

# LONG TERM FINANCIAL PLAN

## Executive Summary

The Long Term Financial Plan (LTFP) of Council presents a financial projection of the next ten years based on the Community Strategic Plan and Delivery Program.

The 10 year forecast illustrates the operating results and is based on projected events.

These projections form a roadmap of the operating results, which provides Council an opportunity to:

- Assess different courses of corrective action and quantify the potential outcomes
- Ensure sustainability through positive net results
- Structure the operations, based on affordability and financial sustainability.

In summary, this LTFP illustrates that the current level of funding generated for Council through rates is insufficient to continue existing services into the future and meet the demands of our growing population. Should we do nothing, Council will inevitably face a declining financial position and a reduction in services.

To strengthen our financial position and ensure continued delivery of our community aspirations, Council is undertaking an overhaul of its rates structure to bring about equity and sustainability across its Local Government Area. Details of the rate restructure and associated modelling are outlined within the contents of this document.

In our efforts to combat the declining profitability and reduce the reliability of rates revenue to fund our operations, Council has also established a “Georges River Council Financial Sustainability Working Group” to explore options on strengthening Council’s long term financial sustainability by applying the financial principles, strategy and associated actions within the plan, that will contribute to bringing Council’s operations back to profitability.

## Financial Governance Principles

In preparing the LTFP and guiding financial decisions are the Intergrated Planning and Reporting documents, the *Local Government Act 1993* and financial principles.

Council conducted a program of extensive community engagement to develop Georges River’s first Community Strategic Plan. The Community Strategic Plan and associated documents were adopted by Council on 25 June 2018.

The Community Strategic Plan was developed around six themes or pillars which were identified in the consultation process as important to the community.

These six pillars, which underpin our future work, are:

1. A protected environment and green open spaces
2. Quality, well planned development
3. Active and accessible places and spaces
4. A diverse and productive economy
5. A harmonious and proud community with strong social services and infrastructure
6. Leadership and transparency.

The Community Strategic Plan is part of a suite of documents which include the Delivery Program and Operational Plan, which outlines our key actions over the next three years, annual budget and Fees and Charges. These key documents feed into the Resourcing Strategy and Council’s long-term financial plan.

The Local Government Act 1993 (the Act), outlines the principles of sound financial management in which Council is governed by. Section 8B of the Act states that:

- Council spending should be responsible and sustainable, aligning general revenue and expenses.
- Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- Councils should have effective financial and asset management, including sound policies and processes for the following:
  - performance management and reporting
  - asset maintenance and enhancement
  - funding decisions
  - risk management practices.
- Councils should have regard to achieving intergenerational equity, including ensuring the following:
  - policy decisions are made after considering their financial effects on future generations
  - the current generation funds the cost of its services.

In addition to the legislated principles of sound financial management, Council's actions and strategies are centred on Sustainability, Affordability, Accountability and Growth.

### **Sustainability**

Ensure the long term sustainability of Georges River Council – this involves putting in place measures to fortify its income base (without depending on one-off receipts of grants or contributions), managing its expenditure to optimum levels and maintaining positive Net Operating Results.

### **Affordability**

Operate within the realms of affordability by structuring expenditure within the boundaries of income received. Plan and execute programs and projects after taking into account the affordability of the long term ongoing impact on future revenue and expenditure.

### **Accountability**

Continue to be accountable to ratepayers for optimum management of income generated and expenditure incurred. Continue to be accountable to ratepayers for optimum management of Council assets and resources.

### **Growth**

Approach all activities from the perspective of constantly improving the quality of services provided. Deliver services that benefit the larger community.

## **Financial Sustainability Challenges**

Georges River Council takes great pride in its role of providing and maintaining high quality local services for our community. If Council is to continue to deliver the current level of services and facilities, we need to effectively plan for the future.

Following extensive consultation with our community in 2018, Council adopted its first ever Community Strategic Plan which details the community's aspirations for the Georges River area over the next 10 years. This Plan highlights many community projects, programs, initiatives and events that require substantial funding to become a reality.

Council, in preparing the LTFP for the period 2019/20 to 2028/29, recognised a number of challenges it will face in the near future. The challenges, if unaddressed, will have an adverse impact on the long term financial sustainability of Council. These challenges are summarised:

- Experiencing declining profitability, amplified by the loss of income of \$2.2M from the former Hurstville Council Special Rate Variation (SRV), due to cease in 2021
- The compounded impact of the expiring SRV results in a forecast loss of \$19.5M from 2021/2022 to 2028/2029
- Operating performance, net of capital grant income, remains negative with the deficit increasing each year
- Increase in Council's Net Worth is dependent on the quantum of Capital Grants received and not on the operations being cost effective.

The operating results (actual and forecast), display a downward trend leading to negative results from 2022/23 onwards. There is a dramatic reduction of 3.2% in Rates income from 2021/22 onwards, due to the termination of the SRV that commenced over 10 years ago. The impact on the operating results is a loss of \$2.2M income in that year, compounded each year thereafter.

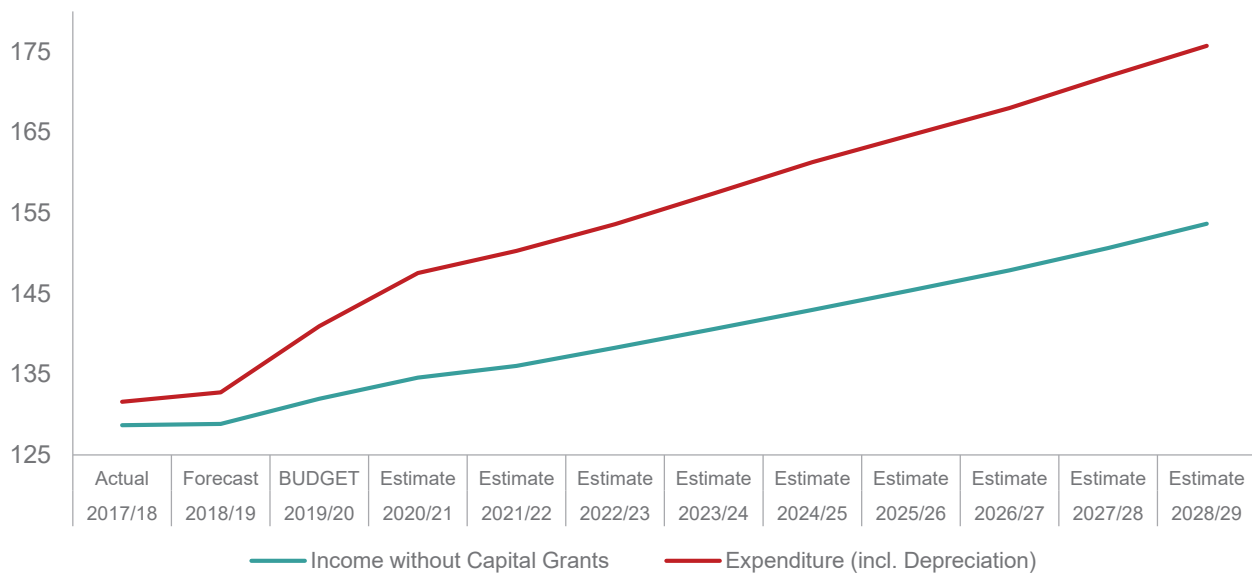
In addition, Council's operating results are augmented by the value of capital grants received. These grants are for exclusive use on capital expenditure and are not to be used to fund operating expenditure. When these funds are excluded, the Operating Results show increasing negative returns each year. This means that Council, in its current form, is unable to fund its operating expenditure from the operating income it receives.

It has also been demonstrated that there is an adverse widening gap between the increases to operating income and the increases to operating expenditure each year. This is graphically shown in the following chart.

This chart clearly demonstrates that there are two fundamental problems facing Council's finances.

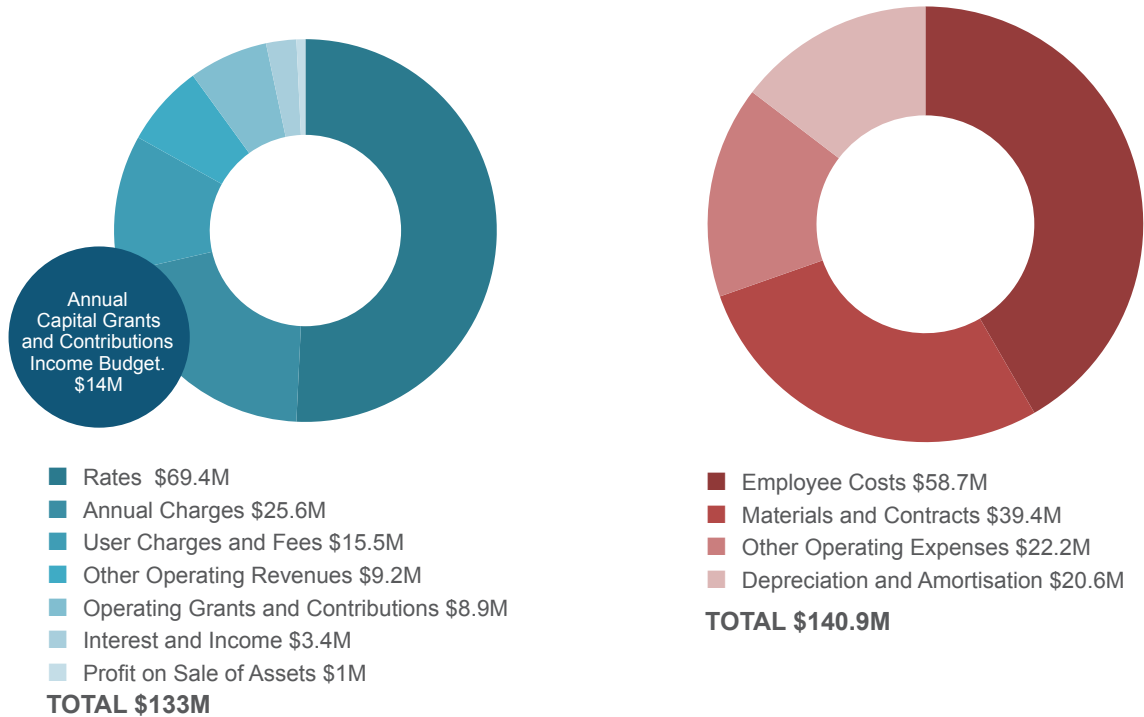
1. Council does not generate sufficient operating income to fund operating expenditure, and
2. Each year, increases in operating income are less than the increases in operating expenditure.

When reviewing the actual results so far, Council has generated surpluses each year since amalgamation. However, these actual results have been favourably impacted by additional operating and capital grants received from the State Government, to assist with the transition to functioning as an amalgamated council. Despite the receipt of these additional operating grants, when capital grants are excluded, the operating results show a negative outcome.

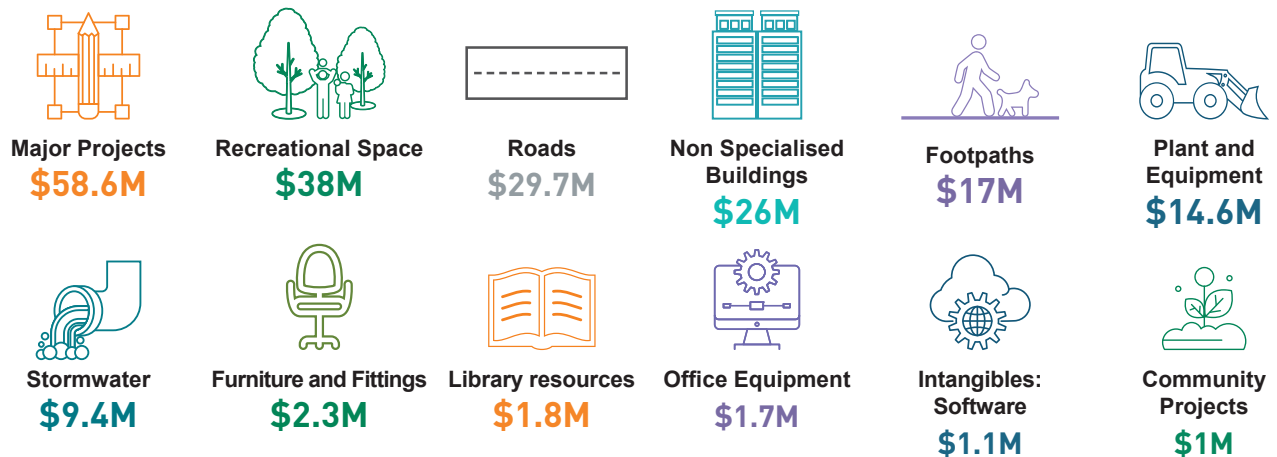


# OVERVIEW OF COUNCIL FUNDING AND EXPENDITURE

## 2019/20 Operating Revenue and Expenditure Budget



## 4 Year Capital Program Budget - \$201.5M



Capital Projects are also funded by internal and external restricted cash reserves



# PLANNING FOR OUR FUTURE

## The Amalgamation Journey

The amalgamation of two organisations whilst maintaining everyday services is a complex task that requires the involvement of the entire organisation and the support of the community.

Georges River Council has embraced the fresh start that the merge of the former Hurstville City and Kogarah City Councils presented, building the foundations for a strong organisation that will deliver outstanding results to our community and city.

While Council's income has increased and we have made savings as a result of the amalgamation of the former Kogarah and Hurstville Council in 2016, these changes have not kept pace with the increase to costs in providing services, especially as our population continues to grow.

The terms of the amalgamation specified the preservation of the rates structures of the Hurstville and Kogarah City Councils for a period of four years.

Council is now approaching the end of the "restricted" period and it is with long-term vision for the Georges River area that Council has decided to apply to the Independent Pricing and Regulatory Tribunal (IPART) to change our rating structure.

Along with addressing financial sustainability, there is inconsistency in the amount of rates paid across the former Kogarah and Hurstville Council areas, which Council needs to rectify to ensure a fairer approach for all ratepayers, regardless of dwelling or business type.

Information on Council efficiencies to date can be further explored in the Amalgamation Journey Final Report.







## Financial Strategy

Based on the challenges presented in this Long Term Financial Plan, Council is building on the strong foundations established to ensure the delivery of community aspirations outlined in the Community Strategic plan.

To achieve this, Council will take the following steps:

1. Establish a Financial Sustainability Working Group
2. Review the rates structure to bring consistency of rates charged to ratepayers
3. Seek the views of the community in applying for a Special Rate Variation that will maintain the expiring SRV and contribute towards reducing operating losses
4. Explore potential avenues to raise new streams of income and increase current income levels through a wider application of the user pays model
5. Explore potential savings in operating expenditure by reviewing operating processes
6. Enquire into the rationalisation of assets without affecting the quality and extent of services currently provided
7. Continue to benchmark activities and align operations where necessary, to yield optimum results
8. Introduce and implement changes in focus, to view activities as “commercial” or “non-commercial”
9. Evaluate affordability of capital projects from a “long term operating impact” point of view
10. Evaluate the feasibility of major projects from a cost/benefit perspective and understand the pay-back period in respect of each
11. Focus on bridging the gap between increases in income and expenditure
12. Focus on works projects that are funded from externally restricted reserves.

# PLANNING FOR OUR FUTURE

Have your say



RECOMMENDED OPTION

Council will seek approval to apply a standard minimum rate for all ratepayers across our local government area, and to increase the total rate income by 10.6 percent (8.1% standard rate variation and 2.5% annual rate peg), with these changes to come into effect from 1 July 2020.

Currently rate payers in the former Hurstville Council area pay a minimum rate of \$570.88. In the former Kogarah Council area the minimum rate is \$942.24. To provide greater fairness and consistency the Council proposes that the minimum rate should be \$965.80 (including a 2.5% rate peg increase) across the local government area, which would come into effect from 1 July 2020.

Council has also identified the need to set new minimum rate for the Major Commercial Centres of Hurstville and Kogarah of \$1,100, to come into effect from 1 July 2020. This recognises the additional services, such as parking management, street cleaning and events that Council provides to these commercial centres.

Council preferred option has been developed after reviewing multiple options with a varying degree of impact, along with comparative metropolitan rating trends. The preferred option is based on utilising our stable income source to close the gap between income and expenditure, along with reviewing services to improve efficiency.

Though Council has a preferred option, it is seeking the community's feedback on their views on the following options: In all proposed scenarios/models the minimum rate is proposed to be \$965.80, with a community consultation occurring on whether to have a \$1,100 commercial cbd minimum rate for Kogarah and Hurstville CBDs.

Extensive community consultation on these options and their impact will take place in October and November 2019, through face-to-face community information sessions and online surveys.

**DISCLAIMER** - The figures quoted in tables within this document have been developed from financial modelling based on current property data and land values as of 1 July 2019 (note: land values are based on the Valuer Generals last release from 1 July 2016). Final 2020/21 figures may vary due to changes as a result of new land values, processing supplementary properties and

sub-categories. Rounding has been applied throughout the document.

## Option 1 FINANCIALLY SUSTAINABLE

Council will apply for a Special Rate Variation (SRV) of 8.1% plus a 2.5% rate peg (total of 10.6%) as well as identifying savings in operating expenditure, and options to increase other income to ensure we become financially sustainable in the long term.

**This option is recommended by Council as there will be minimal change to the services Council provides.**

Total rate income increase  
**\$7.5M - 10.6%**

Continue to deliver new projects

Current average annual rate  
**\$1,119**

### Residential ratepayers

2020/2021	Weekly average increase	<b>\$3</b>
	Annual average increase	<b>\$132</b>
	Annual average Rate	<b>\$1,251</b>
	Former Hurstville weekly average increase	\$2
	Former Kogarah weekly average increase	\$3
	Former Hurstville annual average increase	\$116
	Former Kogarah annual average increase	\$153

Current average annual rate  
**\$3,079**

### Business ratepayers

2020/2021	Weekly average increase	<b>\$1</b>
	Annual average increase	<b>\$67</b>
	Annual average Rate	<b>\$3,146</b>
	Former Hurstville weekly average increase	\$1
	Former Kogarah weekly average increase	\$2
	Former Hurstville annual average increase	\$56
	Former Kogarah annual average increase	\$90

## Option 2 SHORT TERM

Council will apply for a Special Rate Variation (SRV) of 0.8% plus a rate peg of 2.5% (total increase of 3.3%) which is sufficient to cover the loss of the current SRV which is due to stop in 2021. Council will also identify savings in operating expenditure, and options to increase other income.

This option is **not recommended** by Council and requires Council to significantly review the services it can deliver. This option does not address the issues of increasing costs and the additional costs of meeting the needs of our growing population.

Total rate income increase  
**\$2.3M - 3.3 %**

No new projects delivered and service levels reduced

Current average annual rate  
**\$1,119**



### Residential ratepayers

2020/2021	Weekly average increase	<b>\$1</b>
	Annual average increase	<b>\$49</b>
	Annual average Rate	<b>\$1,168</b>
	Former Hurstville weekly average increase	\$1
	Former Kogarah weekly average increase	\$1
	Former Hurstville annual average increase	\$43
	Former Kogarah annual average increase	\$58

Current average annual rate  
**\$3,079**



### Business ratepayers

2020/2021	Weekly average <i>decrease</i>	<b>-\$3</b>
	Annual average <i>decrease</i>	<b>-\$140</b>
	Annual average Rate	<b>\$2,939</b>
	Former Hurstville weekly average <i>decrease</i>	-\$3
	Former Kogarah weekly average <i>decrease</i>	-\$2
	Former Hurstville annual average <i>decrease</i>	-\$154
	Former Kogarah annual average <i>decrease</i>	-\$112

## Option 3 SUBSTANTIAL RATE INCREASE

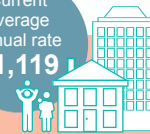
Council will apply for a Special Rate Variation (SRV) of 19.8% plus a rate peg of 2.5% (total increase of 22.3%) as well as generating savings in operating expenditure, to ensure we become financially sustainable and to provide enhanced services.

This option will see significant rate increases for all ratepayers and is **not recommended** by Council as it places a greater financial burden on ratepayers.

Total rate income increase  
**\$15.8M - 22.3 %**

Increase in new projects delivered and enhanced services

Current average annual rate  
**\$1,119**



### Residential ratepayers

2020/2021	Weekly average increase	<b>\$5</b>
	Annual average increase	<b>\$264</b>
	Annual average Rate	<b>\$1,383</b>
	Former Hurstville weekly average increase	\$5
	Former Kogarah weekly average increase	\$6
	Former Hurstville annual average increase	\$238
	Former Kogarah annual average increase	\$301

Current average annual rate  
**\$3,079**



### Business ratepayers

2020/2021	Weekly average increase	<b>\$8</b>
	Annual average increase	<b>\$400</b>
	Annual average Rate	<b>\$3,479</b>
	Former Hurstville weekly average increase	\$8
	Former Kogarah weekly average increase	\$8
	Former Hurstville annual average increase	\$395
	Former Kogarah annual average increase	\$411



# FINANCIAL MODELS

The proposed option being presented to the community on the rates structure changes are based on three models contained within this plan. Each model illustrates the forecasted impact over a ten year period (2019/20-2028/29).

