

Long Term Financial Plan

2025-2034



INTRODUCTION

The following Long-Term Financial Plan (“LTFP”) was prepared in October 2024 for the ten-year period from 1 July 2024 to 30 June 2034. It is prepared as part of the mandatory requirements of the Integrated Planning and Reporting (“IP&R”) Framework which requires a plan to be prepared on an annual basis subject to a basic structure as outlined by the IP&R Handbook.

BASIC STRUCTURE OF THE LTFP

The LTFP must include:

- The planning assumptions or parameters used to develop the plan
- Methods of monitoring financial performance
- Sensitivity analysis highlighting factors and assumptions most likely to affect the plan
- Financial modelling of projected income and expenditure, balance sheet and cash flow statements for the budgeted scenario, as well as two alternative scenarios

PURPOSE OF THE LTFP

The purpose of the Long-Term Financial Plan is to:

- Meet a mandated requirement
- Determine the medium to long-term financial sustainability of the Council
- Identify areas where medium and long-term funding and resourcing shortfalls exist
- Help Council and the community determine priorities for the Local Government Area (LGA) in the future
- Promote forward thinking and forward planning
- Analyse and predict outcomes arising from different options and scenarios

By preparing this plan, Council is ensuring compliance with the requirements of section 403 which requires a council to have a long-term resourcing strategy for the provision of the resources required to perform its functions; and Chapter 3 of the Local Government Act which requires Council to consider the long term and cumulative effects of its decisions on future generations.

LTFP ASSUMPTIONS AND PARAMETERS

The preparation of the Long Term Financial Plan has been guided by the following parameters:

OPERATIONAL SAVINGS

\$7m in operational savings have been reflected in the LTFP from the 2026 Financial year and a further \$1m per annum in savings has been incorporated into the LTFP for the three years after that which has resulted in \$10m (7-1-1-1) in operational savings over the life of the plan. All of the savings are to be realised from Council’s General Fund. Council’s Water and Sewer Funds will also pursue operational savings – however the area of Council that requires targeted focus is unrestricted cash availability in General Fund, and therefore this is where savings will need to be specifically sought. The specific areas of General Fund that will need to be targeted and the service delivery consequence of those operational saving decisions are outline in Council’s “Financial Sustainability Review Action Plan 2024 –2027”. Savings of this magnitude will result in a material reduction in service delivery.

LAND SALES

Estimated land sales post 30 June 2025 have been incorporated into this LTFP. These estimated proceeds have been included as cashflows able to be used to fund the necessary activities of the Council's General Fund in the years realised. These funds will not be used specifically to reduce debt, however the sale proceeds anticipated each year are projected to be significantly less than the actual loan commitments in those respective years.

MATERIALS RECOVERY FACILITY

Council is constructing a Materials Recovery Facility ("MRF") at its existing West Nowra Recycling and Waste Facility. The MRF will source commingled recyclables from across the Illawarra and Shoalhaven with a processing rate of 15 tonnes per hour and expected annual capacity of up to 24,720 tonnes. The MRF will process recyclables from the Shoalhaven LGA but is also a commercial business that will accept and process recyclables from surrounding LGA's for a fee. The MRF is expected to generate net income and positive cashflow from operations once fully operational, and these cashflows will be used to repay debts incurred in construction of the facility and also help fund the necessary activities of the Council's General Fund.

NATURAL DISASTERS

The cost of repair works completed by Council from damage caused by natural disasters is largely met by the NSW State Government subject to certain conditions. One of those conditions is that Council (under the specific agreement opted into) bears the cost of the lesser of 0.75% of its rate revenue. When more than one natural disaster occurs in any given financial year, additional opt in fees are capped at an upper limit of 2.0% of rates revenue.

This fee is not physically paid by council, the funding amount paid to council by the State government is reduced by the opt in amount.

Council is also liable for costs of betterment, where a damaged asset is restored with improvements rather than back to its pre event condition.

Costs for betterment and unfunded opt in fees payable need to be funded from Councils General Fund unrestricted cash unless a restricted funding source permits the specific natural disaster expenditure. No provision has been made in the LTFP beyond 30 June 2025 for costs arising for betterment or opt in fees from Councils General Fund unrestricted cash.

MECHANICAL FAILURE OF ASSETS

No amounts are included in the LTFP for mechanical failure of assets. In the event of mechanical failure of assets, funding will need to be sought from either using built up cash reserves (which would delay the achievement of Council's \$15m cash target and put pressure on Council's ability to meet debt covenant ratios), or by deferring or cancelling already committed existing projects.

BORROWINGS

As at 30 June 2024 Shoalhaven Council has consolidated borrowings outstanding of approximately \$193m. Most of these loans are on a fixed rate over a period of 10 years and would either incur break fees to renegotiate or are at a rate that is well below the current available interest rate. Consequently Council has debt obligations over the life of the ten year plan (in the ordinary course of meeting their regular repayments) to pay the majority of these 10 year loans down.

No future borrowings for capital works other than the \$3.75m waste fund borrowing budgeted for the year ended 30 June 2025, and \$14m for a library at Sanctuary Point are included in the LTFP. As those borrowings relate to Council's General Fund, there is no provision for borrowing in the LTFP for the Water and Sewer funds of Council despite the forward capital commitments of those funds in the next ten years. All other capital commitments in the LTFP are funded from the proceeds of operations, restricted sources, or asset sales.

DIVIDENDS

Council's water and sewer funds are able (subject to statutory limits) to pay dividends from surpluses. Currently Sewer fund generates regular annual surpluses and has been paying dividends to General Fund, and it is anticipated that Water fund (after recent price increases) will also generate surpluses in the near future.

However, due to Both Water and Sewer Fund having forward commitments to significant new and renewal capital expenditure arising from ageing infrastructure and growth in the LGA, and given Council's current debt position (see BORROWINGS) Water Fund and Sewer fund will need to retain capital in order to fund their capital works from operations, as such only the mandatory annual dividend which is referred to as the tax equivalent component, has been budgeted for as income to General Fund.

ANTICIPATED GROWTH

The LTFP has projected spending and income for the life of the plan based on growth rates below. These estimates are based on projected inflation reaching the RBA target range of 2-3% in 2025 and the midpoint of the target band (2.5%) in the 2026 calendar year.

	2025	2026	2027 and beyond
Rates (base)	4.5%	3.8%	3%
Rates (8% scenario)	4.5%	8%	3%
Rates (12% scenario)	4.5%	12%	3%
Financial assistance grant	4.5%	3%	3%
Other recurring government grants	4.5%	3%	3%
Employee costs (Local Government Award)	3.5% increase plus \$1,000 bonus	3.0% increase plus \$1,000 bonus	2.50%
Materials and contracts	5%	3%	3%
Electricity costs	6%	5%	5%
Other expenses	5%	3%	3%

MONITORING FINANCIAL PERFORMANCE

Council must as part of the LTFP, outline the methods used to monitor financial performance, this monitoring is done in conjunction with the Council's obligations to annual and quarterly reporting to the public as required by the IP&R framework.

INTEGRATED PLANNING AND REPORTING FRAMEWORK

The IP&R framework (see Figure below) allows the Council to bring plans and strategies together in a way that supports a clear vision for the future and provides an agreed roadmap for delivering community. Shoalhaven City Council views this as a journey that they undertake in close consultation with the community. Engagement with the community is critical to understand the community's vision for the future and priorities to feed into key elements of the framework. In this way, decision making is informed through an evidence base and the representative views of the community, rather than specific interests or assumptions.

As one of four components of the resourcing strategy, the Long Term Financial Plan is situated within the framework to emphasis the important role that resource planning plays in delivering council's strategic objectives.

