

Muswellbrook Shire Council  
Long Term Financial Plan  
2017-27



**muswellbrook**  
**shire council**

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# Executive Summary

## Who we are and the challenges we face

Muswellbrook Shire is centrally located in the Upper Hunter Valley, approximately 125km north-west of Newcastle. It is the main centre for New South Wales' power generation capacity and is a major centre for coal mining.

The residential population for the Muswellbrook Shire Local Government Area (LGA) is currently 17,209. This represents an approximate 5% increase from the estimated 16,328 resident population in 2016. Council anticipates the population will continue to grow at a modest rate due to the availability of affordable housing, tertiary education opportunities – a result 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 liveability and amenity. Council has positioned Muswellbrook as a Regional Centre and an identified priority by the NSW Government in the *Hunter Region Plan 2036*.

In NSW, local government annual rate income is subject to rate pegging as 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. Due to projected constraints on revenue capacity, Council continually strives to achieve efficiencies and find better ways to conduct its business.

Council is currently in a strong financial position. 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 (IP&R) framework with a greater focus on a long-term strategic approach. Council was assessed in 2015, through the *Fit for the Future* process, as being sustainable as a standalone council.

While Council is able to continue to operate - and remain sustainable - within the existing rate capping environment, it has been actively consulting with its community. Future challenges are arising as there is increasing uncertainty from disruption in the power generation and coal mining industries. The community indicated a desire for Council to improve the attractiveness and liveability of the Shire, while continuing to support the Shire's economic diversification. In response Council has applied for a Special Variation (SV) for 2018-19 to implement specific projects prioritised by the community.

The decision to make a SV application has not been made in isolation; but rather, as a product of Council's ongoing cycle of planning, review and analysis of overall population, economic and business trends.

The conclusion at the end of this process, is that without an adjustment to the rating base (including the mines, while they are still operational), Council will be limited in its ability to improve the attractiveness and livability of the Shire for its community. This will place its long-term financial and economic sustainability at risk (especially as mining operations cease).

The SV will assist Council to implement its strategic goals to improve the Shire's attractiveness and liveability, to help position Muswellbrook as a Regional Centre, and grow and diversify its economic base.

## What we know

All councils are required to complete a Long Term Financial Plan (LTFP) as part of the Resourcing Strategy that informs their Community Strategic Plan. There are specific requirements for the financial data to be provided, together with how 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 (MSC) is currently in a strong financial position. The context for forward planning is that those industries which have traditionally driven the Shire's economic prosperity are transitioning, as evidenced by the transformational decision by AGL to close Liddell and Bayswater coal fired power stations as it moves towards building renewable energy generation capacity within the Muswellbrook Local Government Area (LGA).

The community has been consulted widely on the delivery of key economic stimulus projects and the fact that

delivery, and funding, of these is dependent on a successful SV application.

Over the past six (6) years, Council has achieved ongoing improvements in its Operating Result and successfully reduced the General Fund's operating result for the year (before grants and other contributions provided for capital purposes) from a deficit of -\$3,090,000 in 2010/11 to a surplus of \$3,342,000 for 2016/17.

This has been achieved through a series of measures including:

- Financial and budgetary discipline in relation to expenditure
- Careful investment in projects that have reduced ongoing operational costs
- Diversification of Council's revenue, including investment in commercial property that has returned increasing and ongoing dividends
- Increased revenue related to the expansion of mining activities in the Shire (noting that this is a volatile source).

As part of Council's *Fit for the Future* submission it is noted that Council has sufficient resources to meet planned service levels and the renewal of community infrastructure. Council's goal is also to be responsive to a transitioning economy. As some mining operations reach the end of their approved or useful lives, others open or expand their operations, and are subject to fluctuations in the global price and demand for coal.

For Council to maintain its strong financial situation and the level of services and infrastructure standards, it needs to be able to replace any revenues lost from mining revenue. Similarly, in order to be able to properly plan for the provision of services and replacement, renewal and upgrade of infrastructure, Council needs to be able to be confident in its ongoing revenue over time.

Council also recognises that it needs to respond to localised social and economic impacts that are currently resulting from our transitioning economies, Council has adopted a range of strategies geared towards helping the community, and the local economy, be resilient, adapt to these changes, diversify into other areas and establish a new base from which thrive in the new economic realities that will apply.

In order to provide these new services, such as allocations towards job creation and the improvement of the local natural environment, as well as the creation of new facilities - such as a Regional Entertainment and Conference Centre, a regional standard Olympic Park sports precinct and improvements in storm water management, Council has given serious consideration to all possible revenue sources. These considerations have included the re-allocation away from existing activities and services, review of the fees and charges levied on community facility users, the appropriate use of debt and cash reserves and the application for a SV.

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

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

- Water Fund
- 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)
- Future Fund
- General Fund

The main activity of the Future Fund is the acquisition and lease of commercial buildings. The Fund is designed to be financially self-sustaining and to mitigate against potential future reductions in revenue streams whilst providing revenue diversification.

The General Fund represents all other Council activities which do not form part of the Water, Sewer or Future Funds. This SV application is based on the General Fund's forecasts.

In this document two (2) 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 two (2) scenarios or options. The options considered in developing this LTFP were:

### Scenario 1: No Special Variation (Base Case)

This is the base case without the assistance of an SV, no special projects and a standard rate increase of 2.3% (the rate peg).

**Scenario 2: A Special Variation (Positive Case)** of a one-off, but permanent, 14.7% (averaged and including 2.3% rate peg) from 2018/19, expressed as:

- (a) Residential, Business and Farmland rating revenue increase by 12.3% (including 2.3% rate peg) in 2018/19; and,
- (b) Mining rating revenue increase by 18.3% (including 2.3% rate peg) in 2018/19.

This LTFP has also overlaid a negative sensitivity analysis of scenario 2.

## What is the recommended approach and why?

Council noted in its 2015 *Fit for the Future* Plan, that it had sufficient resources to meet planned service levels and the renewal of community infrastructure. It also noted, however, that: “Council would consider as an option, and in consultation with the community, making application for a Special 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 increasingly volatile, especially in relation to the ongoing sustainability of the local coal industry. Council has sought to address this volatility by implementing programs around regional job creation, innovation, research and environmental sustainability. While they are in their infancy they are, nonetheless viewed as vital aspects of an ongoing strategy to reconfigure the local economy.

These prioritised programs have largely been funded by ongoing efficiencies achieved from the *Fit for the Future* process and also from revenue returns from Council’s Future Fund. In order to continue the Shire’s transition into a Regional Centre (Goal 4 of the CSP), Council proposes a SV to fund three (3) 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 management, particularly in the Denman town centre.

These projects are aligned with the priorities of Council’s plans as well as those of 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 and support from the community, over a sustained period of time, but could not be delivered within the current resourcing envelope. Consequently, and in light of the community’s prioritisation of these goals, Council is applying for a SV (as modelled as Scenario 2).

# Introduction

## Purpose of the Long Term Financial Plan

The Long Term Financial Plan (LTFP) is a tool for stakeholders (Council and the community) to use when deciding what resources Council needs to apply to deliver the outcomes contained within their CSP.

This LTFP assists Council to address the following challenges:

- Leading the change required to support the community and its economic transition
- Initiating opportunities for future income and economic growth
- Providing revenue to deliver the infrastructure necessary to ensure a sustainable future

In particular, this plan will model the financial implications of the CSP and Delivery Program (DP), along with the ability to maintain existing facilities and infrastructure, based on a range of assumptions and within 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, as well as the renewal and replacement of assets, without imposing excessive debt or rate increases on future generations. This definition has been translated into four (4) key financial sustainability principles.








- Council must achieve a **fully funded operating position** ensuring that Council collects enough revenue to fund operational expenditure, repayment of debt and depreciation.
- Council must **maintain sufficient cash reserves** to 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 identified ageing infrastructure and by ensuring cash reserves are set aside for those works which are yet to be identified.

### How is Long Term Financial Sustainability Measured?

Following the release of the report from the NSW Independent Local Government 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 LTFP against these indicators when assessing the long term financial health of the organisation and its capacity to fund the delivery program. The following shows our starting point in relation to the General Fund, made up of all of Council's activities (except for its water and sewer activities).



	Ratio	Calculation	Sustainable Target	2016/17 Actual Ratio
SUSTAINABILITY	<b>Operating Performance Ratio</b>	Total operating revenue (excluding capital grants and contributions) less total operating expenditure Divided by continuing operating revenue	> 0%	8.16% 
	<b>Own Source Revenue Ratio</b>	Total continuing operating revenue (excluding capital grants and contributions) Divided by continuing operating revenue	> 60%	64.46% 
	<b>Building and Asset Renewal Ratio</b>	Asset renewals divided by depreciation, amortization and impairment	> 100%	107.66% 
INFRASTRUCTURE & SERVICE MANAGEMENT	<b>Infrastructure Backlog Ratio</b>	Estimated cost to bring assets to a satisfactory condition divided by the total WDV of infrastructure assets	< 2%	3.31% 
	<b>Asset Maintenance Ratio</b>	Actual asset maintenance divided by required asset maintenance	> 100%	102% 
	<b>Debt Service Cover Ratio</b>	Operating result before capital excluding interest and depreciation divided by principal repayments plus borrowing costs	> 2x	4.49x 
EFFICIENCY	<b>Real Operating Expenditure</b>	Operating expenditure divided by population	Decreasing	\$2.03/capita 2016 \$1.87/capita 2017 

# 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 17,209 people live in the Muswellbrook Shire LGA, up around 5% from 2011.

Muswellbrook (a recognised Regional Centre) and Denman are the largest towns in the Shire. There are also a number of outlying rural communities including Sandy Hollow, Wybong, Baerami, Martindale, McCullys Gap, Widden and Muscle Creek.

By road, Muswellbrook is approximately three (3) hours from Sydney, two (2) hours from Tamworth and 90 minutes from Newcastle. The Shire boundaries are delineated by Lake Liddell Power Station to the east, Wollemi National Park to the west, Aberdeen to the north and Coricudgy State Forest to the south.

There are currently four (4) large mining operations in the Shire, Mount Arthur (BHP Mining), Bengalla (New Hope Mining), Mangoola (Glencore) and Mt Pleasant (MACH Energy) which begins coal extraction in this year.

### Regulatory Environment

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

- The Local Government Act 1993 (which defines the scope and boundaries of Council's role and the way it must conduct its business)
- NSW Premier's Priorities and State Priorities (which provide direction for NSW, defining the overarching goals and outcomes that the Government has set for the state and which shape public policy)
- IPART (which sets local government sector rate pegging) Council's ability to align rating revenue 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 revenue is set by IPART NSW.

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

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

In 2009, Council embarked on 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 2015/16 and 2016/17 Council achieved around \$400,000 of annual efficiencies as a result of an organisation wide review of the employment structure. This reduced staffing by three (3) net positions - the removal of seven (7) positions and the creation of four (4) new positions. These new roles helped Council reduce energy costs overall, and improve business efficiency. The approximate savings were around \$250,000 per annum. Additionally, Council realised around \$50,000 of annual savings in the costs of energy by the application of energy efficiency measures.

In 2016/2017, in line with its *Fit for the Future* submission, Council has continued to review its business units including a Capacity Review of the Planning and Regulatory Services Function. The findings of the Capacity Review will inform further changes proposed for 2018 that will improve business processes and systems.

Council has prepared a budget based around the facilitation of the activities and targets outlined in its Delivery Program; 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 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 2018-28 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 LTFP 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.

- Council generates a significant portion of its rating base from the mining category. Moves towards a transitioning economy has caused Council to seek means, which diversify the local economy, allowing revenue lost through further contraction of the mining industry to be replaced.
- A full consultation process was undertaken with all mine operators regarding the proposed variation to the mining rate of 18.3% (including 2.3% rate peg) in 2018/19. All mines, with the exception of BHP's Mt Arthur, support the proposed variation.

### Domestic Waste Management Charges

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

### Investment Principles

Council has an Investment Policy that reinforces its 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.

### Borrowings

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) are to 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 for which borrowings are made.

## Cash Reserves and Restrictions

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

The establishment and funding of cash reserves is a financial management strategy to provide funds for capital expenditure.

## 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 revenue through the adoption of a fee or a charge for services and facilities. Fees and charges are reviewed on an annual basis in conjunction with the preparation of the Operational Plan annual budget.

Council fees and charges can be split into two (2) categories:

1. Regulatory Fees –fees that are generally determined by State Government legislation and primarily relate to building, development or compliance activities. Council has no control over the calculation or any annual increases relating to them.
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 principle by which Council sets its fees and charges is to recover either partially or wholly, the cost of services provided.

## Asset Disposal

Muswellbrook Shire Council manages assets disposal in accordance with its Asset Management Policy and Strategic Asset Management Plan. The majority of Council's property assets deliver on services, including:

- 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 self-sustaining Future Fund with the aim of creating a new, ongoing revenue stream for the community and to assist in the transition of the local economy from its dependence on coal to other industries. The Fund achieves this primarily through the construction and acquisition of a range of commercial buildings in Muswellbrook, Denman and other parts of NSW to help build economic resilience.

## Asset Management

### Muswellbrook Asset Management Strategy

MSC is the custodian of infrastructure assets with a replacement value of \$795 million and a depreciated value of approximately \$570 million. Ensuring that these assets are maintained, and able to provide the services required of

them by the community is an important function of the Council.

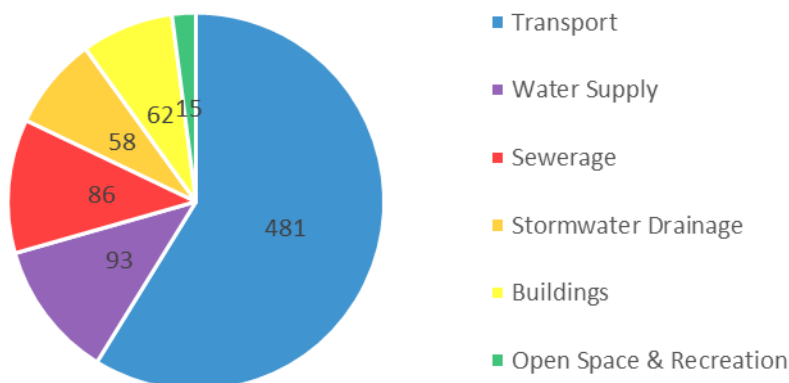
The asset management strategy which encompasses a suite of documents including the Asset Management Policy and Strategic Asset Management Plan, provides a systematic way of accounting for these assets and provides a plan for their operation, maintenance, rehabilitation, disposal and renewal. The strategy 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.

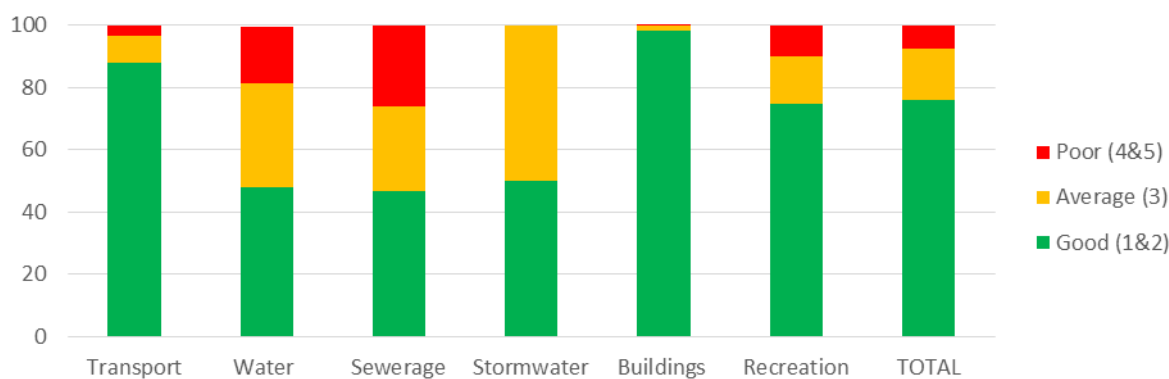
The Muswellbrook asset management strategy includes revised estimates of the value and useful remaining life of the Council's assets. The strategy also includes a comprehensive program of actions to improve the quality of asset data and asset management systems and practices within Council.

Council's infrastructure assets have a replacement value of \$795m. The chart below shows the value (\$M) of each of the six (6) major asset classes.



Council revised its asset management strategy in 2017. The Strategic Asset Management Plan is a living document, the process of ongoing review will provide Council with an improved understanding of the condition of its assets, their useful life, expected levels of service, funding levels required to adequately maintain replacement and to renew infrastructure and other assets.

