total Income from Continuing Operations</b>	<b>50,685</b>	<b>60,188</b>	<b>45,551</b>	<b>46,594</b>	<b>47,755</b>	<b>49,055</b>	<b>50,390</b>	<b>51,759</b>	<b>52,744</b>	<b>53,886</b>	<b>55,317</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits and On-Costs	11,972	12,435	13,335	13,697	14,103	14,522	14,953	15,397	15,854	16,324	16,809
Borrowing Costs	618	834	755	718	678	628	602	580	557	532	506
Materials and Contracts	12,875	12,368	12,952	13,270	13,602	13,942	14,290	14,648	15,014	15,389	15,774
Overheads	1,672	1,703	1,735	1,768	1,812	1,858	1,904	1,952	2,000	2,050	2,102
Depreciation and Amortisation	7,940	8,291	8,921	9,121	9,347	9,579	9,818	10,063	10,314	10,571	10,835
Other Expenses	2,977	2,775	2,848	2,915	2,974	3,034	3,095	3,157	3,220	3,285	3,351
<b>Total Expenses from Continuing Operations</b>	<b>38,054</b>	<b>38,406</b>	<b>40,546</b>	<b>41,488</b>	<b>42,516</b>	<b>43,562</b>	<b>44,662</b>	<b>45,796</b>	<b>46,959</b>	<b>48,152</b>	<b>49,378</b>
<b>Operating Result from Continuing Operations</b>	<b>12,631</b>	<b>21,782</b>	<b>5,005</b>	<b>5,106</b>	<b>5,240</b>	<b>5,493</b>	<b>5,727</b>	<b>5,964</b>	<b>5,785</b>	<b>5,734</b>	<b>5,939</b>
<b>Discontinued Operations</b>											
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>12,631</b>	<b>21,782</b>	<b>5,005</b>	<b>5,106</b>	<b>5,240</b>	<b>5,493</b>	<b>5,727</b>	<b>5,964</b>	<b>5,785</b>	<b>5,734</b>	<b>5,939</b>
Net Operating Result attributable to Council	12,631	21,782	5,005	5,106	5,240	5,493	5,727	5,964	5,785	5,734	5,939
Net Operating Result attributable to Minority Interests	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>2,285</b>	<b>1,562</b>	<b>176</b>	<b>157</b>	<b>167</b>	<b>294</b>	<b>398</b>	<b>501</b>	<b>186</b>	<b>(6)</b>	<b>56</b>
<b>Net Operating Result for the Year</b>	<b>12,631</b>	<b>21,782</b>	<b>5,005</b>	<b>5,106</b>	<b>5,240</b>	<b>5,493</b>	<b>5,727</b>	<b>5,964</b>	<b>5,785</b>	<b>5,734</b>	<b>5,939</b>
<b>Total Comprehensive Income for the year</b>	<b>12,631</b>	<b>21,782</b>	<b>5,005</b>	<b>5,106</b>	<b>5,240</b>	<b>5,493</b>	<b>5,727</b>	<b>5,964</b>	<b>5,785</b>	<b>5,734</b>	<b>5,939</b>

Sensitivity Analysis Statement of Cash Flows	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates and Annual Charges	18,730	19,431	19,772	20,176	20,575	21,089	21,617	22,157	22,240	21,756	22,215
User Charges and Fees	7,047	7,238	7,396	7,603	7,816	8,035	8,260	8,491	8,729	8,973	9,224
Investment and Interest Revenue Received	572	589	608	629	651	677	704	733	762	792	824
Grants and Contributions	16,317	25,887	10,595	10,802	11,072	11,349	11,633	11,924	12,222	12,527	12,841
Other	8,020	7,043	7,180	7,384	7,641	7,904	8,176	8,455	8,791	9,838	10,213
<b>Payments:</b>											
Employee Benefits and On-Costs	(11,972)	(12,435)	(13,335)	(13,697)	(14,103)	(14,522)	(14,953)	(15,397)	(15,854)	(16,324)	(16,809)
Materials and Contracts	(14,547)	(14,071)	(14,687)	(15,038)	(15,414)	(15,799)	(16,194)	(16,599)	(17,014)	(17,439)	(17,875)
Borrowing Costs	(618)	(834)	(755)	(718)	(678)	(628)	(602)	(580)	(557)	(532)	(506)
Other	(2,977)	(2,775)	(2,848)	(2,915)	(2,974)	(3,034)	(3,095)	(3,157)	(3,220)	(3,285)	(3,351)