In all proposed scenarios/models, the minimum rate is proposed to be \$965.80, with community consultation occurring on whether to have a new minimum rate for the major commercial centres of Hurstville and Kogarah of \$1,100, to come into effect from 1 July 2020.

An overview of each model is outlined below.

## Option 1 - FINANCIALLY SUSTAINABLE

Request a Special Rate Variation (SRV) of 10.6% (including a 2.5% rate peg) and combine with the effects of generating savings in operating expenditure, to achieve the desired positive result. This scenario is based on retaining the expiring SRV and results in a \$7.5M increase in rate income.

<b>2019/2020 Rate Income Budget</b>	\$69.4M
<b>Increase (\$)</b>	\$7.5M
<b>2020/2021 Total proposed rate income % increase</b>	10.6%
<b>2020/2021 Special Rate Variation % increase</b>	8.1%
<b>2020/2021 Rate Peg % increase</b>	2.5%

The proposal examines the outcome after levying an SRV of 8.1% (plus an estimated rate peg of 2.5%) from 2020/21 and finding savings in operating expenditure and/or generating additional income from Council operations.

The advantage is that whilst there is a relatively light burden placed on the ratepayer to raise additional income, it also places a responsibility on Council to identify and bring savings in operating expenditure and/or generate additional revenue from other sources of income, reducing long term reliance on rate income. This strategy may be considered the most equitable, as it combines the contributions of the ratepayers and the organisation in trying to address the financial challenges and governance principles presented within this document.

In addition to generating an additional \$7.5M as Rates Income from 2020/21, the scenario provides for producing expenditure savings and/or additional income of \$4.5M, \$4.5M and \$3.0M in 2020/21, 2021/22 and 2022/23 respectively. This will have a cumulative effect of generating sustainable additional income/expenditure savings of \$12M over a 3 year period.

### Model Sensitivity

These models are based on assumptions which represent the most likely outcome, given the prevailing economic and operating environment. In the context of marginal (and adverse) operating results, particularly from 2021-22, any actual divergent outcomes (by a major extent) to the assumptions could have a material impact on the results. For example, 1% increase in the inflation factor each year in the 10-year period will see the cumulative negative operating result adversely affected by 5.6 times. This, however, is unlikely. Interest on investments has been estimated at 2.5% each year. With interest rates at historical lows, the potential movement is likely an increase, meaning any such movement will result in an increase in income. Council's Current Ratio is maintained at a healthy level throughout the 10-year period. While there is a projected decrease in Council's cash balances, there is sufficient buffer to maintain adequate (above benchmark) levels of working capital.

## Option 2 - SHORT TERM

Request a Special Rate Variation (SRV) of 3.3% (including a 2.5% rate peg) that is sufficient to cover the loss of the current SRV which is due to terminate in 2020/21. This equates to a \$2.3M increase in rate income.

<b>2019/2020 Rate Income Budget</b>	\$69.4M
<b>Increase (\$)</b>	\$2.3M
<b>2020/2021 Total proposed rate income % increase</b>	3.3%
<b>2020/2021 Special Rate Variation % increase</b>	0.8%
<b>2020/2021 Rate Peg % increase</b>	2.5%

In order to introduce a SRV from 2020/21, it is assumed that the current SRV will be discontinued from the same year. Therefore to recover only the loss of income from the current SRV, it will be necessary to introduce a new SRV of 3.3% from 2020/21.

The purpose of this model is to present the outcome in maintaining the status quo of the operation. It does not however address the sustainability issues that need to be resolved.

This strategy does not address the fundamental financial challenges facing Council and only subscribes to recovering the loss of income from the termination of the former Hurstville SRV. Consequently, Council will continue to incur operating losses as this strategy does not align with the financial governance principles within this Long Term Financial Plan.

## Option 3 - SUBSTANTIAL RATE INCREASE

Request a Special Rate Variation (SRV) of 22.3% (including a 2.5% rate peg) that is sufficient to cover the full Operating Deficit. This scenario is based on retaining the expiring SRV and results in a \$15.8M increase in rate income.

<b>2019/2020 Rate Income Budget</b>	\$69.4M
<b>Increase (\$)</b>	\$15.8M
<b>2020/2021 Total proposed rate income % increase</b>	22.3%
<b>2020/2021 Special Rate Variation % increase</b>	19.8%
<b>2020/2021 Rate Peg % increase</b>	2.5%

This model is based on increasing income from rates exclusively, to recover the Net Operating Deficits and the deficits arising from the exclusion of Capital Grants. This will require an SRV of 22.3% (including a Rate Peg of 2.5%) with effect from 2020/21.

While the financial result achieves the desired outcome, it places a heavy burden on the ratepayer. The structure of the solution is also not desirable as the entire burden in funding the deficits is placed on rates income, without any adjustments being made to other streams of income or expenditure.

On the one hand, the positive outcome appears to address the underlying issue of not being able to generate a surplus without the aid of capital grant income, although the Results Net of Capital Grants reflect Surpluses of a declining nature. It therefore appears that this strategy does not present a long term sustainable solution as a review of services are still required.



# DETAILED FINANCIAL MODELS

## Key Performance Indicators

A number of key performance indicators are used by the Office of Local Government to help determine the sustainability of NSW councils. These indicators, together with others that are in use in the commercial environment are shown. The indicators relevant to each stage of operations are shown in the tables. This is to provide a snapshot of the state of Council's current financial position and the comparative results relating to each model.

As is evident from the key performance indicators, the longer term outlook for Council (based on the service portfolio) is not favourable. While surpluses are being generated over the short term, the 10 year trend, as projected in the Long Term Financial Plan is downward. Council is now working towards introducing corrective measures to arrest the decline in performance and ensure long term financial sustainability.

The Operating Performance, Unrestricted Current and Cash Coverage ratios highlight the essential ingredients for sustainable financial operations.

The Operating Performance Ratio measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure. This needs to be a positive figure and ideally, growing.

The Unrestricted Current Ratio measures Council's liquidity. The benchmark based on successful organisations is set at 1.5 to 2.0. An increasing ratio over time shows improved liquidity and an environment where there is sufficient coverage of Current Liabilities from Current Assets.

The Cash Coverage Ratio measures Council's cash coverage of expenditure. This shows the number of months that Council will be able to operate unhindered, in the event that Council is unable to generate any additional cash through its operations. The greater the number of months shown, the more comfortable the operating environment.



**CURRENT SITUATION**  
**Statement of Financial Performance (Income and Expenditure)**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>INCOME</b>										
Rates and Annual Charges	94,979	97,538	98,762	100,737	102,752	104,807	106,903	109,041	111,222	113,446
User Charges and Fees	15,496	15,853	16,170	16,493	16,823	17,159	17,503	17,852	18,210	18,574
Interest and investment revenue	3,426	2,722	2,276	1,844	1,432	1,023	613	200	0	0
Grants and Contributions - Operating	8,877	9,081	9,263	9,448	9,637	9,830	10,027	10,227	10,431	10,640
Grants and Contributions - Capital	14,068	14,391	14,679	14,973	15,272	15,578	15,889	16,207	16,531	16,862
Other revenues	9,175	9,387	9,574	9,765	9,961	10,160	10,363	10,571	10,782	10,998
<b>Total Operating Income</b>	<b>146,021</b>	<b>148,972</b>	<b>150,724</b>	<b>153,260</b>	<b>155,877</b>	<b>158,557</b>	<b>161,298</b>	<b>164,098</b>	<b>167,176</b>	<b>170,520</b>
<b>EXPENDITURE</b>										
Employee Costs	(58,730)	(60,081)	(61,283)	(62,508)	(63,758)	(65,034)	(66,334)	(67,661)	(69,014)	(70,395)
Materials and Contracts	(39,364)	(40,501)	(41,312)	(42,138)	(42,981)	(43,840)	(44,717)	(45,611)	(46,524)	(47,454)
Other Expenses	(22,162)	(22,440)	(22,888)	(23,346)	(23,813)	(24,289)	(24,775)	(25,271)	(25,776)	(26,291)
<b>Total Operating Expenditure</b>	<b>(120,256)</b>	<b>(123,022)</b>	<b>(125,483)</b>	<b>(127,992)</b>	<b>(130,552)</b>	<b>(133,163)</b>	<b>(135,826)</b>	<b>(138,543)</b>	<b>(141,314)</b>	<b>(144,140)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>25,765</b>	<b>25,950</b>	<b>25,241</b>	<b>25,268</b>	<b>25,325</b>	<b>25,394</b>	<b>25,472</b>	<b>25,555</b>	<b>25,862</b>	<b>26,380</b>
Depreciation	(20,631)	(24,484)	(24,786)	(25,620)	(26,863)	(28,132)	(28,834)	(29,471)	(30,639)	(31,583)
Financing costs (Interest Expenses)	(71)	(46)	(22)	0						
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>5,063</b>	<b>1,420</b>	<b>433</b>	<b>(352)</b>	<b>(1,538)</b>	<b>(2,738)</b>	<b>(3,362)</b>	<b>(3,916)</b>	<b>(4,777)</b>	<b>(5,203)</b>
Prior year adjustments										
Net gains/(losses) from Disposal of Assets										
Other adjustments / Revaluation	1,061									
Adjustment on amalgamation										
<b>Net Surplus/(Deficit)</b>	<b>6,124</b>	<b>1,420</b>	<b>433</b>	<b>(352)</b>	<b>(1,538)</b>	<b>(2,738)</b>	<b>(3,362)</b>	<b>(3,916)</b>	<b>(4,777)</b>	<b>(5,203)</b>
<b>Result Net of Capital Grants - Surplus/(Deficit)</b>	<b>(7,944)</b>	<b>(12,971)</b>	<b>(14,247)</b>	<b>(15,325)</b>	<b>(16,811)</b>	<b>(18,315)</b>	<b>(19,251)</b>	<b>(20,123)</b>	<b>(21,308)</b>	<b>(22,065)</b>



## CURRENT SITUATION

### Statement of Cash Flow

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Cash Flows from Operating Activities</b>										
<b>Receipts</b>										
Rates and Annual Charges	94,924	97,461	98,725	100,678	102,691	104,745	106,840	108,977	111,156	113,379
User Fees and Charges	15,444	15,856	16,135	16,457	16,787	17,122	17,465	17,814	18,171	18,534
Grants and Contributions - Operating	8,770	9,084	9,269	9,455	9,644	9,838	10,008	10,208	10,412	10,620
Bonds, Deposits and Retention amounts Received (Net)	0	0	0	0	0	0	0	0	0	0
Other	9,255	9,323	9,522	9,712	9,908	10,356	10,427	10,639	10,854	11,074
<b>Payments</b>										
Employee Benefits and On-Costs	(59,084)	(60,534)	(61,809)	(62,206)	(63,450)	(64,719)	(66,014)	(67,334)	(68,680)	(70,054)
Materials and Contracts	(39,614)	(40,886)	(41,171)	(42,571)	(42,846)	(44,303)	(44,589)	(46,105)	(47,040)	(47,993)
Other Expenses	(21,324)	(22,847)	(23,344)	(23,503)	(23,979)	(24,465)	(24,961)	(25,467)	(25,984)	(26,510)
Borrowing Costs	(71)	(46)	(22)	0	0	0	0	0	0	0
Bonds, Deposits and Retention amounts Refunded	0	0	0	0	0	0	0	0	0	0
Other	(59,084)	(60,534)	(61,809)	(62,206)	(63,450)	(64,719)	(66,014)	(67,334)	(68,680)	(70,054)
<b>Net Cash from Operating Activities</b>	<b>8,300</b>	<b>7,411</b>	<b>7,305</b>	<b>8,022</b>	<b>8,755</b>	<b>8,574</b>	<b>9,176</b>	<b>8,731</b>	<b>8,889</b>	<b>9,050</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts</b>										
Investment and Interest Revenue Received	3,759	3,009	2,461	2,001	1,562	1,130	698	262	22	0
Grants and Contributions - Capital	14,068	14,391	14,679	14,973	15,272	15,578	15,889	16,207	16,531	16,862
Sale of Investment Securities										
Proceeds from Sale of Assets	1,763	0	0	0	0	0	0	0	0	0
<b>Payments</b>										
Purchase of Investment Securities										
Capital Works and Purchase of Fixed Assets	(50,690)	(42,065)	(41,500)	(41,500)	(41,500)	(41,730)	(41,750)	(41,980)	(42,000)	(42,000)
<b>Net Cash from Investing Activities</b>	<b>(31,100)</b>	<b>(24,665)</b>	<b>(24,360)</b>	<b>(24,526)</b>	<b>(24,666)</b>	<b>(25,022)</b>	<b>(25,163)</b>	<b>(25,511)</b>	<b>(25,447)</b>	<b>(25,138)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts</b>										
New Borrowings										
<b>Payments</b>										
Repayment of Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0
<b>Net Cash from Financing Activities</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(125)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(23,300)</b>	<b>(17,754)</b>	<b>(17,555)</b>	<b>(16,629)</b>	<b>(15,911)</b>	<b>(16,448)</b>	<b>(15,987)</b>	<b>(16,780)</b>	<b>(16,558)</b>	<b>(16,088)</b>
Cash and Cash Equivalents - Beginning of the Year	141,282	117,983	100,229	82,674	66,045	50,134	33,686	17,699	919	(15,639)
<b>Cash and Cash Equivalents - End of the Year</b>	<b>117,982</b>	<b>100,229</b>	<b>82,674</b>	<b>66,045</b>	<b>50,134</b>	<b>33,686</b>	<b>17,699</b>	<b>919</b>	<b>(15,639)</b>	<b>(31,727)</b>



## CURRENT SITUATION Key Performance Indicators

	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate		
<b>Operating Performance Ratio</b> <i>(Measures the extent of Councils Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	-6.8%	-9.6%	-10.5%	-11.1%	-12.0%	-12.8%	-13.2%	-13.6%	-14.1%	-14.4%
<b>Own Source Revenue Generated (w/o Grant income)</b> <i>(Measures Council's dependence on Grants income)</i>	> 80%	84.3%	84.2%	84.1%	84.1%	84.0%	84.0%	83.9%	83.9%	83.9%	83.9%
<b>Unrestricted Current Ratio</b> <i>(Measures Council's liquidity)</i>	> 1.5x	1.9	1.7	1.5	1.3	1.0	0.7	0.5	0.2	-0.2	-0.9
<b>Debt Service Cover Ratio</b> <i>(Measures Council's capacity to service debt)</i>	> 2.0x	45.1	47.5	48.4	202.1	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
<b>Capital Works &amp; Asset renewals</b> <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	1.0	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6
<b>Own Source Revenue Growth</b> <i>(Measures Council's increase of own source revenue)</i>	> 0%	1%	2%	1%	2%	2%	2%	2%	2%	2%	2%
<b>Debtor Days Outstanding - Rates</b> <i>(Measures Council's management of Debtors)</i>	< 30	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
<b>Debtor Days Outstanding - Other Debtors (net of Rates)</b>	< 30	54.5	52.4	51.2	50.1	49.2	46.8	45.6	44.6	43.6	42.7
<b>Debtor Collection Rate - Rates</b>	= > 100%	99.9%	99.9%	100.0%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
<b>Debtor Collection Rate - Other Debtors (net of Rates)</b> <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	100.5%	100.4%	100.2%	100.1%	100.1%	100.5%	100.2%	100.1%	100.1%	100.0%
<b>Cash Coverage Ratio</b> <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	5.9	4.9	3.9	3.0	2.2	1.3	0.5	(0.4)	(1.2)	(2.0)
<b>Remaining useful Life of Assets</b> <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	64.3%	63.3%	62.9%	62.5%	62.1%	61.6%	61.1%	60.5%	59.9%	59.2%
<b>Repairs &amp; Maintenance as a % of WDV of Assets</b>	1%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%

## CURRENT SITUATION Assumptions

	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Rate Pegging Limit	2.7%	2.3%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rate of Inflation	2.7%	2.3%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rates and Annual Charges as a % of Total Revenue	65.0%	65.5%	65.5%	65.7%	65.9%	66.1%	66.3%	66.4%	66.5%	66.5%
Interest Rate on investments	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Employee Costs as a % of Total Expenditure	41.7%	40.7%	40.8%	40.7%	40.5%	40.3%	40.3%	40.3%	40.1%	40.1%
Depreciation as a % of Gross Cost of Assets	1.8%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	2.0%	2.0%
Loans outstanding	\$ '000	1,125	625	125	0	0	0	0	0	0
Interest payments on loans	\$ '000	71	46	22	0	0	0	0	0	0
Capital Works Program	\$ '000	45,057	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000

## OPTION 1 - FINANCIALLY SUSTAINABLE Statement of Financial Performance (Income and Expenditure)

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>INCOME</b>										
Rates and Annual Charges	94,979	103,303	106,966	109,106	111,288	113,513	115,784	118,099	120,461	122,871
User Charges and Fees	15,496	15,883	16,201	16,525	16,856	17,193	17,537	17,887	18,245	18,610
Interest and investment revenue	3,426	2,838	2,712	2,740	2,863	3,021	3,202	3,408	3,631	3,878
Grants and Contributions - Operating	8,877	9,099	9,281	9,467	9,656	9,849	10,046	10,247	10,452	10,661
Grants and Contributions - Capital	14,068	14,420	14,708	15,002	15,302	15,608	15,920	16,239	16,564	16,895
Other revenues	9,175	9,405	9,593	9,785	9,980	10,180	10,384	10,591	10,803	11,019
<b>Total Operating Income</b>	<b>146,021</b>	<b>154,948</b>	<b>159,461</b>	<b>162,625</b>	<b>165,945</b>	<b>169,364</b>	<b>172,873</b>	<b>176,471</b>	<b>180,155</b>	<b>183,934</b>
<b>EXPENDITURE</b>										
Employee Costs	(58,730)	(57,699)	(56,403)	(56,631)	(57,763)	(58,918)	(60,097)	(61,299)	(62,525)	(63,775)
Materials and Contracts	(39,364)	(39,581)	(39,392)	(39,220)	(40,054)	(40,804)	(41,620)	(42,452)	(43,302)	(44,168)
Other Expenses	(22,162)	(21,483)	(20,933)	(20,392)	(20,800)	(21,216)	(21,640)	(22,073)	(22,514)	(22,964)
<b>Total Operating Expenditure</b>	<b>(120,256)</b>	<b>(118,763)</b>	<b>(116,728)</b>	<b>(116,243)</b>	<b>(118,567)</b>	<b>(120,938)</b>	<b>(123,357)</b>	<b>(125,824)</b>	<b>(128,341)</b>	<b>(130,907)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>25,765</b>	<b>36,185</b>	<b>42,733</b>	<b>46,382</b>	<b>47,378</b>	<b>48,426</b>	<b>49,516</b>	<b>50,647</b>	<b>51,814</b>	<b>53,027</b>
Depreciation	(20,631)	(24,483)	(24,787)	(25,620)	(26,864)	(28,132)	(28,834)	(29,472)	(30,640)	(31,583)
Financing costs (Interest Expenses)	(71)	(46)	(22)	0						
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>5,063</b>	<b>11,656</b>	<b>17,924</b>	<b>20,762</b>	<b>20,514</b>	<b>20,294</b>	<b>20,682</b>	<b>21,175</b>	<b>21,174</b>	<b>21,444</b>
Prior year adjustments										
Net gains/(losses) from Disposal of Assets	1,061									
Other adjustments / Revaluation										
Adjustment on amalgamation										
<b>Net Surplus/(Deficit)</b>	<b>6,124</b>	<b>11,656</b>	<b>17,924</b>	<b>20,762</b>	<b>20,514</b>	<b>20,294</b>	<b>20,682</b>	<b>21,175</b>	<b>21,174</b>	<b>21,444</b>
<b>Result Net of Capital Grants - Surplus/(Deficit)</b>	<b>(7,944)</b>	<b>(2,763)</b>	<b>3,216</b>	<b>5,760</b>	<b>5,212</b>	<b>4,686</b>	<b>4,761</b>	<b>4,936</b>	<b>4,610</b>	<b>4,549</b>