The chart below shows the current condition of assets in each class. While transport and building assets are in generally good condition, a significant proportion of water and sewerage assets are near the end of their useful life. Council has engaged a contractor to replace the Muswellbrook Reuse Water Treatment Plant.



Investment is required to operate, maintain and upgrade existing assets. New assets are required to manage risk and meet the needs and aspirations of the community.

## 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 2017-27 LTFP the following underpinning principles have been adopted.

## Market Driven Planning Assumptions

### Population Forecasts

Muswellbrook's population is currently estimated at 17,209 and this is projected to increase to 19,550 by 2031.

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 revenue for Council as a result of population growth.

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

These are the same as used for the 2017/18 Operational Plan in the first four (4) years and they reflect the current low inflation environment in Australia at present.

Assumptions	Year One 2018/19	Years 2 – 4	Years 5 - 10
Rates Cap	2.3%	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%

Assumptions	Year One 2018/19	Years 2 – 4	Years 5 - 10
Interest on Borrowings	4.0%	4.7%	5.3%

In determining the inflationary increase assumption for 2018/19 Council has used IPART projections. The increases for 2019 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 that impact these assumptions.

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

Rates Income	Assumption
Minister's Allowable Increase	2.3% in 2018/2019; 2.5% per annum thereafter.
Special Variation Income	<p><b>Scenario 1: No Special Variation</b> This is the base case without the assistance of a Special Variation, no special projects and a rate increase of 2.3% (the rate peg).</p> <p><b>Scenario 2: A Special Variation</b> of a one-off 14.7% (including 2.3% rate peg) from 2018/19 continuing permanently in the rate base that includes:</p> <ul style="list-style-type: none"> <li>a. Residential, Business and Farmland rating revenue increase by 12.3% (including 2.3% rate peg) in 2018/19; and</li> <li>b. Mining rating revenue increase by 18.3% (including 2.3% rate peg) in 2018/19.</li> </ul>

Other Revenue	Assumption
Fees & Charges	<b>Scenario 1 and 2:</b> An allowance has been made to cater for additional revenues arising from the new projects proposed in the SV. All other fees and charges are increased by 2.5% in line with Council cost increases.
Grants and Contributions provided for operating purposes	<b>Scenario 1 and 2:</b> Financial assistance grant budgets reflect expectations based on guidance from the State and Federal governments
Grants and Contributions provided for capital purposes	<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 \$14.21m of grants and voluntary planning agreements are received in 2018/19, hence the revenue increase for that year. Remainder years are modelled 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 for each year.

Operating Expenditure	Assumption
Depreciation	<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 in Scenario 1 increase by \$407.5k per year from 2020/21 due to the completion of the constructions of the Olympic Park precinct upgrade and the Regional Entertainment and Conference Centre.</p>
Borrowing Costs	<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 in scenario 1 increase by \$472k in 2018/19 as a result of the \$11.8m loan for the two projects. These additional interest costs gradually decrease over time as the principal payments occur.</p>
Operational Costs (employee benefits and materials and contracts)	<p><b>Scenario 1</b> – Operational costs grow in line with the “Assumptions” table above. <b>Scenario 2</b> – The operational costs in Scenario 1 increase by \$695k per annum from 2020/21 after the Regional Entertainment and Conference Centre and Olympic Park Precinct upgrade are completed. 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
Asset Renewals	<p><b>Scenario 1:</b> Renewals grow reflective of the Asset Management Strategy.</p> <p><b>Scenario 2:</b> The renewal costs in scenario 1 increase by \$300k per year as additional drainage work starts then.</p>
Borrowed Funds	<p><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.</p> <p><b>Scenario 2</b> – A principal and interest loan or loans are taken up to the value of \$11.8m in 2018/19 for the SV projects.</p>
Loan Repayments	<p><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.</p> <p><b>Scenario 2</b> – The loan principal repayments costs in scenario 1 increase by \$210k per year and they grow every year, in line with the principal and interest repayment schedule. There is \$2.2m in extra principal repayments in years 2018/19 and 2019/20, as the SV funds are received but the projects are under construction and the operational costs have not commenced yet.</p>
New Assets	<p><b>Scenario 1</b> – This reflects the proposed expenditure in the Capital Works Program.</p> <p><b>Scenario 2</b> – The scenario 1 capital works program is increased by \$26.01m when the Regional Entertainment and Conference Centre and the Olympic Park Precinct are constructed.</p>



## 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 2016/17 Financial Year, 39.8% of Council's general rate revenue came from the mining category (coal mining industry). The industry is undertaking a transformation process, which impacts on the local economy and Council's general rating revenue. In the preparation of the LTFP the following externalities have been considered:

- Council has factored in a decrease in the rate revenue associated with a reduced land value for the site proposed for the refused Drayton South Mine (now owned by Malabar Coal).
- Council's assessment of rate revenue from mines in the Shire will be re-assessed in line with the NSW Valuer General's new policy on Valuation of Land Used for Coal Mining which consolidates previous separate mining leases into one that embodies all the land controlled by a business for mining purposes.
- NSW Government changes in biodiversity offset policy, which encourage the conversion of mining offset land to permanent conservation areas through Voluntary Conservation Agreements and cannot be rated.
- Mount Pleasant coal mine will begin extraction in 2018. Council is currently liaising with the Valuer General concerning the redrawing of assessments in this area. The LTFP has taken a conservative view and has not increased future rate revenues in anticipation of reassessing these lots to mines.
- The mining footprint of the Bengalla Mine has recently expanded outside the footprint of the assessments currently categorised as mining and again Council is liaising with the Valuer General to ensure that, if appropriate, new land values are applied to these impacted lands. This should lead to a significant increase in the level of rates able to be levied, however, until the land values are determined, the actual quantum of the increase is difficult to ascertain. At this stage, Council has made a conservative allowance for this increase.
- The consents for the Mount Arthur and Mangoola mines both expire toward the end of the ten (10) year window of the plan, however, both mines may have access to additional coal resources that could extend these lives depending on economic and approval factors. With the coal price remaining strong Mt Arthur and Mangoola are expected to continue operations for the life of the plan.
- Muswellbrook Coal is also expected to close down within the life of the plan. The new owners of Dartbrook have advised that they intend to recommence operations at Dartbrook in the short to medium term.
- IPART has included the issue of mine rating in its Draft Review of the Local Government Rating system and this may lead to fluctuation in rating revenues.

Council faces a degree of volatility over the life of the plan, with the potential for significant increases and decreases to occur during this time. 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 LTFP, 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 of 2.5% per annum from 2019/20 onwards.

With Domestic Waste Annual Charges, Council has factored in necessary increases to allow the activity to remain financially sustainable. For 2018/19 an 8% increase is proposed to cover an estimated 20% increase in collection charges arising out of the need to negotiate a new ten (10) year contract for the kerbside collection of waste.

### User Fees and Charges

Fees and charges are proposed to rise in each year from 2018/19 by 2.5%.

## **Interest and Investments**

Council's cash holdings are invested in Minister approved longer term (between three (3) and seven (7) years), 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 2018/19 and 3.4% in future years on its invested funds.

## **Other Revenues**

Council has established a Future Fund, whose main activity is the acquisition and lease of commercial buildings. The Fund is designed to be financially self-sustaining with all expenses related to the Fund being paid from the generation of revenue derived from these buildings.

## **Grants Operating and Capital**

Council has assumed that indexation will start to 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 Conference Centre and the ongoing receipt of grant funding from the Resources for Regions Program (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 2018/19 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; it 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 funds to develop the Olympic Park Precinct upgrade and the Regional Entertainment and Conference Centre detailed in the SV application. The plan evidences Council's ability to 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%.

## **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. This increased funding will impact on the allocations for this category as well as on the employee costs outlined above.

The plan makes allowance for the costs related to the Olympic Park Precinct upgrade and the Regional Entertainment and Conference Centre.

The plan does not propose any significant changes in relation to the range of services offered by Council nor the levels at which those services are provided. As such, expenditures are expected to remain consistent over the life of the plan. The costs are indexed at 2% for 2018/19; 2.3% for the next four (4) years and 2.5% per annum thereafter.

## Capital Works Program

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

### Scenario 1 – General Fund (No SV)

Capital Expenditure	2019 Budget '000	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
New asset as per program	3,836	2,580	2,222	2,260	2,309	2,329	2,339	2,599	2,735	2,745
Asset Renewals	12,237	7,659	7,928	8,597	8,839	9,016	9,329	9,478	9,537	9,552
<b>Total</b>	<b>16,073</b>	<b>10,239</b>	<b>10,151</b>	<b>10,857</b>	<b>11,148</b>	<b>11,345</b>	<b>11,668</b>	<b>12,077</b>	<b>12,272</b>	<b>12,297</b>

### Scenario 2– General Fund (with additional projects and SV)

Capital Expenditure	2019 Budget '000	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
New asset as per program	29,846	2,580	2,222	2,260	2,309	2,329	2,339	2,599	2,735	2,745
Asset Renewals	12,237	7,659	8,228	8,904	9,155	9,339	9,660	9,817	9,885	9,909
<b>Total</b>	<b>42,083</b>	<b>10,239</b>	<b>10,451</b>	<b>11,164</b>	<b>11,464</b>	<b>11,668</b>	<b>11,999</b>	<b>12,416</b>	<b>12,620</b>	<b>12,654</b>

# LTFP Financial Model

## Scenario 1 – Base Case (No Special Variation)

### Introduction

This scenario models the continuation of Council's services as currently provided. It is based on Council's proposals and assessment under the 2015 *Fit for the Future* regime. It reinforces the assessment that MSC is a sustainable Council under a rate capping environment.

### Components included in the model for Scenario 1

- The NSW Government has set an annual rate cap for councils over the last 30 years. This has been delegated to IPART which set a rate increase of 2.3% for 2018/19. The formula used by IPART assumes that all councils will continue to achieve operational savings.
- No significant changes to rates revenue over the term of this plan, other than from approved increases (rates cap).
- The capital maintenance, rehabilitation and new capital expenditure program is outlined in the asset management strategy and is sufficient to meet the asset benchmarks (asset renewal, asset maintenance and infrastructure backlog ratios). See Capital Works Program summary for General Fund on the previous page.
- Scenario 1 is predicated on the idea that there will be no significant changes to 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 Aquatic Centre and the Denman CBD.

### Summary and assessment – Scenario 1

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

This scenario represents the status quo, where Council delivers existing services and maintains its existing asset base. Under this scenario Council is not able to fully respond to community priorities for storm water drainage upgrades, parks and roads improvements, or additional support for job creation. It is unable to develop the Olympic Park Precinct upgrade or the Regional Entertainment and Conference Centre as proposed in Council's application for a SV. All of these projects are aimed at improving the amenity and liveability of the Shire; to stimulate the local economy and meet community needs for enhanced facilities.

While Council can remain financially sustainable under this scenario it will not allow Council to deliver the priority projects outlined by the community during consultation.

Key Performance Measures										
For years ended 30 June 2018/19 - 2027/28	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Performance Ratio</b>										
> 0%	0.5%	0.8%	0.7%	0.2%	0.6%	0.9%	1.1%	1.3%	1.5%	1.4%
<b>Own Source Revenue Ratio</b>										
> 60%	74%	74%	75%	75%	75%	75%	75%	75%	75%	75%
<b>Building and Infrastructure asset renewal Ratio</b>										
> 100%	163%	99%	100%	106%	106%	106%	107%	106%	104%	101%
<b>Infrastructure Backlog Ratio</b>										
< 2%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	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%	2.4%	2.3%	1.8%	1.8%	1.7%	1.2%	0.6%	0.6%	0.6%	0.6%
<b>Real Operating Expenditure per Capita</b>										
(a declining trend over time)	1.76	1.76	1.75	1.75	1.74	1.73	1.73	1.72	1.71	1.71

# LTFP Financial Model

## Scenario 2 – Special Variation to deliver key community projects

### Introduction

This scenario models the effect a successful application for a Special Variation and the delivery, and funding, of key community projects.

This proposed one-off SV of 12.3% for residential, farmland and business categories and 18.3% in the mining category for 2018/19 will be permanently retained in the rate base and includes the 2.3% IPART approved rate cap for 2018/19. The SV will enable Council to deliver projects for the community, specifically:

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

Consolidation of Muswellbrook as a Regional Centre is an identified priority of the NSW Government in the *Hunter Region Plan 2036*. Scenario 2 and the proposed projects are designed to help position Muswellbrook as the Upper Hunter Regional Centre and grow, and diversify, its economic base.

### Components included in the model for Scenario 2

- The NSW Government has set an annual rate cap for councils over the last 30 years. This determination is made by IPART which has set the rate increase at 2.3% for 2018/19.
- The introduction of a one-off increase of 12.3% (residential, farmland and business categories) and 18.3% (mining category), including the 2.3% IPART rate peg.
- The capital maintenance, rehabilitation and new capital expenditure program is outlined in the asset management strategy and is 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:
  - Regional Entertainment and Conference Centre (\$15 million) and Olympic Park Precinct Upgrades (\$11.01 million) - anticipated funding from grant funds (\$10.5 million), Voluntary Planning contributions (\$3.71 million), and additional borrowing (\$11.8 million)
  - Additional annual program of stormwater management (\$300,000)
  - Additional support to job creation programs (\$250,000)
  - Additional program of roads and parks maintenance (\$100,000)
  - Recovery of lost rating revenue (\$62,000) from changes in state government policy relating to mining biodiversity offsets to be funded by revenue.

## Summary and Assessment – Scenario 2

As displayed in the key performance measures in the following table (and in the financial statements) MSC 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 SV, with the revenue used to fund the cost of servicing additional loans and operational costs for these new community projects.

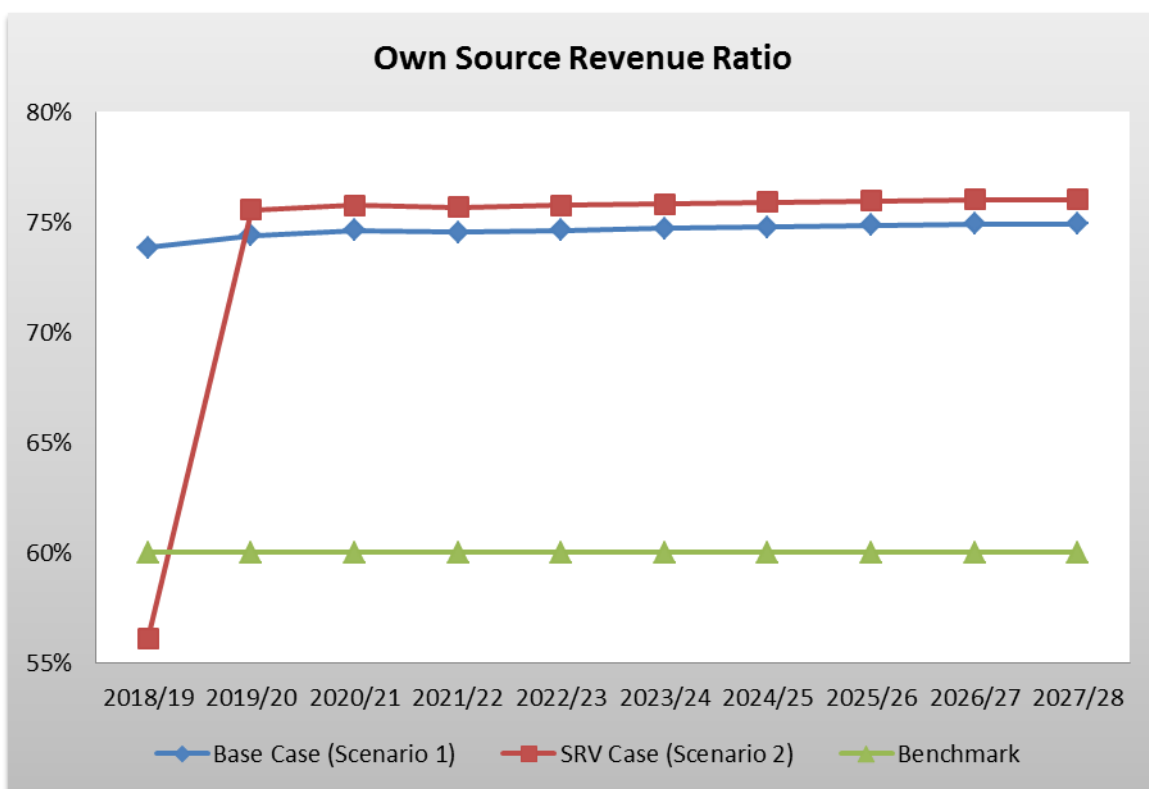
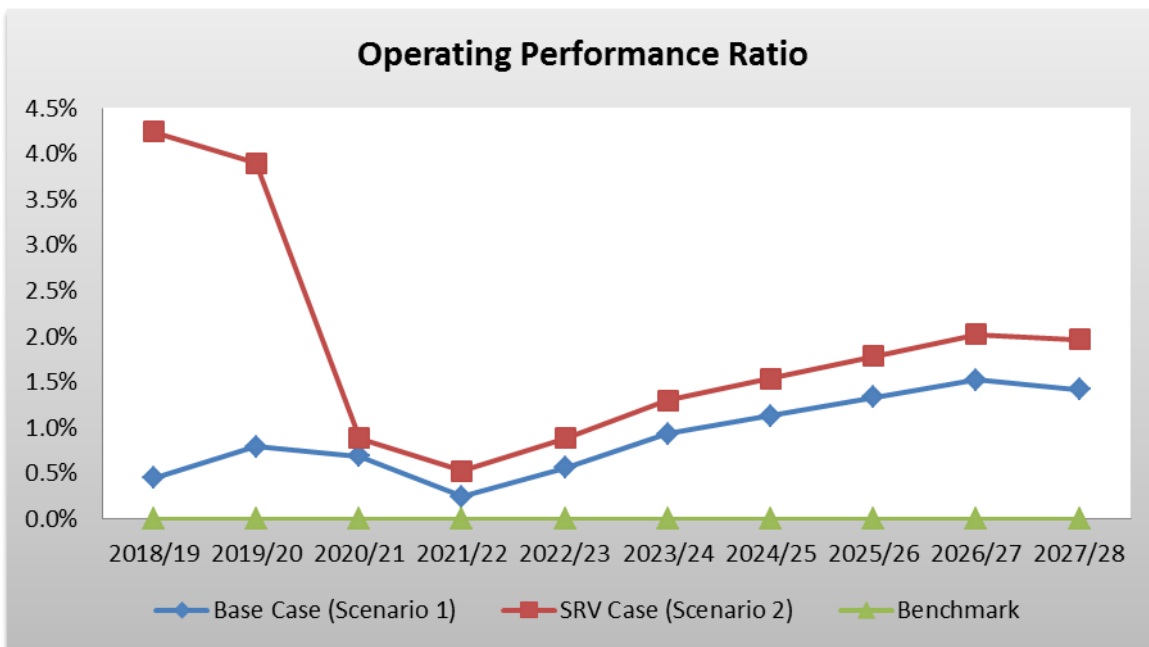
### Scenario 2 - with SV (General Fund)