<b>Net Cash provided (or used) in Operating Activities</b>	<b>20,571</b>	<b>30,073</b>	<b>13,925</b>	<b>14,226</b>	<b>14,587</b>	<b>15,073</b>	<b>15,545</b>	<b>16,026</b>	<b>16,099</b>	<b>16,305</b>	<b>16,775</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of Investment Securities	8,069	3,182	-	-	-	-	-	-	1,500	1,500	1,500
<b>Payments:</b>											
Purchase of Investment Securities	(7,988)	-	(1,226)	(969)	(998)	(1,145)	(1,269)	(1,393)	(2,600)	(2,431)	(2,516)
Purchase of Infrastructure, Property, Plant and Equipment	(20,029)	(44,260)	(12,304)	(12,611)	(12,927)	(13,250)	(13,581)	(13,921)	(14,269)	(14,625)	(14,991)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(19,878)</b>	<b>(41,007)</b>	<b>(13,459)</b>	<b>(13,509)</b>	<b>(13,851)</b>	<b>(14,319)</b>	<b>(14,773)</b>	<b>(15,234)</b>	<b>(15,287)</b>	<b>(15,473)</b>	<b>(15,922)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from Borrowing and Advances	-	12,323	-	-	-	-	-	-	-	-	-
<b>Payments:</b>											
Repayment of borrowing and advances	(601)	(1,467)	(700)	(717)	(735)	(754)	(773)	(792)	(812)	(832)	(853)
<b>Net Cash provided (or used) in Financing Activities</b>	<b>(601)</b>	<b>10,856</b>	<b>(700)</b>	<b>(717)</b>	<b>(735)</b>	<b>(754)</b>	<b>(773)</b>	<b>(792)</b>	<b>(812)</b>	<b>(832)</b>	<b>(853)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>92</b>	<b>(78)</b>	<b>(234)</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
<b>plus: Cash and Cash Equivalents - beginning of year</b>	<b>5,225</b>	<b>5,317</b>	<b>5,239</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>5,317</b>	<b>5,239</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>	<b>5,005</b>
<b>plus: Investments on hand - end of year</b>	<b>24,115</b>	<b>20,933</b>	<b>22,158</b>	<b>23,128</b>	<b>24,126</b>	<b>25,270</b>	<b>26,539</b>	<b>27,932</b>	<b>29,032</b>	<b>29,963</b>	<b>30,979</b>
<b>Total Cash, Cash Equivalents and Investments</b>	<b>29,433</b>	<b>26,172</b>	<b>27,164</b>	<b>28,133</b>	<b>29,131</b>	<b>30,276</b>	<b>31,545</b>	<b>32,938</b>	<b>34,037</b>	<b>34,968</b>	<b>35,984</b>



Sensitivity Analysis Balance Sheet	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
As at	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Cash Equivalents	5,317	5,239	5,005	5,005	5,005	5,005	5,005	5,005	5,005	5,005	5,005
Investments	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784	6,784
Receivables	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111	2,111
Inventories	219	219	219	219	219	219	219	219	219	219	219
Other	118	118	118	118	118	118	118	118	118	118	118
<b>Total Current Assets</b>	<b>14,549</b>	<b>14,471</b>	<b>14,237</b>	<b>14,237</b>	<b>14,237</b>	<b>14,237</b>	<b>14,237</b>	<b>14,237</b>	<b>14,237</b>	<b>14,237</b>	<b>14,237</b>
<b>Non-Current Assets</b>											
Investments	17,331	14,149	15,374	16,344	17,342	18,486	19,755	21,148	22,248	23,179	24,195
Infrastructure, Property, Plant and Equipment	449,967	485,866	489,179	492,598	496,104	499,699	503,385	507,164	511,038	515,009	519,079
Investments accounted for using the equity method	233	233	233	233	233	233	233	233	233	233	233
<b>Total Non-Current Assets</b>	<b>467,531</b>	<b>500,247</b>	<b>504,786</b>	<b>509,175</b>	<b>513,679</b>	<b>518,419</b>	<b>523,373</b>	<b>528,545</b>	<b>533,519</b>	<b>538,421</b>	<b>543,507</b>