## OPTION 1 Statement of Financial Position (Balance Sheet)

	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>ASSETS</b>												
<b>Current Assets</b>												
Cash, Cash Equivalents & Investments	117,982	109,096	107,793	111,485	117,526	124,075	132,085	140,423	149,794	160,353		
Receivables - Gross	10,479	10,547	10,629	10,708	10,803	10,650	10,654	10,647	10,729	10,813		
Less: Provision for Impairment	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)		
Inventories	165	169	173	176	180	183	187	191	195	198		
Other	586	585	585	585	585	585	585	585	585	585		
<b>Total Current Assets</b>	<b>128,922</b>	<b>120,107</b>	<b>118,890</b>	<b>122,664</b>	<b>128,804</b>	<b>135,204</b>	<b>143,221</b>	<b>151,556</b>	<b>161,013</b>	<b>171,659</b>		
<b>Non-Current Assets</b>												
Property, Plant & Equipment	1,316,853	1,333,465	1,350,075	1,366,151	1,381,284	1,395,474	1,408,720	1,421,024	1,432,384	1,442,801		
Investment Property	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800		
Intangible Assets	2,662	3,066	3,170	2,973	2,477	1,906	1,575	1,800	1,800	1,800		
<b>Total Non-Current Assets</b>	<b>1,337,314</b>	<b>1,354,332</b>	<b>1,371,045</b>	<b>1,386,924</b>	<b>1,401,561</b>	<b>1,415,180</b>	<b>1,428,095</b>	<b>1,440,624</b>	<b>1,451,984</b>	<b>1,462,401</b>		
<b>Total Assets</b>	<b>1,466,236</b>	<b>1,474,439</b>	<b>1,489,935</b>	<b>1,509,588</b>	<b>1,530,365</b>	<b>1,550,383</b>	<b>1,571,316</b>	<b>1,592,180</b>	<b>1,612,997</b>	<b>1,634,060</b>		
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Payables	(20,583)	(18,700)	(17,882)	(16,842)	(16,825)	(16,265)	(16,225)	(15,617)	(14,959)	(14,269)		
Income received in advance	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)		
Borrowings	(500)	(500)	(125)	0	0	0	0	0	0	0		
Accruals & Provisions	(16,089)	(15,018)	(13,907)	(13,964)	(14,243)	(14,528)	(14,819)	(15,115)	(15,417)	(15,725)		
<b>Total Current Liabilities</b>	<b>(37,472)</b>	<b>(34,518)</b>	<b>(32,214)</b>	<b>(31,105)</b>	<b>(31,368)</b>	<b>(31,092)</b>	<b>(31,344)</b>	<b>(31,032)</b>	<b>(30,676)</b>	<b>(30,295)</b>		
<b>Non-Current Liabilities</b>												
Borrowings	(625)	(125)	0	0	0	0	0	0	0	0		
Provisions	(625)	(125)	0	0	0	0	0	0	0	0		
<b>Total Non-Current Liabilities</b>	<b>(38,097)</b>	<b>(34,643)</b>	<b>(32,214)</b>	<b>(31,105)</b>	<b>(31,368)</b>	<b>(31,092)</b>	<b>(31,344)</b>	<b>(31,032)</b>	<b>(30,676)</b>	<b>(30,295)</b>		
<b>Total Liabilities</b>	<b>1,428,139</b>	<b>1,439,796</b>	<b>1,457,721</b>	<b>1,478,483</b>	<b>1,498,997</b>	<b>1,519,291</b>	<b>1,539,972</b>	<b>1,561,148</b>	<b>1,582,321</b>	<b>1,603,765</b>		
<b>EQUITY</b>												
Retained Earnings	(1,405,045)	(1,416,702)	(1,434,627)	(1,455,389)	(1,475,903)	(1,496,197)	(1,516,878)	(1,538,054)	(1,559,227)	(1,580,671)		
Accounting Policy Adjustment / Revaluation Reserve	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)		
<b>Total Equity</b>	<b>(1,428,139)</b>	<b>(1,439,796)</b>	<b>(1,457,721)</b>	<b>(1,478,483)</b>	<b>(1,498,997)</b>	<b>(1,519,291)</b>	<b>(1,539,972)</b>	<b>(1,561,148)</b>	<b>(1,582,321)</b>	<b>(1,603,765)</b>		

## OPTION 1 Statement of Cash Flows

### Cash Flows from Operating Activities

#### Receipts

Rates and Annual Charges	94,924	103,051	106,856	109,040	111,223	113,446	115,715	118,029	120,391	122,801
User Fees and Charges	15,444	15,883	16,166	16,490	16,819	17,156	17,499	17,849	18,206	18,570
Grants and Contributions - Operating	8,770	9,100	9,287	9,473	9,663	9,857	10,027	10,228	10,432	10,641
Bonds, Deposits and Retention amounts Received (Net)	0	0	0	0	0	0	0	0	0	0
Other	9,255	9,334	9,541	9,733	9,927	10,377	10,449	10,660	10,875	11,096

#### Payments

Employee Benefits and On-Costs	(59,084)	(58,772)	(57,512)	(56,574)	(57,484)	(58,634)	(59,806)	(61,002)	(62,222)	(63,467)
Materials and Contracts	(39,614)	(40,129)	(39,429)	(39,792)	(39,879)	(41,236)	(41,502)	(42,913)	(43,783)	(44,671)
Other Expenses	(21,324)	(22,258)	(21,718)	(20,864)	(20,945)	(21,369)	(21,803)	(22,245)	(22,696)	(23,156)
Borrowing Costs	(71)	(46)	(22)	0	0	0	0	0	0	0
Bonds, Deposits and Retention amounts Refunded	0	0	0	0	0	0	0	0	0	0
Other										

### Net Cash from Operating Activities

	<b>8,300</b>	<b>16,163</b>	<b>23,169</b>	<b>27,506</b>	<b>29,324</b>	<b>29,597</b>	<b>30,579</b>	<b>30,606</b>	<b>31,203</b>	<b>31,814</b>
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### Cash Flows from Investing Activities

#### Receipts

Investment and Interest Revenue Received	3,759	3,094	2,820	2,810	2,915	3,072	3,261	3,473	3,605	3,851
Grants and Contributions - Capital	14,068	14,420	14,708	15,002	15,302	15,608	15,920	16,239	16,564	16,895
Sale of Investment Securities										
Proceeds from Sale of Assets	1,763	0	0	0	0	0	0	0	0	0

#### Payments

Purchase of Investment Securities										
Capital Works and Purchase of Fixed Assets	(50,690)	(42,063)	(41,500)	(41,501)	(41,500)	(41,728)	(41,750)	(41,980)	(42,000)	(42,001)
<b>Net Cash from Investing Activities</b>	<b>(31,100)</b>	<b>(24,549)</b>	<b>(23,972)</b>	<b>(23,689)</b>	<b>(23,283)</b>	<b>(23,048)</b>	<b>(22,569)</b>	<b>(22,268)</b>	<b>(21,831)</b>	<b>(21,255)</b>

### Cash Flows from Financing Activities

#### Receipts

##### New Borrowings

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#### Payments

Repayment of Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0
<b>Net Cash from Financing Activities</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(125)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Net Increase / (Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalents - Beginning of the Year	141,282	117,982	109,096	107,793	111,485	117,526	124,075	132,085	140,423	149,794
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### Cash and Cash Equivalents - End of the Year

	<b>117,982</b>	<b>109,096</b>	<b>107,793</b>	<b>111,485</b>	<b>117,526</b>	<b>124,075</b>	<b>132,085</b>	<b>140,423</b>	<b>149,794</b>	<b>160,353</b>
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## OPTION 1 Key Performance Indicators

	Benchmark	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Operating Performance Ratio</b> <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	-6.8%	-2.0%	2.2%	3.9%	3.5%	3.0%	3.0%	3.1%	2.8%	2.7%
<b>Own Source Revenue Generated (w/o Grant Income)</b> <i>(Measures Council's dependence on Grants income)</i>	> 80%	84.3%	84.8%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
<b>Unrestricted Current Ratio</b> <i>(Measures Council's liquidity)</i>	> 1.5x	1.9	2.0	2.4	2.9	3.3	3.7	4.2	4.7	5.2	5.4
<b>Debt Service Cover Ratio</b> <i>(Measures Council's capacity to service debt)</i>	> 2.0x	45.1	66.2	81.9	371.1	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
<b>Capital Works &amp; Asset renewals</b> <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	1.0	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6
<b>Own Source Revenue Growth</b> <i>(Measures Council's increase of own source revenue)</i>	> 0%	1%	6%	3%	2%	2%	2%	2%	2%	2%	2%
<b>Debtor Days Outstanding - Rates</b> <b>Debtor Days Outstanding - Other Debtors (net of Rates)</b> <i>(Measures Council's management of Debtors)</i>	< 30 < 30	11.0 54.5	11.0 52.5	11.0 51.5	11.0 50.6	11.0 49.8	11.0 47.2	11.0 45.8	11.0 44.3	11.0 43.4	11.0 42.5
<b>Debtor Collection Rate - Rates</b> <b>Debtor Collection Rate - Other Debtors (net of Rates)</b> <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100% = > 100%	99.9% 100.5%	99.8% 100.4%	99.9% 100.1%	99.9% 100.0%	99.9% 99.9%	99.9% 100.4%	99.9% 100.1%	99.9% 100.1%	99.9% 100.0%	99.9% 100.0%
<b>Cash Coverage Ratio</b> <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	5.9	6.0	6.8	8.0	9.2	10.4	11.7	12.9	14.1	15.4
<b>Remaining useful Life of Assets</b> <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	64.3%	63.3%	62.9%	62.5%	62.1%	61.6%	61.1%	60.5%	59.9%	59.2%
<b>Repairs &amp; Maintenance as a % of WDV of Assets</b>	1%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%







## OPTION 2 Statement of Financial Position (Balance Sheet)

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash, Cash Equivalents & Investments	117,982	100,273	84,997	70,821	57,482	43,728	30,561	16,730	3,042	(10,359)
Receivables - Gross	10,479	10,347	10,358	10,358	10,383	10,179	10,155	10,146	10,163	10,190
Less: Provision for Impairment	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)
Inventories	165	169	173	176	180	183	187	191	195	198
Other	586	585	585	585	585	585	585	585	585	585
<b>Total Current Assets</b>	<b>128,922</b>	<b>111,084</b>	<b>95,823</b>	<b>81,650</b>	<b>68,340</b>	<b>54,385</b>	<b>41,198</b>	<b>27,363</b>	<b>13,695</b>	<b>324</b>
<b>Non-Current Assets</b>										
Property, Plant & Equipment	1,316,852	1,333,465	1,350,075	1,366,151	1,381,283	1,395,473	1,408,720	1,421,024	1,432,384	1,442,801
Investment Property	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800
Intangible Assets	2,662	3,067	3,170	2,973	2,477	1,906	1,575	1,800	1,800	1,800
<b>Total Non-Current Assets</b>	<b>1,337,314</b>	<b>1,354,332</b>	<b>1,371,045</b>	<b>1,386,924</b>	<b>1,401,560</b>	<b>1,415,179</b>	<b>1,428,095</b>	<b>1,440,624</b>	<b>1,451,984</b>	<b>1,462,401</b>
<b>Total Assets</b>	<b>1,466,236</b>	<b>1,465,416</b>	<b>1,466,868</b>	<b>1,468,574</b>	<b>1,469,900</b>	<b>1,469,564</b>	<b>1,469,293</b>	<b>1,467,986</b>	<b>1,465,679</b>	<b>1,462,725</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	(20,583)	(19,251)	(18,950)	(18,362)	(18,334)	(17,718)	(17,664)	(16,996)	(16,275)	(15,519)
Income received in advance	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
Borrowings	(500)	(500)	(125)	0	0	0	0	0	0	0
Accruals & Provisions	(16,089)	(15,668)	(15,141)	(15,443)	(15,752)	(16,067)	(16,389)	(16,716)	(17,050)	(17,392)
<b>Total Current Liabilities</b>	<b>(37,472)</b>	<b>(35,730)</b>	<b>(34,516)</b>	<b>(34,105)</b>	<b>(34,386)</b>	<b>(34,085)</b>	<b>(34,353)</b>	<b>(34,012)</b>	<b>(33,625)</b>	<b>(33,211)</b>
<b>Non-Current Liabilities</b>										
Borrowings	(625)	(125)	0	0	0	0	0	0	0	0
Provisions	(625)	(125)	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>(38,097)</b>	<b>(35,855)</b>	<b>(34,516)</b>	<b>(34,105)</b>	<b>(34,386)</b>	<b>(34,085)</b>	<b>(34,353)</b>	<b>(34,012)</b>	<b>(33,625)</b>	<b>(33,211)</b>
<b>Total Liabilities</b>	<b>(75,569)</b>	<b>(71,585)</b>	<b>(69,032)</b>	<b>(68,210)</b>	<b>(68,772)</b>	<b>(68,170)</b>	<b>(68,706)</b>	<b>(68,024)</b>	<b>(67,250)</b>	<b>(66,422)</b>
<b>Net Assets</b>	<b>1,428,139</b>	<b>1,429,561</b>	<b>1,432,352</b>	<b>1,434,469</b>	<b>1,435,514</b>	<b>1,435,479</b>	<b>1,434,940</b>	<b>1,433,974</b>	<b>1,432,054</b>	<b>1,429,514</b>
<b>EQUITY</b>										
Retained Earnings	(1,405,045)	(1,406,467)	(1,409,258)	(1,411,375)	(1,412,420)	(1,412,385)	(1,411,846)	(1,410,880)	(1,408,960)	(1,406,420)
Accounting Policy Adjustment / Revaluation Reserve	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)
<b>Total Equity</b>	<b>(1,428,139)</b>	<b>(1,429,561)</b>	<b>(1,432,352)</b>	<b>(1,434,469)</b>	<b>(1,435,514)</b>	<b>(1,435,479)</b>	<b>(1,434,940)</b>	<b>(1,433,974)</b>	<b>(1,432,054)</b>	<b>(1,429,514)</b>

## OPTION 2 Statement of Cash Flows

	2019/20 BUDGET \$ '000	2020/21 Estimate \$ '000	2021/22 Estimate \$ '000	2022/23 Estimate \$ '000	2023/24 Estimate \$ '000	2024/25 Estimate \$ '000	2025/26 Estimate \$ '000	2026/27 Estimate \$ '000	2027/28 Estimate \$ '000	2028/29 Estimate \$ '000
<b>Cash Flows from Operating Activities</b>										
<b>Receipts</b>										
Rates and Annual Charges	94,924	97,597	101,122	103,192	105,256	107,361	109,508	111,699	113,933	116,211
User Fees and Charges	15,444	15,883	16,166	16,490	16,819	17,156	17,499	17,849	18,206	18,570
Grants and Contributions - Operating	8,770	9,100	9,287	9,473	9,663	9,857	10,027	10,228	10,432	10,641
Bonds, Deposits and Retention amounts Received (Net)	0	0	0	0	0	0	0	0	0	0
Other	9,255	9,334	9,541	9,733	9,927	10,377	10,449	10,660	10,875	11,096
<b>Payments</b>										
Employee Benefits and On-Costs	(59,084)	(60,621)	(61,930)	(62,328)	(63,574)	(64,846)	(66,143)	(67,466)	(68,815)	(70,191)
Materials and Contracts	(39,614)	(40,951)	(41,251)	(42,655)	(42,929)	(44,390)	(44,676)	(46,195)	(47,132)	(48,087)
Other Expenses	(21,324)	(22,874)	(23,389)	(23,549)	(24,026)	(24,513)	(25,010)	(25,517)	(26,034)	(26,562)
Borrowing Costs	(71)	(46)	(22)	0	0	0	0	0	0	0
Bonds, Deposits and Retention amounts Refunded	0	0	0	0	0	0	0	0	0	0
Other										
<b>Net Cash from Operating Activities</b>	<b>8,300</b>	<b>7,421</b>	<b>9,524</b>	<b>10,356</b>	<b>11,136</b>	<b>11,002</b>	<b>11,654</b>	<b>11,257</b>	<b>11,465</b>	<b>11,678</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts</b>										
Investment and Interest Revenue Received	3,759	3,014	2,492	2,092	1,723	1,364	1,009	653	283	27
Grants and Contributions - Capital	14,068	14,420	14,708	15,002	15,302	15,608	15,920	16,239	16,564	16,895
Sale of Investment Securities										
Proceeds from Sale of Assets	1,763	0	0	0	0	0	0	0	0	0
<b>Payments</b>										
Purchase of Investment Securities										
Capital Works and Purchase of Fixed Assets	(50,690)	(42,064)	(41,500)	(41,501)	(41,500)	(41,728)	(41,750)	(41,980)	(42,000)	(42,001)
<b>Net Cash from Investing Activities</b>	<b>(31,100)</b>	<b>(24,630)</b>	<b>(24,300)</b>	<b>(24,407)</b>	<b>(24,475)</b>	<b>(24,756)</b>	<b>(24,821)</b>	<b>(25,088)</b>	<b>(25,153)</b>	<b>(25,079)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts</b>										
New Borrowings										
<b>Payments</b>										
Repayment of Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0
<b>Net Cash from Financing Activities</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(125)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(23,300)</b>	<b>(17,709)</b>	<b>(15,276)</b>	<b>(14,176)</b>	<b>(13,339)</b>	<b>(13,754)</b>	<b>(13,167)</b>	<b>(13,831)</b>	<b>(13,688)</b>	<b>(13,401)</b>
Cash and Cash Equivalents - Beginning of the Year	141,282	117,982	100,273	84,997	70,821	57,482	43,728	30,561	16,730	3,042
<b>Cash and Cash Equivalents - End of the Year</b>	<b>117,982</b>	<b>100,273</b>	<b>84,997</b>	<b>70,821</b>	<b>57,482</b>	<b>43,728</b>	<b>30,561</b>	<b>16,730</b>	<b>3,042</b>	<b>(10,359)</b>



## OPTION 2 Assumptions

	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Rate Pegging Limit	%	2.7%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rate of Inflation	%	2.7%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rates and Annual Charges as a % of Total Revenue	%	65.0%	65.5%	66.0%	66.2%	66.4%	66.5%	66.7%	66.8%	67.0%
Interest Rate on investments	%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Employee Costs as a % of Total Expenditure	%	41.7%	40.7%	40.8%	40.7%	40.5%	40.3%	40.3%	40.1%	40.1%
Depreciation as a % of Gross Cost of Assets	%	1.8%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	2.0%	2.0%
Loans outstanding	\$ '000	1,125	625	125	0	0	0	0	0	0
Interest payments on loans	\$ '000	71	46	22	0	0	0	0	0	0
Capital Works Program	\$ '000	45,057	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000

**OPTION 3 - SUSTAINABLE RATE INCREASE**  
**Statement of Financial Performance (Income and Expenditure)**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>INCOME</b>										
Rates and Annual Charges	94,979	111,443	115,269	117,574	119,926	122,324	124,771	127,266	129,812	132,408
User Charges and Fees	15,496	15,883	16,201	16,525	16,856	17,193	17,537	17,887	18,245	18,610
Interest and investment revenue	3,426	2,896	2,834	2,836	2,879	2,947	3,031	3,138	3,254	3,394
Grants and Contributions - Operating	8,877	9,099	9,281	9,467	9,656	9,849	10,046	10,247	10,452	10,661
Grants and Contributions - Capital	14,068	14,420	14,708	15,002	15,302	15,608	15,920	16,239	16,564	16,895
Other revenues	9,175	9,405	9,593	9,785	9,980	10,180	10,384	10,591	10,802	11,019
<b>Total Operating Income</b>	<b>146,021</b>	<b>163,146</b>	<b>167,886</b>	<b>171,189</b>	<b>174,599</b>	<b>178,100</b>	<b>181,689</b>	<b>185,368</b>	<b>189,129</b>	<b>192,987</b>
<b>EXPENDITURE</b>										
Employee Costs	(58,730)	(60,199)	(61,403)	(62,631)	(63,883)	(65,161)	(66,464)	(67,793)	(69,149)	(70,532)
Materials and Contracts	(39,364)	(40,581)	(41,392)	(42,220)	(43,064)	(43,926)	(44,805)	(45,701)	(46,615)	(47,547)
Other Expenses	(22,162)	(22,483)	(22,933)	(23,392)	(23,860)	(24,337)	(24,823)	(25,320)	(25,826)	(26,343)
<b>Total Operating Expenditure</b>	<b>(120,256)</b>	<b>(123,263)</b>	<b>(125,728)</b>	<b>(128,243)</b>	<b>(130,807)</b>	<b>(133,424)</b>	<b>(136,092)</b>	<b>(138,814)</b>	<b>(141,590)</b>	<b>(144,422)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>25,765</b>	<b>39,883</b>	<b>42,158</b>	<b>42,946</b>	<b>43,792</b>	<b>44,677</b>	<b>45,597</b>	<b>46,554</b>	<b>47,539</b>	<b>48,565</b>
Depreciation	(20,631)	(24,483)	(24,787)	(25,620)	(26,864)	(28,132)	(28,834)	(29,472)	(30,640)	(31,583)
Financing costs (Interest Expenses)	(71)	(46)	(22)	0						
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>5,063</b>	<b>15,354</b>	<b>17,349</b>	<b>17,326</b>	<b>16,928</b>	<b>16,545</b>	<b>16,763</b>	<b>17,082</b>	<b>16,899</b>	<b>16,982</b>
Prior year adjustments										
Net gains/(losses) from Disposal of Assets	1,061									
Other adjustments / Revaluation										
Adjustment on amalgamation										
<b>Net Surplus/(Deficit)</b>	<b>6,124</b>	<b>15,354</b>	<b>17,349</b>	<b>17,326</b>	<b>16,928</b>	<b>16,545</b>	<b>16,763</b>	<b>17,082</b>	<b>16,899</b>	<b>16,982</b>
<b>Result Net of Capital Grants – Surplus/(Deficit)</b>	<b>(7,944)</b>	<b>934</b>	<b>2,641</b>	<b>2,324</b>	<b>1,626</b>	<b>936</b>	<b>843</b>	<b>843</b>	<b>336</b>	<b>87</b>