Key Performance Measures										
For years ended 30 June 2018/19 - 2027/28	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Performance Ratio</b>										
> 0%	4.2%	3.9%	0.9%	0.5%	0.9%	1.3%	1.5%	1.8%	2.0%	2.0%
<b>Own Source Revenue Ratio</b>										
> 60%	56%	76%	76%	76%	76%	76%	76%	76%	76%	76%
<b>Building and Infrastructure asset renewal Ratio</b>										
> 100%	163%	99%	99%	105%	105%	105%	105%	105%	103%	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%	7.4%	6.4%	3.2%	3.1%	3.1%	2.5%	2.0%	1.9%	1.9%	1.8%
<b>Real Operating Expenditure per Capita</b>										
(a declining trend over time)	1.79	1.80	1.84	1.83	1.83	1.82	1.81	1.80	1.79	1.78

# Performance Measurement

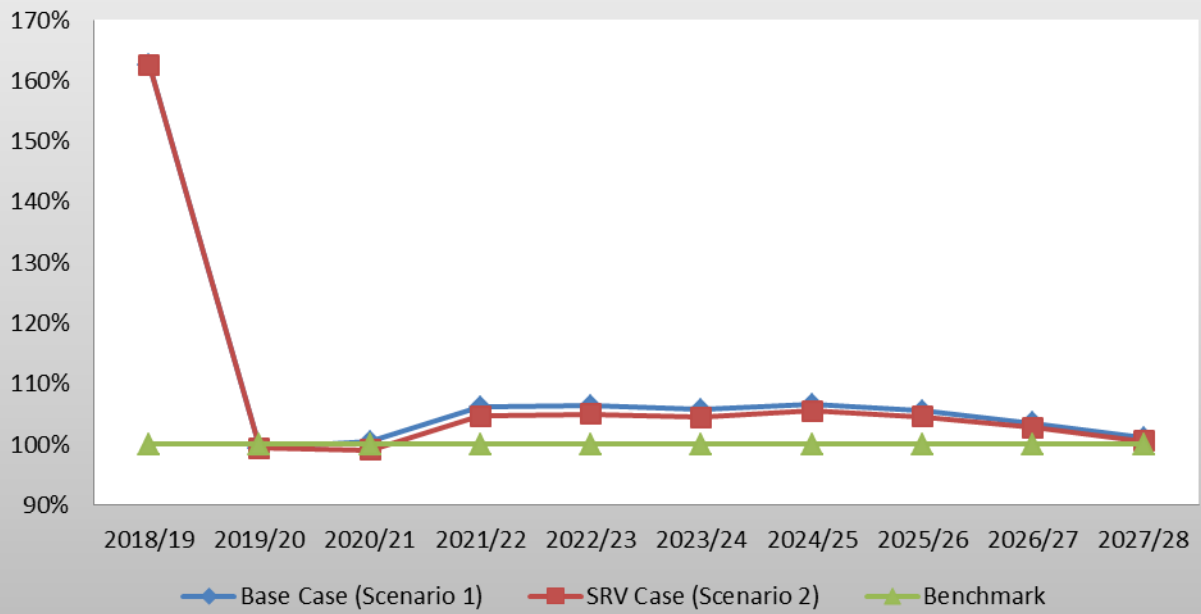
## Comparison of LTFP Scenarios against key performance measures

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 the measures for the two (2) scenarios, against each other and against the relevant benchmark.

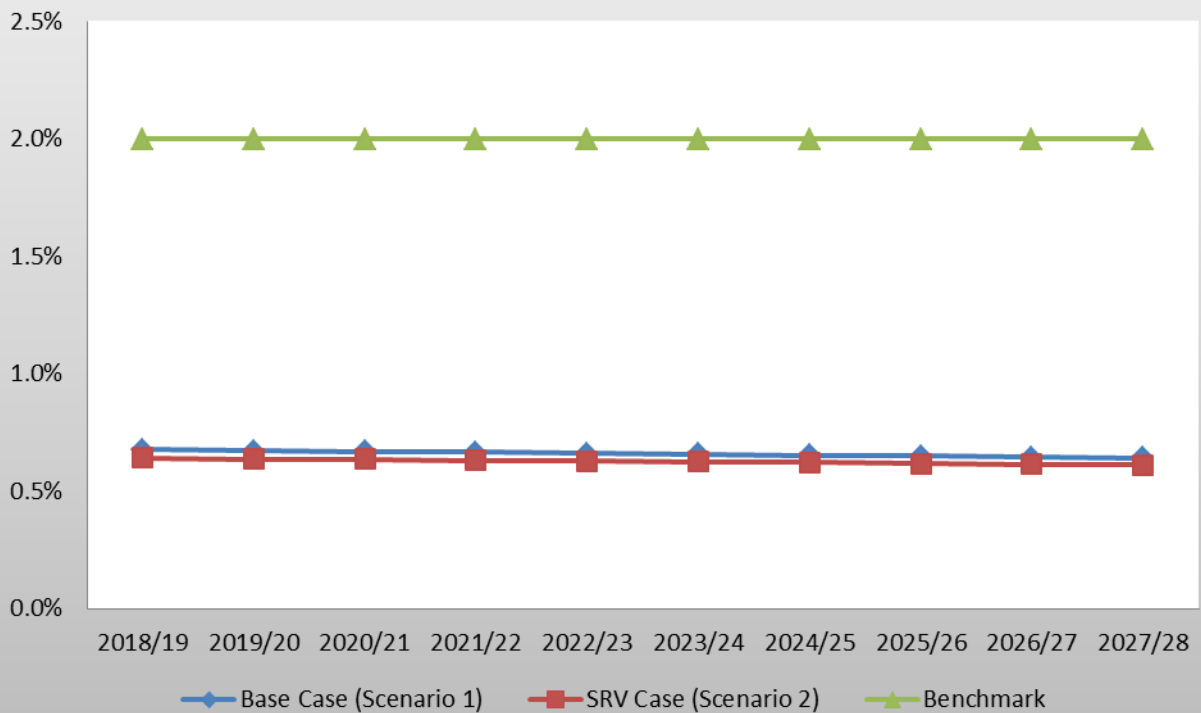




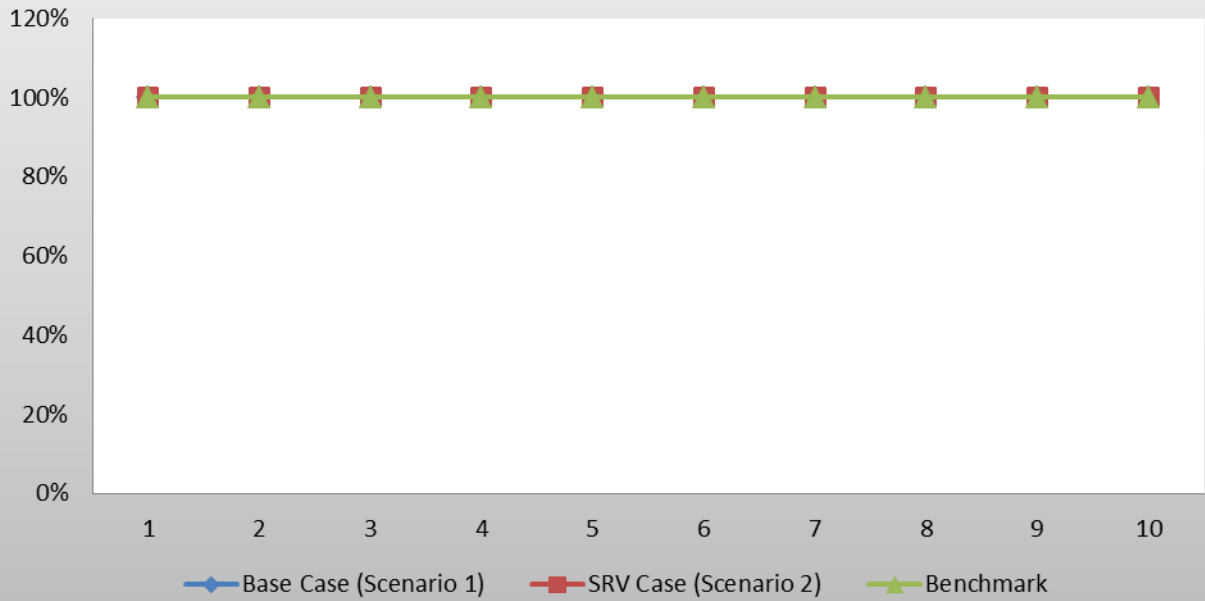
### Building and Infrastructure Asset Renewal Ratio



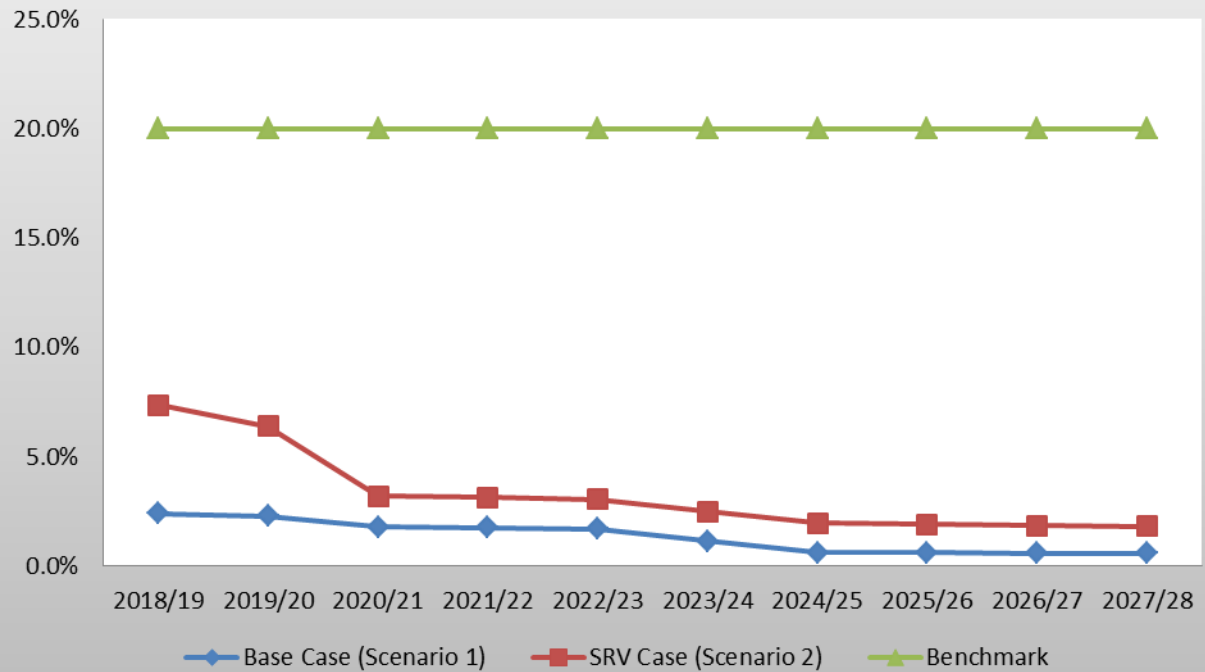
### Infrastructure Backlog Ratio



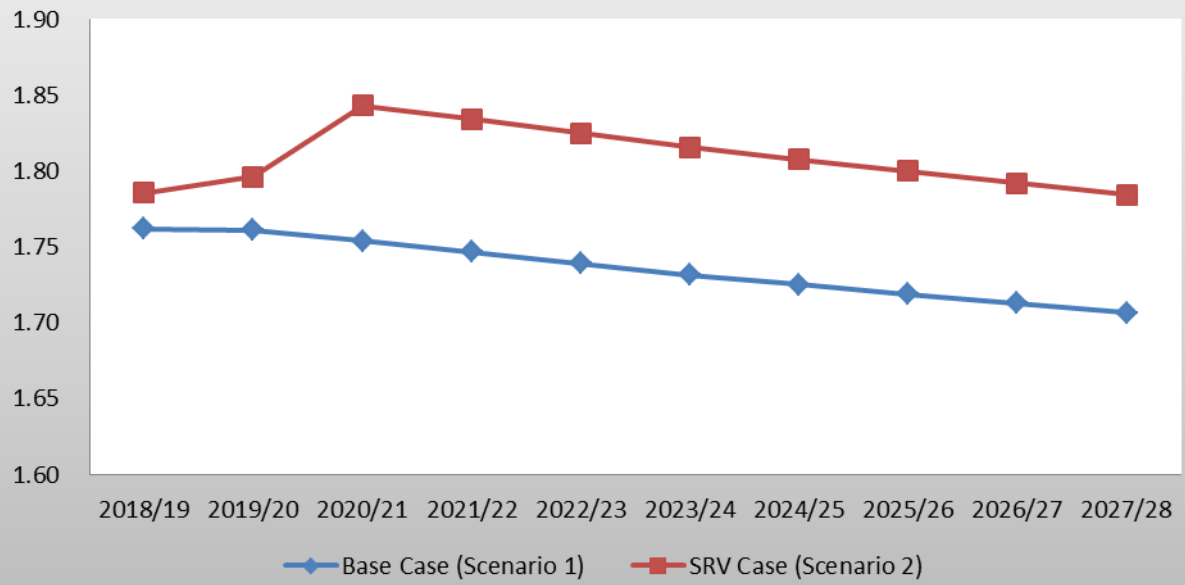
### Asset Maintenance Ratio



### Debt Service Ratio



### Real Operating Expenditure per Capita



# Risks and Sensitivity Analysis

## Risks

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

The major risks relate to:

- Rates revenue
  - A risk of lower than expected rates cap increase
  - A risk of an erosion in the rating base due to a reduction in mining activity in the Shire
- Other revenue, such as fees, 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 revenue
- Operating expenditure increases for key expenses such as employee costs, 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 borrowing
  - Increases in the assumed interest rate on borrowings

## Sensitivity Analysis

In this LTFP, Council has outlined two (2) scenarios. Scenario 1 looks at the difference between the status quo, or base case. Scenario 2 models the impacts of Council successfully applying for a Special Variation and how it will be used to fund community projects.