REVIEW CYCLE

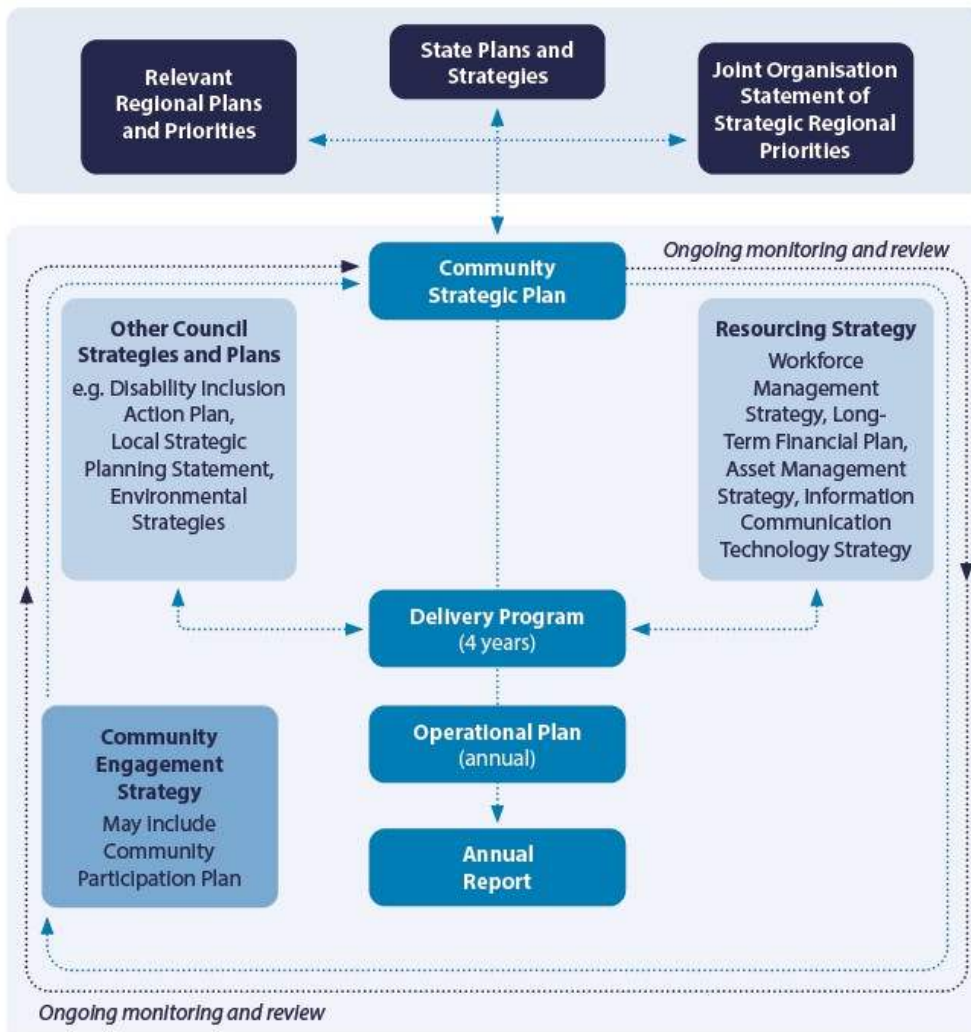
Our Council will review the Long Term Financial Plan on an annual basis in line with the annual review of the Delivery Program and Operational Plan. This review will include an assessment of the previous year's performance to determine whether estimates were accurate, and assumptions were appropriate. Adjustments will be made if required.

The assessment of performance will be based upon a range of financial indicators that are reported to the Council through the Quarterly Budget Review Statement and the Annual Financial Statements – see further description later in the plan.

The Quarterly Budget Review Statement provides a summary of council's financial position to the Council, so that budgetary adjustments may be made, if necessary. It is the mechanism by which community and councillors are informed of progress against Operational Plan (original budget) and last revised budget.

The Annual Financial Statements presents the council's operating results and financial position for the year, including schedules that report on key performance indicators, including measures to assess the long-term financial sustainability of the council.

Figure – Integrated Planning and Reporting Framework



The Quarterly Budget Review Statement provides a summary of Council's financial position to the Council, so that budgetary adjustments may be made, if necessary. It is the mechanism by which community and councillors are informed of progress against Operational Plan (original budget) and last revised budget.

The Annual Financial Statements presents the council's operating results and financial position for the year, including schedules that report on key performance indicators, including measures to assess the long-term financial sustainability of the council.

Council will monitor and report against the following indicators:

- Operating Performance Ratio
- Own Source Revenue Ratio
- Unrestricted Current Ratio
- Debt Service Cover Ratio
- Rates and Annual Charges Outstanding Percentage
- Cash Expense Cover Ratio
- Buildings and Infrastructure Renewal Ratio
- Infrastructure Backlog Ratio
- Asset Maintenance Ratio

HISTORICAL PERFORMANCE

The historical performance of Council is illustrated in the following pages at both the consolidated and general fund level. The income statements of Council's general fund show continuing losses before grants and contributions for all years except 2017/18. Council's consolidated income statement shows losses before grants and contributions for the previous four financial years.

A summary of Council's most recent financial performance is summarised below:

- Council has produced a net operating deficit in the last four financial years. The General Fund's net operating position has been in a deficit position over the past nine years. Financial forecasts indicate a significantly deteriorating operating performance. Without intervention, Council will continue to generate operating deficits over the next 10 years.
- There is an underlying structural deficit of \$25-\$35 million within the General Fund, whereby the recurrent revenue is not able to fund the recurrent expenditure. The impact of inflation on, and relatively flat revenue growth, will only continue to increase the structural deficit.
- A comparison of Council's base rate peg, construction purchase price index, and the consumer price index over the past 5 years is summarised below:

	CPI annual increase	PPI annual increase	Base rate peg
2023/2024	3.8	6.3	3.7
2022/2023	6	6.5	0.7
2021/2022	6.1	12.2	2
2020/2021	3.8	3.3	2.6
2019/2020	-0.3	0.3	2.7
5 year increase	19.4	32	11.7

- Council's unrestricted cash position has deteriorated from \$19m on 30 June 2019 to NIL on 30 June 2024 in 2024. Had Council's grants spent in advance not been funded through the temporary reallocation of internally restricted Financial Assistance Grants, the unrestricted cash position on 30 June 2024 would have been negative \$9m.

- Over the past five years, Council has experienced consecutive disasters, most notably the COVID pandemic, bushfires and floods (15 declared natural disasters). These disasters have significantly impacted on the normal business operations including asset maintenance and asset renewal programs, and impacting upon the availability of cash. Council's revenue base was also impacted due to restricted operations during COVID and the provision of substantial subsidies and waivers to the community and industry.
- The net cost of the disasters, including the subsidies and waivers on fees and charges, and the \$300 per ratepayer COVID reimbursement reduced the unrestricted cash position of Council by \$14.6 million.
- Each natural disaster declaration costs council in excess of \$600k in unbudgeted works. Access to Disaster Recovery Funding (DRF) requires the payment of an "Opt In Fee" which is not recoverable. This fee equates to 0.75% of rateable income and is capped at 2% per annum if 3 or more disasters are declared. In FY2023/24, Council had 3 disaster declarations, capping our opt in fees at 2% of rateable income totalling \$1.7m in non-reimbursable costs. This was compared to a 3.7% base rate peg applicable that year.
- Council started to report on its building and infrastructure renewal ratio in 2008. During the 16 years Shoalhaven City Council failed to meet the required benchmark (on a consolidated basis) for this ratio (of 100%) in each of the 17 years the ratio has been publicly reported.
- The structural deficits and decrease in cash means that assets are not being replaced at the rate required. This lack of investment in asset renewal has led to a significant deterioration in the condition of Council's assets and has created infrastructure backlog issues.
- In the 2008 audited financial statements, all of council infrastructure assets were rated as either category 1 or 2, category 1 being assets of excellent condition requiring normal maintenance and category 2 being assets in good condition requiring only minor maintenance work. As reported in the Draft 30 June 2024 financial statements, Council assets now hold 49.9% in category 1 and 2, with 50.1% of assets now reported in categories 3 (satisfactory) to 5 (very poor). The longer this trend continues, the cost to renew and address the backlog increases exponentially, creating a risk that council will never be able to repair assets & infrastructure and will be forced to decommission them. If not corrected it will impact service levels and available assets in the community for future generations.
- The large majority of asset renewals is funded by external grants - and this is not sustainable.