<b>TOTAL ASSETS</b>	<b>482,080</b>	<b>514,719</b>	<b>519,024</b>	<b>523,412</b>	<b>527,916</b>	<b>532,656</b>	<b>537,611</b>	<b>542,783</b>	<b>547,756</b>	<b>552,658</b>	<b>557,745</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714	4,714
Borrowings	601	1,467	700	717	735	754	773	792	812	832	853
Provisions	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105
<b>Total Current Liabilities</b>	<b>7,420</b>	<b>8,286</b>	<b>7,519</b>	<b>7,536</b>	<b>7,554</b>	<b>7,573</b>	<b>7,592</b>	<b>7,611</b>	<b>7,631</b>	<b>7,651</b>	<b>7,672</b>
<b>Non-Current Liabilities</b>											
Payables	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291
Borrowings	4,875	14,866	14,933	14,197	13,444	12,672	11,880	11,070	10,237	9,386	8,512
Provisions	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033
<b>Total Non-Current Liabilities</b>	<b>15,199</b>	<b>25,190</b>	<b>25,257</b>	<b>24,521</b>	<b>23,768</b>	<b>22,996</b>	<b>22,204</b>	<b>21,394</b>	<b>20,561</b>	<b>19,710</b>	<b>18,836</b>
<b>TOTAL LIABILITIES</b>	<b>22,619</b>	<b>33,476</b>	<b>32,776</b>	<b>32,058</b>	<b>31,322</b>	<b>30,569</b>	<b>29,796</b>	<b>29,005</b>	<b>28,192</b>	<b>27,361</b>	<b>26,508</b>
<b>Net Assets</b>	<b>459,461</b>	<b>481,243</b>	<b>486,248</b>	<b>491,354</b>	<b>496,594</b>	<b>502,087</b>	<b>507,815</b>	<b>513,778</b>	<b>519,564</b>	<b>525,297</b>	<b>531,237</b>
<b>EQUITY</b>											
Retained Earnings	226,805	248,587	253,592	258,698	263,938	269,431	275,159	281,122	286,908	292,642	298,581
Revaluation Reserves	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656
<b>Total Equity</b>	<b>459,461</b>	<b>481,243</b>	<b>486,248</b>	<b>491,354</b>	<b>496,594</b>	<b>502,087</b>	<b>507,815</b>	<b>513,778</b>	<b>519,564</b>	<b>525,298</b>	<b>531,237</b>

Sensitivity Analysis Stmt of Changes in Equity	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>RETAINED EARNINGS</b>											
Opening Balance	214,174	226,805	248,587	253,592	258,698	263,938	269,431	275,159	281,122	286,908	292,642
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>214,174</b>	<b>226,805</b>	<b>248,587</b>	<b>253,592</b>	<b>258,698</b>	<b>263,938</b>	<b>269,431</b>	<b>275,159</b>	<b>281,122</b>	<b>286,908</b>	<b>292,642</b>
<b>Net Operating Result for the Year</b>	<b>12,631</b>	<b>21,782</b>	<b>5,005</b>	<b>5,106</b>	<b>5,240</b>	<b>5,493</b>	<b>5,727</b>	<b>5,964</b>	<b>5,785</b>	<b>5,734</b>	<b>5,939</b>
<b>Total Comprehensive Income</b>	<b>12,631</b>	<b>21,782</b>	<b>5,005</b>	<b>5,106</b>	<b>5,240</b>	<b>5,493</b>	<b>5,727</b>	<b>5,964</b>	<b>5,785</b>	<b>5,734</b>	<b>5,939</b>
<b>Balance at End of the Reporting Period</b>	<b>226,805</b>	<b>248,587</b>	<b>253,592</b>	<b>258,698</b>	<b>263,938</b>	<b>269,431</b>	<b>275,159</b>	<b>281,122</b>	<b>286,908</b>	<b>292,642</b>	<b>298,581</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>											
Opening Balance	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656	232,656
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>
<b>Balance at End of the Reporting Period</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>	<b>232,656</b>
<b>COUNCIL EQUITY INTEREST</b>											
Opening Balance	446,830	459,461	481,243	486,248	491,354	496,594	502,087	507,815	513,778	519,564	525,298