**OPTION 3  
Statement of Financial Position (Balance Sheet)**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash, Cash Equivalents & Investments	117,982	113,746	112,938	113,896	116,381	119,166	123,280	127,497	132,569	138,639
Receivables - Gross	10,479	10,808	10,909	10,984	11,068	10,904	10,902	10,893	10,969	11,048
Less: Provision for Impairment	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)	(290)
Inventories	165	169	173	176	180	183	187	191	195	198
Other	586	585	585	585	585	585	585	585	585	585
<b>Total Current Assets</b>	<b>128,922</b>	<b>125,018</b>	<b>124,315</b>	<b>125,351</b>	<b>127,924</b>	<b>130,548</b>	<b>134,664</b>	<b>138,876</b>	<b>144,028</b>	<b>150,180</b>
<b>Non-Current Assets</b>										
Property, Plant & Equipment	1,316,852	1,333,465	1,350,075	1,366,151	1,381,283	1,395,473	1,408,720	1,421,024	1,432,384	1,442,801
Investment Property	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800
Intangible Assets	2,662	3,067	3,170	2,973	2,477	1,906	1,575	1,800	1,800	1,800
<b>Total Non-Current Assets</b>	<b>1,337,314</b>	<b>1,354,332</b>	<b>1,371,045</b>	<b>1,386,924</b>	<b>1,401,560</b>	<b>1,415,179</b>	<b>1,428,095</b>	<b>1,440,624</b>	<b>1,451,984</b>	<b>1,462,401</b>
<b>Total Assets</b>	<b>1,466,236</b>	<b>1,479,350</b>	<b>1,495,360</b>	<b>1,512,275</b>	<b>1,529,484</b>	<b>1,545,727</b>	<b>1,562,759</b>	<b>1,579,500</b>	<b>1,596,012</b>	<b>1,612,581</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Payables	(20,583)	(19,261)	(18,950)	(18,362)	(18,334)	(17,718)	(17,664)	(16,996)	(16,275)	(15,519)
Income received in advance	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
Borrowings	(500)	(500)	(125)	0	0	0	0	0	0	0
Accruals & Provisions	(16,089)	(15,668)	(15,141)	(15,443)	(15,752)	(16,067)	(16,389)	(16,716)	(17,050)	(17,392)
<b>Total Current Liabilities</b>	<b>(37,472)</b>	<b>(35,730)</b>	<b>(34,516)</b>	<b>(34,105)</b>	<b>(34,386)</b>	<b>(34,085)</b>	<b>(34,353)</b>	<b>(34,012)</b>	<b>(33,625)</b>	<b>(33,211)</b>
<b>Non-Current Liabilities</b>										
Borrowings	(625)	(125)	0	0	0	0	0	0	0	0
Provisions										
<b>Total Non-Current Liabilities</b>	<b>(625)</b>	<b>(125)</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>Total Liabilities</b>	<b>(38,097)</b>	<b>(35,855)</b>	<b>(34,516)</b>	<b>(34,105)</b>	<b>(34,386)</b>	<b>(34,085)</b>	<b>(34,353)</b>	<b>(34,012)</b>	<b>(33,625)</b>	<b>(33,211)</b>
<b>Net Assets</b>	<b>1,428,139</b>	<b>1,443,495</b>	<b>1,460,844</b>	<b>1,478,170</b>	<b>1,495,098</b>	<b>1,511,642</b>	<b>1,528,406</b>	<b>1,545,488</b>	<b>1,562,387</b>	<b>1,579,370</b>
<b>EQUITY</b>										
Retained Earnings	(1,405,045)	(1,420,401)	(1,437,750)	(1,455,076)	(1,472,004)	(1,488,548)	(1,505,312)	(1,522,394)	(1,539,293)	(1,556,276)
Accounting Policy Adjustment / Revaluation Reserve	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)	(23,094)
<b>Total Equity</b>	<b>(1,428,139)</b>	<b>(1,443,495)</b>	<b>(1,460,844)</b>	<b>(1,478,170)</b>	<b>(1,495,098)</b>	<b>(1,511,642)</b>	<b>(1,528,406)</b>	<b>(1,545,488)</b>	<b>(1,562,387)</b>	<b>(1,579,370)</b>

### OPTION 3 Statement of Cash Flows

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Cash Flows from Operating Activities</b>										
<b>Receipts</b>										
Rates and Annual Charges	94,924	110,943	115,154	117,504	119,855	122,252	124,697	127,190	129,735	132,329
User Fees and Charges	15,444	15,883	16,166	16,490	16,819	17,156	17,499	17,849	18,206	18,570
Grants and Contributions - Operating	8,770	9,100	9,287	9,473	9,663	9,857	10,027	10,228	10,432	10,641
Bonds, Deposits and Retention amounts Received (Net)	0	0	0	0	0	0	0	0	0	0
Other	9,255	9,334	9,541	9,733	9,927	10,377	10,449	10,660	10,875	11,096
<b>Payments</b>										
Employee Benefits and On-Costs	(59,084)	(60,621)	(61,930)	(62,328)	(63,574)	(64,846)	(66,143)	(67,466)	(68,815)	(70,191)
Materials and Contracts	(39,614)	(40,951)	(41,251)	(42,655)	(42,929)	(44,390)	(44,676)	(46,195)	(47,132)	(48,087)
Other Expenses	(21,324)	(22,874)	(23,389)	(23,549)	(24,026)	(24,513)	(25,010)	(25,517)	(26,034)	(26,562)
Borrowing Costs	(71)	(46)	(22)	0	0	0	0	0	0	0
Bonds, Deposits and Retention amounts Refunded	0	0	0	0	0	0	0	0	0	0
Other										
<b>Net Cash from Operating Activities</b>	<b>8,300</b>	<b>20,768</b>	<b>23,556</b>	<b>24,668</b>	<b>25,735</b>	<b>25,893</b>	<b>26,843</b>	<b>26,749</b>	<b>27,267</b>	<b>27,796</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts</b>										
Investment and Interest Revenue Received	3,759	3,139	2,928	2,914	2,948	3,012	3,101	3,209	3,241	3,380
Grants and Contributions - Capital	14,068	14,420	14,708	15,002	15,302	15,608	15,920	16,239	16,564	16,895
Sale of Investment Securities										
Proceeds from Sale of Assets	1,763	0	0	0	0	0	0	0	0	0
<b>Payments</b>										
Purchase of Investment Securities										
Capital Works and Purchase of Fixed Assets	(50,690)	(42,063)	(41,500)	(41,501)	(41,500)	(41,728)	(41,750)	(41,980)	(42,000)	(42,000)
<b>Net Cash from Investing Activities</b>	<b>(31,100)</b>	<b>(24,514)</b>	<b>(23,864)</b>	<b>(23,585)</b>	<b>(23,250)</b>	<b>(23,108)</b>	<b>(22,729)</b>	<b>(22,532)</b>	<b>(22,195)</b>	<b>(21,726)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts</b>										
New Borrowings										
<b>Payments</b>										
Repayment of Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0
<b>Net Cash from Financing Activities</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(125)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(23,300)</b>	<b>(4,236)</b>	<b>(808)</b>	<b>958</b>	<b>2,485</b>	<b>2,785</b>	<b>4,114</b>	<b>4,217</b>	<b>5,072</b>	<b>6,070</b>
Cash and Cash Equivalents - Beginning of the Year	141,282	117,982	113,746	112,938	113,896	116,381	119,166	123,280	127,497	132,569
<b>Cash and Cash Equivalents - End of the Year</b>	<b>117,982</b>	<b>113,746</b>	<b>112,938</b>	<b>113,896</b>	<b>116,381</b>	<b>119,166</b>	<b>123,280</b>	<b>127,497</b>	<b>132,569</b>	<b>138,639</b>

### OPTION 3 Key Performance Indicators

	Benchmark	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
		Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Operating Performance Ratio</b> <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	-6.8%	0.6%	1.7%	1.5%	1.0%	0.6%	0.5%	0.5%	0.2%	0.0%
<b>Own Source Revenue Generated (w/o Grant income)</b> <i>(Measures Council's dependence on Grants Income)</i>	> 80%	84.3%	85.6%	85.7%	85.7%	85.7%	85.7%	85.7%	85.7%	85.7%	85.7%
<b>Unrestricted Current Ratio</b> <i>(Measures Council's liquidity)</i>	> 1.5x	1.9	2.1	2.4	2.7	3.0	3.3	3.6	3.9	4.2	4.3
<b>Debt Service Cover Ratio</b> <i>(Measures Council's capacity to service debt)</i>	> 2.0x	45.1	73.0	80.8	343.6	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
<b>Capital Works &amp; Asset renewals</b> <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	1.0	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6
<b>Own Source Revenue Growth</b> <i>(Measures Council's increase of own source revenue)</i>	> 0%	1%	12%	3%	2%	2%	2%	2%	2%	2%	2%
<b>Debtor Days Outstanding - Rates</b>	< 30	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
<b>Debtor Days Outstanding - Other Debtors (net of Rates)</b> <i>(Measures Council's management of Debtors)</i>	< 30	54.5	52.6	51.6	50.7	49.8	47.2	45.8	44.3	43.4	42.5
<b>Debtor Collection Rate - Rates</b>	= > 100%	99.9%	99.6%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
<b>Debtor Collection Rate - Other Debtors (net of Rates)</b> <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	100.5%	100.3%	100.0%	100.0%	100.0%	100.4%	100.1%	100.1%	100.0%	100.0%
<b>Cash Coverage Ratio</b> <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	5.9	6.2	6.8	7.5	8.3	9.0	9.8	10.6	11.3	12.1
<b>Remaining useful Life of Assets</b> <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	64.3%	63.3%	62.9%	62.5%	62.1%	61.6%	61.1%	60.5%	59.9%	59.2%
<b>Repairs &amp; Maintenance as a % of WDV of Assets</b>	1%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%

### OPTION 3 Assumptions

	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Rate Pegging Limit	2.7%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rate of Inflation	2.7%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rates and Annual Charges as a % of Total Revenue	65.0%	68.3%	68.7%	68.7%	68.7%	68.7%	68.7%	68.7%	68.6%	68.6%
Interest Rate on investments	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Employee Costs as a % of Total Expenditure	41.7%	40.7%	40.8%	40.7%	40.5%	40.3%	40.3%	40.3%	40.1%	40.1%
Depreciation as a % of Gross Cost of Assets	1.8%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	2.0%	2.0%
Loans outstanding	\$ '000	1,125	625	125	0	0	0	0	0	0
Interest payments on loans	\$ '000	71	46	22	0	0	0	0	0	0
Capital Works Program	\$ '000	45,057	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000









# SOCIO-ECONOMIC SNAPSHOT

When preparing the Financial Strategy and Long Term Financial Plan, a key factor taken into consideration was the socio-economic profile of the Georges River Local Government Area (LGA). With rates, annual charges and user fees and charges making up the majority of Council's total revenue, it is important that the capacity to pay is one of those factors.

The SEIFA Index measures the relative level of socio-economic disadvantage based on a range of Census characteristics. The index is derived from attributes that reflect disadvantage such as low income, low educational attainment, high unemployment, and jobs in relatively unskilled occupations, and is useful in identifying geographic areas that are relatively disadvantaged.

An area with an SEIFA of 1000 is considered average while a lower score indicates that the area is experiencing more disadvantage.

The SEIFA index by suburb is outlined below. Whilst there is some variation across the LGA, the overall Georges River Council Local Government Area (1020) is above the NSW (1001) and Greater Sydney (1018) index.

Council understands that rate payers may experience financial hardship and has options available under relevant legislation to provide support.

## SEIFA Index 2016

Connells Point - Kyle Bay	1,101.00
Oatley	1,098.80
Lugarno	1,097.20
Hurstville Grove	1,082.90
Blakehurst	1,078.00
Kogarah Bay - Carss Park	1,071.90
Peakhurst Heights	1,066.40
Sans Souci	1,063.30
Beverley Park - Ramsgate	1,057.50
Mortdale	1,039.60
SSROC	1,023.70
<b>Georges River Council area</b>	<b>1,020.00</b>
<b>Greater Sydney</b>	<b>1,018.00</b>
Kogarah	1,015.10
Penshurst	1,014.40
St George Region	1,012.30
Peakhurst	1,008.80
Carlton	1,002.40
Kingsgrove	1,002.20
<b>Australia</b>	<b>1,001.90</b>
<b>New South Wales</b>	<b>1,001.00</b>
South Hurstville	998.7
Beverly Hills - Narwee	992
Allawah	989.4
Hurstville (City Centre)	972.1
Hurstville (total)	970.1
Hurstville (Remainder)	969.5
Riverwood	967.7

## POPULATION

**156,293**

Estimated residential population in 2017

**185,346**

Estimated population by 2030

**8.3%**

Population increase from 2011 census to 2016

**1.61%**

Five year average growth rate

## EMPLOYMENT

**6.5%**

unemployment rate compared to 6.3% for NSW

**62%**

of workforce worked full time and

**36%**

part time.

## HOUSEHOLD INCOMES

**\$1,654**

Median weekly income

**25.8%**

the LGA's largest quartiles were in the largest group for household income

Source: \* Source: Australian Bureau of Statistics, Census of Population and Housing 2016. Compiled and presented in profile.id by .id, the population experts <https://home.id.com.au>



## HOUSEHOLD

# 53,000

Residential dwellings

# 45.8%

of dwellings were medium or high density  
(16.3% medium, 29.5% high)

# 44%

of households in the area had access  
to two or more vehicles

# 37%

of the area's workforce also live in the area

# 2.84

Average household size is greater compared to  
Greater Sydney 2.72

## HOUSING TENURE

# 62.9%

households were purchasing or  
fully owned their home compared to  
Greater Sydney 59%.

# 30.8%

were renting privately

# \$2,167

Median monthly mortgage repayment

# \$450

Median weekly rent

# 50.9%

of renting households paying \$450 or more in rent

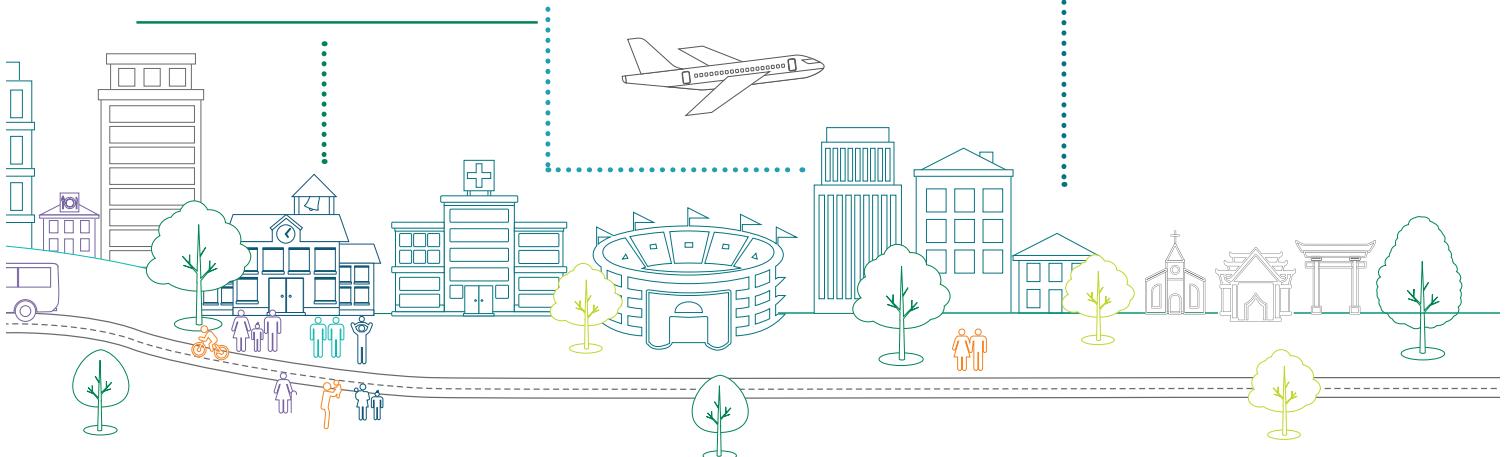
## EDUCATION

# 52.9%

of people in the area had a tertiary qualification  
compared to 52.7% for Greater Sydney

# 7.7%

are attending university, compared to  
Greater Sydney 6.1%





# IPART APPLICATION FINANCIAL MODELS

## Overview

The commentaries below will briefly outline the basis of calculation of each model and the relative outcomes. The first 3 models are prepared to satisfy the requirements of IPART Assessment Criteria.

As stated in “The Year Ahead – Special Variations in 2020-21” Fact Sheet issued by the Independent Pricing and Regulatory Tribunal (IPART), To demonstrate financial need, the council must use three models in its Long Term Financial Plan to show the financial impact of the additional rate revenue. These additional three models include:

**Model 1.** Baseline (rate peg only and excluding previously approved Special Rate Variation (SRV) percentage)

**Model 2.** Status Quo (rate peg and previously approved SRV percentage), and

**Model 3.** Varied Special Variation (both the previously approved SRV percentage and requested SRV percentage)”

In addition to these three models, Georges River Council presents three extra models that illustrate alternate scenarios relating to achieving financial sustainability.

The results of the first five (5) models are based on different applications of rate pegs and SRV.

As is clear from the results, the introduction of the SRV of 10.6% (including assumed rate peg of 2.5%) contributes to generating a Net Surplus (including Capital Grants) over the period of the Long Term Financial Plan. However, the results, net of Capital Grants remain negative and therefore do not address the fundamental problem of not generating surpluses without the aid of Capital Grant income.

To arrive at a sustainable position, Council needs to, in addition to generating additional Rates Income through the SRV, reduce expenditure and increase income from other sources. For the purposes of this exercise, Model 6 has been compiled on the basis of producing savings of \$12 million over a three year period from 2020/21 to 2022/23, to lead Council to a sustainable financial position.

## Model 1

### Baseline (rate peg only and excluding previously approved Special Rate Variation (SRV) percentage)

Council currently has included in its rates income, the impact of a SRV issued to the former Hurstville City Council on 26 June 2006. This variation is in effect for a period of 15 years from 2006/07 to 2020/21 rating years inclusive.

The council is then required to “reduce its general income from 2021/22 rating year by \$1,580,385 (value of the variation approved for 2006/07) plus the equivalent cumulative proportion of this increase from any general variation increases or any special variation increases approved for the 2007/08 to 2020/21 rating years inclusive.”

Since there were no other special variation increases approved during the relevant period, the amount to be deducted in 2020/21 to meet the basis of this model (excluding previously approved SV percentage) was calculated at \$2.2 million.

After deducting this amount (\$2.2 million) from 2019/20 Rates Income and applying the rate peg for 2020/21, total Gross Rates Income receivable in 2020/21, showed a net decrease of \$500,000 from Rates Income generated in 2019/20. Council continues to incur growing substantial deficits over the 10-year Plan period.



## **IPART Model 2**

### **Status Quo – rate peg plus previously approved SRV percentage**

This model represents the current status and outlook for Council. The SRV issued to Hurstville City Council terminates at the end of 2020/21. The income projected for 2021/22 is net of this variation, and is deducted prior to applying an estimated rate peg for that year of 2.5%.

The SRV reduces income in 2021/22 by \$2.2 million and the on-going effect is compounded each year, to produce growing deficits.

## **IPART Model 3**

### **Proposed SRV – rate peg plus New SRV, less previously approved SRV terminating in 2021/22**

The 3rd model provides for the introduction of the new SRV of 10.6% in 2020/21 and the termination of the current SRV (of former Hurstville City Council) in 2021/22, as stated in the Instrument issued by the Minister of Local Government.

Council generates Net Surpluses but still incurs losses after deducting Capital Grants income.

## **IPART Model 4**

### **Proposed SRV – rate peg plus New SRV less previously approved SRV terminating in 2020/21**

The 4th model provides for the introduction of the new SRV of 10.6% in 2020/21 and the termination of the current SRV (of former Hurstville City Council) also in 2020/21.

Council generates reduced surpluses, relative to Model 3 as a consequence of terminating the SRV on introduction of the new SRV.

## **IPART Model 5**

### **Proposed SRV – rate peg plus New SRV with no adjustment of previously approved SRV**

The 5th model provides for the introduction of the new SRV of 10.6% in 2020/21 with no deduction from Rates Income, of the previously approved SRV.

This represents the desired Option as the current SRV is now embedded in the income portfolio and the termination is going to result in potential reductions to former Kogarah rate payers as council is aiming to have one rate structure.

## **IPART Model 6**

### **Proposed SRV – rate peg plus New SRV with no adjustment of previously approved SRV plus Savings from operations**

This model builds on the results achieved in Model 5 to yield the potential results after Council identifies and implements savings of \$12 million over a three (3) year period.

The Rates Income in this model is calculated in the same way as in Model 5, though includes the \$12 million saving objective.