Consolidated

Shoalhaven City Council
Historical financial information

INCOME STATEMENT - CONSOLIDATED	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
								ACTUAL	
Income from continuing operations									
Rates and annual charges	111,460	116,238	120,157	135,722	142,417	148,819	153,519	159,895	167,708
User charges and fees	58,676	63,003	69,204	76,177	73,857	72,139	85,590	78,955	92,478
Other revenue	3,799	4,163	4,103	4,167	4,492	6,175	7,439	4,685	9,318
Grants and contributions provided for operating purposes	20,178	22,063	25,328	18,419	20,170	19,370	21,164	33,831	52,485
Grants and contributions provided for capital purposes	31,246	29,424	32,229	31,136	27,092	34,683	31,895	54,029	60,115
Interest and investment revenue	5,765	6,388	7,348	6,339	7,061	5,020	2,402	1,922	4,930
Other income	-	-	20	10	135	-	349	400	-
Net gains from the disposal of assets	-	2,219	-	-	-	-	-	4,928	-
Internal Revenue	-	-	-	-	-	-	-	-	-
Total income from continuing operations	231,124	243,498	258,389	271,970	275,224	286,206	302,358	338,645	387,034
Expenses from continuing operations									
Employee benefits and on-costs	61,715	68,226	75,144	77,712	83,694	87,023	94,756	101,588	112,733
Materials and services	43,221	46,091	51,704	48,372	56,320	98,502	90,493	90,161	117,752
Borrowing costs	4,292	3,960	4,479	5,431	6,604	6,115	5,574	5,702	6,366
Depreciation, amortisation and impairment of non-financial assets	54,062	55,138	59,213	59,412	63,595	66,000	70,507	79,521	85,230
Other expenses	26,103	30,412	29,413	32,022	34,280	15,740	18,407	18,102	19,180
Internal expenditure	-	-	-	-	-	-	-	-	-
Net losses from the disposal of assets	3,478	-	1,792	174	1,283	272	7	-	3,799
Total expenses from continuing operations	192,871	203,827	221,745	223,123	245,776	273,652	279,744	295,074	345,060
Operating result from continuing operations	38,253	39,671	36,644	48,847	29,448	12,554	22,614	43,571	41,974
Net operating result for the year before grants and contributions provided for capital purposes	7,007	10,247	4,415	17,711	2,356	(22,129)	(9,281)	(10,458)	(18,141)

Consolidated

Shoalhaven City Council
Historical financial information

STATEMENT OF FINANCIAL POSITION - CONSOLIDATED	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
									ACTUAL
ASSETS									
Current Assets									
Cash and Cash Equivalents	22,943	25,960	52,103	61,306	51,858	16,883	44,745	21,416	27,431
Investments	60,714	101,763	102,949	114,192	116,046	135,368	140,775	153,778	136,927
Receivables	24,382	17,578	24,703	22,124	20,071	21,428	22,979	36,455	56,190
Inventories	2,285	4,509	2,372	2,922	3,207	3,522	2,562	2,456	2,284
Contract assets and contract cost assets	-	-	-	-	-	-	-	-	-
Other assets	1,684	4,634	3,709	3,130	1,431	1,103	4,311	5,256	3,598
Total Current Assets	112,008	154,444	185,836	203,674	192,613	178,304	215,372	219,361	226,430
Non-Current Assets									
Investments	50,920	38,000	50,000	46,000	42,665	36,000	34,000	22,000	2,000
Receivables	6,310	6,576	7,120	5,654	5,488	6,044	6,042	5,010	5,737
Inventories	8,165	5,183	6,610	5,151	6,687	4,916	5,810	5,512	5,503
Infrastructure, Property, Plant & Equipment	2,512,119	2,570,382	2,596,281	2,726,909	2,829,516	2,968,066	3,488,891	4,128,553	4,745,251
Intangible Assets	-	-	291	2,927	512	561	590	493	501
Right of use assets	-	-	-	-	-	222	76	135	225
Other assets	1,435	1,535	1,555	1,565	1,700	1,650	3,000	5,112	6,214
Total Non-Current Assets	2,578,949	2,621,676	2,661,857	2,788,206	2,886,568	3,017,459	3,538,409	4,166,815	4,765,431
TOTAL ASSETS	2,690,957	2,776,120	2,847,693	2,991,880	3,079,181	3,195,763	3,753,781	4,386,176	4,991,861
LIABILITIES									
Current Liabilities									
Payables	21,324	14,528	26,901	26,235	20,779	21,548	30,868	27,367	43,657
Income received in advance	-	1,885	4,429	7,384	5,633	-	-	-	-
Contract liabilities	-	-	-	-	-	7,922	11,638	39,129	32,326
Lease liabilities	-	-	-	-	-	146	83	78	186
Borrowings	9,483	9,624	9,573	12,223	13,826	12,277	17,460	16,303	19,140
Employee benefit provision	-	-	-	-	32,754	32,647	34,092	34,361	34,929

Provisions	28,316	28,705	29,555	30,251	450	14,353	1,273	2,229	974
Other liabilities	-	-	-	-	-	-	-	-	-
Total Current Liabilities	59,123	54,742	70,458	76,093	73,442	88,893	95,414	119,467	131,212
Non-Current Liabilities									
Lease liabilities	-	-	-	-	-	84	-	75	55
Payables	-	-	-	-	-	-	-	-	-
Borrowings	58,407	58,282	94,708	141,900	138,023	125,808	157,488	143,718	177,999
Employee benefit provision	-	-	-	-	928	1,082	1,162	1,368	1,217
Provisions	3,105	3,329	3,687	4,194	5,823	5,326	4,999	8,030	11,599
Other liabilities	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	61,512	61,611	98,395	146,094	144,774	132,300	163,649	153,191	190,870
TOTAL LIABILITIES	120,635	116,353	168,853	222,187	218,216	221,193	259,063	272,658	322,082
NET ASSETS	2,570,322	2,659,767	2,678,840	2,769,693	2,860,965	2,974,570	3,494,718	4,113,518	4,669,779
EQUITY									
Accumulated surplus	1,359,921	1,439,290	1,471,793	1,535,159	1,560,668	1,575,732	1,693,822	1,742,552	1,786,879
Revaluation reserves	1,210,401	1,220,477	1,207,047	1,234,534	1,300,690	1,398,838	1,800,896	2,370,966	2,882,900
Other reserves	-	-	-	-	(393)	-	-	-	-
Council equity interest	2,570,322	2,659,767	2,678,840	2,769,693	2,860,965	2,974,570	3,494,718	4,113,518	4,669,779
Total equity	2,570,322	2,659,767	2,678,840	2,769,693	2,860,965	2,974,570	3,494,718	4,113,518	4,669,779

Shoalhaven City Council

Historical financial information

INCOME STATEMENT - GENERAL	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	ACTUAL								
Income from continuing operations									
Rates and annual charges	71,590	75,165	77,914	87,743	94,352	99,382	102,646	107,311	113,592
User charges and fees	53,996	55,287	55,152	58,619	63,617	53,420	101,241	64,207	65,794
Other revenue	3,084	4,051	3,927	4,059	4,361	5,683	23,802	4,454	4,547
Grants and contributions provided for operating purposes	19,125	21,011	24,290	19,994	20,170	19,370	21,164	33,836	52,427
Grants and contributions provided for capital purposes	13,563	22,469	20,001	22,260	21,283	26,312	25,201	45,532	54,105
Interest and investment revenue	3,652	4,058	7,632	5,274	5,756	4,151	1,473	3,010	2,367
Other income	-	-	-	10	135	-	148	400	4,245
Net gains from the disposal of assets	-	2,026	2,241	-	85	977	-	4,834	
Internal Revenue	-	-	-	-	-	-	-	-	
Total income from continuing operations	165,010	184,067	191,157	197,959	209,759	209,295	275,675	263,584	297,077
Expenses from continuing operations									
Employee benefits and on-costs	51,481	57,668	63,510	65,201	71,790	71,656	79,590	84,213	85,182
Materials and services	38,457	41,060	44,374	41,430	50,141	49,912	122,816	75,371	95,077
Borrowing costs	2,334	2,244	2,289	1,947	1,973	1,455	1,474	2,121	2,951
Depreciation, amortisation and impairment of non-financial assets	38,636	38,168	39,591	40,774	43,282	44,246	45,051	54,262	56,348
Other expenses	23,236	28,561	25,588	26,142	30,642	41,961	16,142	18,123	19,089
Internal expenditure	-	-	-	-	-	-	-	-	
Net losses from the disposal of assets	508	-	-	98	-	-	385	-	3,904
Total expenses from continuing operations	154,652	167,701	175,352	175,592	197,828	209,230	265,458	234,090	262,551
Operating result from continuing operations	10,358	16,366	15,805	22,367	11,931	65	10,217	29,494	34,526
Net operating result for the year before grants and contributions provided for capital purposes	(3,205)	(6,103)	(4,196)	107	(9,352)	(26,247)	(14,984)	(16,038)	(19,579)