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>446,830</b>	<b>459,461</b>	<b>481,243</b>	<b>486,248</b>	<b>491,354</b>	<b>496,594</b>	<b>502,087</b>	<b>507,815</b>	<b>513,778</b>	<b>519,564</b>	<b>525,298</b>
<b>Net Operating Result for the Year</b>	<b>12,631</b>	<b>21,782</b>	<b>5,005</b>	<b>5,106</b>	<b>5,240</b>	<b>5,493</b>	<b>5,727</b>	<b>5,964</b>	<b>5,785</b>	<b>5,734</b>	<b>5,939</b>
<b>Total Comprehensive Income</b>	<b>12,631</b>	<b>21,782</b>	<b>5,005</b>	<b>5,106</b>	<b>5,240</b>	<b>5,493</b>	<b>5,727</b>	<b>5,964</b>	<b>5,785</b>	<b>5,734</b>	<b>5,939</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>459,461</b>	<b>481,243</b>	<b>486,248</b>	<b>491,354</b>	<b>496,594</b>	<b>502,087</b>	<b>507,815</b>	<b>513,778</b>	<b>519,564</b>	<b>525,298</b>	<b>531,237</b>

## Sensitivity Analysis- Consolidated - Financial Statements - 2019-29 LTFP

Income Statement - Consolidated For the year	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>Income from Continuing Operations</b>											
<i>Revenue:</i>											
Rates and Annual Charges	24,592	25,506	26,078	26,745	27,374	28,126	28,900	29,695	30,042	29,831	30,572
User Charges and Fees	17,866	18,639	19,148	19,734	20,323	20,930	21,556	22,200	22,863	23,547	24,251
Interest and Investment Revenue	974	996	1,002	992	1,388	1,447	1,594	1,787	1,992	2,222	2,471
Other Revenue	2,713	2,729	2,779	2,957	3,090	3,226	3,366	3,511	3,709	4,613	4,842
Grants and Contributions provided for Operating Purposes	6,040	5,738	5,839	5,928	6,076	6,228	6,384	6,543	6,707	6,875	7,047
Grants and Contributions provided for Capital Purposes	11,201	21,103	5,743	5,877	6,024	6,175	6,329	6,487	6,650	6,816	6,986
Internal Revenue	5,307	4,314	4,401	4,427	4,551	4,678	4,809	4,944	5,082	5,225	5,371
<b>Total Income from Continuing Operations</b>	<b>68,692</b>	<b>79,025</b>	<b>64,990</b>	<b>66,660</b>	<b>68,827</b>	<b>70,811</b>	<b>72,939</b>	<b>75,168</b>	<b>77,045</b>	<b>79,127</b>	<b>81,540</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits and On-Costs	14,003	14,517	15,459	15,873	16,345	16,831	17,331	17,846	18,377	18,923	19,486
Borrowing Costs	3,013	3,474	3,409	3,306	3,132	3,010	2,903	2,792	2,689	2,580	2,483
Materials and Contracts	16,659	16,283	16,948	17,399	17,834	18,280	18,737	19,205	19,685	20,177	20,682
Overheads	4,277	4,343	4,432	4,527	4,638	4,751	4,867	4,986	5,107	5,232	5,360
Depreciation and Amortisation	11,427	12,124	12,854	13,149	13,480	13,820	14,169	14,526	14,893	15,270	15,656
Other Expenses	4,300	4,057	4,253	4,351	4,439	4,528	4,619	4,711	4,806	4,902	5,001
<b>Total Expenses from Continuing Operations</b>	<b>53,679</b>	<b>54,798</b>	<b>57,354</b>	<b>58,605</b>	<b>59,866</b>	<b>61,218</b>	<b>62,624</b>	<b>64,066</b>	<b>65,557</b>	<b>67,085</b>	<b>68,668</b>
<b>Operating Result from Continuing Operations</b>	<b>15,013</b>	<b>24,227</b>	<b>7,635</b>	<b>8,055</b>	<b>8,960</b>	<b>9,593</b>	<b>10,314</b>	<b>11,101</b>	<b>11,488</b>	<b>12,042</b>	<b>12,873</b>
<b>Discontinued Operations</b>											
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>15,013</b>	<b>24,227</b>	<b>7,635</b>	<b>8,055</b>	<b>8,960</b>	<b>9,593</b>	<b>10,314</b>	<b>11,101</b>	<b>11,488</b>	<b>12,042</b>	<b>12,873</b>
Net Operating Result attributable to Council	15,013	24,227	7,635	8,055	8,960	9,593	10,314	11,101	11,488	12,042	12,873