The result of cost saving initiatives are shown, with reductions in expenditure of \$4.5 million each in 2020/21 and 2021/22 and \$ 3.0 million in 2022/23. The result of this is that the operation is able to not only generate a Surplus, net of Capital Grants, but also lends long term sustainability to the operations of Council.

This is the desired outcome of this exercise, with the SRV of 10.6% making a contribution of about 1/3rd to the final result.

This model presents the sustainable outlook of Council's financial position by generating surpluses without the benefit of Capital Grant Income.

## Model 1

### Model 1 Statement of Financial Performance (Income & Expenditure)

	2018/19 ACTUAL \$ '000	2019/20 BUDGET \$ '000	2020/21 Estimate \$ '000	2021/22 Estimate \$ '000	2022/23 Estimate \$ '000	2023/24 Estimate \$ '000	2024/25 Estimate \$ '000	2025/26 Estimate \$ '000	2026/27 Estimate \$ '000	2027/28 Estimate \$ '000	2028/29 Estimate \$ '000
<b>INCOME</b>											
Rates and Annual Charges	92,784	94,979	95,222	97,601	100,041	102,542	105,106	107,522	109,995	112,526	115,114
User Charges and Fees	14,679	15,496	15,556	15,947	16,349	16,756	17,172	17,585	17,990	18,405	18,828
Interest and investment revenue	5,891	3,426	3,430	2,953	2,520	2,116	1,718	1,320	917	506	216
Grants and Contributions - Operating	11,153	8,877	9,078	9,307	9,542	9,782	10,026	10,267	10,504	10,745	10,992
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Other revenues	11,871	9,175	10,161	10,417	10,679	10,946	11,219	11,489	11,753	12,024	12,300
<b>Total Operating Income</b>	<b>172,682</b>	<b>146,021</b>	<b>147,835</b>	<b>150,975</b>	<b>154,254</b>	<b>157,644</b>	<b>161,129</b>	<b>164,452</b>	<b>167,802</b>	<b>171,231</b>	<b>174,866</b>
<b>EXPENDITURE</b>											
Employee Costs	(56,508)	(58,730)	(60,062)	(61,577)	(63,130)	(64,708)	(66,320)	(67,912)	(69,474)	(71,073)	(72,707)
Materials and Contracts	(42,454)	(39,591)	(40,490)	(41,511)	(42,558)	(43,622)	(44,709)	(45,782)	(46,833)	(47,909)	(49,011)
Other Expenses	(21,606)	(21,935)	(22,432)	(22,995)	(23,574)	(24,163)	(24,764)	(25,360)	(25,941)	(26,537)	(27,145)
<b>Total Operating Expenditure</b>	<b>(120,568)</b>	<b>(120,256)</b>	<b>(122,984)</b>	<b>(126,083)</b>	<b>(129,262)</b>	<b>(132,493)</b>	<b>(135,793)</b>	<b>(139,054)</b>	<b>(142,248)</b>	<b>(145,519)</b>	<b>(148,863)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>52,114</b>	<b>25,765</b>	<b>24,851</b>	<b>24,892</b>	<b>24,992</b>	<b>25,151</b>	<b>25,336</b>	<b>25,398</b>	<b>25,554</b>	<b>25,712</b>	<b>26,003</b>
Depreciation	(19,557)	(20,631)	(24,014)	(24,737)	(25,944)	(27,150)	(28,370)	(29,602)	(30,846)	(32,104)	(33,360)
Financing costs (Interest Expenses)	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>32,483</b>	<b>5,063</b>	<b>791</b>	<b>(391)</b>	<b>(952)</b>	<b>(1,999)</b>	<b>(3,034)</b>	<b>(4,204)</b>	<b>(5,292)</b>	<b>(6,392)</b>	<b>(7,357)</b>
Prior year adjustments											
Net gains/(losses) from Disposal of Assets	551	1,061									
Other adjustments / Revaluation	80,618										
Adjustment on amalgamation											
<b>Net Surplus/(Deficit)</b>	<b>113,652</b>	<b>6,124</b>	<b>791</b>	<b>(391)</b>	<b>(952)</b>	<b>(1,999)</b>	<b>(3,034)</b>	<b>(4,204)</b>	<b>(5,292)</b>	<b>(6,392)</b>	<b>(7,357)</b>
<b>Result Net of Capital Grants – Surplus/(Deficit)</b>	<b>(3,270)</b>	<b>(7,944)</b>	<b>(13,597)</b>	<b>(15,141)</b>	<b>(16,075)</b>	<b>(17,501)</b>	<b>(18,922)</b>	<b>(20,473)</b>	<b>(21,935)</b>	<b>(23,417)</b>	<b>(24,773)</b>

Model 1  
Statement of Financial Position  
(Balance Sheet)

	2018/19 ACTUAL \$ '000	2019/20 BUDGET \$ '000	2020/21 Estimate \$ '000	2021/22 Estimate \$ '000	2022/23 Estimate \$ '000	2023/24 Estimate \$ '000	2024/25 Estimate \$ '000	2025/26 Estimate \$ '000	2026/27 Estimate \$ '000	2027/28 Estimate \$ '000	2028/29 Estimate \$ '000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash, Cash Equivalents & Investments	166,710	117,982	119,905	101,584	84,796	68,827	52,450	36,503	19,796	3,166	(13,217)
Receivables - Gross	10,707	10,479	10,744	10,724	10,744	10,795	10,596	10,582	10,580	10,611	10,654
Less: Provision for Impairment	(538)	(290)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)
Inventory	155	165	169	173	178	182	187	191	195	200	205
Other	455	585	585	585	585	585	585	585	585	585	585
<b>Total Current Assets</b>	<b>177,489</b>	<b>128,921</b>	<b>130,865</b>	<b>112,528</b>	<b>95,765</b>	<b>79,851</b>	<b>63,280</b>	<b>47,323</b>	<b>30,618</b>	<b>14,024</b>	<b>(2,311)</b>
<b>Non-Current Assets</b>											
Property, Plant & Equipment	1,366,713	1,316,852	1,408,882	1,424,773	1,439,607	1,453,385	1,466,105	1,477,768	1,488,375	1,497,924	1,506,417
Investment Property	17,660	17,800	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660
Intangible Assets	1,362	2,662	2,084	2,956	3,678	4,250	4,910	5,395	5,942	6,289	6,436
<b>Total Non-Current Assets</b>	<b>1,385,735</b>	<b>1,337,315</b>	<b>1,428,626</b>	<b>1,445,389</b>	<b>1,460,945</b>	<b>1,475,295</b>	<b>1,488,675</b>	<b>1,500,823</b>	<b>1,511,977</b>	<b>1,521,873</b>	<b>1,530,513</b>
<b>Total Assets</b>	<b>1,563,224</b>	<b>1,466,236</b>	<b>1,559,491</b>	<b>1,557,917</b>	<b>1,556,710</b>	<b>1,555,146</b>	<b>1,551,955</b>	<b>1,548,146</b>	<b>1,542,595</b>	<b>1,535,897</b>	<b>1,528,202</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	(23,468)	(20,582)	(19,226)	(18,993)	(18,480)	(18,526)	(17,974)	(17,974)	(17,329)	(16,629)	(15,888)
Income received in advance	(596)	(300)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)
Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0	0
Accruals & Provisions	(14,717)	(16,090)	(15,633)	(15,183)	(15,566)	(15,955)	(16,353)	(16,745)	(17,131)	(17,525)	(17,928)
<b>Total Current Liabilities</b>	<b>(39,281)</b>	<b>(37,472)</b>	<b>(35,955)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Non-Current Liabilities</b>											
Borrowings	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
Provisions	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>(40,406)</b>	<b>(38,097)</b>	<b>(36,080)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Total Liabilities</b>	<b>1,522,818</b>	<b>1,428,139</b>	<b>1,523,411</b>	<b>1,523,020</b>	<b>1,522,068</b>	<b>1,520,069</b>	<b>1,517,035</b>	<b>1,512,831</b>	<b>1,507,539</b>	<b>1,501,147</b>	<b>1,493,790</b>
<b>Net Assets</b>											
<b>EQUITY</b>											
Retained Earnings	(1,419,106)	(1,405,045)	(1,419,699)	(1,419,308)	(1,418,356)	(1,416,357)	(1,413,323)	(1,409,119)	(1,403,827)	(1,397,435)	(1,390,078)
Accounting Policy Adjustment / Revaluation Reserve	(103,712)	(23,094)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)
<b>Total Equity</b>	<b>(1,522,818)</b>	<b>(1,428,139)</b>	<b>(1,523,411)</b>	<b>(1,523,020)</b>	<b>(1,522,068)</b>	<b>(1,520,069)</b>	<b>(1,517,035)</b>	<b>(1,512,831)</b>	<b>(1,507,539)</b>	<b>(1,501,147)</b>	<b>(1,493,790)</b>

Model 1	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	ACTUAL	BUDGET	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Statement of Cash Flows</b>											
<b>Cash Flows from Operating Activities</b>											
<b>Receipts</b>											
Rates and Annual Charges	92,586	94,924	95,241	97,530	99,967	102,467	105,028	107,450	109,920	112,450	115,036
User Fees and Charges	13,325	15,444	15,560	15,904	16,305	16,712	17,126	17,540	17,945	18,360	18,782
Grants and Contributions - Operating	11,644	8,770	9,081	9,308	9,544	9,784	10,030	10,243	10,482	10,722	10,968
Bonds, Deposits and Retention amounts Received (Net)	238	0	0	0	0	0	0	0	0	0	0
Other	11,736	9,253	10,094	10,338	10,599	10,866	11,414	11,543	11,816	12,092	12,374
Increase in Bad Debt Provision	248		0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Employee Benefits and On-Costs	(57,877)	(59,084)	(61,397)	(62,027)	(62,747)	(64,319)	(65,922)	(67,520)	(69,088)	(70,679)	(72,304)
Materials and Contracts	(42,989)	(39,614)	(41,178)	(41,334)	(42,959)	(43,451)	(45,148)	(45,624)	(47,321)	(48,422)	(49,552)
Other Expenses	(19,448)	(21,324)	(23,117)	(23,409)	(23,691)	(24,292)	(24,906)	(25,519)	(26,122)	(26,729)	(27,350)
Borrowing Costs	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
Bonds, Deposits and Retention amounts Refunded		0	0	0	0	0	0	0	0	0	0
Fair Value adjustment on Investment Property	140		0	0	0	0	0	0	0	0	0
<b>Net Cash from Operating Activities</b>	<b>9,529</b>	<b>8,300</b>	<b>4,238</b>	<b>5,764</b>	<b>7,018</b>	<b>7,767</b>	<b>7,622</b>	<b>8,113</b>	<b>7,632</b>	<b>7,794</b>	<b>7,954</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts</b>											
Investment and Interest Revenue Received	6,143	3,759	3,701	3,165	2,696	2,262	1,842	1,421	998	551	247
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Sale of Investment Securities		1,763									
Proceeds from Sale of Assets	3,443		0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Purchase of Investment Securities	(70,245)	(50,690)	(41,921)	(41,500)	(41,500)	(41,500)	(41,729)	(41,750)	(41,980)	(42,000)	(42,000)
Capital Works and Purchase of Fixed Assets	(24,355)	(31,100)	(23,832)	(23,585)	(23,681)	(23,736)	(23,999)	(24,060)	(24,339)	(24,424)	(24,337)
<b>Net Cash from Investing Activities</b>	<b>(24,355)</b>	<b>(31,100)</b>	<b>(23,832)</b>	<b>(23,585)</b>	<b>(23,681)</b>	<b>(23,736)</b>	<b>(23,999)</b>	<b>(24,060)</b>	<b>(24,339)</b>	<b>(24,424)</b>	<b>(24,337)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts</b>											
New Borrowings											
<b>Payments</b>											
Repayment of Borrowings	(500)	(500)	(500)	(500)	(125)	0	0	0	0	0	0
<b>Net Cash from Financing Activities</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(125)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(15,326)</b>	<b>(23,300)</b>	<b>(20,094)</b>	<b>(18,321)</b>	<b>(16,788)</b>	<b>(15,969)</b>	<b>(16,377)</b>	<b>(15,947)</b>	<b>(16,707)</b>	<b>(16,630)</b>	<b>(16,383)</b>
Cash and Cash Equivalents - Beginning of the Year	182,036	141,282	139,999	119,905	101,584	84,796	68,827	52,450	36,503	19,796	3,166
<b>Cash and Cash Equivalents - End of the Year</b>	<b>166,710</b>	<b>117,982</b>	<b>119,905</b>	<b>101,584</b>	<b>84,796</b>	<b>68,827</b>	<b>52,450</b>	<b>36,503</b>	<b>19,796</b>	<b>3,166</b>	<b>(13,217)</b>

**Model 1**

Key Performance Indicators	Benchmark	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Operating Performance Ratio</b> <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	-2.9%	-6.8%	-10.2%	-11.1%	-11.6%	-12.3%	-13.0%	-13.8%	-14.5%	-15.2%	-15.7%
<b>Own Source Revenue Generated (w/o Grant income)</b> <i>(Measures Council's dependence on Grants income)</i>	> 80%	72.5%	84.3%	84.1%	84.1%	84.0%	84.0%	83.9%	83.9%	83.8%	83.8%	83.8%
<b>Unrestricted Current Ratio</b> <i>(Measures Council's liquidity)</i>	> 1.5x	3.7	1.9	1.6	1.4	1.1	0.9	0.6	0.3	0.0	1.1	0.4
<b>Debt Service Cover Ratio</b> <i>(Measures Council's capacity to service debt)</i>	> 2.0x	27.3	45.1	45.5	23.8	199.9	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
<b>Capital Works &amp; Asset renewals</b> <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	1.0	1.0	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6
<b>Own Source Revenue Growth</b> <i>(Measures Council's increase of own source revenue)</i>	> 0%	5%	-2%	-1%	2%	2%	2%	2%	2%	2%	2%	2%
<b>Debtor Days Outstanding - Rates</b>	< 30	11.7	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
<b>Debtor Days Outstanding - Other Debtors (net of Rates)</b> <i>(Measures Council's management of Debtors)</i>	< 30	35.3	54.5	55.0	53.0	52.0	51.0	48.0	47.0	46.0	45.0	44.0
<b>Debtor Collection Rate - Rates</b>	= > 100%	99.8%	99.9%	100.0%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
<b>Debtor Collection Rate - Other Debtors (net of Rates)</b> <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	101.3%	100.5%	100.4%	100.2%	100.1%	100.0%	100.5%	100.2%	100.1%	100.1%	100.1%
<b>Cash Coverage Ratio</b> <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	10.7	5.9	4.6	3.5	2.6	1.8	0.9	0.1	(0.8)	(1.6)	(2.5)
<b>Remaining useful Life of Assets</b> <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	71.9%	67.6%	66.5%	65.8%	65.1%	64.4%	63.6%	62.8%	62.0%	61.2%	60.3%
<b>Repairs &amp; Maintenance as a % of WDV of Assets</b>	1%	0.6%	0.5%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%



Model 1	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Assumptions	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Rate Pegging Limit	%	2.70%	2.60%	2.50%	2.50%	2.50%	2.30%	2.30%	2.30%	2.30%
Rate of Inflation	%	2.02%	2.27%	2.52%	2.52%	2.50%	2.40%	2.30%	2.30%	2.30%
Rates and Annual Charges as a % of Total Revenue	%	64.8%	64.4%	64.6%	64.9%	65.0%	65.4%	65.6%	65.7%	65.8%
Interest Rate on investments	%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Employee Costs as a % of Total Expenditure	%	41.7%	40.8%	40.7%	40.7%	40.5%	40.3%	40.1%	40.0%	39.9%
Depreciation as a % of Gross Cost of Assets	%	1.8%	1.8%	1.8%	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%
Loans outstanding	\$ '000	1,125	625	125	0	0	0	0	0	0
Interest payments on loans	\$ '000	71	46	546	0	0	0	0	0	0
Capital Works Program	\$ '000	45,057	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000

Model 2  
Statement of Financial Performance  
(Income & Expenditure)

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>INCOME</b>											
Rates and Annual Charges	92,784	94,979	97,448	97,549	99,987	102,486	105,049	107,463	109,935	112,464	115,050
User Charges and Fees	14,679	15,496	15,556	15,947	16,349	16,756	17,172	17,585	17,990	18,405	18,828
Interest and investment revenue	5,891	3,426	3,460	3,008	2,571	2,164	1,763	1,361	954	539	216
Grants and Contributions - Operating	11,153	8,877	9,078	9,307	9,542	9,782	10,026	10,267	10,504	10,745	10,992
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Other revenues	11,871	9,175	10,161	10,417	10,679	10,946	11,219	11,489	11,753	12,024	12,300
<b>Total Operating Income</b>	<b>172,682</b>	<b>146,021</b>	<b>150,091</b>	<b>150,978</b>	<b>154,251</b>	<b>157,636</b>	<b>161,117</b>	<b>164,434</b>	<b>167,779</b>	<b>171,202</b>	<b>174,802</b>
<b>EXPENDITURE</b>											
Employee Costs	(56,508)	(58,730)	(60,062)	(61,577)	(63,130)	(64,708)	(66,320)	(67,912)	(69,474)	(71,073)	(72,707)
Materials and Contracts	(42,454)	(39,591)	(40,490)	(41,511)	(42,558)	(43,622)	(44,709)	(45,782)	(46,833)	(47,909)	(49,011)
Other Expenses	(21,606)	(21,935)	(22,432)	(22,995)	(23,574)	(24,163)	(24,764)	(25,360)	(25,941)	(26,537)	(27,145)
<b>Total Operating Expenditure</b>	<b>(120,568)</b>	<b>(120,256)</b>	<b>(122,984)</b>	<b>(126,083)</b>	<b>(129,262)</b>	<b>(132,493)</b>	<b>(135,793)</b>	<b>(139,054)</b>	<b>(142,248)</b>	<b>(145,519)</b>	<b>(148,863)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>52,114</b>	<b>25,765</b>	<b>27,107</b>	<b>24,895</b>	<b>24,989</b>	<b>25,143</b>	<b>25,324</b>	<b>25,380</b>	<b>25,531</b>	<b>25,683</b>	<b>25,939</b>
Depreciation	(19,557)	(20,631)	(24,014)	(24,737)	(25,944)	(27,150)	(28,370)	(29,602)	(30,846)	(32,104)	(33,360)
Financing costs (Interest Expenses)	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>32,483</b>	<b>5,063</b>	<b>3,047</b>	<b>(388)</b>	<b>(955)</b>	<b>(2,007)</b>	<b>(3,046)</b>	<b>(4,222)</b>	<b>(5,315)</b>	<b>(6,421)</b>	<b>(7,421)</b>
Prior year adjustments											
Net gains/(losses) from Disposal of Assets	551	1,061									
Other adjustments / Revaluation	80,618										
Adjustment on amalgamation											
<b>Net Surplus/(Deficit)</b>	<b>113,652</b>	<b>6,124</b>	<b>3,047</b>	<b>(388)</b>	<b>(955)</b>	<b>(2,007)</b>	<b>(3,046)</b>	<b>(4,222)</b>	<b>(5,315)</b>	<b>(6,421)</b>	<b>(7,421)</b>
<b>Result Net of Capital Grants – Surplus/(Deficit)</b>	<b>(3,270)</b>	<b>(7,944)</b>	<b>(11,341)</b>	<b>(15,138)</b>	<b>(16,078)</b>	<b>(17,509)</b>	<b>(18,934)</b>	<b>(20,491)</b>	<b>(21,958)</b>	<b>(23,446)</b>	<b>(24,837)</b>