This sensitivity analysis looks at the impact on Scenario 2 based on some assumptions on changes to mining activity and a resulting change in rate revenue for Council.

- Rates revenue
  - Each 1% change in ordinary rates revenue will result in a \$120,000 change in total rates revenue
- Other revenues, such as fees, charges and grants
  - Revenue from operating grants is \$8.2 million in 2016/17 which is approximately 16% of total income from continuing operations. Each 1% change represents \$82,000.
- Operating expenditure increases for key expenses, such as employee costs, materials and contracts
  - Employee Costs and Other Operating expenditure (materials and contracts) comprise \$13.8 million and \$10.9 million in 2016/17 respectively. A 1% movement in these costs represents \$138,000 and \$109,000 (\$247,000 combined effect).
- Interest rates on Council borrowings
  - Each 1% increase in Council borrowing costs will have the following effect:
    - Scenario 1 with base, general fund borrowings of \$6 million = \$60,000 annual cost impact
    - Scenario 2 with \$14 million of borrowings = \$140,000 annual impact.

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.

This analysis shows the sensitivity of the financial projections to changes in mining revenue. Council is aware that there are potential risks to the revenue and economic input that this sector has to the local economy. Trends and possible changes will be monitored and the financial effects modelled so that Council and the community are able to respond.

For example, Council is an active member of the Hunter Research Foundation and now contributes to the shared employment of an economist to inform analysis and forward planning. Key indicators include the Australian Rail Track Corporation's *2017 Hunter Valley Corridor Capacity Strategy (Consultation Draft)* projects a decline of 24% of thermal coal exported through the Port of Newcastle 2027. This may have a modest impact on Council's revenue, which Council is preparing to offset through its Future Fund, economic diversification and job creation initiatives. Ongoing sensitivity analysis will include impacts arising from land use changes and climate change.

# Summary of this LTFP

## Conclusion

In this LTFP Council has outlined two (2) scenarios, together with a sensitivity analysis.

- **Scenario 1** shows the status quo; this reinforces previous modelling and financial assessments that Muswellbrook Shire Council is financially sustainable as a standalone council.
- **Scenario 2** assumes that MSC will obtain a permanent Special Variation of 12.3% (residential, farmland and business categories) and 18.3% (mining category) for 2017/2018 (including the 2.3% rate peg). This will enable Council to deliver projects for its community such as:
  - A new Regional Entertainment and Conference Centre
  - Upgrades to Muswellbrook's Olympic Park sports precinct
  - Improved stormwater management, particularly in Denman
  - Additional support for job creation across the Shire
  - Additional roads and parks maintenance funding
  - Recovery of rate revenue lost as a consequence of changes in bio-diversity offset state government policy.
- Sensitivity analysis assumes that MSC will apply for a permanent Special Variation of 12.3% (residential, farmland and business categories) and 18.3% (mining category) for 2017/2018 (including the 2.3% rate peg). This will enable Council to deliver projects for the community as outlined in Scenario 2 with overlaying sensitivities outlined on the previous page.

Consolidating Muswellbrook as the Regional Centre of the Upper Hunter is an identified priority of the NSW Government, as outlined in the *Hunter Region Plan 2036*.

The preferred option of Council and the community is Scenario 2 - where Council successfully obtains a Special Variation, which will enable new key projects and programs to be delivered and funded. The financial projections show that, with the assistance of the SV, Council is able to remain financially sustainable; delivering projects to stimulate the local economy and providing facilities that strategically place Muswellbrook as the Regional Centre of the Upper Hunter.

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

# Scenario 1 – General Fund - Financial Statements – 2019-28 LTFP

Scenario 1 - Income Statement For the year	Projected 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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates and Annual Charges	15,702	16,422	16,863	17,285	17,717	18,160	18,614	19,079	19,556	20,045
User Charges and Fees	6,836	7,132	7,306	7,511	7,721	7,937	8,159	8,388	8,623	8,864
Interest and Investment Revenue	747	707	765	598	719	865	970	1,089	1,209	1,197
Other Revenue	2,650	2,704	2,764	2,841	2,921	3,003	3,087	3,173	3,262	3,353
Grants and Contributions provided for Operating	5,628	5,685	5,782	5,927	6,075	6,227	6,382	6,542	6,705	6,873
Grants and Contributions provided for Capital Purposes	4,879	4,902	4,962	5,086	5,213	5,344	5,477	5,614	5,755	5,899
Internal Revenue	3,752	3,825	3,899	4,008	4,120	4,236	4,354	4,476	4,602	4,730
<b>Total Income from Continuing Operations</b>	<b>40,194</b>	<b>41,377</b>	<b>42,341</b>	<b>43,256</b>	<b>44,486</b>	<b>45,771</b>	<b>47,044</b>	<b>48,361</b>	<b>49,711</b>	<b>50,961</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits and On-Costs	11,458	11,954	12,308	12,677	13,058	13,449	13,853	14,268	14,696	15,137
Borrowing Costs	281	245	208	182	154	117	105	96	87	78
Materials and Contracts	11,537	11,819	12,141	12,445	12,756	13,075	13,401	13,736	14,080	14,432
Overheads	1,869	1,904	1,941	1,990	2,039	2,090	2,143	2,196	2,251	2,307
Depreciation and Amortisation	7,528	7,708	7,896	8,101	8,312	8,528	8,750	8,977	9,211	9,450
Impairment										
Net Losses from the disposal of assets										
Other Expenses	2,483	2,556	2,629	2,682	2,735	2,790	2,846	2,903	2,961	3,020
<b>Total Expenses from Continuing Operations</b>	<b>35,156</b>	<b>36,186</b>	<b>37,123</b>	<b>38,076</b>	<b>39,054</b>	<b>40,049</b>	<b>41,097</b>	<b>42,177</b>	<b>43,286</b>	<b>44,424</b>
<b>Operating Result from Continuing Operations</b>	<b>5,038</b>	<b>5,191</b>	<b>5,218</b>	<b>5,180</b>	<b>5,432</b>	<b>5,722</b>	<b>5,948</b>	<b>6,184</b>	<b>6,425</b>	<b>6,537</b>
<b>Discontinued Operations</b>										
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>5,038</b>	<b>5,191</b>	<b>5,218</b>	<b>5,180</b>	<b>5,432</b>	<b>5,722</b>	<b>5,948</b>	<b>6,184</b>	<b>6,425</b>	<b>6,537</b>
<b>Net Operating Result attributable to Council</b>	<b>5,038</b>	<b>5,191</b>	<b>5,218</b>	<b>5,180</b>	<b>5,432</b>	<b>5,722</b>	<b>5,948</b>	<b>6,184</b>	<b>6,425</b>	<b>6,537</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>159</b>	<b>289</b>	<b>256</b>	<b>94</b>	<b>219</b>	<b>378</b>	<b>470</b>	<b>570</b>	<b>670</b>	<b>638</b>
<b>Net Operating Result for the Year</b>	<b>5,038</b>	<b>5,191</b>	<b>5,218</b>	<b>5,180</b>	<b>5,432</b>	<b>5,722</b>	<b>5,948</b>	<b>6,184</b>	<b>6,425</b>	<b>6,537</b>
<b>Total Comprehensive Income for the year</b>	<b>5,038</b>	<b>5,191</b>	<b>5,218</b>	<b>5,180</b>	<b>5,432</b>	<b>5,722</b>	<b>5,948</b>	<b>6,184</b>	<b>6,425</b>	<b>6,537</b>

Scenario 1 - Statement of Cash Flows For the year	Projected 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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates and Annual Charges	15,702	16,422	16,863	17,285	17,717	18,160	18,614	19,079	19,556	20,045
User Charges and Fees	6,836	7,132	7,306	7,511	7,721	7,937	8,159	8,388	8,623	8,864
Investment and Interest Revenue Received	747	707	765	598	719	865	970	1,089	1,209	1,197
Grants and Contributions	10,507	10,587	10,744	11,013	11,288	11,570	11,860	12,156	12,460	12,772
Other	6,402	6,529	6,663	6,850	7,041	7,239	7,441	7,650	7,864	8,084
<b>Payments:</b>										
Employee Benefits and On-Costs	(11,458)	(11,954)	(12,308)	(12,677)	(13,058)	(13,449)	(13,853)	(14,268)	(14,696)	(15,137)
Materials and Contracts	(13,406)	(13,723)	(14,082)	(14,434)	(14,795)	(15,165)	(15,544)	(15,932)	(16,331)	(16,739)
Borrowing Costs	(281)	(245)	(208)	(182)	(154)	(117)	(105)	(96)	(87)	(78)
Other	(2,483)	(2,556)	(2,629)	(2,682)	(2,735)	(2,790)	(2,846)	(2,903)	(2,961)	(3,020)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>12,566</b>	<b>12,899</b>	<b>13,114</b>	<b>13,281</b>	<b>13,744</b>	<b>14,250</b>	<b>14,697</b>	<b>15,161</b>	<b>15,636</b>	<b>15,987</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	4,076	-	-	-	-	-	-	-	-	-
Sale of Investment Property	-	-	-	-	-	-	-	-	-	-
Sale of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>										
Purchase of Investment Securities	-	(2,067)	(2,502)	(1,937)	(2,080)	(2,551)	(2,870)	(2,916)	(3,186)	(3,503)
Purchase of Investment Property	-	(0)	(0)	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant and Equipment	(16,073)	(10,239)	(10,151)	(10,857)	(11,149)	(11,345)	(11,668)	(12,077)	(12,272)	(12,298)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(11,997)</b>	<b>(12,306)</b>	<b>(12,652)</b>	<b>(12,793)</b>	<b>(13,228)</b>	<b>(13,896)</b>	<b>(14,537)</b>	<b>(14,993)</b>	<b>(15,458)</b>	<b>(15,800)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowing and Advances	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of borrowing and advances	(569)	(593)	(462)	(488)	(516)	(354)	(160)	(169)	(177)	(187)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(569)</b>	<b>(593)</b>	<b>(462)</b>	<b>(488)</b>	<b>(516)</b>	<b>(354)</b>	<b>(160)</b>	<b>(169)</b>	<b>(177)</b>	<b>(187)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</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>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>
plus: Investments on hand - end of year	3,661	5,728	8,230	10,166	12,246	14,797	17,667	20,582	23,769	27,272
<b>Total Cash, Cash Equivalents and Investments</b>	<b>9,814</b>	<b>11,881</b>	<b>14,383</b>	<b>16,320</b>	<b>18,399</b>	<b>20,951</b>	<b>23,820</b>	<b>26,736</b>	<b>29,922</b>	<b>33,425</b>



Scenario 1 - Base Case Balance Sheet As at	Projected 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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash and Cash Equivalents	6,153	6,153	6,153	6,153	6,153	6,153	6,153	6,153	6,153	6,153
Investments	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166
Receivables	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296
Inventories	244	244	244	244	244	244	244	244	244	244
Other	156	156	156	156	156	156	156	156	156	156
<b>Total Current Assets</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>
<b>Non-Current Assets</b>										
Investments	495	2,562	5,064	7,000	9,080	11,631	14,501	17,416	20,603	24,106
Infrastructure, Property, Plant and Equipment	474,691	477,222	479,476	482,232	485,068	487,885	490,803	493,903	496,964	499,812
Investments accounted for using the equity method	105	105	105	105	105	105	105	105	105	105
Investment Property	0	0	0	0	0	0	0	0	0	0
<b>Total Non-Current Assets</b>	<b>475,291</b>	<b>479,889</b>	<b>484,645</b>	<b>489,337</b>	<b>494,253</b>	<b>499,621</b>	<b>505,409</b>	<b>511,424</b>	<b>517,672</b>	<b>524,022</b>
<b>TOTAL ASSETS</b>	<b>491,306</b>	<b>495,904</b>	<b>500,661</b>	<b>505,352</b>	<b>510,269</b>	<b>515,637</b>	<b>521,424</b>	<b>527,440</b>	<b>533,687</b>	<b>540,037</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949
Borrowings	593	462	488	516	354	160	169	177	187	197
Provisions	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392
<b>Total Current Liabilities</b>	<b>7,934</b>	<b>7,803</b>	<b>7,829</b>	<b>7,857</b>	<b>7,695</b>	<b>7,501</b>	<b>7,510</b>	<b>7,518</b>	<b>7,528</b>	<b>7,538</b>
<b>Non-Current Liabilities</b>										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	4,815	4,353	3,865	3,348	2,994	2,834	2,666	2,488	2,301	2,105
Provisions	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625
<b>Total Non-Current Liabilities</b>	<b>10,440</b>	<b>9,978</b>	<b>9,490</b>	<b>8,973</b>	<b>8,619</b>	<b>8,459</b>	<b>8,291</b>	<b>8,113</b>	<b>7,926</b>	<b>7,730</b>
<b>TOTAL LIABILITIES</b>	<b>18,374</b>	<b>17,781</b>	<b>17,319</b>	<b>16,831</b>	<b>16,314</b>	<b>15,960</b>	<b>15,800</b>	<b>15,632</b>	<b>15,454</b>	<b>15,267</b>
<b>Net Assets</b>	<b>472,933</b>	<b>478,124</b>	<b>483,342</b>	<b>488,522</b>	<b>493,954</b>	<b>499,677</b>	<b>505,624</b>	<b>511,808</b>	<b>518,233</b>	<b>524,770</b>
<b>EQUITY</b>										
Retained Earnings	225,715	230,906	236,124	241,304	246,736	252,459	258,406	264,590	271,015	277,552
Revaluation Reserves	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218
<b>Total Equity</b>	<b>472,933</b>	<b>478,124</b>	<b>483,342</b>	<b>488,522</b>	<b>493,954</b>	<b>499,677</b>	<b>505,624</b>	<b>511,808</b>	<b>518,233</b>	<b>524,770</b>

Scenario 1 Statement of Changes in Equity For the year	Projected 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
<b>RETAINED EARNINGS</b>										
<b>Opening Balance</b>	220,676	225,715	230,906	236,124	241,304	246,736	252,459	258,406	264,590	271,015
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	220,676	225,715	230,906	236,124	241,304	246,736	252,459	258,406	264,590	271,015
<b>Net Operating Result for the Year</b>	5,038	5,191	5,218	5,180	5,432	5,722	5,948	6,184	6,425	6,537
<b>Total Comprehensive Income</b>	<b>5,038</b>	<b>5,191</b>	<b>5,218</b>	<b>5,180</b>	<b>5,432</b>	<b>5,722</b>	<b>5,948</b>	<b>6,184</b>	<b>6,425</b>	<b>6,537</b>
<b>Balance at End of the Reporting Period</b>	<b>225,715</b>	<b>230,906</b>	<b>236,124</b>	<b>241,304</b>	<b>246,736</b>	<b>252,459</b>	<b>258,406</b>	<b>264,590</b>	<b>271,015</b>	<b>277,552</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>										
<b>Opening Balance</b>	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
<b>Balance at End of the Reporting Period</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
<b>COUNCIL EQUITY INTEREST</b>										
<b>Opening Balance</b>	467,894	472,933	478,124	483,342	488,522	493,954	499,677	505,624	511,808	518,233
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>467,894</b>	<b>472,933</b>	<b>478,124</b>	<b>483,342</b>	<b>488,522</b>	<b>493,954</b>	<b>499,677</b>	<b>505,624</b>	<b>511,808</b>	<b>518,233</b>
<b>Net Operating Result for the Year</b>	5,038	5,191	5,218	5,180	5,432	5,722	5,948	6,184	6,425	6,537
<b>Total Comprehensive Income</b>	<b>5,038</b>	<b>5,191</b>	<b>5,218</b>	<b>5,180</b>	<b>5,432</b>	<b>5,722</b>	<b>5,948</b>	<b>6,184</b>	<b>6,425</b>	<b>6,537</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>472,933</b>	<b>478,124</b>	<b>483,342</b>	<b>488,522</b>	<b>493,954</b>	<b>499,677</b>	<b>505,624</b>	<b>511,808</b>	<b>518,233</b>	<b>524,770</b>