Net Operating Result attributable to Minority Interests	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>3,812</b>	<b>3,124</b>	<b>1,893</b>	<b>2,178</b>	<b>2,936</b>	<b>3,418</b>	<b>3,985</b>	<b>4,614</b>	<b>4,838</b>	<b>5,226</b>	<b>5,887</b>
<b>Net Operating Result for the Year</b>	<b>15,013</b>	<b>24,227</b>	<b>7,635</b>	<b>8,055</b>	<b>8,960</b>	<b>9,593</b>	<b>10,314</b>	<b>11,101</b>	<b>11,488</b>	<b>12,042</b>	<b>12,873</b>
<b>Total Comprehensive Income for the year</b>	<b>15,013</b>	<b>24,227</b>	<b>7,635</b>	<b>8,055</b>	<b>8,960</b>	<b>9,593</b>	<b>10,314</b>	<b>11,101</b>	<b>11,488</b>	<b>12,042</b>	<b>12,873</b>

Statement of Cash Flows - Consolidated For the year (000's)	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates and Annual Charges	24,592	25,506	26,078	26,745	27,374	28,126	28,900	29,695	30,042	29,831	30,572
User Charges and Fees	17,866	18,639	19,148	19,734	20,323	20,930	21,556	22,200	22,863	23,547	24,251
Investment and Interest Revenue Received	974	996	1,002	992	1,388	1,447	1,594	1,787	1,992	2,222	2,471
Grants and Contributions	17,241	26,841	11,582	11,805	12,100	12,403	12,713	13,031	13,357	13,691	14,033
Other	8,020	7,043	7,180	7,384	7,641	7,904	8,176	8,455	8,791	9,838	10,213
<b>Payments:</b>											
Employee Benefits and On-Costs	(14,003)	(14,517)	(15,459)	(15,873)	(16,345)	(16,831)	(17,331)	(17,846)	(18,377)	(18,923)	(19,486)
Materials and Contracts	(20,936)	(20,626)	(21,380)	(21,914)	(22,478)	(23,040)	(23,599)	(24,182)	(24,795)	(25,425)	(26,069)
Borrowing Costs	(3,013)	(3,474)	(3,409)	(3,306)	(3,132)	(3,010)	(2,903)	(2,792)	(2,689)	(2,580)	(2,483)
Other	(4,300)	(4,057)	(4,253)	(4,351)	(4,439)	(4,528)	(4,619)	(4,711)	(4,806)	(4,902)	(5,001)
<b>Net Cash provided (or used) in Operating Activities</b>	<b>26,440</b>	<b>36,351</b>	<b>20,489</b>	<b>21,216</b>	<b>22,433</b>	<b>23,403</b>	<b>24,487</b>	<b>25,636</b>	<b>26,379</b>	<b>27,297</b>	<b>28,502</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of Investment Securities	13,328	5,956	453	1,276	-	-	-	-	1,500	1,500	1,500
Sale of Infrastructure, Property, Plant and Equipment	70	70	70	72	74	75	77	79	81	83	85
<b>Payments:</b>											
Purchase of Investment Securities	(8,974)	(883)	(2,140)	(1,904)	(3,381)	(4,019)	(5,247)	(5,625)	(7,507)	(7,787)	(8,317)
Purchase of Investment Property	(350)	(350)	(350)	(350)	(350)	(350)	(500)	(350)	(350)	(350)	(350)
Purchase of Infrastructure, Property, Plant and Equipment	(32,458)	(53,229)	(16,359)	(18,085)	(15,886)	(16,139)	(16,067)	(16,621)	(17,005)	(17,431)	(17,899)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(28,384)</b>	<b>(48,436)</b>	<b>(18,326)</b>	<b>(18,991)</b>	<b>(19,544)</b>	<b>(20,433)</b>	<b>(21,736)</b>	<b>(22,517)</b>	<b>(23,280)</b>	<b>(23,984)</b>	<b>(24,981)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from Borrowing and Advances	5,000	17,142	772	1,145	1,174	1,203	1,233	1,264	1,296	1,328	1,362
<b>Payments:</b>											
Repayment of borrowing and advances	(2,963)	(5,135)	(3,169)	(3,427)	(4,012)	(4,175)	(4,039)	(4,495)	(4,568)	(4,878)	(5,182)
<b>Net Cash provided (or used) in Financing Activities</b>	<b>2,037</b>	<b>12,007</b>	<b>(2,397)</b>	<b>(2,282)</b>	<b>(2,838)</b>	<b>(2,972)</b>	<b>(2,806)</b>	<b>(3,230)</b>	<b>(3,272)</b>	<b>(3,550)</b>	<b>(3,820)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>93</b>	<b>(78)</b>	<b>(234)</b>	<b>(57)</b>	<b>52</b>	<b>(1)</b>	<b>(55)</b>	<b>(111)</b>	<b>(174)</b>	<b>(237)</b>	<b>(300)</b>