General

Shoalhaven City Council
Historical financial information

STATEMENT OF FINANCIAL POSITION - GENERAL	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ACTUAL									
ASSETS									
Current Assets									
Cash and Cash Equivalents	14,866	15,553	12,892	12,553	29,661	9,130	26,642	11,545	15,564
Investments	39,339	60,967	58,862	75,868	66,373	73,208	83,823	82,894	77,694
Receivables	9,058	9,858	15,562	12,128	10,879	12,986	13,692	25,744	45,694
Inventories	1,420	3,766	1,431	1,819	2,090	2,285	1,355	1,149	985
Contract assets and contract cost assets	-	-	-	-	-	-	-	-	-
Other assets	1,674	4,626	3,700	3,127	1,379	1,103	4,311	5,256	3,598
Total Current Assets	66,357	94,770	92,447	105,495	110,382	98,712	129,823	126,588	143,535
Non-Current Assets									
Investments	32,994	22,766	33,262	23,749	24,687	19,469	20,245	11,859	1,135
Receivables	3,788	4,020	4,219	3,043	3,418	4,130	4,499	3,003	3,689
Inventories	8,165	5,183	6,610	5,151	6,687	4,916	5,810	5,512	5,503
Infrastructure, Property, Plant & Equipment	1,678,413	1,691,679	1,702,460	1,788,492	1,841,301	1,864,747	2,378,078	2,944,799	3,386,579
Intangible Assets	-	-	291	2,622	3,346	5,625	475	465	372
Right of use assets	-	-	-	-	-	222	76	135	225
Other assets	1,435	1,535	1,555	1,565	1,700	1,650	3,000	5,112	6,214
Total Non-Current Assets	1,724,795	1,725,183	1,748,397	1,824,622	1,881,139	1,900,759	2,412,183	2,970,885	3,403,717
TOTAL ASSETS	1,791,152	1,819,953	1,840,844	1,930,117	1,991,521	1,999,471	2,542,006	3,097,473	3,547,252
LIABILITIES									
Current Liabilities									
Payables	18,037	14,196	19,317	17,453	10,446	13,413	25,941	24,386	38,401
Income received in advance	-	-	3,831	6,657	4,745	-	-	-	-
Contract liabilities	-	-	-	-	-	6,316	11,638	37,602	29,050

Lease liabilities	-	-	-	-	-	146	83	78	186
Borrowings	4,787	6,346	5,775	6,524	8,712	5,102	10,950	10,888	14,307
Employee benefit provision	-	-	-	-	-	-	34,092	34,003	34,929
Provisions	26,452	28,705	29,555	30,251	33,204	47,000	1,273	2,229	974
Other liabilities	-	-	-	-	-	-	-	-	-
Total Current Liabilities	49,276	49,247	58,478	60,885	57,107	71,977	83,977	109,186	117,847
Non-Current Liabilities									
Lease liabilities	-	-	-	-	-	84	-	75	55
Payables	-	-	-	-	-	-	-	-	-
Borrowings	34,686	37,840	34,063	36,955	39,883	34,843	73,034	64,679	103,793
Employee benefit provision	-	-	-	-	-	-	1,162	1,368	1,217
Provisions	3,105	3,329	3,687	4,194	6,751	6,408	4,999	8,030	11,599
Other liabilities	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	37,791	41,169	37,750	41,149	46,634	41,335	79,195	74,152	116,664
TOTAL LIABILITIES	87,067	90,416	96,228	102,034	103,741	113,312	163,172	183,338	234,511
NET ASSETS	1,704,085	1,729,537	1,744,616	1,828,083	1,887,780	1,886,159	2,378,834	2,914,135	3,312,741
EQUITY									
Accumulated surplus	826,309	847,147	862,954	918,287	928,647	930,981	935,754	1,064,900	1,103,361
Revaluation reserves	877,776	882,390	881,662	909,796	959,526	955,178	1,443,080	1,849,235	2,209,380
Other reserves	-	-	-	-	(393)	-	-	-	-
Council equity interest	1,704,085	1,729,537	1,744,616	1,828,083	1,887,780	1,886,159	2,378,834	2,914,135	3,312,741
Total equity	1,704,085	1,729,537	1,744,616	1,828,083	1,887,780	1,886,159	2,378,834	2,914,135	3,312,741

HISTORICAL RATIOS

Operating Performance

<i>Operating performance ratio</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024 DRAFT	2022	2023	2024 DRAFT	
Total continuing operating revenue excluding capital grants and contributions less operating expenses <hr/> Total continuing operating revenue excluding capital grants and contributions	(4.72)%	(5.32)%	(9.13)%	(8.52)%	(7.78)%	(13.70)%	> 0.00%

Operating performance ratio is an important measure as it provides an indication of whether a Council is containing its operating expenditure within its operating revenue.

In previous financial years Council has reported a negative operating performance ratio.

A negative operating position cannot be maintained over the long term due to the need to produce sufficient cashflows from operations to renew assets, service borrowings and fund growth in services and assets.

Own Sourced Revenue

<i>Own source operating revenue ratio</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024 DRAFT	2022	2023	2024 DRAFT	
Total continuing operating revenue excluding all grants and contributions <hr/> Total continuing operating revenue	73.64%	70.69%	66.46%	68.14%	63.77%	61.13%	> 60.00%

Own source revenue measures the degree of reliance on external funding sources (for example, Grants and Contributions). Financial flexibility increases as the level of own source revenue increases and gives Council greater ability to respond to external shocks or challenges.

Council's Own Source Operating Revenue ratio is falling but has remained above the benchmark of 60%.

Unrestricted Current Ratio

<i>Unrestricted current ratio</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024 DRAFT	2022	2023	2024 DRAFT	
$\frac{\text{Current assets less all external restrictions}}{\text{Current liabilities less specific purpose liabilities}}$	1.27x	0.67x	1.08x	1.27x	0.67x	1.08x	>1.50x

The unrestricted current ratio measures the adequacy of working capital and the ability of a Council to satisfy its obligations in the short term.

The ratio indicates that Council currently projects to have \$1.08 (excluding restricted funds such as developer contributions, Water, Sewer and Grant monies) available to service every \$1 of liabilities as it falls due at the end of the year. This is below the required benchmark of \$1.50 and presents a significant risk to Council which is addressed throughout the 3 scenarios presented in the LTFP.

Debt service cover ratio

<i>Debt service cover ratio</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024 DRAFT	2022	2023	2024 DRAFT	
$\frac{\text{Operating result before capital excluding interest and depreciation/impairment/amortisation}}{\text{Principal repayments plus borrowing costs}}$	3.09x	3.06x	2.69x	2.96x	2.62x	1.88x	>2.00x

Debt service cover ratio measures the impact loan repayments (principle & interest) are having on the discretionary revenue of Council. Prudent and active debt management is a key part of Council's approach to funding and managing infrastructure over the longer term.

Council's General Fund Debt service cover ratio is below the 2.0x benchmark and has fallen from close to 3x in 2022. This indicates that debt repayments make up a higher than benchmark proportion of General Funds outgoings and it is largely due to the level of debt obligations arising from borrowings in General Fund.

Council is dedicated to reducing its reliance on borrowings and revised its borrowing strategy when adopting the 2024-25 Operational Plan. \$3.75m is budgeted to be borrowed in FY2024-25 (included in the Operational Plan adopted by Council), funded through restricted waste reserves. This is a significant reduction in the general fund borrowings compared to the borrowings Council has undertaken over the past 6 years. The only additional loan borrowings in the LTFP after 30 June 2025 is a proposed \$14m loan for the Sanctuary Point Library – a project which is currently on hold as the new council considers the merits of the project.

Rates and annual charges outstanding percentage

<i>Rates and annual charges outstanding percentage</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024	2022	2023	2024	
$\frac{\text{Rates and annual charges outstanding}}{\text{Rates and annual charges collectable}}$	7.22%	7.18%	8.01%	5.65%	6.12%	7.03%	<10.00%

This ratio assesses the impact of uncollected rates and annual charges on liquidity and the efficiency of Councils' debt recovery.