## Scenario One – Consolidated - Financial Statements – 2019-28 LTFP

Income Statement - Consolidated For the year	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates and Annual Charges	21,462	22,345	22,951	23,585	24,238	24,909	25,599	26,309	27,039	27,790
User Charges and Fees	17,489	18,135	18,658	19,213	19,786	20,375	20,982	21,607	22,252	22,915
Interest and Investment Revenue	1,448	1,357	1,323	1,411	1,534	1,672	1,896	2,155	2,455	2,639
Other Revenue	2,650	2,704	2,764	2,841	2,921	3,003	3,087	3,173	3,262	3,353
Grants and Contributions provided for Operating Purposes	5,698	5,757	5,855	6,002	6,152	6,305	6,463	6,625	6,790	6,960
Grants and Contributions provided for Capital Purposes	5,733	5,785	5,876	6,023	6,174	6,328	6,486	6,648	6,815	6,985
Internal Revenue	3,752	3,825	3,899	4,008	4,120	4,236	4,354	4,476	4,602	4,730
<b>Total Income from Continuing Operations</b>	<b>58,233</b>	<b>59,908</b>	<b>61,326</b>	<b>63,084</b>	<b>64,924</b>	<b>66,829</b>	<b>68,868</b>	<b>70,994</b>	<b>73,214</b>	<b>75,374</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits and On-Costs	13,558	14,115	14,505	14,940	15,388	15,850	16,326	16,815	17,320	17,839
Borrowing Costs	2,876	3,240	3,289	3,200	3,061	2,926	2,825	2,732	2,656	2,581
Materials and Contracts	16,057	16,480	16,910	17,333	17,767	18,211	18,666	19,133	19,611	20,101
Overheads	3,974	4,054	4,136	4,218	4,324	4,432	4,542	4,656	4,772	4,892
Depreciation and Amortisation	11,039	11,319	11,613	11,915	12,225	12,543	12,869	13,203	13,547	13,899
Impairment	-	-	-	-	-	-	-	-	-	-
Net Losses from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Other Expenses	3,682	3,871	4,076	4,158	4,241	4,326	4,412	4,501	4,591	4,683
<b>Total Expenses from Continuing Operations</b>	<b>51,186</b>	<b>53,079</b>	<b>54,530</b>	<b>55,764</b>	<b>57,006</b>	<b>58,287</b>	<b>59,640</b>	<b>61,040</b>	<b>62,497</b>	<b>63,995</b>
<b>Operating Result from Continuing Operations</b>	<b>7,046</b>	<b>6,829</b>	<b>6,796</b>	<b>7,320</b>	<b>7,918</b>	<b>8,541</b>	<b>9,227</b>	<b>9,955</b>	<b>10,717</b>	<b>11,378</b>
<b>Discontinued Operations</b>										
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>7,046</b>	<b>6,829</b>	<b>6,796</b>	<b>7,320</b>	<b>7,918</b>	<b>8,541</b>	<b>9,227</b>	<b>9,955</b>	<b>10,717</b>	<b>11,378</b>
<b>Net Operating Result attributable to Council</b>	<b>7,046</b>	<b>6,829</b>	<b>6,796</b>	<b>7,320</b>	<b>7,918</b>	<b>8,541</b>	<b>9,227</b>	<b>9,955</b>	<b>10,717</b>	<b>11,378</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>1,313</b>	<b>1,044</b>	<b>920</b>	<b>1,297</b>	<b>1,744</b>	<b>2,213</b>	<b>2,741</b>	<b>3,306</b>	<b>3,903</b>	<b>4,393</b>
<b>Net Operating Result for the Year</b>	<b>7,046</b>	<b>6,829</b>	<b>6,796</b>	<b>7,320</b>	<b>7,918</b>	<b>8,541</b>	<b>9,227</b>	<b>9,955</b>	<b>10,717</b>	<b>11,378</b>
<b>Total Comprehensive Income for the year</b>	<b>7,046</b>	<b>6,829</b>	<b>6,796</b>	<b>7,320</b>	<b>7,918</b>	<b>8,541</b>	<b>9,227</b>	<b>9,955</b>	<b>10,717</b>	<b>11,378</b>

Statement of Cash Flows - Consolidated For the year (000's)	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates and Annual Charges	21,462	22,345	22,951	23,585	24,238	24,909	25,599	26,309	27,039	27,790
User Charges and Fees	17,489	18,135	18,658	19,213	19,786	20,375	20,982	21,607	22,252	22,915
Investment and Interest Revenue Received	1,448	1,357	1,323	1,411	1,534	1,672	1,896	2,155	2,455	2,639
Grants and Contributions	11,432	11,542	11,732	12,025	12,325	12,634	12,949	13,273	13,605	13,945
Other	6,402	6,529	6,663	6,850	7,041	7,239	7,441	7,650	7,864	8,084
<b>Payments:</b>										
Employee Benefits and On-Costs	(13,558)	(14,115)	(14,505)	(14,940)	(15,388)	(15,850)	(16,326)	(16,815)	(17,320)	(17,839)
Materials and Contracts	(20,032)	(20,534)	(21,047)	(21,551)	(22,090)	(22,642)	(23,208)	(23,789)	(24,383)	(24,993)
Borrowing Costs	(2,876)	(3,240)	(3,289)	(3,200)	(3,061)	(2,926)	(2,825)	(2,732)	(2,656)	(2,581)
Other	(3,682)	(3,871)	(4,076)	(4,158)	(4,241)	(4,326)	(4,412)	(4,501)	(4,591)	(4,683)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>18,085</b>	<b>18,148</b>	<b>18,409</b>	<b>19,235</b>	<b>20,143</b>	<b>21,084</b>	<b>22,096</b>	<b>23,158</b>	<b>24,264</b>	<b>25,277</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	9,657	2,473	2,022	-	327	98	-	28	-	-
Sale of Investment Property	-	-	-	-	-	-	-	-	-	-
Sale of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>										
Purchase of Investment Securities	(1,407)	(2,950)	(3,426)	(2,983)	(3,719)	(5,603)	(6,401)	(7,436)	(8,091)	(10,228)
Purchase of Investment Property	(350)	(350)	(350)	(350)	(350)	(350)	(500)	(350)	(350)	(350)
Purchase of Infrastructure, Property, Plant and Equipment	(33,466)	(15,215)	(14,191)	(12,789)	(13,388)	(13,148)	(13,516)	(13,637)	(14,214)	(13,015)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(25,566)</b>	<b>(16,042)</b>	<b>(15,945)</b>	<b>(16,122)</b>	<b>(17,130)</b>	<b>(19,003)</b>	<b>(20,417)</b>	<b>(21,394)</b>	<b>(22,655)</b>	<b>(23,593)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowing and Advances	10,506	1,077	552	-	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of borrowing and advances	(3,025)	(3,182)	(3,017)	(3,113)	(3,013)	(2,081)	(1,679)	(1,764)	(1,609)	(1,684)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>7,481</b>	<b>(2,105)</b>	<b>(2,465)</b>	<b>(3,113)</b>	<b>(3,013)</b>	<b>(2,081)</b>	<b>(1,679)</b>	<b>(1,764)</b>	<b>(1,609)</b>	<b>(1,684)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</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>(0)</b>	<b>-</b>
<b>plus: Cash and Cash Equivalents - beginning of year</b>	<b>9,572</b>	<b>9,572</b>	<b>9,572</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>9,572</b>	<b>9,572</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>	<b>9,571</b>
plus: Investments on hand - end of year	22,852	23,329	24,733	27,716	31,108	36,613	43,014	50,421	58,513	68,741
<b>Total Cash, Cash Equivalents and Investments</b>	<b>32,424</b>	<b>32,901</b>	<b>34,304</b>	<b>37,287</b>	<b>40,679</b>	<b>46,184</b>	<b>52,585</b>	<b>59,993</b>	<b>68,084</b>	<b>78,312</b>

<b>Balance Sheet - Consolidated</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>As at (000's)</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash and Cash Equivalents	9,572	9,571	9,571	9,571	9,571	9,571	9,571	9,571	9,571	9,571
Investments	9,390	6,712	6,712	6,712	6,712	6,712	6,712	6,712	6,712	6,712
Receivables	9,550	9,550	9,550	9,550	9,550	9,550	9,550	9,550	9,550	9,550
Inventories	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116
Other	102	102	102	102	102	102	102	102	102	102
<b>Total Current Assets</b>	<b>30,730</b>	<b>28,052</b>	<b>28,051</b>	<b>28,051</b>	<b>28,051</b>	<b>28,051</b>	<b>28,051</b>	<b>28,051</b>	<b>28,051</b>	<b>28,051</b>
<b>Non-Current Assets</b>										
<b>Investments</b>	14,190	17,345	18,749	21,732	25,124	30,629	37,030	44,437	52,529	62,757
Infrastructure, Property, Plant and Equipment	640,282	644,178	646,756	647,631	648,794	649,399	650,047	650,480	651,147	650,263
Investments accounted for using the equity method	91	91	91	91	91	91	91	91	91	91
Investment Property	59,068	59,418	59,768	60,118	60,468	60,818	61,318	61,668	62,018	62,368
<b>Total Non-Current Assets</b>	<b>713,631</b>	<b>721,033</b>	<b>725,364</b>	<b>729,572</b>	<b>734,477</b>	<b>740,938</b>	<b>748,486</b>	<b>756,677</b>	<b>765,785</b>	<b>775,479</b>
<b>TOTAL ASSETS</b>	<b>744,360</b>	<b>749,084</b>	<b>753,415</b>	<b>757,623</b>	<b>762,528</b>	<b>768,989</b>	<b>776,537</b>	<b>784,728</b>	<b>793,836</b>	<b>803,530</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917
Borrowings	3,182	3,017	3,113	3,013	2,081	1,679	1,764	1,609	1,684	0
Provisions	3,227	3,227	3,227	3,227	3,227	3,227	3,227	3,227	3,227	3,227
<b>Total Current Liabilities</b>	<b>12,326</b>	<b>12,161</b>	<b>12,257</b>	<b>12,157</b>	<b>11,225</b>	<b>10,823</b>	<b>10,908</b>	<b>10,753</b>	<b>10,828</b>	<b>9,144</b>
<b>Non-Current Liabilities</b>										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	80,652	78,712	76,151	73,138	71,058	69,378	67,615	66,005	64,321	64,321
Provisions	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284
<b>Total Non-Current Liabilities</b>	<b>85,936</b>	<b>83,996</b>	<b>81,435</b>	<b>78,422</b>	<b>76,342</b>	<b>74,662</b>	<b>72,899</b>	<b>71,289</b>	<b>69,605</b>	<b>69,605</b>
<b>TOTAL LIABILITIES</b>	<b>98,262</b>	<b>96,157</b>	<b>93,692</b>	<b>90,579</b>	<b>87,566</b>	<b>85,486</b>	<b>83,806</b>	<b>82,043</b>	<b>80,433</b>	<b>78,749</b>
<b>Net Assets</b>	<b>646,098</b>	<b>652,928</b>	<b>659,724</b>	<b>667,044</b>	<b>674,962</b>	<b>683,503</b>	<b>692,731</b>	<b>702,685</b>	<b>713,403</b>	<b>724,781</b>
<b>EQUITY</b>										
Retained Earnings	341,126	347,955	354,752	362,072	369,990	378,531	387,758	397,713	408,430	419,809
Revaluation Reserves	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972
<b>Total Equity</b>	<b>646,098</b>	<b>652,927</b>	<b>659,724</b>	<b>667,044</b>	<b>674,962</b>	<b>683,503</b>	<b>692,730</b>	<b>702,685</b>	<b>713,402</b>	<b>724,781</b>

Statement of Changes in Equity - Consolidated For the year (000's)	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28
<b>RETAINED EARNINGS</b>										
<b>Opening Balance</b>	334,080	341,126	347,955	354,752	362,072	369,990	378,531	387,758	397,713	408,430
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	334,080	341,126	347,955	354,752	362,072	369,990	378,531	387,758	397,713	408,430
<b>Net Operating Result for the Year</b>	7,046	6,829	6,796	7,320	7,918	8,541	9,227	9,955	10,717	11,378
<b>Total Comprehensive Income</b>	<b>7,046</b>	<b>6,829</b>	<b>6,796</b>	<b>7,320</b>	<b>7,918</b>	<b>8,541</b>	<b>9,227</b>	<b>9,955</b>	<b>10,717</b>	<b>11,378</b>
<b>Balance at End of the Reporting Period</b>	<b>341,126</b>	<b>347,955</b>	<b>354,752</b>	<b>362,072</b>	<b>369,990</b>	<b>378,531</b>	<b>387,758</b>	<b>397,713</b>	<b>408,430</b>	<b>419,809</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>										
<b>Opening Balance</b>	282,264	282,264	282,264	282,264	282,264	282,264	282,264	282,264	282,264	282,264
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>
<b>Balance at End of the Reporting Period</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>	<b>282,264</b>
<b>COUNCIL EQUITY INTEREST</b>										
<b>Opening Balance</b>	639,052	646,098	652,927	659,724	667,044	674,962	683,503	692,730	702,685	713,402
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	639,052	646,098	652,927	659,724	667,044	674,962	683,503	692,730	702,685	713,402
<b>Net Operating Result for the Year</b>	7,046	6,829	6,796	7,320	7,918	8,541	9,227	9,955	10,717	11,378
<b>Total Comprehensive Income</b>	<b>7,046</b>	<b>6,829</b>	<b>6,796</b>	<b>7,320</b>	<b>7,918</b>	<b>8,541</b>	<b>9,227</b>	<b>9,955</b>	<b>10,717</b>	<b>11,378</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>646,098</b>	<b>652,927</b>	<b>659,724</b>	<b>667,044</b>	<b>674,962</b>	<b>683,503</b>	<b>692,730</b>	<b>702,685</b>	<b>713,402</b>	<b>724,781</b>

# Scenario 2 – General Fund - Financial Statements – 2019-28 LTFP

Scenario 2 SRV Income Statement	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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates and Annual Charges	17,595	18,358	18,844	19,311	19,789	20,280	20,783	21,298	21,826	22,367
User Charges and Fees	6,836	7,132	7,306	7,511	7,721	7,937	8,159	8,388	8,623	8,864
Interest and Investment Revenue	747	707	765	598	719	865	970	1,089	1,209	1,197
Other Revenue	2,650	2,704	2,764	2,841	2,921	3,003	3,087	3,173	3,262	3,353
Grants and Contributions provided for Operating Purposes	5,628	5,685	5,782	5,927	6,075	6,227	6,382	6,542	6,705	6,873
Grants and Contributions provided for Capital Purposes	19,089	4,902	4,962	5,086	5,213	5,344	5,477	5,614	5,755	5,899
Internal Revenue	3,752	3,825	3,899	4,008	4,120	4,236	4,354	4,476	4,602	4,730
<b>Total Income from Continuing Operations</b>	<b>56,297</b>	<b>43,314</b>	<b>44,322</b>	<b>45,282</b>	<b>46,559</b>	<b>47,891</b>	<b>49,213</b>	<b>50,580</b>	<b>51,981</b>	<b>53,284</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits and On-Costs	11,458	12,204	13,159	13,550	13,952	14,366	14,792	15,231	15,684	16,149
Borrowing Costs	753	660	575	540	502	455	433	414	394	373
Materials and Contracts	11,537	11,819	12,341	12,650	12,966	13,290	13,622	13,963	14,312	14,670
Overheads	1,869	1,904	1,941	1,990	2,039	2,090	2,143	2,196	2,251	2,307
Depreciation and Amortisation	7,528	7,708	8,304	8,509	8,719	8,936	9,157	9,385	9,618	9,858
Impairment	0	0	0	0	0	0	0	0	0	0
Net Losses from the disposal of assets	0	0	0	0	0	0	0	0	0	0
Other Expenses	2,483	2,618	2,693	2,747	2,802	2,858	2,916	2,975	3,034	3,096
<b>Total Expenses from Continuing Operations</b>	<b>35,628</b>	<b>36,914</b>	<b>39,012</b>	<b>39,984</b>	<b>40,981</b>	<b>41,995</b>	<b>43,063</b>	<b>44,163</b>	<b>45,293</b>	<b>46,452</b>
<b>Operating Result from Continuing Operations</b>	<b>20,669</b>	<b>6,400</b>	<b>5,310</b>	<b>5,298</b>	<b>5,578</b>	<b>5,896</b>	<b>6,151</b>	<b>6,417</b>	<b>6,688</b>	<b>6,832</b>
<b>Discontinued Operations</b>										
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>20,669</b>	<b>6,400</b>	<b>5,310</b>	<b>5,298</b>	<b>5,578</b>	<b>5,896</b>	<b>6,151</b>	<b>6,417</b>	<b>6,688</b>	<b>6,832</b>
<b>Net Operating Result attributable to Council</b>	<b>20,669</b>	<b>6,400</b>	<b>5,310</b>	<b>5,298</b>	<b>5,578</b>	<b>5,896</b>	<b>6,151</b>	<b>6,417</b>	<b>6,688</b>	<b>6,832</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>1,580</b>	<b>1,498</b>	<b>347</b>	<b>212</b>	<b>365</b>	<b>552</b>	<b>673</b>	<b>802</b>	<b>934</b>	<b>933</b>
<b>Net Operating Result for the Year</b>	<b>20,669</b>	<b>6,400</b>	<b>5,310</b>	<b>5,298</b>	<b>5,578</b>	<b>5,896</b>	<b>6,151</b>	<b>6,417</b>	<b>6,688</b>	<b>6,832</b>
<b>Total Comprehensive Income for the year</b>	<b>20,669</b>	<b>6,400</b>	<b>5,310</b>	<b>5,298</b>	<b>5,578</b>	<b>5,896</b>	<b>6,151</b>	<b>6,417</b>	<b>6,688</b>	<b>6,832</b>