<b>plus: Cash and Cash Equivalents - beginning of year</b>	<b>5,225</b>	<b>5,318</b>	<b>5,240</b>	<b>5,006</b>	<b>4,949</b>	<b>5,001</b>	<b>5,000</b>	<b>4,945</b>	<b>4,834</b>	<b>4,660</b>	<b>4,423</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>5,318</b>	<b>5,240</b>	<b>5,006</b>	<b>4,949</b>	<b>5,001</b>	<b>5,000</b>	<b>4,945</b>	<b>4,834</b>	<b>4,660</b>	<b>4,423</b>	<b>4,124</b>
<b>plus: Investments on hand - end of year</b>	<b>31,515</b>	<b>26,442</b>	<b>28,129</b>	<b>28,757</b>	<b>32,138</b>	<b>36,157</b>	<b>41,404</b>	<b>47,028</b>	<b>53,036</b>	<b>59,323</b>	<b>66,140</b>
<b>Total Cash, Cash Equivalents and Investments</b>	<b>36,833</b>	<b>31,682</b>	<b>33,135</b>	<b>33,706</b>	<b>37,139</b>	<b>41,157</b>	<b>46,349</b>	<b>51,863</b>	<b>57,696</b>	<b>63,746</b>	<b>70,264</b>



Balance Sheet - Consolidated	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
As at (000's)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Cash Equivalents	5,318	5,240	5,006	4,949	5,001	5,000	4,945	4,834	4,660	4,424	4,124
Investments	12,516	12,516	12,516	12,516	12,516	12,516	12,516	12,516	12,516	12,516	12,516
Receivables	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206	7,206
Inventories	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,718
Other	123	123	123	123	123	123	123	123	123	123	123
<b>Total Current Assets</b>	<b>26,881</b>	<b>26,803</b>	<b>26,569</b>	<b>26,512</b>	<b>26,564</b>	<b>26,563</b>	<b>26,508</b>	<b>26,397</b>	<b>26,223</b>	<b>25,987</b>	<b>25,687</b>
<b>Non-Current Assets</b>											
Investments	31,454	26,381	28,068	28,696	32,077	36,096	41,343	46,968	52,975	59,262	66,079
Infrastructure, Property, Plant and Equipment	609,049	650,084	653,519	658,384	660,717	662,960	664,781	666,797	668,827	670,904	673,062
Investments accounted for using the equity method	233	233	233	233	233	233	233	233	233	233	233
Investment Property	55,702	56,052	56,402	56,752	57,102	57,452	57,952	58,303	58,652	59,002	59,351
<b>Total Non-Current Assets</b>	<b>696,438</b>	<b>732,751</b>	<b>738,223</b>	<b>744,065</b>	<b>750,129</b>	<b>756,742</b>	<b>764,309</b>	<b>772,300</b>	<b>780,687</b>	<b>789,401</b>	<b>798,725</b>
<b>TOTAL ASSETS</b>	<b>723,320</b>	<b>759,554</b>	<b>764,792</b>	<b>770,578</b>	<b>776,693</b>	<b>783,305</b>	<b>790,818</b>	<b>798,697</b>	<b>806,910</b>	<b>815,387</b>	<b>824,412</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	6,232	6,232	6,232	6,245	6,238	6,229	6,232	6,241	6,238	6,223	6,196
Borrowings	5,135	5,187	3,220	3,744	3,960	3,946	4,093	4,308	4,609	4,922	4,209
Provisions	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837	2,837
<b>Total Current Liabilities</b>	<b>14,204</b>	<b>14,256</b>	<b>12,289</b>	<b>12,826</b>	<b>13,035</b>	<b>13,012</b>	<b>13,162</b>	<b>13,386</b>	<b>13,684</b>	<b>13,982</b>	<b>13,241</b>
<b>Non-Current Liabilities</b>											
Payables	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291
Borrowings	63,128	75,083	74,653	71,848	68,793	65,834	62,882	59,437	55,864	52,001	48,894
Provisions	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033	9,033