The percentage of outstanding rates and annual charges is 8.01% and is under the benchmark of 10%. This also indicates that ratepayers capacity to pay meets the expectation of Regional NSW Council's.

Cash expense cover ratio

<i>Cash expense cover ratio</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024	2022	2023	2024	
$\frac{\text{Current year's cash and cash equivalents plus all term deposits}}{\text{Monthly payments from cash flow of operating and financing activities}}$	6.24 months	4.92 months	7.16 months	4.52 months	3.54 months	6.24 months	>3mths

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

For 2023/24, Council exceeded the benchmark with a ratio of 7.16. This ratio is higher than in 2023 due to better grants management in the lead up to 30 June 2024 which resulted in less grant monies outstanding than in 2023. The ratio does not take into consideration expenditure on capital, nor cash that is subject to restrictions.

Buildings and infrastructure renewals ratio

<i>Buildings and infrastructure renewals ratio</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024	2022	2023	2024	
$\frac{\text{Asset renewals}}{\text{Depreciation, amortisation and impairment}}$	95.25%	96.49%	71.29%	110.59%	149.02%	101.21%	>=100%

The Building and Infrastructure renewals ratio assesses the rate at which assets are being renewed against the rate at which they are depreciating.

Council's Building and Infrastructure renewals ratio is outside of the benchmark on a consolidated basis. General Fund exceeds the 100% benchmark in all three prior years. The benchmark was met due to the nature and volume of the State Government funded natural disaster projects that were required to be completed in the previous three financial years. These works do not project business as usual and distort the figures reported.

Infrastructure backlog ratio

<i>Infrastructure backlog ratio</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024	2022	2023	2024	
Estimated cost to bring assets to a satisfactory standard	4.22%	4.87%	4.54%	4.37%	5.45%	5.30%	<2.00%
Net carrying amount of infrastructure assets							

The infrastructure backlog ratio shows the infrastructure backlog in proportion to the total written down value (the value of an asset after accounting for depreciation, reflecting the asset's present worth) of a council's infrastructure. Satisfactory level is achieved when Council estimates the cost to bring Council's poor conditioned infrastructure assets to a satisfactory standard is below 2% of the total written down value.

Council is not meeting the benchmark Infrastructure Backlog Ratio of less than 2%. This ratio is calculated on Council's best estimate of the required work to bring assets back to standard. The asset condition data held by Council is outdated and requires a full review before a detailed action plan can be developed to determine the actual amount of funds needed to correct its ageing infrastructure

In respect of roads a collection of asset condition data is currently underway` and due for completion by December this year. The information will be collated, analysed and a contemporary Asset Management Plan (AMP) prepared, consistent with Council's Asset Management Strategy (AMS).

Asset maintenance ratio

<i>Asset maintenance ratio</i>	<i>Consolidated</i>			<i>General Fund</i>			<i>Target</i>
	2022	2023	2024	2022	2023	2024	
Actual asset maintenance	89.68%	107.47%	104.69%	86.01%	113.84%	83.92%	>100%
Required maintenance							

The asset maintenance ratio compares a council's actual asset maintenance expenditure against its estimated required annual asset maintenance expenditure. It indicates if a council is investing enough funds within the year to stop the infrastructure backlog from growing.

Council's General Fund Asset Maintenance Ratio fallen below benchmark after exceeding the target last year. This indicates that the level of expenditure on the maintenance of infrastructure is not sufficient to prevent the backlog from growing. The growing challenge of expenditures increasing at a rate in excess of growth in the rate peg places pressure on Council's ability to maintain its assets at the required level.

FINANCIAL ISSUES AND RISKS

The following issues and risks are highlighted as threats and/or constraints to the financial sustainability of Council.

ASSUMPTIONS AND PARAMETERS

The future cash flows that fund the operational and capital spend of Council rely on the assumptions and parameters outlined in the preceding pages of this plan, and many of these parameters are contingent on conditions outside of the control of the Council. Notwithstanding the fact that these circumstances would apply to the preparation any long term financial plan for any entity, the current financial position of the Council concerning the low carrying value of unrestricted cash means that any assumptions or parameters that are not realised as anticipated have a material negative effect on Council's position.

Capital expenditure estimates are based upon best information at hand during the planning of the projects. Further detailed planning, including design and cost estimation, and significant increases in construction costs may result in capital expenditure that is significantly different to that outlined in the LTFP.

Cost of construction for future capital works is assumed to increase based on projected indexation of 2-3%, in line with the Reserve Bank of Australia CPI target range. Higher costs of construction than projected is a significant risk and a major risk to the accuracy of the projected financial position for Council.

The outcome of service reviews undertaken in line with Integrated Planning and Reporting requirements may impact assumptions and will need to be captured in future reviews of this Plan.

ECONOMIC CONDITIONS AND INFLATION

The Reserve Bank of Australia predicts that inflation is forecast to fall to 2.5% sometime in 2026. The Federal Treasury in its statement of economic outlook released at the time of the Federal Budget indicated that the rate of inflation may return to the 2-3% target faster than that.

The LTFP is based on these assumptions which underpin growth rates for both costs and income.

As such any impacts leading to significant change from the market assumptions adopted will require further revision by Council of planned investments and service expenditure.

CERTAINTY OF REVENUE STREAMS

Projections of revenue streams over the period of the Long Term Financial Plan are based upon historical trends, anticipated economic conditions, planned pricing, known grants and current statutory prices.

Furthermore, the rates increase has been assumed to be the rate peg at 3.5% from 2026/27 onwards, plus growth of 0.5%.

RATE CAPPING

The ability of Council to align rating revenue with the increased cost of providing services has been restrained by rate pegging. Rate pegging is a legislative instrument whereby the maximum increase in rating revenue is set by the Independent Pricing and Regulatory Tribunal – or IPART – the NSW State Government independent pricing regulator.

As an example, in developing the Long Term Financial Plan 2032, Council has been advised by IPART that the rate peg for 2022/23 will be 1.7% (indexation of 0.7% plus 1% for growth), while during the same period of time the ABS announced that over the twelve months to the March 2022 quarter the CPI rose 5.1%. The difference between the actual inflation impacting the cost of services and the rate peg must be addressed over the long term by Council through budgetary consideration of the range and levels of services.

Accordingly, any significant changes to the rate capping assumptions used for the Long Term Financial Plan will require Council to review this plan.

S7.11 CONTRIBUTION PLAN CAPPING

The NSW State Government regulates a cap on the per lot contributions paid under a Section 7.11 plan (unless the plan is grandfathered) and limits the types of infrastructure that a council could levy for a plan. This limitation has required Councils to use other funding sources (including renewal of assets and funding services) in order to provide infrastructure Council is responsible to provide for new development. This is particularly important for areas of greenfield development, impacting on the Council's ability to fund infrastructure such as community centres, libraries, and recreational facilities for greenfield development.

COASTAL MANAGEMENT PROGRAM ("CMP")

Council is required to implement four CMPs over the next ten financial years with costs in the vicinity of \$100m. It is anticipated that grant funding would meet more than half of these costs. Due to the current financial situation of the Council the LTFP does not make any provision for the costs associated with these four CMP's. In order to meet this \$100m obligation, Council would need commitment of additional grant monies up to the value of the \$100m requirement, or a significant SRV increase.

IMPAIRMENT AND EARLY DETERIORATION OF ASSETS

The planned treatment of assets for renewals and replacement is based upon the predicted lifecycle of the assets. However, there is a range of variability amongst asset groups, and despite routine inspections, assets can deteriorate faster than the projected lifecycle, requiring earlier treatment of assets – that is, early deterioration of assets. This is particularly relevant when consecutive natural disasters occur.

Earlier deterioration of assets is a threat to the planned expenditure on assets, and while mostly immaterial, can be significant depending upon the replacement value and criticality of the asset.

Furthermore, events such as disasters can impact significantly upon assets, which results in the need to impair the asset (right down the value of the asset). If the impairment of the assets is significant to require the replacement or renewal, the expenditure will not be included in the Long Term Financial Plan. Although Council is funded under certain circumstances for disasters, there is a significant risk that Council will need to fund all or at least majority of the replacement cost.