Scenario 2 SRV Statement of Cash Flows	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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates and Annual Charges	17,595	18,358	18,844	19,311	19,789	20,280	20,783	21,298	21,826	22,367
User Charges and Fees	6,836	7,132	7,306	7,511	7,721	7,937	8,159	8,388	8,623	8,864
Investment and Interest Revenue Received	747	707	765	598	719	865	970	1,089	1,209	1,197
Grants and Contributions	24,717	10,587	10,744	11,013	11,288	11,570	11,860	12,156	12,460	12,772
Other	6,402	6,529	6,663	6,850	7,041	7,239	7,441	7,650	7,864	8,084
<b>Payments:</b>										
Employee Benefits and On-Costs	(11,458)	(12,204)	(13,159)	(13,550)	(13,952)	(14,366)	(14,792)	(15,231)	(15,684)	(16,149)
Materials and Contracts	(13,406)	(13,723)	(14,282)	(14,639)	(15,005)	(15,380)	(15,765)	(16,159)	(16,563)	(16,977)
Borrowing Costs	(753)	(660)	(575)	(540)	(502)	(455)	(433)	(414)	(394)	(373)
Other	(2,483)	(2,618)	(2,693)	(2,747)	(2,802)	(2,858)	(2,916)	(2,975)	(3,034)	(3,096)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>28,197</b>	<b>14,108</b>	<b>13,613</b>	<b>13,807</b>	<b>14,298</b>	<b>14,832</b>	<b>15,308</b>	<b>15,802</b>	<b>16,307</b>	<b>16,689</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	4,076	-	-	-	-	-	-	-	-	-
<b>Payments:</b>										
Purchase of Investment Securities	-	(2,067)	(2,473)	(1,918)	(2,072)	(2,554)	(2,883)	(2,940)	(3,221)	(3,549)
Purchase of Investment Property	-	(0)	(0)	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant and Equipment	(42,083)	(10,239)	(10,451)	(11,164)	(11,464)	(11,668)	(11,999)	(12,416)	(12,620)	(12,654)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(38,007)</b>	<b>(12,306)</b>	<b>(12,924)</b>	<b>(13,082)</b>	<b>(13,535)</b>	<b>(14,222)</b>	<b>(14,881)</b>	<b>(15,356)</b>	<b>(15,841)</b>	<b>(16,203)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowing and Advances	11,800	-	-	-	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of borrowing and advances	(1,990)	(1,802)	(689)	(725)	(762)	(610)	(426)	(445)	(465)	(486)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>9,810</b>	<b>(1,802)</b>	<b>(689)</b>	<b>(725)</b>	<b>(762)</b>	<b>(610)</b>	<b>(426)</b>	<b>(445)</b>	<b>(465)</b>	<b>(486)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>-</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>
<b>plus: Cash and Cash Equivalents - beginning of year</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>	<b>6,153</b>
plus: Investments on hand - end of year	3,661	5,728	8,201	10,119	12,191	14,744	17,627	20,567	23,788	27,337
<b>Total Cash, Cash Equivalents and Investments</b>	<b>9,814</b>	<b>11,881</b>	<b>14,355</b>	<b>16,273</b>	<b>18,344</b>	<b>20,898</b>	<b>23,780</b>	<b>26,720</b>	<b>29,941</b>	<b>33,490</b>



Scenario 2 SRV Balance Sheet	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash and Cash Equivalents	6,153	6,153	6,153	6,153	6,153	6,153	6,153	6,153	6,153	6,153
Investments	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166
Receivables	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296
Inventories	244	244	244	244	244	244	244	244	244	244
Other	156	156	156	156	156	156	156	156	156	156
<b>Total Current Assets</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>	<b>16,015</b>
<b>Non-Current Assets</b>										
Investments	495	2,562	5,035	6,953	9,025	11,578	14,461	17,401	20,622	24,171
Infrastructure, Property, Plant and Equipment	500,701	503,232	505,379	508,034	510,779	513,511	516,353	519,384	522,386	525,182
Investments accounted for using the equity method	105	105	105	105	105	105	105	105	105	105
Investment Property	0	0	0	0	0	0	0	0	0	0
<b>Total Non-Current Assets</b>	<b>501,301</b>	<b>505,899</b>	<b>510,519</b>	<b>515,092</b>	<b>519,908</b>	<b>525,194</b>	<b>530,919</b>	<b>536,890</b>	<b>543,113</b>	<b>549,458</b>
<b>TOTAL ASSETS</b>	<b>517,316</b>	<b>521,914</b>	<b>526,535</b>	<b>531,108</b>	<b>535,924</b>	<b>541,210</b>	<b>546,934</b>	<b>552,905</b>	<b>559,128</b>	<b>565,474</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949
Borrowings	1,802	689	725	762	610	426	445	465	486	0
Provisions	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392
<b>Total Current Liabilities</b>	<b>9,143</b>	<b>8,030</b>	<b>8,066</b>	<b>8,103</b>	<b>7,951</b>	<b>7,767</b>	<b>7,786</b>	<b>7,806</b>	<b>7,827</b>	<b>7,341</b>
<b>Non-Current Liabilities</b>										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	13,985	13,296	12,571	11,809	11,199	10,772	10,327	9,861	9,375	9,375
Provisions	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625
<b>Total Non-Current Liabilities</b>	<b>19,610</b>	<b>18,921</b>	<b>18,196</b>	<b>17,434</b>	<b>16,824</b>	<b>16,397</b>	<b>15,952</b>	<b>15,486</b>	<b>15,000</b>	<b>15,000</b>
<b>TOTAL LIABILITIES</b>	<b>28,753</b>	<b>26,951</b>	<b>26,262</b>	<b>25,537</b>	<b>24,775</b>	<b>24,165</b>	<b>23,738</b>	<b>23,293</b>	<b>22,827</b>	<b>22,341</b>
<b>Net Assets</b>	<b>488,563</b>	<b>494,963</b>	<b>500,273</b>	<b>505,571</b>	<b>511,149</b>	<b>517,045</b>	<b>523,196</b>	<b>529,613</b>	<b>536,301</b>	<b>543,133</b>
<b>EQUITY</b>										
Retained Earnings	241,345	247,745	253,055	258,353	263,931	269,827	275,978	282,395	289,083	295,915
Revaluation Reserves	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218
<b>Total Equity</b>	<b>488,563</b>	<b>494,963</b>	<b>500,273</b>	<b>505,571</b>	<b>511,149</b>	<b>517,045</b>	<b>523,196</b>	<b>529,613</b>	<b>536,301</b>	<b>543,133</b>

Scenario 2 SRV Statement of Changes in Equity For the year	Projected 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
<b>RETAINED EARNINGS</b>										
<b>Opening Balance</b>	220,676	241,345	247,745	253,055	258,353	263,931	269,827	275,978	282,395	289,083
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	220,676	241,345	247,745	253,055	258,353	263,931	269,827	275,978	282,395	289,083
<b>Net Operating Result for the Year</b>	20,669	6,400	5,310	5,298	5,578	5,896	6,151	6,417	6,688	6,832
<b>Total Comprehensive Income</b>	<b>20,669</b>	<b>6,400</b>	<b>5,310</b>	<b>5,298</b>	<b>5,578</b>	<b>5,896</b>	<b>6,151</b>	<b>6,417</b>	<b>6,688</b>	<b>6,832</b>
<b>Balance at End of the Reporting Period</b>	<b>241,345</b>	<b>247,745</b>	<b>253,055</b>	<b>258,353</b>	<b>263,931</b>	<b>269,827</b>	<b>275,978</b>	<b>282,395</b>	<b>289,083</b>	<b>295,915</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>										
<b>Opening Balance</b>	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
<b>Balance at End of the Reporting Period</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
<b>COUNCIL EQUITY INTEREST</b>										
<b>Opening Balance</b>	467,894	488,563	494,963	500,273	505,571	511,149	517,045	523,196	529,613	536,301
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>467,894</b>	<b>488,563</b>	<b>494,963</b>	<b>500,273</b>	<b>505,571</b>	<b>511,149</b>	<b>517,045</b>	<b>523,196</b>	<b>529,613</b>	<b>536,301</b>
<b>Net Operating Result for the Year</b>	20,669	6,400	5,310	5,298	5,578	5,896	6,151	6,417	6,688	6,832
<b>Total Comprehensive Income</b>	<b>20,669</b>	<b>6,400</b>	<b>5,310</b>	<b>5,298</b>	<b>5,578</b>	<b>5,896</b>	<b>6,151</b>	<b>6,417</b>	<b>6,688</b>	<b>6,832</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>488,563</b>	<b>494,963</b>	<b>500,273</b>	<b>505,571</b>	<b>511,149</b>	<b>517,045</b>	<b>523,196</b>	<b>529,613</b>	<b>536,301</b>	<b>543,133</b>

## Scenario Two – Consolidated - Financial Statements – 2019-28 LTFP

Income Statement - Consolidated For the year	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28
<b>Income from Continuing Operations</b>										
<i>Revenue:</i>										
Rates and Annual Charges	23,355	24,281	24,931	25,612	26,311	27,030	27,769	28,528	29,309	30,112
User Charges and Fees	17,489	18,135	18,658	19,213	19,786	20,375	20,982	21,607	22,252	22,915
Interest and Investment Revenue	1,448	1,357	1,323	1,411	1,534	1,672	1,896	2,155	2,455	2,639
Other Revenue	2,650	2,704	2,764	2,841	2,921	3,003	3,087	3,173	3,262	3,353
Grants and Contributions provided for Operating Purposes	5,698	5,757	5,855	6,002	6,152	6,305	6,463	6,625	6,790	6,960
Grants and Contributions provided for Capital Purposes	19,943	5,785	5,876	6,023	6,174	6,328	6,486	6,648	6,815	6,985
Internal Revenue	3,752	3,825	3,899	4,008	4,120	4,236	4,354	4,476	4,602	4,730
<b>Total Income from Continuing Operations</b>	<b>74,335</b>	<b>61,844</b>	<b>63,307</b>	<b>65,110</b>	<b>66,997</b>	<b>68,949</b>	<b>71,037</b>	<b>73,214</b>	<b>75,485</b>	<b>77,696</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits and On-Costs	13,558	14,365	15,356	15,813	16,283	16,767	17,265	17,778	18,307	18,851
Borrowing Costs	3,348	3,655	3,656	3,558	3,409	3,265	3,153	3,049	2,963	2,876
Materials and Contracts	16,057	16,480	17,110	17,538	17,977	18,426	18,887	19,359	19,843	20,339
Overheads	3,974	4,054	4,136	4,218	4,324	4,432	4,542	4,656	4,772	4,892
Depreciation and Amortisation	11,039	11,319	12,021	12,323	12,632	12,950	13,276	13,611	13,954	14,306
Other Expenses	3,682	3,933	4,140	4,223	4,308	4,394	4,483	4,573	4,665	4,758
<b>Total Expenses from Continuing Operations</b>	<b>51,658</b>	<b>53,806</b>	<b>56,419</b>	<b>57,672</b>	<b>58,933</b>	<b>60,234</b>	<b>61,607</b>	<b>63,026</b>	<b>64,504</b>	<b>66,023</b>
<b>Operating Result from Continuing Operations</b>	<b>22,677</b>	<b>8,038</b>	<b>6,888</b>	<b>7,438</b>	<b>8,064</b>	<b>8,715</b>	<b>9,430</b>	<b>10,187</b>	<b>10,981</b>	<b>11,673</b>
<b>Discontinued Operations</b>										
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>22,677</b>	<b>8,038</b>	<b>6,888</b>	<b>7,438</b>	<b>8,064</b>	<b>8,715</b>	<b>9,430</b>	<b>10,187</b>	<b>10,981</b>	<b>11,673</b>
<b>Net Operating Result attributable to Council</b>	<b>22,677</b>	<b>8,038</b>	<b>6,888</b>	<b>7,438</b>	<b>8,064</b>	<b>8,715</b>	<b>9,430</b>	<b>10,187</b>	<b>10,981</b>	<b>11,673</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>2,733</b>	<b>2,253</b>	<b>1,011</b>	<b>1,415</b>	<b>1,890</b>	<b>2,387</b>	<b>2,944</b>	<b>3,539</b>	<b>4,166</b>	<b>4,688</b>
<b>Net Operating Result for the Year</b>	<b>22,677</b>	<b>8,038</b>	<b>6,888</b>	<b>7,438</b>	<b>8,064</b>	<b>8,715</b>	<b>9,430</b>	<b>10,187</b>	<b>10,981</b>	<b>11,673</b>
<b>Total Comprehensive Income for the year</b>	<b>22,677</b>	<b>8,038</b>	<b>6,888</b>	<b>7,438</b>	<b>8,064</b>	<b>8,715</b>	<b>9,430</b>	<b>10,187</b>	<b>10,981</b>	<b>11,673</b>

Statement of Cash Flows - Consolidated For the year (000's)	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates and Annual Charges	23,355	24,281	24,931	25,612	26,311	27,030	27,769	28,528	29,309	30,112
User Charges and Fees	17,489	18,135	18,658	19,213	19,786	20,375	20,982	21,607	22,252	22,915
Investment and Interest Revenue Received	1,448	1,357	1,323	1,411	1,534	1,672	1,896	2,155	2,455	2,639
Grants and Contributions	25,642	11,542	11,732	12,025	12,325	12,634	12,949	13,273	13,605	13,945
Other	6,402	6,529	6,663	6,850	7,041	7,239	7,441	7,650	7,864	8,084
<b>Payments:</b>										
Employee Benefits and On-Costs	(13,558)	(14,365)	(15,356)	(15,813)	(16,283)	(16,767)	(17,265)	(17,778)	(18,307)	(18,851)
Materials and Contracts	(20,032)	(20,534)	(21,247)	(21,756)	(22,300)	(22,858)	(23,429)	(24,015)	(24,615)	(25,231)
Borrowing Costs	(3,348)	(3,655)	(3,656)	(3,558)	(3,409)	(3,265)	(3,153)	(3,049)	(2,963)	(2,876)
Other	(3,682)	(3,933)	(4,140)	(4,223)	(4,308)	(4,394)	(4,483)	(4,573)	(4,665)	(4,758)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>33,716</b>	<b>19,357</b>	<b>18,908</b>	<b>19,761</b>	<b>20,696</b>	<b>21,665</b>	<b>22,707</b>	<b>23,798</b>	<b>24,935</b>	<b>25,980</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	9,657	2,473	2,022	761	1,082	746	-	28	-	-
<b>Payments:</b>										
Purchase of Investment Securities	(1,407)	(2,950)	(3,397)	(3,190)	(3,749)	(5,160)	(5,756)	(6,286)	(7,287)	(8,129)
Purchase of Investment Property	(350)	(350)	(350)	(350)	(350)	(350)	(500)	(350)	(350)	(350)
Purchase of Infrastructure, Property, Plant and Equipment	(59,476)	(15,215)	(14,491)	(13,634)	(14,423)	(14,557)	(14,485)	(15,117)	(15,356)	(15,459)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(51,576)</b>	<b>(16,042)</b>	<b>(16,216)</b>	<b>(16,413)</b>	<b>(17,440)</b>	<b>(19,320)</b>	<b>(20,741)</b>	<b>(21,725)</b>	<b>(22,993)</b>	<b>(23,938)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowing and Advances	22,306	1,077	552	-	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of borrowing and advances	(4,446)	(4,391)	(3,245)	(3,349)	(3,259)	(2,337)	(1,946)	(2,040)	(1,897)	(1,984)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>17,860</b>	<b>(3,314)</b>	<b>(2,693)</b>	<b>(3,349)</b>	<b>(3,259)</b>	<b>(2,337)</b>	<b>(1,946)</b>	<b>(2,040)</b>	<b>(1,897)</b>	<b>(1,984)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>(1)</b>	<b>(3)</b>	<b>9</b>	<b>20</b>	<b>32</b>	<b>45</b>	<b>57</b>
<b>plus: Cash and Cash Equivalents - beginning of year</b>	<b>9,572</b>	<b>9,572</b>	<b>9,572</b>	<b>9,571</b>	<b>9,570</b>	<b>9,567</b>	<b>9,576</b>	<b>9,596</b>	<b>9,629</b>	<b>9,674</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>9,572</b>	<b>9,572</b>	<b>9,571</b>	<b>9,570</b>	<b>9,567</b>	<b>9,576</b>	<b>9,596</b>	<b>9,629</b>	<b>9,674</b>	<b>9,731</b>
plus: Investments on hand - end of year	22,852	23,329	24,704	27,134	29,800	34,213	39,969	46,228	53,515	61,644
<b>Total Cash, Cash Equivalents and Investments</b>	<b>32,424</b>	<b>32,901</b>	<b>34,276</b>	<b>36,704</b>	<b>39,368</b>	<b>43,789</b>	<b>49,566</b>	<b>55,857</b>	<b>63,188</b>	<b>71,375</b>