**Model 2  
Statement of Financial Position  
(Balance Sheet)**

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash, Cash Equivalents & Investments	166,710	117,982	122,086	103,830	87,042	71,067	54,680	38,717	21,988	5,330	(11,113)
Receivables - Gross	10,707	10,479	10,819	10,737	10,754	10,803	10,602	10,586	10,583	10,613	10,652
Less: Provision for Impairment	(538)	(290)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)
Inventories	155	165	169	173	178	182	187	191	195	200	205
Other	455	585	585	585	585	585	585	585	585	585	585
<b>Total Current Assets</b>	<b>177,489</b>	<b>128,921</b>	<b>133,121</b>	<b>114,787</b>	<b>98,021</b>	<b>82,099</b>	<b>65,516</b>	<b>49,541</b>	<b>32,813</b>	<b>16,190</b>	<b>(209)</b>
<b>Non-Current Assets</b>											
Property, Plant & Equipment	1,366,713	1,316,852	1,408,882	1,424,773	1,439,607	1,453,385	1,466,105	1,477,768	1,488,375	1,497,924	1,506,417
Investment Property	17,660	17,800	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660
Intangible Assets	1,362	2,662	2,084	2,956	3,678	4,250	4,910	5,395	5,942	6,289	6,436
<b>Total Non-Current Assets</b>	<b>1,385,735</b>	<b>1,337,315</b>	<b>1,428,626</b>	<b>1,445,389</b>	<b>1,460,945</b>	<b>1,475,295</b>	<b>1,488,675</b>	<b>1,500,823</b>	<b>1,511,977</b>	<b>1,521,873</b>	<b>1,530,513</b>
<b>Total Assets</b>	<b>1,563,224</b>	<b>1,466,236</b>	<b>1,561,747</b>	<b>1,560,176</b>	<b>1,558,966</b>	<b>1,557,394</b>	<b>1,554,191</b>	<b>1,550,364</b>	<b>1,544,790</b>	<b>1,538,063</b>	<b>1,530,304</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	(23,468)	(20,582)	(19,226)	(18,993)	(18,480)	(18,526)	(17,971)	(17,974)	(17,329)	(16,629)	(15,888)
Income received in advance	(596)	(300)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)
Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0	0
Accruals & Provisions	(14,717)	(16,090)	(15,633)	(15,183)	(15,566)	(15,955)	(16,353)	(16,745)	(17,131)	(17,525)	(17,928)
<b>Total Current Liabilities</b>	<b>(39,281)</b>	<b>(37,472)</b>	<b>(35,955)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Non-Current Liabilities</b>											
Borrowings	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
Provisions	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>(40,406)</b>	<b>(38,097)</b>	<b>(36,080)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Total Liabilities</b>											
<b>Net Assets</b>	<b>1,522,818</b>	<b>1,428,139</b>	<b>1,525,667</b>	<b>1,525,279</b>	<b>1,524,324</b>	<b>1,522,317</b>	<b>1,519,271</b>	<b>1,515,049</b>	<b>1,509,734</b>	<b>1,503,313</b>	<b>1,495,892</b>
<b>EQUITY</b>											
Retained Earnings	(1,419,106)	(1,405,045)	(1,421,955)	(1,421,567)	(1,420,612)	(1,418,605)	(1,415,559)	(1,411,337)	(1,406,022)	(1,399,601)	(1,392,780)
Accounting Policy Adjustment / Revaluation Reserve	(103,712)	(23,094)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)
<b>Total Equity</b>	<b>(1,522,818)</b>	<b>(1,428,139)</b>	<b>(1,525,667)</b>	<b>(1,525,279)</b>	<b>(1,524,324)</b>	<b>(1,522,317)</b>	<b>(1,519,271)</b>	<b>(1,515,049)</b>	<b>(1,509,734)</b>	<b>(1,503,313)</b>	<b>(1,495,892)</b>

**Model 2**  
**Statement of Cash Flows**

	2018/19 ACTUAL \$ '000	2019/20 BUDGET \$ '000	2020/21 Estimate \$ '000	2021/22 Estimate \$ '000	2022/23 Estimate \$ '000	2023/24 Estimate \$ '000	2024/25 Estimate \$ '000	2025/26 Estimate \$ '000	2026/27 Estimate \$ '000	2027/28 Estimate \$ '000	2028/29 Estimate \$ '000
<b>Cash Flows from Operating Activities</b>											
<b>Receipts</b>											
Rates and Annual Charges	92,586	94,924	97,400	97,546	99,914	102,410	104,972	107,390	109,861	112,388	114,972
User Fees and Charges	13,325	15,444	15,560	15,904	16,305	16,712	17,126	17,540	17,945	18,360	18,782
Grants and Contributions - Operating	11,644	8,770	9,081	9,308	9,544	9,784	10,030	10,243	10,482	10,722	10,968
Bonds, Deposits and Retention amounts Received (Net)	238	0	0	0	0	0	0	0	0	0	0
Other	11,736	9,253	10,094	10,338	10,599	10,866	11,414	11,543	11,816	12,092	12,374
Increase in Bad Debt Provision	248	0	0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Employee Benefits and On-Costs	(57,877)	(59,084)	(61,397)	(62,027)	(62,747)	(64,319)	(65,922)	(67,520)	(69,088)	(70,679)	(72,304)
Materials and Contracts	(42,989)	(39,614)	(41,178)	(41,334)	(42,959)	(43,451)	(45,148)	(45,624)	(47,321)	(48,422)	(49,552)
Other Expenses	(19,448)	(21,324)	(23,117)	(23,409)	(23,691)	(24,292)	(24,906)	(25,519)	(26,122)	(26,729)	(27,350)
Borrowing Costs	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
Bonds, Deposits and Retention amounts Refunded	0	0	0	0	0	0	0	0	0	0	0
Fair Value adjustment on Investment Property	140	0	0	0	0	0	0	0	0	0	0
<b>Net Cash from Operating Activities</b>	<b>9,529</b>	<b>8,300</b>	<b>6,397</b>	<b>5,780</b>	<b>6,965</b>	<b>7,710</b>	<b>7,566</b>	<b>8,053</b>	<b>7,573</b>	<b>7,732</b>	<b>7,890</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts</b>											
Investment and Interest Revenue Received	6,143	3,759	3,723	3,214	2,749	2,313	1,888	1,465	1,035	585	251
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Sale of Investment Securities	0	1,763	0	0	0	0	0	0	0	0	0
Proceeds from Sale of Assets	3,443	0	0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Purchase of Investment Securities	(70,245)	(50,690)	(41,921)	(41,500)	(41,500)	(41,500)	(41,729)	(41,750)	(41,980)	(42,000)	(42,000)
Capital Works and Purchase of Fixed Assets	(24,355)	(31,100)	(23,810)	(23,536)	(23,628)	(23,685)	(23,953)	(24,016)	(24,302)	(24,390)	(24,333)
<b>Net Cash from Investing Activities</b>	<b>(24,355)</b>	<b>(31,100)</b>	<b>(23,810)</b>	<b>(23,536)</b>	<b>(23,628)</b>	<b>(23,685)</b>	<b>(23,953)</b>	<b>(24,016)</b>	<b>(24,302)</b>	<b>(24,390)</b>	<b>(24,333)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts</b>											
New Borrowings	(500)	(500)	(500)	(500)	(125)	0	0	0	0	0	0
<b>Payments</b>											
Repayment of Borrowings	(500)	(500)	(500)	(500)	(125)	0	0	0	0	0	0
<b>Net Cash from Financing Activities</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(125)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(15,326)</b>	<b>(23,300)</b>	<b>(17,913)</b>	<b>(18,256)</b>	<b>(16,788)</b>	<b>(15,975)</b>	<b>(16,387)</b>	<b>(15,963)</b>	<b>(16,729)</b>	<b>(16,658)</b>	<b>(16,443)</b>
Cash and Cash Equivalents - Beginning of the Year	182,036	141,282	139,999	122,086	103,830	87,042	71,067	54,680	38,717	21,988	5,330
<b>Cash and Cash Equivalents - End of the Year</b>	<b>166,710</b>	<b>117,982</b>	<b>122,086</b>	<b>103,830</b>	<b>87,042</b>	<b>71,067</b>	<b>54,680</b>	<b>38,717</b>	<b>21,988</b>	<b>5,330</b>	<b>(11,113)</b>

Model 2

Key Performance Indicators	Benchmark	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
		Actual	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Operating Performance Ratio</b> <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	-2.9%	-6.8%	-8.4%	-11.1%	-11.6%	-12.3%	-13.0%	-13.8%	-14.5%	-15.2%	-15.8%
<b>Own Source Revenue Generated (w/o Grants income)</b> <i>(Measures Council's dependence on Grants income)</i>	> 80%	72.5%	84.3%	84.4%	84.1%	84.0%	84.0%	83.9%	83.9%	83.8%	83.8%	83.7%
<b>Unrestricted Current Ratio</b> <i>(Measures Council's liquidity)</i>	> 1.5x	3.7	1.9	1.7	1.5	1.2	0.9	0.7	0.4	0.1	-0.2	-0.5
<b>Debt Service Cover Ratio</b> <i>(Measures Council's capacity to service debt)</i>	> 2.0x	27.3	45.1	49.6	23.8	199.9	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
<b>Capital Works &amp; Asset renewals</b> <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	1.0	1.0	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6
<b>Own Source Revenue Growth</b> <i>(Measures Council's increase of own source revenue)</i>	> 0%	5%	-2%	1%	0%	2%	2%	2%	2%	2%	2%	2%
<b>Debtor Days Outstanding - Rates</b>	< 30	11.7	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
<b>Debtor Days Outstanding - Other Debtors</b> <i>(Measures Council's management of Debtors)</i>	< 30	35.3	54.5	55.0	53.0	52.0	51.0	48.0	47.0	46.0	45.0	44.0
<b>Debtor Collection Rate - Rates</b>	= > 100%	99.8%	99.9%	100.0%	100.0%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
<b>Debtor Collection Rate - Other Debtors</b> <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	101.3%	100.5%	100.4%	100.2%	100.1%	100.0%	100.5%	100.2%	100.1%	100.1%	100.1%
<b>Cash Coverage Ratio</b> <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	10.7	5.9	4.9	3.8	2.8	2.0	1.1	0.3	(0.6)	(1.4)	(2.3)
<b>Remaining useful Life of Assets</b> <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	71.9%	67.6%	66.5%	65.8%	65.1%	64.4%	63.6%	62.8%	62.0%	61.2%	60.3%
<b>Repairs &amp; Maintenance as a % of WDV of Assets</b>	1%	0.6%	0.5%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%



<b>Model 2</b>	<b>Budget</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	
<b>Assumptions</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>2028/29</b>
Rate Pegging Limit	%	2.70%	2.60%	2.50%	2.50%	2.50%	2.30%	2.30%	2.30%	2.30%
Rate of Inflation	%	2.02%	2.27%	2.52%	2.52%	2.49%	2.40%	2.30%	2.30%	2.30%
Rates and Annual Charges as a % of Total Revenue	%	64.8%	64.9%	64.6%	64.8%	65.0%	65.4%	65.5%	65.7%	65.8%
Interest Rate on investments	%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Employee Costs as a % of Total Expenditure	%	41.7%	40.8%	40.7%	40.7%	40.5%	40.3%	40.1%	40.0%	39.9%
Depreciation as a % of Gross Cost of Assets	%	1.8%	1.8%	1.8%	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%
Loans outstanding	\$ '000	1,125	625	125	0	0	0	0	0	0
Interest payments on loans	\$ '000	71	46	546	0	0	0	0	0	0
Capital Works Program	\$ '000	45,057	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000

### Model 3 Statement of Financial Performance (Income & Expenditure)

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>INCOME</b>											
Rates and Annual Charges	92,784	94,979	103,000	103,239	105,820	108,465	111,179	113,734	116,351	119,026	121,764
User Charges and Fees	14,679	15,496	15,556	15,947	16,349	16,756	17,172	17,585	17,990	18,405	18,828
Interest and investment revenue	5,891	3,426	3,532	3,226	2,934	2,677	2,430	2,186	1,940	1,690	1,449
Grants and Contributions - Operating	11,153	8,877	9,078	9,307	9,542	9,782	10,026	10,267	10,504	10,745	10,992
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Other revenues	11,871	9,175	10,161	10,417	10,679	10,946	11,219	11,489	11,753	12,024	12,300
<b>Total Operating Income</b>	<b>172,682</b>	<b>146,021</b>	<b>155,715</b>	<b>156,886</b>	<b>160,447</b>	<b>164,128</b>	<b>167,914</b>	<b>171,530</b>	<b>175,181</b>	<b>178,915</b>	<b>182,749</b>
<b>EXPENDITURE</b>											
Employee Costs	(56,508)	(58,730)	(60,062)	(61,577)	(63,130)	(64,708)	(66,320)	(67,912)	(69,474)	(71,073)	(72,707)
Materials and Contracts	(42,454)	(39,591)	(40,490)	(41,511)	(42,558)	(43,622)	(44,709)	(45,782)	(46,833)	(47,909)	(49,011)
Other Expenses	(21,606)	(21,935)	(22,432)	(22,995)	(23,574)	(24,163)	(24,764)	(25,360)	(25,941)	(26,537)	(27,145)
<b>Total Operating Expenditure</b>	<b>(120,568)</b>	<b>(120,256)</b>	<b>(122,984)</b>	<b>(126,083)</b>	<b>(129,262)</b>	<b>(132,493)</b>	<b>(135,793)</b>	<b>(139,054)</b>	<b>(142,248)</b>	<b>(145,519)</b>	<b>(148,863)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>52,114</b>	<b>25,765</b>	<b>32,731</b>	<b>30,803</b>	<b>31,185</b>	<b>31,635</b>	<b>32,121</b>	<b>32,476</b>	<b>32,933</b>	<b>33,396</b>	<b>33,886</b>
Depreciation	(19,557)	(20,631)	(24,014)	(24,737)	(25,944)	(27,150)	(28,370)	(29,602)	(30,846)	(32,104)	(33,360)
Financing costs (Interest Expenses)	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>32,483</b>	<b>5,063</b>	<b>8,671</b>	<b>5,520</b>	<b>5,241</b>	<b>4,485</b>	<b>3,751</b>	<b>2,874</b>	<b>2,087</b>	<b>1,292</b>	<b>526</b>
Prior year adjustments											
Net gains/(losses) from Disposal of Assets	551	1,061									
Other adjustments / Revaluation	80,618										
Adjustment on amalgamation											
<b>Net Surplus/(Deficit)</b>	<b>113,652</b>	<b>6,124</b>	<b>8,671</b>	<b>5,520</b>	<b>5,241</b>	<b>4,485</b>	<b>3,751</b>	<b>2,874</b>	<b>2,087</b>	<b>1,292</b>	<b>526</b>
<b>Result Net of Capital Grants – Surplus/(Deficit)</b>	<b>(3,270)</b>	<b>(7,944)</b>	<b>(5,717)</b>	<b>(9,230)</b>	<b>(9,882)</b>	<b>(11,017)</b>	<b>(12,137)</b>	<b>(13,395)</b>	<b>(14,556)</b>	<b>(15,733)</b>	<b>(16,890)</b>

Model 3  
Statement of Financial Position  
(Balance Sheet)

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash, Cash Equivalents & Investments	166,710	117,982	127,523	115,138	104,515	95,009	85,403	76,528	67,202	58,234	49,724
Receivables - Gross	10,707	10,479	11,006	10,961	11,009	11,081	10,896	10,888	10,884	10,937	10,990
Less: Provision for Impairment	(538)	(290)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)
Inventories	155	165	169	173	178	182	187	191	195	200	205
Other	455	585	585	585	585	585	585	585	585	585	585
<b>Total Current Assets</b>	<b>177,489</b>	<b>128,921</b>	<b>138,745</b>	<b>126,319</b>	<b>115,749</b>	<b>106,319</b>	<b>96,533</b>	<b>87,654</b>	<b>78,328</b>	<b>69,418</b>	<b>60,966</b>
<b>Non-Current Assets</b>											
Property, Plant & Equipment	1,366,713	1,316,852	1,408,882	1,424,773	1,439,607	1,453,385	1,466,105	1,477,768	1,488,375	1,497,924	1,506,417
Investment Property	17,660	17,800	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660
Intangible Assets	1,362	2,662	2,084	2,956	3,678	4,250	4,910	5,395	5,942	6,289	6,436
<b>Total Non-Current Assets</b>	<b>1,385,735</b>	<b>1,337,315</b>	<b>1,428,626</b>	<b>1,445,389</b>	<b>1,460,945</b>	<b>1,475,295</b>	<b>1,488,675</b>	<b>1,500,823</b>	<b>1,511,977</b>	<b>1,521,873</b>	<b>1,530,513</b>
<b>Total Assets</b>	<b>1,563,224</b>	<b>1,466,236</b>	<b>1,567,371</b>	<b>1,571,708</b>	<b>1,576,694</b>	<b>1,581,614</b>	<b>1,585,208</b>	<b>1,588,477</b>	<b>1,590,305</b>	<b>1,591,291</b>	<b>1,591,479</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	(23,468)	(20,582)	(19,226)	(18,993)	(18,480)	(18,526)	(17,971)	(17,974)	(17,329)	(16,629)	(15,888)
Income received in advance	(596)	(300)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)
Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0	0
Accruals & Provisions	(14,717)	(16,090)	(15,633)	(15,183)	(15,566)	(15,955)	(16,353)	(16,745)	(17,131)	(17,525)	(17,928)
<b>Total Current Liabilities</b>	<b>(39,281)</b>	<b>(37,472)</b>	<b>(35,955)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Non-Current Liabilities</b>											
Borrowings	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
Provisions	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>(2,250)</b>	<b>(1,250)</b>	<b>(250)</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>Total Liabilities</b>	<b>(40,406)</b>	<b>(38,097)</b>	<b>(36,080)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Net Assets</b>	<b>1,522,818</b>	<b>1,428,139</b>	<b>1,531,291</b>	<b>1,536,811</b>	<b>1,542,052</b>	<b>1,546,537</b>	<b>1,550,288</b>	<b>1,553,162</b>	<b>1,555,249</b>	<b>1,556,541</b>	<b>1,557,067</b>
	8.07%	0.43%	0.57%	0.36%	0.34%	0.29%	0.24%	0.19%	0.13%	0.08%	0.03%
<b>EQUITY</b>											
Retained Earnings	(1,419,106)	(1,405,045)	(1,427,579)	(1,433,099)	(1,438,340)	(1,442,825)	(1,446,576)	(1,449,450)	(1,451,537)	(1,452,829)	(1,453,355)
Accounting Policy Adjustment / Revaluation Reserve	(103,712)	(23,094)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)
<b>Total Equity</b>	<b>(1,522,818)</b>	<b>(1,428,139)</b>	<b>(1,531,291)</b>	<b>(1,536,811)</b>	<b>(1,542,052)</b>	<b>(1,546,537)</b>	<b>(1,550,288)</b>	<b>(1,553,162)</b>	<b>(1,555,249)</b>	<b>(1,556,541)</b>	<b>(1,557,067)</b>



Model 3

Key Performance Indicators	Benchmark	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
		Actual	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Operating Performance Ratio</b> <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%	-2.9%	-11.0%	-4.0%	-6.5%	-6.8%	-7.4%	-8.0%	-8.6%	-9.2%	-9.7%	-10.2%
<b>Own Source Revenue Generated (w/o Grant Income)</b> <i>(Measures Council's dependence on Grants Income)</i>	> 80%	72.5%	84.5%	84.9%	84.7%	84.6%	84.6%	84.6%	84.5%	84.5%	84.5%	84.5%
<b>Unrestricted Current Ratio</b> <i>(Measures Council's liquidity)</i>	> 1.5x	3.7	1.1	1.8	1.8	1.7	1.6	1.6	1.5	1.4	1.3	1.2
<b>Debt Service Cover Ratio</b> <i>(Measures Council's capacity to service debt)</i>	> 2.0x	27.3	39.3	59.9	29.4	249.5	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
<b>Capital Works &amp; Asset renewals</b> <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x	1.0	1.0	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6
<b>Own Source Revenue Growth</b> <i>(Measures Council's increase of own source revenue)</i>	> 0%	5%	0%	5%	0%	2%	2%	2%	2%	2%	2%	2%
<b>Debtor Days Outstanding - Rates</b>	< 30	11.7	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
<b>Debtor Days Outstanding - Other Debtors (net of Rates)</b> <i>(Measures Council's management of Debtors)</i>	< 30	35.3	57.0	55.0	53.0	52.0	51.0	49.0	47.0	46.0	45.0	44.0
<b>Debtor Collection Rate - Rates</b>	= > 100%	99.8%	100.1%	99.8%	100.0%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
<b>Debtor Collection Rate - Other Debtors (net of Rates)</b> <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%	101.3%	99.3%	100.3%	100.1%	100.1%	100.0%	100.5%	100.1%	100.1%	100.0%	100.0%
<b>Cash Coverage Ratio</b> <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths	10.7	5.6	5.4	4.8	4.5	4.2	3.8	3.5	3.2	2.9	2.6
<b>Remaining useful Life of Assets</b> <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%	71.9%	67.5%	66.5%	65.8%	65.1%	64.4%	63.6%	62.8%	62.0%	61.2%	60.3%
<b>Repairs &amp; Maintenance as a % of WDV of Assets</b>	1%	0.6%	0.6%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%



<b>Model 3</b>	<b>Budget</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
<b>Assumptions</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>2028/29</b>
Rate Pegging Limit	%	2.70%	2.60%	2.50%	2.50%	2.50%	2.30%	2.30%	2.30%	2.30%
Rate of Inflation	%	2.02%	2.27%	2.52%	2.52%	2.50%	2.40%	2.30%	2.30%	2.30%
Rates and Annual Charges as a % of Total Revenue	%	64.8%	66.1%	65.8%	66.0%	66.1%	66.3%	66.4%	66.5%	66.6%
Interest Rate on investments	%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Employee Costs as a % of Total Expenditure	%	41.7%	40.8%	40.7%	40.7%	40.5%	40.3%	40.1%	40.0%	39.9%
Depreciation as a % of Gross Cost of Assets	%	1.8%	1.8%	1.8%	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%
Loans outstanding	\$ '000	1,125	625	125	0	0	0	0	0	0
Interest payments on loans	\$ '000	71	46	546	0	0	0	0	0	0
Capital Works Program	\$ '000	45,057	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000