BREACH OF DEBT COVENANTS

Council's borrowings are subject to several financial conditions (debt covenants), which includes the achievement of key financial ratios at 30 June each year. These ratios require that Council maintains the level of unrestricted general fund cash required to meet each of the ratios. A decrease in the unrestricted cash balance could lead to a breach of debt covenant which, under the contractual loan agreement, would allow the lender to enforce immediate repayment of the impacted loans. If this situation was to arise, and Council was unable to negotiate a waiver with the lender, Council would immediately be insolvent.

SENSITIVITY ANALYSIS

The following assessment has been completed upon the major assumptions included in the preparation of the Long Term Financial Plan. The table below indicates the impact to the relevant financial element due to a 1% change in inflation above the expected inflation amount in the plan for the year ended 30 June 2026.

INCREASE IN INCOME AND EXPENSES FROM A 1% INFLATION INCREASE

Financial Element	Change	Consolidated '000's	General Fund '000's
Revenue			
Rates and Annual Charges	1% higher	1,934	1,296
User Charges and Fees	1% higher	1,080	725
Investment Interest	1% higher	1,411	738
Operating Grants	1% higher	332	332
Operating Expenditure			
Employee benefits	1% higher	1,277	1,038
Borrowing costs	1% higher	1,935	987
Materials and contracts	1% higher	1,106	872
Capital Expenditure			
Total construction costs	1% higher	1,906	1,432

When the table above refers to rates and charges, it includes all rates and charges levied by Council. Amounts charged for rates in Waste and Sewer Fund (in the Consolidated numbers) and for Domestic Waste Charge (in the General Fund numbers) are included in this calculation. These specific charges are not increased or decreased subject to an SRV application as annual increases in Waste, Water, and Sewer are determined independently.

The increase in revenue that would arise from a 1% increase in SRV percentage equates to approx. \$958,000.

MODELLING OF FINANCIAL SCENARIOS

The LTFP is required to model different financial scenarios, and the IP&R Handbook provides guidance that councils model at least three. In compliance with this, Council staff have modelled the following scenarios in conjunction with the parameters and assumptions provided in this document:

1. **Base Rate Scenario**
2. **8% Rate increase Scenario**
3. **12% Rate increase Scenario**

Base Rate Scenario

The Base Rate Scenario would see council applying a 3.8% increase in accordance with the amount set by the Independent Pricing And Regulatory Tribunal ("IPART").

8% Rate increase Scenario

Makes provision for a one year increase in rates of 8% in total. Total rates collected in the 2026 financial year would increase by 8% which is an increase above the 3.8% IPART rate of 4.2%.

12% Rate increase Scenario

Makes provision for a one year increase in rates of 12% in total. Total rates collected in the 2026 financial year would increase by 8% which is an increase above the 3.8% IPART rate of 8.2%.

BASE RATE SCENARIO

The Base Rate Scenario is a no SRV option. No SRV application would be required to be submitted to IPART, and rates would increase by 3.8% (IPART rate peg).

This scenario would see council achieve an average renewal rate of 57% over the life of the LTFP, failing the renewal ratio in each year leading to an increase in Councils infrastructure backlog ratio and ongoing maintenance costs.

Councils General Fund unrestricted cash position would grow to the target of \$15m by 30/06/2033, but Councils Operating Performance Ratio would be below the benchmark for the entire life of the LTFP (no operational surplus achieved in the 10 year plan).

The following tables present the summary financial statements, and the key performance indicators for the scenario.

BASE RATE SCENARIO

INCOME STATEMENT - CONSOLIDATED	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balances as at 30 June											
Income from Continuing Operations											
<i>Revenue:</i>											
Rates and Annual Charges	178,178	193,439	201,009	210,389	220,295	230,742	239,174	247,932	256,994	266,393	276,143
User Charges and Fees	97,976	108,035	115,629	122,565	127,903	133,198	137,797	142,566	147,512	152,641	157,959
Interest and Investment Revenue	7,571	8,358	6,351	6,685	6,431	6,022	5,270	4,544	4,933	5,369	5,882
Other Revenues	9,049	5,231	5,234	5,391	5,553	5,720	5,890	6,068	6,250	6,437	6,630
Internal Revenue		0	0	0	0	0	0	0	0	0	0
Grants and Contributions provided for Operating Purposes	21,946	22,877	22,667	21,363	21,944	22,530	23,146	23,809	24,454	25,153	25,876
Grants and Contributions provided for Capital Purposes	124,758	76,900	38,619	37,905	16,577	13,393	13,911	14,252	14,604	14,969	15,348
<i>Other Income:</i>	0	0	0	0	0	0	0	0	0	0	0
Net Gains from the disposal of assets		6,099	1,360	9,000	10,000	8,000	4,000	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Total Income from Continuing Operations	439,478	420,939	390,869	413,298	408,703	419,605	429,188	439,171	454,747	470,962	487,838
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Expenses from Continuing Operations	0	0	0	0	0	0	0	0	0	0	0
Employee Benefits and On-Costs	115,650	127,703	125,055	124,807	126,935	129,320	132,560	135,900	139,292	142,782	146,361
Borrowing Costs	7,204	7,430	6,819	6,000	6,047	5,249	4,462	3,667	2,872	2,118	1,557
Materials and Contracts	105,689	110,605	118,303	123,318	127,307	133,833	138,934	144,423	149,034	155,064	158,946
Depreciation and Amortisation	92,758	97,439	104,041	109,439	115,019	121,123	127,623	133,863	139,900	145,961	152,385
Other Expenses	21,681	20,347	20,956	21,584	22,231	22,897	23,584	24,290	25,018	25,768	26,539
Internal Expenses		0	0	0	0	0	0	0	0	0	0
Net Losses from the disposal of assets	9,364	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Total Expenses from Continuing Operations	352,346	363,524	375,174	385,148	397,539	412,422	427,163	442,143	456,116	471,693	485,788
	0	0	0	0	0	0	0	0	0	0	0
Net Operating Result	87,132	57,415	15,695	28,150	11,164	7,183	2,025	(2,972)	(1,369)	(731)	2,050
	0	0	0	0	0	0	0	0	0	0	0
Net Operating Result before grants and contributions provided for capital purposes	(37,626)	(19,485)	(22,924)	(9,755)	(5,413)	(6,210)	(11,886)	(17,224)	(15,973)	(15,700)	(13,298)

BASE RATE SCENARIO

STATEMENT OF FINANCIAL POSITION - CONSOLIDATED	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Balances as at 30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS												
Current Assets												
Cash and Cash Equivalents	121,780	62,878	80,651	93,037	80,727	90,666	96,780	101,797	108,447	113,774	135,055	
Investments	88,130	98,357	82,357	91,357	100,357	105,357	89,357	80,357	75,357	67,357	72,357	
Receivables	29,399	29,827	29,827	29,828	29,828	29,828	29,828	29,829	29,829	29,829	29,829	
Inventories	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	
Other	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	
Non-current Assets Classified as 'Held for Sale'	0	0	0	0	0	0	0	0	0	0	0	
Total Current Assets	245,107	196,860	198,633	220,020	216,710	231,649	221,763	217,781	219,431	216,758	243,039	
Non-Current Assets												
Investments	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	
Receivables	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	
Inventories	11,520	9,555	0	680	1,180	3,684	4,184	4,184	4,184	4,184	4,184	
Infrastructure, Property, Plant & Equipment	5,050,075	5,132,145	5,291,257	5,452,414	5,612,303	5,753,709	5,922,460	6,085,417	6,254,033	6,434,666	6,598,674	
Investment Property	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	
Intangible Assets	368	368	368	368	368	368	368	368	368	368	368	
Right of use assets	121	121	121	121	121	121	121	121	121	121	121	
Other	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	
Total Non-Current Assets	5,083,118	5,163,223	5,312,780	5,474,617	5,635,006	5,778,916	5,948,167	6,111,124	6,279,740	6,460,373	6,624,381	
TOTAL ASSETS	5,328,225	5,360,083	5,511,413	5,694,637	5,851,716	6,010,565	6,169,930	6,328,905	6,499,171	6,677,131	6,867,420	