<b>Balance Sheet - Consolidated</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>As at (000's)</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash and Cash Equivalents	9,572	9,572	9,571	9,570	9,567	9,576	9,596	9,629	9,674	9,731
Investments	9,390	9,390	9,390	9,390	9,390	9,390	9,390	9,390	9,390	9,390
Receivables	9,550	9,550	9,550	9,550	9,550	9,550	9,550	9,550	9,550	9,550
Inventories	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116
Other	102	102	102	102	102	102	102	102	102	102
<b>Total Current Assets</b>	<b>30,730</b>	<b>30,730</b>	<b>30,729</b>	<b>30,728</b>	<b>30,725</b>	<b>30,734</b>	<b>30,754</b>	<b>30,787</b>	<b>30,832</b>	<b>30,889</b>
<b>Non-Current Assets</b>										
Investments	14,190	14,667	16,042	18,472	21,138	25,551	31,307	37,566	44,853	52,982
Infrastructure, Property, Plant and Equipment	666,292	670,188	672,659	673,970	675,761	677,367	678,576	680,082	681,484	682,637
Investments accounted for using the equity method	91	91	91	91	91	91	91	91	91	91
Investment Property	59,068	59,418	59,768	60,118	60,468	60,818	61,318	61,668	62,018	62,368
<b>Total Non-Current Assets</b>	<b>739,641</b>	<b>744,365</b>	<b>748,560</b>	<b>752,650</b>	<b>757,458</b>	<b>763,828</b>	<b>771,292</b>	<b>779,407</b>	<b>788,446</b>	<b>798,078</b>
<b>TOTAL ASSETS</b>	<b>770,371</b>	<b>775,094</b>	<b>779,289</b>	<b>783,378</b>	<b>788,184</b>	<b>794,562</b>	<b>802,047</b>	<b>810,194</b>	<b>819,277</b>	<b>828,967</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917
Borrowings	4,391	3,245	3,349	3,259	2,337	1,946	2,040	1,897	1,984	0
Provisions	3,227	3,227	3,227	3,227	3,227	3,227	3,227	3,227	3,227	3,227
<b>Total Current Liabilities</b>	<b>13,535</b>	<b>12,389</b>	<b>12,493</b>	<b>12,403</b>	<b>11,481</b>	<b>11,090</b>	<b>11,184</b>	<b>11,041</b>	<b>11,128</b>	<b>9,144</b>
<b>Non-Current Liabilities</b>										
Payables	-	-	-	-	-	-	-	-	-	-
Borrowings	89,822	87,655	84,857	81,599	79,262	77,316	75,276	73,379	71,395	71,395
Provisions	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284
<b>Total Non-Current Liabilities</b>	<b>95,106</b>	<b>92,939</b>	<b>90,141</b>	<b>86,883</b>	<b>84,546</b>	<b>82,600</b>	<b>80,560</b>	<b>78,663</b>	<b>76,679</b>	<b>76,679</b>
<b>TOTAL LIABILITIES</b>	<b>108,641</b>	<b>105,327</b>	<b>102,635</b>	<b>99,285</b>	<b>96,027</b>	<b>93,690</b>	<b>91,744</b>	<b>89,704</b>	<b>87,807</b>	<b>85,823</b>
<b>Net Assets</b>	<b>661,729</b>	<b>669,767</b>	<b>676,655</b>	<b>684,093</b>	<b>692,157</b>	<b>700,872</b>	<b>710,302</b>	<b>720,490</b>	<b>731,470</b>	<b>743,144</b>
<b>EQUITY</b>										
Retained Earnings	356,757	364,795	371,683	379,121	387,185	395,900	405,330	415,517	426,498	438,171
Revaluation Reserves	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972
<b>Total Equity</b>	<b>661,729</b>	<b>669,767</b>	<b>676,655</b>	<b>684,093</b>	<b>692,157</b>	<b>700,872</b>	<b>710,302</b>	<b>720,489</b>	<b>731,470</b>	<b>743,143</b>

Statement of Changes in Equity - Consolidated For the year (000's)	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28
<b>RETAINED EARNINGS</b>										
<b>Opening Balance</b>	334,080	356,757	364,795	371,683	379,121	387,185	395,900	405,330	415,517	426,498
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	334,080	356,757	364,795	371,683	379,121	387,185	395,900	405,330	415,517	426,498
<b>Net Operating Result for the Year</b>	22,677	8,038	6,888	7,438	8,064	8,715	9,430	10,187	10,981	11,673
<b>Total Comprehensive Income</b>	22,603	8,029	6,822	6,891	7,382	7,904	8,474	9,057	9,674	10,172
<b>Balance at End of the Reporting Period</b>	<b>356,683</b>	<b>364,786</b>	<b>371,617</b>	<b>378,573</b>	<b>386,503</b>	<b>395,088</b>	<b>404,374</b>	<b>414,387</b>	<b>425,192</b>	<b>436,670</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>										
<b>Opening Balance</b>	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>
<b>Balance at End of the Reporting Period</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>
<b>COUNCIL EQUITY INTEREST</b>										
<b>Opening Balance</b>	639,052	661,729	669,767	676,655	684,093	692,157	700,872	710,302	720,489	731,470
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>639,052</b>	<b>661,729</b>	<b>669,767</b>	<b>676,655</b>	<b>684,093</b>	<b>692,157</b>	<b>700,872</b>	<b>710,302</b>	<b>720,489</b>	<b>731,470</b>
<b>Net Operating Result for the Year</b>	22,677	8,038	6,888	7,438	8,064	8,715	9,430	10,187	10,981	11,673
<b>Total Comprehensive Income</b>	<b>22,677</b>	<b>8,038</b>	<b>6,888</b>	<b>7,438</b>	<b>8,064</b>	<b>8,715</b>	<b>9,430</b>	<b>10,187</b>	<b>10,981</b>	<b>11,673</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>661,729</b>	<b>669,767</b>	<b>676,655</b>	<b>684,093</b>	<b>692,157</b>	<b>700,872</b>	<b>710,302</b>	<b>720,489</b>	<b>731,470</b>	<b>743,143</b>

# Sensitivity Analysis: General Fund-Financial Statements 2019-28 LTFP

Sensitivity Analysis Income Statement	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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates and Annual Charges	17,388	18,408	18,895	19,363	19,843	19,887	20,380	20,885	18,101	18,549
User Charges and Fees	6,836	7,132	7,306	7,511	7,721	7,937	8,159	8,388	8,623	8,864
Interest and Investment Revenue	747	707	765	690	888	1,005	1,112	1,225	1,346	1,436
Other Revenue	2,650	2,704	2,764	2,841	2,921	3,003	3,087	3,173	4,262	4,381
Grants and Contributions provided for Operating Purposes	5,628	5,685	5,782	5,927	6,075	6,227	6,382	6,542	6,705	6,873
Grants and Contributions provided for Capital Purposes	19,089	4,902	4,962	5,086	5,213	5,344	5,477	5,614	5,755	5,899
Internal Revenue	3,752	3,825	3,899	4,008	4,120	4,236	4,354	4,476	5,952	6,107
<b>Total Income from Continuing Operations</b>	<b>56,090</b>	<b>43,364</b>	<b>44,373</b>	<b>45,427</b>	<b>46,782</b>	<b>47,638</b>	<b>48,952</b>	<b>50,304</b>	<b>50,744</b>	<b>52,110</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits and On-Costs	11,458	12,204	13,159	13,550	13,952	14,366	14,792	15,231	15,684	16,149
Borrowing Costs	753	660	575	540	502	455	433	414	394	373
Materials and Contracts	11,537	11,819	12,341	12,650	12,966	13,290	13,622	13,963	14,312	14,670
Overheads	1,869	1,904	1,941	1,990	2,039	2,090	2,143	2,196	2,251	2,307
Depreciation and Amortisation	7,528	7,708	8,304	8,509	8,719	8,936	9,157	9,385	9,618	9,858
Impairment	0	0	0	0	0	0	0	0	0	0
Net Losses from the disposal of assets	0	0	0	0	0	0	0	0	0	0
Other Expenses	2,483	2,618	2,693	2,747	2,802	2,858	2,916	2,975	3,034	3,096
<b>Total Expenses from Continuing Operations</b>	<b>35,628</b>	<b>36,914</b>	<b>39,012</b>	<b>39,984</b>	<b>40,981</b>	<b>41,995</b>	<b>43,063</b>	<b>44,163</b>	<b>45,293</b>	<b>46,452</b>
<b>Operating Result from Continuing Operations</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>
<b>Discontinued Operations</b>										
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>
<b>Net Operating Result attributable to Council</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>1,373</b>	<b>1,548</b>	<b>399</b>	<b>357</b>	<b>588</b>	<b>299</b>	<b>411</b>	<b>526</b>	<b>(304)</b>	<b>(241)</b>
<b>Net Operating Result for the Year</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>
<b>Total Comprehensive Income for the year</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>

Sensitivity Analysis Statement of Cash Flows For the year	Projected 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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates and Annual Charges	17,388	18,408	18,895	19,363	19,843	19,887	20,380	20,885	18,101	18,549
User Charges and Fees	6,836	7,132	7,306	7,511	7,721	7,937	8,159	8,388	8,623	8,864
Investment and Interest Revenue Received	747	707	765	690	888	1,005	1,112	1,225	1,346	1,436
Grants and Contributions	24,717	10,587	10,744	11,013	11,288	11,570	11,860	12,156	12,460	12,772
Other	6,402	6,529	6,663	6,850	7,041	7,239	7,441	7,650	10,214	10,489
<b>Payments:</b>										
Employee Benefits and On-Costs	(11,458)	(12,204)	(13,159)	(13,550)	(13,952)	(14,366)	(14,792)	(15,231)	(15,684)	(16,149)
Materials and Contracts	(13,406)	(13,723)	(14,282)	(14,639)	(15,005)	(15,380)	(15,765)	(16,159)	(16,563)	(16,977)
Borrowing Costs	(753)	(660)	(575)	(540)	(502)	(455)	(433)	(414)	(394)	(373)
Other	(2,483)	(2,618)	(2,693)	(2,747)	(2,802)	(2,858)	(2,916)	(2,975)	(3,034)	(3,096)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>27,990</b>	<b>14,158</b>	<b>13,664</b>	<b>13,952</b>	<b>14,521</b>	<b>14,578</b>	<b>15,046</b>	<b>15,525</b>	<b>15,069</b>	<b>15,515</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	4,076	-	-	-	-	-	-	-	1,500	1,500
<b>Payments:</b>										
Purchase of Investment Securities	-	(2,067)	(2,473)	(2,533)	(2,817)	(2,582)	(2,750)	(2,922)	(3,650)	(3,774)
Purchase of Investment Property	-	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Purchase of Infrastructure, Property, Plant and Equipment	(42,083)	(10,239)	(10,451)	(10,712)	(10,980)	(11,254)	(11,535)	(11,824)	(12,119)	(12,422)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(38,007)</b>	<b>(12,306)</b>	<b>(12,924)</b>	<b>(13,245)</b>	<b>(13,797)</b>	<b>(13,836)</b>	<b>(14,285)</b>	<b>(14,745)</b>	<b>(14,270)</b>	<b>(14,696)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowing and Advances	11,800	-	-	-	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of borrowing and advances	(1,990)	(1,802)	(689)	(707)	(724)	(742)	(761)	(780)	(800)	(820)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>9,810</b>	<b>(1,802)</b>	<b>(689)</b>	<b>(707)</b>	<b>(724)</b>	<b>(742)</b>	<b>(761)</b>	<b>(780)</b>	<b>(800)</b>	<b>(820)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(207)</b>	<b>50</b>	<b>51</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>6,091</b>	<b>5,884</b>	<b>5,934</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>5,884</b>	<b>5,934</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>	<b>5,986</b>
plus: Investments on hand - end of year	3,661	5,728	8,201	10,734	13,552	16,133	18,883	21,804	23,955	26,228
<b>Total Cash, Cash Equivalents and Investments</b>	<b>9,545</b>	<b>11,662</b>	<b>14,187</b>	<b>16,720</b>	<b>19,537</b>	<b>22,119</b>	<b>24,868</b>	<b>27,790</b>	<b>29,940</b>	<b>32,214</b>



Sensitivity Analysis Balance Sheet	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash and Cash Equivalents	5,884	5,934	5,986	5,986	5,986	5,986	5,986	5,986	5,986	5,986
Investments	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166	3,166
Receivables	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296	6,296
Inventories	244	244	244	244	244	244	244	244	244	244
Other	156	156	156	156	156	156	156	156	156	156
<b>Total Current Assets</b>	<b>15,746</b>	<b>15,796</b>	<b>15,848</b>	<b>15,848</b>	<b>15,848</b>	<b>15,848</b>	<b>15,848</b>	<b>15,848</b>	<b>15,848</b>	<b>15,848</b>
<b>Non-Current Assets</b>										
Investments	495	2,562	5,035	7,568	10,386	12,967	15,717	18,638	20,789	23,062
Infrastructure, Property, Plant and Equipment	500,701	503,232	505,379	507,582	509,842	512,161	514,539	516,978	519,479	522,044
Investments accounted for using the equity method	105	105	105	105	105	105	105	105	105	105
Investment Property	0	0	0	0	0	0	0	0	0	0
<b>Total Non-Current Assets</b>	<b>501,301</b>	<b>505,899</b>	<b>510,519</b>	<b>515,255</b>	<b>520,333</b>	<b>525,233</b>	<b>530,361</b>	<b>535,721</b>	<b>540,373</b>	<b>545,211</b>
<b>TOTAL ASSETS</b>	<b>517,047</b>	<b>521,695</b>	<b>526,367</b>	<b>531,103</b>	<b>536,180</b>	<b>541,080</b>	<b>546,208</b>	<b>551,569</b>	<b>556,220</b>	<b>561,058</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949
Borrowings	1,802	689	707	724	742	761	780	800	820	0
Provisions	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392
<b>Total Current Liabilities</b>	<b>9,143</b>	<b>8,030</b>	<b>8,048</b>	<b>8,065</b>	<b>8,083</b>	<b>8,102</b>	<b>8,121</b>	<b>8,141</b>	<b>8,161</b>	<b>7,341</b>
<b>Non-Current Liabilities</b>										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	13,985	13,296	12,589	11,865	11,122	10,361	9,581	8,782	7,962	7,962
Provisions	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625
<b>Total Non-Current Liabilities</b>	<b>19,610</b>	<b>18,921</b>	<b>18,214</b>	<b>17,490</b>	<b>16,747</b>	<b>15,986</b>	<b>15,206</b>	<b>14,407</b>	<b>13,587</b>	<b>13,587</b>
<b>TOTAL LIABILITIES</b>	<b>28,753</b>	<b>26,951</b>	<b>26,262</b>	<b>25,555</b>	<b>24,831</b>	<b>24,088</b>	<b>23,327</b>	<b>22,547</b>	<b>21,748</b>	<b>20,928</b>
<b>Net Assets</b>	<b>488,294</b>	<b>494,744</b>	<b>500,105</b>	<b>505,548</b>	<b>511,349</b>	<b>516,992</b>	<b>522,881</b>	<b>529,021</b>	<b>534,472</b>	<b>540,130</b>
<b>EQUITY</b>										
Retained Earnings	241,076	247,526	252,887	258,330	264,131	269,774	275,663	281,803	287,254	292,912
Revaluation Reserves	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218
<b>Total Equity</b>	<b>488,294</b>	<b>494,744</b>	<b>500,105</b>	<b>505,548</b>	<b>511,349</b>	<b>516,992</b>	<b>522,881</b>	<b>529,021</b>	<b>534,472</b>	<b>540,130</b>