Model 4  
**Statement of Financial Performance**  
**(Income & Expenditure)**

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>INCOME</b>											
Rates and Annual Charges	92,784	94,979	100,529	103,042	105,618	108,257	110,965	113,515	116,127	118,798	121,531
User Charges and Fees	14,679	15,496	15,556	15,947	16,349	16,756	17,172	17,585	17,990	18,405	18,828
Interest and investment revenue	5,891	3,426	3,500	3,163	2,874	2,623	2,384	2,152	1,924	1,695	1,475
Grants and Contributions - Operating	11,153	8,877	9,078	9,307	9,542	9,782	10,026	10,267	10,504	10,745	10,992
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Other revenues	11,871	9,175	10,161	10,417	10,679	10,946	11,219	11,489	11,753	12,024	12,300
<b>Total Operating Income</b>	<b>172,682</b>	<b>146,021</b>	<b>153,212</b>	<b>156,626</b>	<b>160,185</b>	<b>163,866</b>	<b>167,654</b>	<b>171,277</b>	<b>174,941</b>	<b>178,692</b>	<b>182,542</b>
<b>EXPENDITURE</b>											
Employee Costs	(56,508)	(58,730)	(60,062)	(61,577)	(63,130)	(64,708)	(66,320)	(67,912)	(69,474)	(71,073)	(72,707)
Materials and Contracts	(42,454)	(39,591)	(40,490)	(41,511)	(42,558)	(43,622)	(44,709)	(45,782)	(46,833)	(47,909)	(49,011)
Other Expenses	(21,606)	(21,935)	(22,432)	(22,995)	(23,574)	(24,163)	(24,764)	(25,360)	(25,941)	(26,537)	(27,145)
<b>Total Operating Expenditure</b>	<b>(120,568)</b>	<b>(120,256)</b>	<b>(122,984)</b>	<b>(126,083)</b>	<b>(129,262)</b>	<b>(132,493)</b>	<b>(135,793)</b>	<b>(139,054)</b>	<b>(142,248)</b>	<b>(145,519)</b>	<b>(148,863)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>52,114</b>	<b>25,765</b>	<b>30,228</b>	<b>30,543</b>	<b>30,923</b>	<b>31,373</b>	<b>31,861</b>	<b>32,223</b>	<b>32,693</b>	<b>33,173</b>	<b>33,679</b>
Depreciation	(19,557)	(20,631)	(24,014)	(24,737)	(25,944)	(27,150)	(28,370)	(29,602)	(30,846)	(32,104)	(33,360)
Financing costs (Interest Expenses)	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>32,483</b>	<b>5,063</b>	<b>6,168</b>	<b>5,260</b>	<b>4,979</b>	<b>4,223</b>	<b>3,491</b>	<b>2,621</b>	<b>1,847</b>	<b>1,069</b>	<b>319</b>
Prior year adjustments											
Net gains/(losses) from Disposal of Assets	551	1,061									
Other adjustments / Revaluation	80,618										
Adjustment on amalgamation											
<b>Net Surplus/(Deficit)</b>	<b>113,652</b>	<b>6,124</b>	<b>6,168</b>	<b>5,260</b>	<b>4,979</b>	<b>4,223</b>	<b>3,491</b>	<b>2,621</b>	<b>1,847</b>	<b>1,069</b>	<b>319</b>
<b>Result Net of Capital Grants – Surplus/(Deficit)</b>	<b>(3,270)</b>	<b>(7,944)</b>	<b>(8,220)</b>	<b>(9,490)</b>	<b>(10,144)</b>	<b>(11,279)</b>	<b>(12,397)</b>	<b>(13,648)</b>	<b>(14,796)</b>	<b>(15,956)</b>	<b>(17,097)</b>

**Model 4  
Statement of Financial Position  
(Balance Sheet)**

	2018/19 ACTUAL \$ '000	2019/20 BUDGET \$ '000	2020/21 Estimate \$ '000	2021/22 Estimate \$ '000	2022/23 Estimate \$ '000	2023/24 Estimate \$ '000	2024/25 Estimate \$ '000	2025/26 Estimate \$ '000	2026/27 Estimate \$ '000	2027/28 Estimate \$ '000	2028/29 Estimate \$ '000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash, Cash Equivalents & Investments	166,710	117,982	125,103	112,396	101,509	91,738	81,870	72,739	63,170	53,977	45,258
Receivables - Gross	10,707	10,479	10,923	10,940	10,990	11,065	10,882	10,877	10,876	10,931	10,966
Less: Provision for Impairment	(538)	(290)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)
Inventories	155	165	169	173	178	182	187	191	195	200	205
Other	455	585	585	585	585	585	585	585	585	585	585
<b>Total Current Assets</b>	<b>177,489</b>	<b>128,921</b>	<b>136,242</b>	<b>123,556</b>	<b>112,724</b>	<b>103,032</b>	<b>92,986</b>	<b>83,854</b>	<b>74,288</b>	<b>65,155</b>	<b>56,496</b>
<b>Non-Current Assets</b>											
Property, Plant & Equipment	1,366,713	1,316,852	1,408,882	1,424,773	1,439,607	1,453,385	1,466,105	1,477,768	1,488,375	1,497,924	1,506,417
Investment Property	17,660	17,800	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660
Intangible Assets	1,362	2,662	2,084	2,956	3,678	4,250	4,910	5,395	5,942	6,289	6,436
<b>Total Non-Current Assets</b>	<b>1,385,735</b>	<b>1,337,315</b>	<b>1,428,626</b>	<b>1,445,389</b>	<b>1,460,945</b>	<b>1,475,295</b>	<b>1,488,675</b>	<b>1,500,823</b>	<b>1,511,977</b>	<b>1,521,873</b>	<b>1,530,513</b>
<b>Total Assets</b>	<b>1,563,224</b>	<b>1,466,236</b>	<b>1,564,868</b>	<b>1,568,945</b>	<b>1,573,669</b>	<b>1,578,327</b>	<b>1,581,661</b>	<b>1,584,677</b>	<b>1,586,265</b>	<b>1,587,028</b>	<b>1,587,009</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	(23,468)	(20,582)	(19,226)	(18,993)	(18,480)	(18,526)	(17,971)	(17,974)	(17,329)	(16,629)	(15,888)
Income received in advance	(596)	(300)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)
Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0	0
Accruals & Provisions	(14,717)	(16,090)	(15,633)	(15,183)	(15,566)	(15,955)	(16,353)	(16,745)	(17,131)	(17,525)	(17,928)
<b>Total Current Liabilities</b>	<b>(39,281)</b>	<b>(37,472)</b>	<b>(35,955)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Non-Current Liabilities</b>											
Borrowings	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
Provisions	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>(40,406)</b>	<b>(38,097)</b>	<b>(36,080)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Total Liabilities</b>	<b>(79,687)</b>	<b>(75,569)</b>	<b>(72,035)</b>	<b>(69,794)</b>	<b>(69,284)</b>	<b>(70,154)</b>	<b>(69,840)</b>	<b>(70,630)</b>	<b>(70,112)</b>	<b>(69,500)</b>	<b>(68,824)</b>
<b>Net Assets</b>	<b>1,522,818</b>	<b>1,428,139</b>	<b>1,528,788</b>	<b>1,534,048</b>	<b>1,539,027</b>	<b>1,543,250</b>	<b>1,546,741</b>	<b>1,549,362</b>	<b>1,551,209</b>	<b>1,552,278</b>	<b>1,552,597</b>
<b>EQUITY</b>											
Retained Earnings	(1,419,106)	(1,405,045)	(1,425,076)	(1,430,336)	(1,435,315)	(1,439,538)	(1,443,029)	(1,445,650)	(1,447,497)	(1,448,566)	(1,448,885)
Accounting Policy Adjustment / Revaluation Reserve	(103,712)	(23,094)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)
<b>Total Equity</b>	<b>(1,522,818)</b>	<b>(1,428,139)</b>	<b>(1,528,788)</b>	<b>(1,534,048)</b>	<b>(1,539,027)</b>	<b>(1,543,250)</b>	<b>(1,546,741)</b>	<b>(1,549,362)</b>	<b>(1,551,209)</b>	<b>(1,552,278)</b>	<b>(1,552,597)</b>

Model 4

**Statement of Cash Flows**

	2018/19 ACTUAL \$ '000	2019/20 BUDGET \$ '000	2020/21 Estimate \$ '000	2021/22 Estimate \$ '000	2022/23 Estimate \$ '000	2023/24 Estimate \$ '000	2024/25 Estimate \$ '000	2025/26 Estimate \$ '000	2026/27 Estimate \$ '000	2027/28 Estimate \$ '000	2028/29 Estimate \$ '000
<b>Cash Flows from Operating Activities</b>											
<b>Receipts</b>											
Rates and Annual Charges	92,586	94,924	100,388	102,967	105,540	108,177	110,884	113,438	116,048	118,718	121,448
User Fees and Charges	13,325	15,444	15,560	15,904	16,305	16,712	17,126	17,540	17,945	18,360	18,782
Grants and Contributions - Operating	11,644	8,770	9,081	9,308	9,544	9,784	10,030	10,243	10,482	10,722	10,968
Bonds, Deposits and Retention amounts Received (Net)	238	0	0	0	0	0	0	0	0	0	0
Other	11,736	9,253	10,094	10,338	10,599	10,866	11,414	11,543	11,816	12,092	12,374
Increase in Bad Debt Provisions	248	0	0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Employee Benefits and On-Costs	(57,877)	(59,084)	(61,397)	(62,027)	(62,747)	(64,319)	(65,922)	(67,520)	(69,088)	(70,679)	(72,304)
Materials and Contracts	(42,989)	(39,614)	(41,178)	(41,334)	(42,959)	(43,451)	(45,148)	(45,624)	(47,321)	(48,422)	(49,552)
Other Expenses	(19,448)	(21,324)	(23,117)	(23,409)	(23,691)	(24,292)	(24,906)	(25,519)	(26,122)	(26,729)	(27,350)
Borrowing Costs	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
Bonds, Deposits and Retention amounts Refunded	0	0	0	0	0	0	0	0	0	0	0
Fair Value adjustment on Investment Property	140	0	0	0	0	0	0	0	0	0	0
<b>Net Cash from Operating Activities</b>	<b>9,529</b>	<b>8,300</b>	<b>9,385</b>	<b>11,201</b>	<b>12,591</b>	<b>13,477</b>	<b>13,478</b>	<b>14,101</b>	<b>13,760</b>	<b>14,062</b>	<b>14,366</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts</b>											
Investment and Interest Revenue Received	6,143	3,759	3,752	3,342	3,024	2,750	2,495	2,249	2,008	1,720	1,499
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Sale of Investment Securities		1,763									
Proceeds from Sale of Assets	3,443		0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Purchase of Investment Securities	(70,245)	(50,690)	(41,921)	(41,500)	(41,500)	(41,500)	(41,729)	(41,750)	(41,980)	(42,000)	(42,000)
Capital Works and Purchase of Fixed Assets	(24,355)	(31,100)	(23,781)	(23,408)	(23,353)	(23,248)	(23,346)	(23,232)	(23,329)	(23,255)	(23,085)
<b>Net Cash from Investing Activities</b>	<b>(28,457)</b>	<b>(68,012)</b>	<b>(61,840)</b>	<b>(61,566)</b>	<b>(61,726)</b>	<b>(61,996)</b>	<b>(61,907)</b>	<b>(63,213)</b>	<b>(62,668)</b>	<b>(62,230)</b>	<b>(62,565)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts</b>											
New Borrowings											
<b>Payments</b>											
Repayment of Borrowings	(500)	(500)	(500)	(500)	(125)						
<b>Net Cash from Financing Activities</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(125)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(15,326)</b>	<b>(23,300)</b>	<b>(14,896)</b>	<b>(12,707)</b>	<b>(10,887)</b>	<b>(9,771)</b>	<b>(9,868)</b>	<b>(9,131)</b>	<b>(9,569)</b>	<b>(9,193)</b>	<b>(8,719)</b>
Cash and Cash Equivalents - Beginning of the Year	182,036	141,282	139,999	125,103	112,396	101,509	91,738	81,870	72,739	63,170	53,977
<b>Cash and Cash Equivalents - End of the Year</b>	<b>166,710</b>	<b>117,982</b>	<b>125,103</b>	<b>112,396</b>	<b>101,509</b>	<b>91,738</b>	<b>81,870</b>	<b>72,739</b>	<b>63,170</b>	<b>53,977</b>	<b>45,258</b>

**Model 4**

Key Performance Indicators	2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		2024/25		2025/26		2026/27		2027/28		2028/29		
	Actual	Benchmark	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Operating Performance Ratio</b> <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	-2.9%	0%	-11.0%	-5.9%	-6.7%	-7.0%	-7.6%	-8.2%	-8.8%	-9.3%	-9.9%	-10.4%											
<b>Own Source Revenue Generated (w/o Grant Income)</b> <i>(Measures Council's dependence on Grants Income)</i>	72.5%	> 80%	84.5%	84.7%	84.6%	84.6%	84.6%	84.5%	84.5%	84.5%	84.5%	84.4%											
<b>Unrestricted Current Ratio</b> <i>(Measures Council's liquidity)</i>	3.7	> 1.5x	1.8	1.8	1.7	1.6	1.5	1.5	1.4	1.3	1.2	1.2											
<b>Debt Service Cover Ratio</b> <i>(Measures Council's capacity to service debt)</i>	27.3	> 2.0x	39.3	55.4	29.2	247.4	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
<b>Capital Works &amp; Asset renewals</b> <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	1.0	> 1.1x	1.0	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6											
<b>Own Source Revenue Growth</b> <i>(Measures Council's increase of own source revenue)</i>	5%	> 0%	0%	4%	2%	2%	2%	2%	2%	2%	2%	2%											
<b>Debtor Days Outstanding - Rates</b> <b>Debtor Days Outstanding - Other Debtors (net of Rates)</b> <i>(Measures Council's management of Debtors)</i>	11.7	< 30	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
<b>Debtor Collection Rate - Rates</b> <b>Debtor Collection Rate - Other Debtors (net of Rates)</b> <i>(Measures Council's Collection Rate of Debtors)</i>	99.8%	= > 100%	100.1%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
<b>Cash Coverage Ratio</b> <i>(Measures Council's Cash coverage of Expenditure)</i>	10.7	> 3 Mths	5.6	5.2	4.6	4.2	3.9	3.5	3.2	2.9	2.6	2.3											
<b>Remaining useful Life of Assets</b> <i>(Expressed as a % of Gross Cost of Assets)</i>	71.9%	> 60%	67.5%	66.5%	65.8%	65.1%	64.4%	63.6%	62.8%	62.0%	61.2%	60.3%											
<b>Repairs &amp; Maintenance as a % of WDV of Assets</b>	0.6%	1%	0.6%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%



<b>Model 4</b>	<b>Budget</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	
<b>Assumptions</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>2028/29</b>
Rate Pegging Limit	%	2.70%	2.50%	2.50%	2.50%	2.50%	2.30%	2.30%	2.30%	2.30%
Rate of Inflation	%	2.02%	2.27%	2.52%	2.52%	2.50%	2.40%	2.30%	2.30%	2.30%
Rates and Annual Charges as a % of Total Revenue	%	64.8%	65.6%	65.8%	65.9%	66.1%	66.3%	66.4%	66.5%	66.6%
Interest Rate on investments	%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Employee Costs as a % of Total Expenditure	%	41.7%	40.8%	40.7%	40.7%	40.5%	40.3%	40.1%	40.0%	39.9%
Depreciation as a % of Gross Cost of Assets	%	1.8%	1.8%	1.8%	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%
Loans outstanding	\$ '000	1,125	625	125	0	0	0	0	0	0
Interest payments on loans	\$ '000	71	46	546	0	0	0	0	0	0
Capital Works Program	\$ '000	45,057	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000

**Model 5**  
**Statement of Financial Performance**  
**(Income & Expenditure)**

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>INCOME</b>											
Rates and Annual Charges	92,784	94,979	103,000	105,575	108,214	110,920	113,694	116,307	118,983	121,719	124,518
User Charges and Fees	14,679	15,496	15,556	15,947	16,349	16,756	17,172	17,585	17,990	18,405	18,828
Interest and investment revenue	5,891	3,426	3,533	3,258	3,033	2,845	2,672	2,509	2,351	2,195	2,050
Grants and Contributions - Operating	11,153	8,877	9,078	9,307	9,542	9,782	10,026	10,267	10,504	10,745	10,992
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Other revenues	11,871	9,175	10,161	10,417	10,679	10,946	11,219	11,489	11,753	12,024	12,300
<b>Total Operating Income</b>	<b>172,682</b>	<b>146,021</b>	<b>155,716</b>	<b>159,254</b>	<b>162,940</b>	<b>166,751</b>	<b>170,671</b>	<b>174,426</b>	<b>178,224</b>	<b>182,113</b>	<b>186,104</b>
<b>EXPENDITURE</b>											
Employee Costs	(56,508)	(58,730)	(60,062)	(61,577)	(63,130)	(64,708)	(66,320)	(67,912)	(69,474)	(71,073)	(72,707)
Materials and Contracts	(42,454)	(39,591)	(40,490)	(41,511)	(42,558)	(43,622)	(44,709)	(45,782)	(46,833)	(47,909)	(49,011)
Other Expenses	(21,606)	(21,935)	(22,432)	(22,995)	(23,574)	(24,163)	(24,764)	(25,360)	(25,941)	(26,537)	(27,145)
<b>Total Operating Expenditure</b>	<b>(120,568)</b>	<b>(120,256)</b>	<b>(122,984)</b>	<b>(126,083)</b>	<b>(129,262)</b>	<b>(132,493)</b>	<b>(135,793)</b>	<b>(139,054)</b>	<b>(142,248)</b>	<b>(145,519)</b>	<b>(148,863)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>52,114</b>	<b>25,765</b>	<b>32,732</b>	<b>33,171</b>	<b>33,678</b>	<b>34,258</b>	<b>34,878</b>	<b>35,372</b>	<b>35,976</b>	<b>36,594</b>	<b>37,241</b>
Depreciation	(19,557)	(20,631)	(24,014)	(24,737)	(25,944)	(27,150)	(28,370)	(29,602)	(30,846)	(32,104)	(33,360)
Financing costs (Interest Expenses)	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>32,483</b>	<b>5,063</b>	<b>8,672</b>	<b>7,888</b>	<b>7,734</b>	<b>7,108</b>	<b>6,508</b>	<b>5,770</b>	<b>5,130</b>	<b>4,490</b>	<b>3,881</b>
Prior year adjustments											
Net gains/(losses) from Disposal of Assets	551	1,061									
Other adjustments / Revaluation	80,618										
Adjustment on amalgamation											
<b>Net Surplus/(Deficit)</b>	<b>113,652</b>	<b>6,124</b>	<b>8,672</b>	<b>7,888</b>	<b>7,734</b>	<b>7,108</b>	<b>6,508</b>	<b>5,770</b>	<b>5,130</b>	<b>4,490</b>	<b>3,881</b>
<b>Result Net of Capital Grants – Surplus/(Deficit)</b>	<b>(3,270)</b>	<b>(7,944)</b>	<b>(5,716)</b>	<b>(6,862)</b>	<b>(7,389)</b>	<b>(8,394)</b>	<b>(9,380)</b>	<b>(10,499)</b>	<b>(11,513)</b>	<b>(12,535)</b>	<b>(13,535)</b>

Model 5  
Statement of Financial Position  
(Balance Sheet)