STATEMENT OF FINANCIAL POSITION - CONSOLIDATED - Continued

	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
LIABILITIES											
Current Liabilities											
Payables	37,598	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599
Income received in advance	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547
Contract liabilities	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601
Lease liabilities	118	118	118	118	118	118	118	118	118	118	118
Borrowings	20,904	21,482	20,747	20,747	19,708	18,257	18,722	13,947	11,967	7,857	0
Employee benefit provision	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560
Provisions	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Total Current Liabilities	139,051	139,630	138,895	138,895	137,856	136,405	136,870	132,095	130,115	126,005	118,148
Non-Current Liabilities											
Payables	0	0	0	0	0	0	0	0	0	0	0
Lease liabilities	8	8	8	8	8	8	8	8	8	8	8
Borrowings	172,551	146,416	125,669	118,922	99,214	80,957	62,235	48,288	36,321	28,464	28,464
Employee benefit provision	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336
Provisions	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878
Total Non-Current Liabilities	185,773	159,638	138,891	132,144	112,436	94,179	75,457	61,510	49,543	41,686	41,686
TOTAL LIABILITIES	324,824	299,268	277,786	271,039	250,292	230,584	212,327	193,605	179,658	167,691	159,834
NET ASSETS	5,003,401	5,060,815	5,233,627	5,423,598	5,601,424	5,779,981	5,957,603	6,135,300	6,319,513	6,509,440	6,707,586
EQUITY											
Retained Earnings	1,874,011	1,931,426	1,950,277	1,981,514	1,995,770	2,005,961	2,010,975	2,011,001	2,012,655	2,014,964	2,020,074
Revaluation Reserves	3,129,390	3,129,390	3,283,351	3,442,085	3,605,655	3,774,021	3,946,629	4,124,299	4,306,859	4,494,476	4,687,513
Other reserves	0	0	0	0	0	0	0	0	0	0	0
TOTAL EQUITY	5,003,401	5,060,816	5,233,628	5,423,599	5,601,425	5,779,982	5,957,604	6,135,300	6,319,514	6,509,440	6,707,587

BASE RATE SCENARIO

STATEMENT OF CASH FLOWS - CONSOLIDATED	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June												
Cash Flows from Operating Activities												
<i>Receipts:</i>												
Rates and Annual Charges	176,559	193,439	201,009	210,389	220,295	230,742	239,174	247,932	256,994	266,393	276,143	
User Charges and Fees	96,399	108,035	115,629	122,565	127,903	133,198	137,797	142,566	147,512	152,641	157,959	
Interest and Investment Revenue	7,182	8,358	6,351	6,685	6,431	6,022	5,270	4,544	4,933	5,369	5,882	
Grants and Contributions	175,433	99,777	61,286	59,268	38,521	35,923	37,057	38,061	39,057	40,123	41,224	
Bonds, deposits and retention amounts received	1,630	0	0	0	0	0	0	0	0	0	0	
Other Revenues	37,130	5,231	5,234	5,391	5,552	5,720	5,890	6,068	6,250	6,437	6,630	
Internal Revenue	0	0	77,280	79,547	81,915	84,353	86,862	89,448	92,111	94,852	97,675	
<i>Payments:</i>												
Employee Benefits and On-Costs	(115,759)	(127,703)	(125,055)	(124,807)	(126,935)	(129,320)	(132,560)	(135,900)	(139,292)	(142,782)	(146,361)	
Borrowing Costs	(7,248)	(7,430)	(6,819)	(6,000)	(6,047)	(5,249)	(4,462)	(3,667)	(2,872)	(2,118)	(1,557)	
Materials and Contracts	(92,733)	(110,605)	(118,303)	(123,317)	(127,307)	(133,832)	(138,934)	(144,424)	(149,033)	(155,065)	(158,946)	
Bonds, deposits and retention amounts refunded	(1,892)	0	0	0	0	0	0	0	0	0	0	
Waste Levy	(14,208)	(15,000)	(15,450)	(15,914)	(16,391)	(16,883)	(17,389)	(17,911)	(18,448)	(19,002)	(19,572)	
Other Expenses	(52,228)	(5,347)	(5,506)	(5,671)	(5,840)	(6,014)	(6,195)	(6,379)	(6,570)	(6,766)	(6,968)	
Internal Expenses	0	0	(73,788)	(76,116)	(78,466)	(80,979)	(83,495)	(86,061)	(88,688)	(91,399)	(94,191)	
Net Cash Provided from Operating Activities	210,265	148,755	121,868	132,020	119,631	123,681	129,015	134,277	141,954	148,683	157,918	
Cash Flows from Investing Activities												
<i>Receipts:</i>												
Sale of Investment Securities	154,901	40,000	16,000	0	0	0	16,000	17,000	15,000	8,000	0	
Sale of Investment Property		0	0	0	0	0	0	0	0	0	0	
Sale of Real Estate	8,381	17,000	10,915	8,320	9,500	5,496	3,500	0	0	0	0	
Sale of Infrastructure, Property, Plant & Equipment	5,237	2,185	2,193	2,318	2,531	2,547	2,627	2,664	2,874	2,960	3,049	
Sale of Interest in Joint Venture & Associates	0	0	0	0	0	0	0	0	0	0	0	
Other	0	(428)	0	0	0	0	0	0	0	0	0	
Deferred debtors receipts	0	0	0	0	0	0	0	0	0	0	0	

STATEMENT OF CASH FLOWS - CONSOLIDATED - Continued

	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Investing Activities - Continued												
<i>Payments:</i>												
Purchase of Investment Securities	(109,750)	(50,227)	0	(9,000)	(9,000)	(5,000)	0	(8,000)	(10,000)	0	(5,000)	
Purchase of Investment Property	0	0	0	0	0	0	0	0	0	0	0	
Purchase of Infrastructure, Property, Plant & Equipment	(171,633)	(190,630)	(111,385)	(114,180)	(113,869)	(96,710)	(126,393)	(121,814)	(128,830)	(141,937)	(126,405)	
Purchase of Real Estate Assets	451	0	0	0	0	0	0	0	0	0	0	
Purchase of Intangible Assets	1	0	0	0	0	0	0	0	0	0	0	
Purchase of Interest in Joint Ventures & Associates	0	0	0	0	0	0	0	0	0	0	0	
Deferred Debtors & Advances Made	(20)	0	0	0	0	0	0	0	0	0	0	
Net Cash Provided from Investing Activities	(112,432)	(182,100)	(82,277)	(112,542)	(110,838)	(93,667)	(104,266)	(110,150)	(120,956)	(130,977)	(128,356)	
Cash Flows from Financing Activities												
<i>Receipts:</i>												
Proceeds from Borrowings & Advances	15,856	3,751	0	14,000	0	0	0	0	0	0	0	
Other Financing Activity Receipts	0	0	0	0	0	0	0	0	0	0	0	
<i>Payments:</i>												
Repayment of Borrowings & Advances	(19,340)	(29,308)	(21,482)	(20,747)	(20,747)	(19,708)	(18,257)	(18,722)	(13,947)	(11,967)	(7,857)	
Repayment of Finance Lease Liabilities	0	0	0	0	0	0	0	0	0	0	0	
Other Financing Activity Payments	0	0	(335)	(346)	(355)	(367)	(378)	(389)	(401)	(413)	(425)	
Net Cash Provided from Financing Activities	(3,484)	(25,557)	(21,817)	(7,093)	(21,102)	(20,075)	(18,635)	(19,111)	(14,348)	(12,380)	(8,282)	
Net Increase/(Decrease) in Cash & Cash Equivalents	94,349	(58,902)	17,774	12,385	(12,309)	9,939	6,114	5,016	6,650	5,326	21,280	
Plus: Cash & Equivalents - beginning of year	27,431	121,780	62,878	80,651	93,037	80,727	90,666	96,780	101,797	108,447	113,774	
Cash & Equivalents - end of year	121,780	62,878	80,652	93,036	80,728	90,666	96,780	101,796	108,447	113,773	135,054	
plus: Investments on hand - end of year	95,854	106,081	90,081	99,081	108,081	113,081	97,081	88,081	83,081	75,081	80,081	
Total cash, cash equivalents and investments	217,634	168,959	170,733	192,117	188,809	203,747	193,861	189,877	191,528	188,854	215,135	