Sensitivity Analysis Stmt of Changes in Equity For the year	Projected 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
<b>RETAINED EARNINGS</b>										
Opening Balance	220,614	241,076	247,526	252,887	258,330	264,131	269,774	275,663	281,803	287,254
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>220,614</b>	<b>241,076</b>	<b>247,526</b>	<b>252,887</b>	<b>258,330</b>	<b>264,131</b>	<b>269,774</b>	<b>275,663</b>	<b>281,803</b>	<b>287,254</b>
<b>Net Operating Result for the Year</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>
<b>Total Comprehensive Income</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>
<b>Balance at End of the Reporting Period</b>	<b>241,076</b>	<b>247,526</b>	<b>252,887</b>	<b>258,330</b>	<b>264,131</b>	<b>269,774</b>	<b>275,663</b>	<b>281,803</b>	<b>287,254</b>	<b>292,912</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>										
Opening Balance	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218	247,218
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
<b>Balance at End of the Reporting Period</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>	<b>247,218</b>
<b>COUNCIL EQUITY INTEREST</b>										
Opening Balance	467,832	488,294	494,744	500,105	505,548	511,349	516,992	522,881	529,021	534,472
Subsidy paid / contribution to operations	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>467,832</b>	<b>488,294</b>	<b>494,744</b>	<b>500,105</b>	<b>505,548</b>	<b>511,349</b>	<b>516,992</b>	<b>522,881</b>	<b>529,021</b>	<b>534,472</b>
<b>Net Operating Result for the Year</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>
<b>Total Comprehensive Income</b>	<b>20,462</b>	<b>6,450</b>	<b>5,361</b>	<b>5,443</b>	<b>5,802</b>	<b>5,643</b>	<b>5,889</b>	<b>6,141</b>	<b>5,451</b>	<b>5,658</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>488,294</b>	<b>494,744</b>	<b>500,105</b>	<b>505,548</b>	<b>511,349</b>	<b>516,992</b>	<b>522,881</b>	<b>529,021</b>	<b>534,472</b>	<b>540,130</b>

# Sensitivity Analysis: Consolidated-Financial Statements 2019-28 LTFP

Income Statement - Consolidated For the year	Projected 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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates and Annual Charges	23,148	24,331	24,983	25,603	26,239	26,443	27,100	27,773	25,161	25,786
User Charges and Fees	17,646	18,312	18,870	19,399	19,942	20,500	21,074	21,664	22,271	22,895
Interest and Investment Revenue	1,628	1,564	1,601	1,507	1,733	1,865	2,000	2,176	2,357	2,523
Other Revenue	2,650	2,704	2,764	2,841	2,921	3,003	3,087	3,173	4,262	4,381
Grants and Contributions provided for Operating Purposes	5,698	5,757	5,855	6,002	6,152	6,305	6,463	6,625	6,790	6,960
Grants and Contributions provided for Capital Purposes	19,943	5,785	5,876	6,024	6,176	6,319	6,466	6,616	6,770	6,928
Internal Revenue	3,752	3,825	3,899	4,008	4,120	4,236	4,354	4,476	5,952	6,107
<b>Total Income from Continuing Operations</b>	<b>74,466</b>	<b>62,278</b>	<b>63,848</b>	<b>65,384</b>	<b>67,284</b>	<b>68,671</b>	<b>70,544</b>	<b>72,503</b>	<b>73,563</b>	<b>75,580</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits and On-Costs	13,558	14,365	15,356	15,813	16,283	16,767	17,265	17,778	18,307	18,851
Borrowing Costs	3,326	3,633	3,630	3,525	3,367	3,221	3,124	3,026	2,936	2,841
Materials and Contracts	15,939	16,340	16,945	17,369	17,803	18,248	18,704	19,172	19,651	20,142
Overheads	3,974	4,054	4,136	4,211	4,310	4,411	4,514	4,619	6,078	6,215
Depreciation and Amortisation	10,929	11,196	11,875	12,173	12,479	12,793	13,115	13,446	13,785	14,132
Other Expenses	3,682	3,933	4,140	4,223	4,308	4,394	4,483	4,573	4,665	4,758
<b>Total Expenses from Continuing Operations</b>	<b>51,408</b>	<b>53,520</b>	<b>56,083</b>	<b>57,315</b>	<b>58,550</b>	<b>59,834</b>	<b>61,205</b>	<b>62,613</b>	<b>65,420</b>	<b>66,941</b>
<b>Operating Result from Continuing Operations</b>	<b>23,057</b>	<b>8,758</b>	<b>7,766</b>	<b>8,070</b>	<b>8,734</b>	<b>8,837</b>	<b>9,340</b>	<b>9,890</b>	<b>8,143</b>	<b>8,640</b>
<b>Discontinued Operations</b>										
Net Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the Year</b>	<b>23,057</b>	<b>8,758</b>	<b>7,766</b>	<b>8,070</b>	<b>8,734</b>	<b>8,837</b>	<b>9,340</b>	<b>9,890</b>	<b>8,143</b>	<b>8,640</b>
Net Operating Result attributable to Council	23,057	8,758	7,766	8,070	8,734	8,837	9,340	9,890	8,143	8,640
Net Operating Result attributable to Minority Interests	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>3,114</b>	<b>2,973</b>	<b>1,889</b>	<b>2,045</b>	<b>2,558</b>	<b>2,518</b>	<b>2,874</b>	<b>3,273</b>	<b>1,373</b>	<b>1,712</b>
<b>Net Operating Result for the Year</b>	<b>23,057</b>	<b>8,758</b>	<b>7,766</b>	<b>8,070</b>	<b>8,734</b>	<b>8,837</b>	<b>9,340</b>	<b>9,890</b>	<b>8,143</b>	<b>8,640</b>
<b>Total Comprehensive Income for the year</b>	<b>23,057</b>	<b>8,758</b>	<b>7,766</b>	<b>8,070</b>	<b>8,734</b>	<b>8,837</b>	<b>9,340</b>	<b>9,890</b>	<b>8,143</b>	<b>8,640</b>

Statement of Cash Flows - Consolidated For the year (000's)	Projected 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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates and Annual Charges	23,148	24,331	24,983	25,603	26,239	26,443	27,100	27,773	25,161	25,786
User Charges and Fees	17,646	18,312	18,870	19,399	19,942	20,500	21,074	21,664	22,271	22,895
Investment and Interest Revenue Received	1,628	1,564	1,601	1,507	1,733	1,865	2,000	2,176	2,357	2,523
Grants and Contributions	25,642	11,542	11,732	12,026	12,328	12,625	12,929	13,241	13,560	13,888
Other	6,402	6,529	6,663	6,850	7,041	7,239	7,441	7,650	10,214	10,489
<b>Payments:</b>										
Employee Benefits and On-Costs	(13,558)	(14,365)	(15,356)	(15,813)	(16,283)	(16,767)	(17,265)	(17,778)	(18,307)	(18,851)
Materials and Contracts	(19,914)	(20,394)	(21,081)	(21,580)	(22,113)	(22,659)	(23,218)	(23,791)	(25,728)	(26,357)
Borrowing Costs	(3,326)	(3,633)	(3,630)	(3,525)	(3,367)	(3,221)	(3,124)	(3,026)	(2,936)	(2,841)
Other	(3,682)	(3,933)	(4,140)	(4,223)	(4,308)	(4,394)	(4,483)	(4,573)	(4,665)	(4,758)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>33,986</b>	<b>19,953</b>	<b>19,641</b>	<b>20,243</b>	<b>21,214</b>	<b>21,631</b>	<b>22,455</b>	<b>23,335</b>	<b>21,928</b>	<b>22,772</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	9,179	1,926	1,341	397	717	377	-	28	1,500	1,500
<b>Payments:</b>										
Purchase of Investment Securities	(1,407)	(2,950)	(3,397)	(3,648)	(3,919)	(3,666)	(4,291)	(4,467)	(5,555)	(5,825)
Purchase of Investment Property	(350)	(350)	(350)	(359)	(368)	(377)	(386)	(396)	(406)	(416)
Purchase of Infrastructure, Property, Plant and Equipment	(59,476)	(15,215)	(14,491)	(13,181)	(13,939)	(14,143)	(14,021)	(14,524)	(14,856)	(15,227)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used) in Investing Activities</b>	<b>(52,054)</b>	<b>(16,589)</b>	<b>(16,897)</b>	<b>(16,791)</b>	<b>(17,509)</b>	<b>(17,808)</b>	<b>(18,699)</b>	<b>(19,359)</b>	<b>(19,316)</b>	<b>(19,969)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowing and Advances	22,306	1,077	552	-	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of borrowing and advances	(4,446)	(4,391)	(3,245)	(3,452)	(3,705)	(3,823)	(3,756)	(3,976)	(2,612)	(2,803)
<b>Net Cash provided (or used) in Investing Activities</b>	<b>17,860</b>	<b>(3,314)</b>	<b>(2,693)</b>	<b>(3,452)</b>	<b>(3,705)</b>	<b>(3,823)</b>	<b>(3,756)</b>	<b>(3,976)</b>	<b>(2,612)</b>	<b>(2,803)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(207)</b>	<b>50</b>	<b>51</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>9,008</b>	<b>8,801</b>	<b>8,851</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>
<b>Cash and Cash Equivalents - end of year</b>	<b>8,801</b>	<b>8,851</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>	<b>8,902</b>
plus: Investments on hand - end of year	12,017	13,041	15,097	18,348	21,550	24,838	29,130	33,569	37,623	41,948
<b>Total Cash, Cash Equivalents and Investments</b>	<b>20,818</b>	<b>21,892</b>	<b>23,999</b>	<b>27,250</b>	<b>30,452</b>	<b>33,740</b>	<b>38,032</b>	<b>42,471</b>	<b>46,525</b>	<b>50,850</b>

<b>Balance Sheet - Consolidated</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>As at (000's)</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash and Cash Equivalents	9,703	9,753	9,804	9,804	9,804	9,804	9,804	9,804	9,804	9,804
Investments	9,416	9,416	9,416	9,416	9,416	9,416	9,416	9,416	9,416	9,416
Receivables	9,385	9,385	9,385	9,385	9,385	9,385	9,385	9,385	9,385	9,385
Inventories	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116	2,116
Other	102	102	102	102	102	102	102	102	102	102
<b>Total Current Assets</b>	<b>30,722</b>	<b>30,772</b>	<b>30,823</b>	<b>30,823</b>	<b>30,823</b>	<b>30,823</b>	<b>30,823</b>	<b>30,823</b>	<b>30,823</b>	<b>30,823</b>
<b>Non-Current Assets</b>										
Investments	14,855	15,879	17,936	21,187	24,393	27,685	31,981	36,425	40,484	44,814
Infrastructure, Property, Plant and Equipment	666,474	670,493	673,109	674,117	675,577	676,926	677,832	678,911	679,982	681,077
Investments accounted for using the equity method	91	91	91	91	91	91	91	91	91	91
Investment Property	59,068	59,418	59,768	60,127	60,494	60,871	61,258	61,654	62,060	62,476
<b>Total Non-Current Assets</b>	<b>740,488</b>	<b>745,882</b>	<b>750,904</b>	<b>755,521</b>	<b>760,555</b>	<b>765,574</b>	<b>771,163</b>	<b>777,081</b>	<b>782,616</b>	<b>788,457</b>
<b>TOTAL ASSETS</b>	<b>771,210</b>	<b>776,654</b>	<b>781,727</b>	<b>786,345</b>	<b>791,379</b>	<b>796,397</b>	<b>801,986</b>	<b>807,904</b>	<b>813,440</b>	<b>819,281</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	5,529	5,529	5,529	5,529	5,529	5,529	5,529	5,529	5,529	5,529
Borrowings	4,391	3,245	3,452	3,705	3,823	3,756	3,976	2,612	2,803	0
Provisions	3,185	3,185	3,185	3,185	3,185	3,185	3,185	3,185	3,185	3,185
<b>Total Current Liabilities</b>	<b>13,105</b>	<b>11,959</b>	<b>12,166</b>	<b>12,419</b>	<b>12,537</b>	<b>12,470</b>	<b>12,690</b>	<b>11,326</b>	<b>11,517</b>	<b>8,714</b>
<b>Non-Current Liabilities</b>										
Payables	-	-	-	-	-	-	-	-	-	-
Borrowings	89,822	87,655	84,755	81,050	77,227	73,471	69,496	66,884	64,080	64,080
Provisions	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284	5,284
<b>Total Non-Current Liabilities</b>	<b>95,106</b>	<b>92,939</b>	<b>90,039</b>	<b>86,334</b>	<b>82,511</b>	<b>78,755</b>	<b>74,780</b>	<b>72,168</b>	<b>69,364</b>	<b>69,364</b>
<b>TOTAL LIABILITIES</b>	<b>108,211</b>	<b>104,897</b>	<b>102,205</b>	<b>98,753</b>	<b>95,048</b>	<b>91,225</b>	<b>87,469</b>	<b>83,494</b>	<b>80,882</b>	<b>78,078</b>
<b>Net Assets</b>	<b>662,999</b>	<b>671,757</b>	<b>679,523</b>	<b>687,592</b>	<b>696,331</b>	<b>705,172</b>	<b>714,516</b>	<b>724,410</b>	<b>732,558</b>	<b>741,202</b>
<b>EQUITY</b>										
Retained Earnings	358,027	366,785	374,551	382,620	391,358	400,200	409,544	419,438	427,586	436,230
Revaluation Reserves	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972
<b>Total Equity</b>	<b>662,999</b>	<b>671,757</b>	<b>679,523</b>	<b>687,592</b>	<b>696,330</b>	<b>705,172</b>	<b>714,516</b>	<b>724,410</b>	<b>732,558</b>	<b>741,202</b>

Statement of Changes in Equity - Consolidated For the year (000's)	Projected 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
<b>RETAINED EARNINGS</b>										
<b>Opening Balance</b>	334,970	358,027	366,785	374,551	382,620	391,358	400,200	409,544	419,438	427,586
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	334,970	358,027	366,785	374,551	382,620	391,358	400,200	409,544	419,438	427,586
<b>Net Operating Result for the Year</b>	23,057	8,758	7,766	8,070	8,738	8,842	9,344	9,894	8,148	8,644
<b>Total Comprehensive Income</b>	<b>23,057</b>	<b>8,758</b>	<b>7,766</b>	<b>8,070</b>	<b>8,738</b>	<b>8,842</b>	<b>9,344</b>	<b>9,894</b>	<b>8,148</b>	<b>8,644</b>
<b>Balance at End of the Reporting Period</b>	<b>358,027</b>	<b>366,785</b>	<b>374,551</b>	<b>382,620</b>	<b>391,358</b>	<b>400,200</b>	<b>409,544</b>	<b>419,438</b>	<b>427,586</b>	<b>436,230</b>
<b>IPP&amp;E ASSET REVALUATION RESERVE</b>										
<b>Opening Balance</b>	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972	304,972
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>
<b>Balance at End of the Reporting Period</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>	<b>304,972</b>
<b>COUNCIL EQUITY INTEREST</b>										
<b>Opening Balance</b>	639,942	662,999	671,757	679,523	687,592	696,330	705,172	714,516	724,410	732,558
Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
<b>Revised Opening Balance</b>	<b>639,942</b>	<b>662,999</b>	<b>671,757</b>	<b>679,523</b>	<b>687,592</b>	<b>696,330</b>	<b>705,172</b>	<b>714,516</b>	<b>724,410</b>	<b>732,558</b>
<b>Net Operating Result for the Year</b>	23,057	8,758	7,766	8,070	8,738	8,842	9,344	9,894	8,148	8,644
<b>Total Comprehensive Income</b>	<b>23,057</b>	<b>8,758</b>	<b>7,766</b>	<b>8,070</b>	<b>8,738</b>	<b>8,842</b>	<b>9,344</b>	<b>9,894</b>	<b>8,148</b>	<b>8,644</b>
Revaluations - IPP&E Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance at End of the Reporting Period</b>	<b>662,999</b>	<b>671,757</b>	<b>679,523</b>	<b>687,592</b>	<b>696,330</b>	<b>705,172</b>	<b>714,516</b>	<b>724,410</b>	<b>732,558</b>	<b>741,202</b>