<b>Total Non-Current Liabilities</b>	<b>73,452</b>	<b>85,407</b>	<b>84,977</b>	<b>82,172</b>	<b>79,117</b>	<b>76,158</b>	<b>73,206</b>	<b>69,761</b>	<b>66,188</b>	<b>62,325</b>	<b>59,218</b>
<b>TOTAL LIABILITIES</b>	<b>87,656</b>	<b>99,663</b>	<b>97,266</b>	<b>94,997</b>	<b>92,152</b>	<b>89,170</b>	<b>86,368</b>	<b>83,148</b>	<b>79,872</b>	<b>76,307</b>	<b>72,460</b>
<b>Net Assets</b>	<b>635,664</b>	<b>659,891</b>	<b>667,526</b>	<b>675,581</b>	<b>684,541</b>	<b>694,135</b>	<b>704,450</b>	<b>715,550</b>	<b>727,038</b>	<b>739,080</b>	<b>751,953</b>
<b>EQUITY</b>											
Retained Earnings	353,342	377,570	385,205	393,260	402,221	411,814	422,128	433,229	444,717	456,759	469,632
Revaluation Reserves	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
<b>Total Equity</b>	<b>635,663</b>	<b>659,891</b>	<b>667,526</b>	<b>675,581</b>	<b>684,542</b>	<b>694,135</b>	<b>704,449</b>	<b>715,550</b>	<b>727,038</b>	<b>739,080</b>	<b>751,953</b>

Statement of Changes in Equity - Consolidated For the year (000's)	Budgeted 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
<b>RETAINED EARNINGS</b>											
Opening Balance	338,329	353,342	377,570	385,205	393,260	402,221	411,814	422,128	433,229	444,717	456,759
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>338,329</b>	<b>353,342</b>	<b>377,570</b>	<b>385,205</b>	<b>393,260</b>	<b>402,221</b>	<b>411,814</b>	<b>422,128</b>	<b>433,229</b>	<b>444,717</b>	<b>456,759</b>
<b>Net Operating Result for the Year</b>	<b>15,013</b>	<b>24,227</b>	<b>7,635</b>	<b>8,055</b>	<b>8,960</b>	<b>9,593</b>	<b>10,314</b>	<b>11,101</b>	<b>11,488</b>	<b>12,042</b>	<b>12,873</b>
<b>Total Comprehensive Income</b>	<b>15,013</b>	<b>24,227</b>	<b>7,635</b>	<b>8,055</b>	<b>8,960</b>	<b>9,593</b>	<b>10,314</b>	<b>11,101</b>	<b>11,488</b>	<b>12,042</b>	<b>12,873</b>
<b>Balance at End of the Reporting Period</b>	<b>353,342</b>	<b>377,570</b>	<b>385,205</b>	<b>393,260</b>	<b>402,221</b>	<b>411,814</b>	<b>422,128</b>	<b>433,229</b>	<b>444,717</b>	<b>456,759</b>	<b>469,632</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>											
Opening Balance	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321	282,321
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>
<b>Balance at End of the Reporting Period</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>	<b>282,321</b>
<b>COUNCIL EQUITY INTEREST</b>											
Opening Balance	620,650	635,663	659,891	667,526	675,581	684,542	694,135	704,449	715,550	727,038	739,080
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>620,650</b>	<b>635,663</b>	<b>659,891</b>	<b>667,526</b>	<b>675,581</b>	<b>684,542</b>	<b>694,135</b>	<b>704,449</b>	<b>715,550</b>	<b>727,038</b>	<b>739,080</b>
<b>Net Operating Result for the Year</b>	<b>15,013</b>	<b>24,227</b>	<b>7,635</b>	<b>8,055</b>	<b>8,960</b>	<b>9,593</b>	<b>10,314</b>	<b>11,101</b>	<b>11,488</b>	<b>12,042</b>	<b>12,873</b>
<b>Total Comprehensive Income</b>	<b>15,013</b>	<b>24,227</b>	<b>7,635</b>	<b>8,055</b>	<b>8,960</b>	<b>9,593</b>	<b>10,314</b>	<b>11,101</b>	<b>11,488</b>	<b>12,042</b>	<b>12,873</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>635,663</b>	<b>659,891</b>	<b>667,526</b>	<b>675,581</b>	<b>684,542</b>	<b>694,135</b>	<b>704,449</b>	<b>715,550</b>	<b>727,038</b>	<b>739,080</b>	<b>751,953</b>

**The End**