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash, Cash Equivalents & Investments	166,710	117,982	127,524	117,428	109,283	102,387	95,530	89,544	83,258	77,476	72,309
Receivables - Gross	10,707	10,479	11,006	11,040	11,103	11,188	11,011	11,010	11,009	11,074	11,139
Less: Provision for Impairment	(538)	(290)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)
Inventories	155	165	169	173	178	182	187	191	195	200	205
Other	455	585	585	585	585	585	585	585	585	585	585
<b>Total Current Assets</b>	<b>177,489</b>	<b>128,921</b>	<b>138,746</b>	<b>128,688</b>	<b>120,611</b>	<b>113,804</b>	<b>106,775</b>	<b>100,792</b>	<b>94,509</b>	<b>88,797</b>	<b>83,700</b>
<b>Non-Current Assets</b>											
Property, Plant & Equipment	1,366,713	1,316,852	1,408,882	1,424,773	1,439,607	1,453,385	1,466,105	1,477,768	1,488,375	1,497,924	1,506,417
Investment Property	17,660	17,800	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660
Intangible Assets	1,362	2,662	2,084	2,956	3,678	4,250	4,910	5,395	5,942	6,289	6,436
<b>Total Non-Current Assets</b>	<b>1,385,735</b>	<b>1,337,315</b>	<b>1,428,626</b>	<b>1,445,389</b>	<b>1,460,945</b>	<b>1,475,295</b>	<b>1,488,675</b>	<b>1,500,823</b>	<b>1,511,977</b>	<b>1,521,873</b>	<b>1,530,513</b>
<b>Total Assets</b>	<b>1,563,224</b>	<b>1,466,236</b>	<b>1,567,372</b>	<b>1,574,077</b>	<b>1,581,556</b>	<b>1,589,099</b>	<b>1,595,450</b>	<b>1,601,615</b>	<b>1,606,486</b>	<b>1,610,670</b>	<b>1,614,213</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	(23,468)	(20,582)	(19,226)	(18,993)	(18,480)	(18,526)	(17,971)	(17,974)	(17,329)	(16,629)	(15,888)
Income received in advance	(596)	(300)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)
Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0	0
Accruals & Provisions	(14,717)	(16,090)	(15,633)	(15,183)	(15,566)	(15,955)	(16,353)	(16,745)	(17,131)	(17,525)	(17,928)
<b>Total Current Liabilities</b>	<b>(39,281)</b>	<b>(37,472)</b>	<b>(35,955)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Non-Current Liabilities</b>											
Borrowings	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
Provisions	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>(40,406)</b>	<b>(38,097)</b>	<b>(36,080)</b>	<b>(34,897)</b>	<b>(34,642)</b>	<b>(35,077)</b>	<b>(34,920)</b>	<b>(35,315)</b>	<b>(35,056)</b>	<b>(34,750)</b>	<b>(34,412)</b>
<b>Total Liabilities</b>	<b>(79,687)</b>	<b>(75,569)</b>	<b>(72,035)</b>	<b>(69,794)</b>	<b>(69,284)</b>	<b>(70,154)</b>	<b>(69,840)</b>	<b>(70,630)</b>	<b>(70,112)</b>	<b>(69,500)</b>	<b>(68,824)</b>
<b>Net Assets</b>	<b>1,522,818</b>	<b>1,428,139</b>	<b>1,531,292</b>	<b>1,539,180</b>	<b>1,546,914</b>	<b>1,554,022</b>	<b>1,560,530</b>	<b>1,566,300</b>	<b>1,571,430</b>	<b>1,575,920</b>	<b>1,579,801</b>
<b>EQUITY</b>											
Retained Earnings	(1,419,106)	(1,405,045)	(1,427,580)	(1,435,468)	(1,443,202)	(1,450,310)	(1,456,818)	(1,462,588)	(1,467,718)	(1,472,208)	(1,476,089)
Accounting Policy Adjustment / Revaluation Reserve	(103,712)	(23,094)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)
<b>Total Equity</b>	<b>(1,522,818)</b>	<b>(1,428,139)</b>	<b>(1,531,292)</b>	<b>(1,539,180)</b>	<b>(1,546,914)</b>	<b>(1,554,022)</b>	<b>(1,560,530)</b>	<b>(1,566,300)</b>	<b>(1,571,430)</b>	<b>(1,575,920)</b>	<b>(1,579,801)</b>



**Model 5**

Key Performance Indicators		Benchmark	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
			Actual	Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Operating Performance Ratio</b> <i>(Measures the extent of Council's Revenue (net of Capital Grants) coverage of Expenditure)</i>	0%		-2.9%	-11.0%	-4.0%	-4.7%	-5.0%	-5.5%	-6.1%	-6.6%	-7.1%	-7.6%	-8.0%
<b>Own Source Revenue Generated (w/o Grant Income)</b> <i>(Measures Council's dependence on Grants income)</i>	> 80%		72.5%	84.5%	84.9%	84.9%	84.9%	84.8%	84.8%	84.8%	84.8%	84.8%	84.7%
<b>Unrestricted Current Ratio</b> <i>(Measures Council's liquidity)</i>	> 1.5x		3.7	1.8	1.8	1.8	1.9	1.8	1.9	1.9	1.9	1.9	2.0
<b>Debt Service Cover Ratio</b> <i>(Measures Council's capacity to service debt)</i>	> 2.0x		27.3	39.3	59.9	31.7	269.4	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
<b>Capital Works &amp; Asset renewals</b> <i>(Measures Council's expenditure on renewal of assets in relation to the annual Depreciation charge)</i>	> 1.1x		1.0	1.0	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6
<b>Own Source Revenue Growth</b> <i>(Measures Council's increase of own source revenue)</i>	> 0%		5%	0%	5%	2%	2%	2%	2%	2%	2%	2%	2%
<b>Debtor Days Outstanding - Rates</b>	< 30		11.7	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
<b>Debtor Days Outstanding - Other Debtors (net of Rates)</b> <i>(Measures Council's management of Debtors)</i>	< 30		35.3	57.0	55.0	53.0	52.0	51.0	49.0	47.0	46.0	45.0	44.0
<b>Debtor Collection Rate - Rates</b>	= > 100%		99.8%	100.1%	99.8%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
<b>Debtor Collection Rate - Other Debtors (net of Rates)</b> <i>(Measures Council's Collection Rate of Debtors)</i>	= > 100%		101.3%	99.3%	100.3%	100.1%	100.0%	100.0%	100.5%	100.1%	100.1%	100.0%	100.0%
<b>Cash Coverage Ratio</b> <i>(Measures Council's Cash coverage of Expenditure)</i>	> 3 Mths		10.7	5.6	5.4	5.0	4.9	4.8	4.7	4.7	4.6	4.5	4.4
<b>Remaining useful Life of Assets</b> <i>(Expressed as a % of Gross Cost of Assets)</i>	> 60%		71.9%	67.5%	66.5%	65.8%	65.1%	64.4%	63.6%	62.8%	62.0%	61.2%	60.3%
<b>Repairs &amp; Maintenance as a % of WDV of Assets</b>	1%		0.6%	0.6%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%





**Model 6**  
**Statement of Financial Performance**  
**(Income & Expenditure)**

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>INCOME</b>											
Rates and Annual Charges	92,784	94,979	103,000	105,575	108,214	110,920	113,694	116,307	118,983	121,719	124,518
User Charges and Fees	14,679	15,496	15,556	15,947	16,349	16,756	17,172	17,585	17,990	18,405	18,828
Interest and investment revenue	5,891	3,426	3,574	3,443	3,467	3,587	3,740	3,913	4,100	4,300	4,521
Grants and Contributions - Operating	11,153	8,877	9,078	9,307	9,542	9,782	10,026	10,267	10,504	10,745	10,992
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Other revenues	11,871	9,175	10,161	10,417	10,679	10,946	11,219	11,489	11,753	12,024	12,300
<b>Total Operating Income</b>	<b>172,682</b>	<b>146,021</b>	<b>155,757</b>	<b>159,439</b>	<b>163,374</b>	<b>167,493</b>	<b>171,739</b>	<b>175,830</b>	<b>179,973</b>	<b>184,218</b>	<b>188,575</b>
<b>EXPENDITURE</b>											
Employee Costs	(56,508)	(58,730)	(57,562)	(58,014)	(58,477)	(59,938)	(61,431)	(62,906)	(64,353)	(65,834)	(67,347)
Materials and Contracts	(42,454)	(39,591)	(39,490)	(37,986)	(37,944)	(38,893)	(39,862)	(40,819)	(41,756)	(42,715)	(43,698)
Other Expenses	(21,606)	(21,935)	(21,432)	(20,970)	(20,498)	(21,010)	(21,532)	(22,051)	(22,556)	(23,074)	(23,602)
<b>Total Operating Expenditure</b>	<b>(120,568)</b>	<b>(120,256)</b>	<b>(118,484)</b>	<b>(116,970)</b>	<b>(116,919)</b>	<b>(119,841)</b>	<b>(122,825)</b>	<b>(125,776)</b>	<b>(128,665)</b>	<b>(131,623)</b>	<b>(134,647)</b>
<b>Surplus/(Deficit) prior to Depreciation &amp; Financing Costs</b>	<b>52,114</b>	<b>25,765</b>	<b>37,273</b>	<b>42,469</b>	<b>46,455</b>	<b>47,652</b>	<b>48,914</b>	<b>50,054</b>	<b>51,308</b>	<b>52,595</b>	<b>53,928</b>
Depreciation	(19,557)	(20,631)	(24,014)	(24,737)	(25,944)	(27,150)	(28,370)	(29,602)	(30,846)	(32,104)	(33,360)
Financing costs (Interest Expenses)	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
<b>Net Operating Result for period - Surplus/(Deficit)</b>	<b>32,483</b>	<b>5,063</b>	<b>13,213</b>	<b>17,186</b>	<b>20,511</b>	<b>20,502</b>	<b>20,544</b>	<b>20,452</b>	<b>20,462</b>	<b>20,491</b>	<b>20,568</b>
Prior year adjustments											
Net gains/(losses) from Disposal of Assets	551	1,061									
Other adjustments / Revaluation	80,618										
Adjustment on amalgamation											
<b>Net Surplus/(Deficit)</b>	<b>113,652</b>	<b>6,124</b>	<b>13,213</b>	<b>17,186</b>	<b>20,511</b>	<b>20,502</b>	<b>20,544</b>	<b>20,452</b>	<b>20,462</b>	<b>20,491</b>	<b>20,568</b>
<b>Result Net of Capital Grants – Surplus/(Deficit)</b>	<b>(3,270)</b>	<b>(7,944)</b>	<b>(1,175)</b>	<b>2,436</b>	<b>5,388</b>	<b>5,000</b>	<b>4,656</b>	<b>4,183</b>	<b>3,819</b>	<b>3,466</b>	<b>3,152</b>

**Model 6  
Statement of Financial Position  
(Balance Sheet)**

	2018/19 ACTUAL \$'000	2019/20 BUDGET \$'000	2020/21 Estimate \$'000	2021/22 Estimate \$'000	2022/23 Estimate \$'000	2023/24 Estimate \$'000	2024/25 Estimate \$'000	2025/26 Estimate \$'000	2026/27 Estimate \$'000	2027/28 Estimate \$'000	2028/29 Estimate \$'000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash, Cash Equivalents & Investments	166,710	117,982	130,840	128,995	132,845	139,264	146,446	155,101	164,196	174,426	185,961
Receivables - Gross	10,707	10,479	11,017	11,086	11,198	11,330	11,187	11,202	11,200	11,304	11,409
Less: Provision for Impairment	(538)	(290)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)	(538)
Inventories	155	165	169	173	178	182	187	191	195	200	205
Other	455	585	585	585	585	585	585	585	585	585	585
<b>Total Current Assets</b>	<b>177,489</b>	<b>128,921</b>	<b>142,073</b>	<b>140,301</b>	<b>144,268</b>	<b>150,823</b>	<b>157,867</b>	<b>166,541</b>	<b>175,638</b>	<b>185,977</b>	<b>197,622</b>
<b>Non-Current Assets</b>											
Property, Plant & Equipment	1,366,713	1,316,852	1,408,882	1,424,773	1,439,607	1,453,385	1,466,105	1,477,768	1,488,375	1,497,924	1,506,417
Investment Property	17,660	17,800	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660	17,660
Intangible Assets	1,362	2,662	2,084	2,956	3,678	4,250	4,910	5,395	5,942	6,289	6,436
<b>Total Non-Current Assets</b>	<b>1,385,735</b>	<b>1,337,315</b>	<b>1,428,626</b>	<b>1,445,389</b>	<b>1,460,945</b>	<b>1,475,295</b>	<b>1,488,675</b>	<b>1,500,823</b>	<b>1,511,977</b>	<b>1,521,873</b>	<b>1,530,513</b>
<b>Total Assets</b>	<b>1,563,224</b>	<b>1,466,236</b>	<b>1,570,699</b>	<b>1,585,690</b>	<b>1,605,213</b>	<b>1,626,118</b>	<b>1,646,542</b>	<b>1,667,364</b>	<b>1,687,615</b>	<b>1,707,850</b>	<b>1,728,135</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	(23,468)	(20,582)	(18,663)	(17,645)	(16,668)	(16,711)	(16,223)	(16,229)	(15,661)	(15,040)	(14,384)
Income received in advance	(596)	(300)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)	(596)
Borrowings	(500)	(500)	(500)	(125)	0	0	0	0	0	0	0
Accruals & Provisions	(14,717)	(16,090)	(14,982)	(14,305)	(14,419)	(14,779)	(15,147)	(15,511)	(15,868)	(16,233)	(16,606)
<b>Total Current Liabilities</b>	<b>(39,281)</b>	<b>(37,472)</b>	<b>(34,741)</b>	<b>(32,671)</b>	<b>(31,683)</b>	<b>(32,086)</b>	<b>(31,966)</b>	<b>(32,336)</b>	<b>(32,125)</b>	<b>(31,869)</b>	<b>(31,586)</b>
<b>Non-Current Liabilities</b>											
Borrowings	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
Provisions	(1,125)	(625)	(125)	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>(40,406)</b>	<b>(38,097)</b>	<b>(34,866)</b>	<b>(32,671)</b>	<b>(31,683)</b>	<b>(32,086)</b>	<b>(31,966)</b>	<b>(32,336)</b>	<b>(32,125)</b>	<b>(31,869)</b>	<b>(31,586)</b>
<b>Total Liabilities</b>	<b>(79,687)</b>	<b>(75,569)</b>	<b>(69,607)</b>	<b>(65,342)</b>	<b>(63,366)</b>	<b>(64,172)</b>	<b>(63,932)</b>	<b>(64,672)</b>	<b>(64,250)</b>	<b>(63,739)</b>	<b>(63,172)</b>
<b>Net Assets</b>	<b>1,522,818</b>	<b>1,428,139</b>	<b>1,535,833</b>	<b>1,553,019</b>	<b>1,573,530</b>	<b>1,594,032</b>	<b>1,614,576</b>	<b>1,635,028</b>	<b>1,655,490</b>	<b>1,675,981</b>	<b>1,696,549</b>
<b>EQUITY</b>											
Retained Earnings	(1,419,106)	(1,405,045)	(1,432,121)	(1,449,307)	(1,469,818)	(1,490,320)	(1,510,864)	(1,531,316)	(1,551,778)	(1,572,269)	(1,592,837)
Accounting Policy Adjustment / Revaluation Reserve	(103,712)	(23,094)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)	(103,712)
<b>Total Equity</b>	<b>(1,522,818)</b>	<b>(1,428,139)</b>	<b>(1,535,833)</b>	<b>(1,553,019)</b>	<b>(1,573,530)</b>	<b>(1,594,032)</b>	<b>(1,614,576)</b>	<b>(1,635,028)</b>	<b>(1,655,490)</b>	<b>(1,675,981)</b>	<b>(1,696,549)</b>

**Model 6**  
**Statement of Cash Flows**

	2018/19 ACTUAL \$ '000	2019/20 BUDGET \$ '000	2020/21 Estimate \$ '000	2021/22 Estimate \$ '000	2022/23 Estimate \$ '000	2023/24 Estimate \$ '000	2024/25 Estimate \$ '000	2025/26 Estimate \$ '000	2026/27 Estimate \$ '000	2027/28 Estimate \$ '000	2028/29 Estimate \$ '000
<b>Cash Flows from Operating Activities</b>											
<b>Receipts</b>											
Rates and Annual Charges	92,586	94,924	102,785	105,497	108,135	110,838	113,611	116,228	118,902	121,637	124,433
User Fees and Charges	13,325	15,444	15,560	15,904	16,305	16,712	17,126	17,540	17,945	18,360	18,782
Grants and Contributions - Operating	11,644	8,770	9,081	9,308	9,544	9,784	10,030	10,243	10,482	10,722	10,968
Bonds, Deposits and Retention amounts Received (Net)	238	0	0	0	0	0	0	0	0	0	0
Other	11,736	9,253	10,094	10,338	10,599	10,866	11,414	11,543	11,816	12,092	12,374
Increase in Bad Debt Provision	248	0	0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Employee Benefits and On-Costs	(57,877)	(59,084)	(59,548)	(58,691)	(58,363)	(59,578)	(61,063)	(62,542)	(63,996)	(65,469)	(66,974)
Materials and Contracts	(42,989)	(39,614)	(40,357)	(38,257)	(38,477)	(38,741)	(40,253)	(40,679)	(42,191)	(43,174)	(44,180)
Other Expenses	(19,448)	(21,324)	(22,501)	(21,721)	(20,947)	(21,123)	(21,655)	(22,189)	(22,713)	(23,241)	(23,781)
Borrowing Costs	(74)	(71)	(46)	(546)	0	0	0	0	0	0	0
Bonds, Deposits and Retention amounts Refunded	140	0	0	0	0	0	0	0	0	0	0
Fair Value adjustment on Investment Property	9,529	8,300	15,068	21,832	26,796	28,758	29,210	30,144	30,245	30,927	31,622
<b>Net Cash from Operating Activities</b>											
<b>Cash Flows from Investing Activities</b>											
<b>Receipts</b>											
Investment and Interest Revenue Received	6,143	3,759	3,806	3,573	3,556	3,659	3,813	3,992	4,187	4,278	4,497
Grants and Contributions - Capital	36,304	14,068	14,388	14,750	15,123	15,502	15,888	16,269	16,643	17,025	17,416
Sale of Investment Securities		1,763									
Proceeds from Sale of Assets	3,443		0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Purchase of Investment Securities											
Capital Works and Purchase of Fixed Assets	(70,245)	(50,690)	(41,921)	(41,500)	(41,500)	(41,500)	(41,729)	(41,750)	(41,980)	(42,000)	(42,000)
<b>Net Cash from Investing Activities</b>	<b>(24,355)</b>	<b>(31,100)</b>	<b>(23,727)</b>	<b>(23,177)</b>	<b>(22,821)</b>	<b>(22,339)</b>	<b>(22,028)</b>	<b>(21,489)</b>	<b>(21,150)</b>	<b>(20,697)</b>	<b>(20,087)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts</b>											
New Borrowings											
<b>Payments</b>											
Repayment of Borrowings	(500)	(500)	(500)	(500)	(125)	0	0	0	0	0	0
<b>Net Cash from Financing Activities</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(125)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(15,326)</b>	<b>(23,300)</b>	<b>(9,159)</b>	<b>(1,845)</b>	<b>3,850</b>	<b>6,419</b>	<b>7,182</b>	<b>8,655</b>	<b>9,095</b>	<b>10,230</b>	<b>11,535</b>
Cash and Cash Equivalents - Beginning of the Year	182,036	141,282	139,999	130,840	128,995	132,845	139,264	146,446	155,101	164,196	174,426
<b>Cash and Cash Equivalents - End of the Year</b>	<b>166,710</b>	<b>117,982</b>	<b>130,840</b>	<b>128,995</b>	<b>132,845</b>	<b>139,264</b>	<b>146,446</b>	<b>155,101</b>	<b>164,196</b>	<b>174,426</b>	<b>185,961</b>





<b>Model 6</b>	<b>Budget</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
<b>Assumptions</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>2028/29</b>
Rate Pegging Limit	%	2.70%	2.60%	2.50%	2.50%	2.50%	2.30%	2.30%	2.30%	2.30%
Rate of Inflation	%	2.02%	2.27%	2.52%	2.52%	2.50%	2.40%	2.30%	2.30%	2.30%
Rates and Annual Charges as a % of Total Revenue	%	64.8%	66.1%	66.2%	66.2%	66.2%	66.1%	66.1%	66.1%	66.0%
Interest Rate on investments	%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Employee Costs as a % of Total Expenditure	%	41.7%	40.4%	40.8%	40.9%	40.8%	40.5%	40.3%	40.2%	40.1%
Depreciation as a % of Gross Cost of Assets	%	1.8%	1.8%	1.8%	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%
Loans outstanding	\$ '000	1,125	625	125	0	0	0	0	0	0
Interest payments on loans	\$ '000	71	46	546	0	0	0	0	0	0
Capital Works Program	\$ '000	45,057	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000

# WORKFORCE MANAGEMENT PLAN

## Section 1 - Background

Every council in NSW operates within the Office of Local Government's Integrated Planning and Reporting (IP&R) Framework. The Framework requires councils to deliver a suite of strategic documents that support a holistic approach to planning for the future, including a long-term Community Strategic Plan, a four-year Delivery Program and annual Operational Plan (and budget). These are informed by a long-term Resourcing Strategy that consists of:

- Workforce Plan
- Asset Management Strategy
- Long-Term Financial Plan.

In line with these requirements, we have developed this Workforce Plan as a key component of the broader Resourcing Strategy.

This document integrates principles of human resource management, workforce planning and capability building. It outlines how we will develop and maintain a high-calibre employee base that meets current and future organisational and community needs.

This Plan identifies objectives and strategies that focus on staff retention, skills and capability development. They cultivate strong leadership and position Council as an employer of choice.

This Plan includes ten themes that followed consultation with managers, staff, unions, local government and industry bodies; analysis of our current workforce demographic; and an understanding of challenges and future requirements to support our goal to be an employer of choice.

The ten themes are:

1. **Capability mobility**
2. **Continuous learning**
3. **Flexible resource allocation**
4. **Information management**
5. **Iterative business improvement processes**
6. **Leadership development**
7. **Open physical and virtual environment**
8. **Partnerships and networking**
9. **Performance centric**
10. **Technology, systems and tools**

Actions to support these themes are outlined in subsequent sections.

Council's People and Culture Department is responsible for implementing the actions. The Plan will evolve as the community and the organisation reviews and evaluates its needs. At a minimum, it will be reviewed every year alongside our Operational Plan to ensure its objectives reflect the changing workforce, community and Council priorities