BASE RATE SCENARIO

INCOME STATEMENT - GENERAL FUND	DRAFT/ PROJECTE n	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Balances as at 30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from Continuing Operations											
<i>Revenue:</i>											
Rates and Annual Charges	120,335	129,627	132,616	137,021	141,575	146,281	151,144	156,171	161,366	166,736	172,285
User Charges and Fees	67,664	72,470	78,418	83,632	87,168	90,578	93,204	95,909	98,695	101,564	104,518
Interest and Investment Revenue	4,372	5,904	3,491	3,518	3,546	3,574	3,604	3,634	3,665	3,696	3,729
Other Revenues	8,320	4,957	5,105	5,259	5,416	5,579	5,746	5,919	6,096	6,279	6,467
Internal Revenue	0	69,415	71,577	73,674	75,865	78,121	80,444	82,837	85,301	87,838	90,451
Grants and Contributions provided for Operating Purposes	21,946	22,877	22,667	21,363	21,944	22,530	23,146	23,809	24,454	25,153	25,876
Grants and Contributions provided for Capital Purposes	104,738	73,235	34,811	33,949	12,465	9,121	9,470	9,636	9,806	9,981	10,162
<i>Other Income:</i>											
Net Gains from the disposal of assets	(7,095)	6,099	1,360	9,000	10,000	8,000	4,000	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0	0	0
Total Income from Continuing Operations	320,880	384,584	350,045	367,416	357,979	363,784	370,758	377,915	389,383	401,247	413,488
Expenses from Continuing Operations											
Employee Benefits and On-Costs	93,183	103,771	99,863	99,036	100,520	102,245	104,807	107,453	110,135	112,895	115,727
Borrowing Costs	4,146	4,523	4,136	3,543	3,802	3,201	2,601	2,001	1,408	864	522
Materials and Contracts	74,970	87,213	91,673	94,802	96,904	100,937	103,470	106,410	109,605	114,159	116,511
Depreciation and Amortisation	61,135	64,553	69,013	72,464	76,087	79,891	83,886	88,080	92,484	97,108	101,964
Other Expenses	17,906	20,249	20,855	21,480	22,124	22,787	23,470	24,173	24,898	25,644	26,412
Internal Expenses	0	57,353	59,076	60,736	62,555	64,428	66,358	68,351	70,398	72,506	74,678
Total Expenses from Continuing Operations	251,340	337,662	344,616	352,061	361,992	373,489	384,592	396,468	408,928	423,176	435,814
Net Operating Result	69,540	46,922	5,429	15,355	(4,013)	(9,705)	(13,834)	(18,553)	(19,545)	(21,929)	(22,326)
Net Operating Result before grants and contributions provided for capital purposes	(35,198)	(26,313)	(29,382)	(18,594)	(16,478)	(18,826)	(23,304)	(28,189)	(29,351)	(31,910)	(32,488)

BASE RATE SCENARIO

STATEMENT OF FINANCIAL POSITION - GENERAL FUND	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June												
ASSETS												
Current Assets												
Cash and Cash Equivalents	103,389	53,397	63,599	77,141	69,614	76,373	79,790	83,694	91,670	104,505	115,024	
Investments	28,602	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	
Receivables	21,609	21,609	21,609	21,610	21,610	21,610	21,610	21,611	21,611	21,611	21,611	
Inventories	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	
Other	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	
Non-current Assets Classified as 'Held for Sale'	0	0	0	0	0	0	0	0	0	0	0	
Total Current Assets	158,317	118,552	128,754	142,297	134,770	141,529	144,946	148,851	156,827	169,662	180,181	
Non-Current Assets												
Investments	0	0	0	0	0	0	0	0	0	0	0	
Receivables	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	
Inventories	11,520	9,555	0	680	1,180	3,684	4,184	4,184	4,184	4,184	4,184	
Infrastructure, Property, Plant & Equipment	3,585,215	3,652,927	3,751,083	3,863,160	3,966,290	4,051,364	4,141,845	4,230,064	4,320,842	4,409,293	4,506,643	
Investment Property	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	
Intangible Assets	306	306	306	306	306	306	306	306	306	306	306	
Right of use assets	121	121	121	121	121	121	121	121	121	121	121	
Other	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	
Total Non-Current Assets	3,607,940	3,673,687	3,762,288	3,875,045	3,978,675	4,066,253	4,157,234	4,245,453	4,336,231	4,424,682	4,522,032	
TOTAL ASSETS	3,766,257	3,792,239	3,891,042	4,017,342	4,113,445	4,207,782	4,302,180	4,394,304	4,493,058	4,594,344	4,702,213	

STATEMENT OF FINANCIAL POSITION - GENERAL FUND - Continued

	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
LIABILITIES											
Current Liabilities											
Payables	33,370	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371
Contract liabilities	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601
Lease liabilities	118	118	118	118	118	118	118	118	118	118	118
Borrowings	16,287	16,214	15,587	15,779	14,947	13,309	13,579	8,602	6,411	2,083	0
Employee benefit provision	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560
Provisions	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Total Current Liabilities	115,659	115,587	114,960	115,152	114,320	112,682	112,952	107,975	105,784	101,456	99,373
Non-Current Liabilities											
Lease liabilities	8	8	8	8	8	8	8	8	8	8	8
Borrowings	103,390	82,523	66,936	65,157	50,210	36,901	23,322	14,720	8,309	6,226	6,226
Employee benefit provision	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336
Provisions	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878
Total Non-Current Liabilities	116,612	95,745	80,158	78,379	63,432	50,123	36,544	27,942	21,531	19,448	19,448
TOTAL LIABILITIES	232,271	211,332	195,118	193,531	177,752	162,805	149,496	135,917	127,315	120,904	118,821
NET ASSETS	3,533,986	3,580,907	3,695,924	3,823,811	3,935,693	4,044,977	4,152,684	4,258,387	4,365,743	4,473,440	4,583,392
EQUITY											
Retained Earnings	1,172,901	1,219,823	1,225,252	1,240,607	1,236,594	1,226,889	1,213,055	1,194,502	1,174,957	1,153,028	1,130,702
Revaluation Reserves	2,361,085	2,361,085	2,470,673	2,583,205	2,699,100	2,818,089	2,939,630	3,063,885	3,190,787	3,320,412	3,452,691
TOTAL EQUITY	3,533,986	3,580,908	3,695,925	3,823,812	3,935,694	4,044,978	4,152,685	4,258,387	4,365,744	4,473,440	4,583,393

BASE RATE SCENARIO

STATEMENT OF CASH FLOWS - GENERAL FUND	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June												
Cash Flows from Operating Activities												
Receipts:												
Rates and Annual Charges	118,370	129,627	132,616	137,021	141,575	146,281	151,144	156,171	161,366	166,736	172,285	
User Charges and Fees	67,664	72,470	78,418	83,632	87,168	90,578	93,204	95,909	98,695	101,564	104,518	
Interest and Investment Revenue	4,372	5,904	3,491	3,518	3,546	3,574	3,604	3,634	3,665	3,696	3,729	
Grants and Contributions	150,769	96,112	57,478	55,312	34,409	31,651	32,616	33,445	34,259	35,135	36,038	
Bonds, deposits and retention amounts received	0	0	0	0	0	0	0	0	0	0	0	
Other Revenues	8,920	4,957	5,105	5,259	5,416	5,579	5,746	5,919	6,096	6,279	6,467	
Internal Revenue	0	69,415	71,577	73,674	75,865	78,121	80,444	82,837	85,301	87,838	90,451	
Payments:												
Employee Benefits and On-Costs	(93,183)	(103,771)	(99,863)	(99,036)	(100,520)	(102,245)	(104,807)	(107,453)	(110,135)	(112,895)	(115,727)	
Borrowing Costs	(4,146)	(4,523)	(4,136)	(3,543)	(3,802)	(3,201)	(2,601)	(2,001)	(1,408)	(864)	(522)	
Materials and Contracts	(74,970)	(87,213)	(91,673)	(94,802)	(96,904)	(100,937)	(103,470)	(106,410)	(109,605)	(114,159)	(116,511)	
Bonds, deposits and retention amounts refunded	0	0	0	0	0	0	0	0	0	0	0	
Waste Levy	(11,887)	(15,000)	(15,450)	(15,914)	(16,391)	(16,883)	(17,389)	(17,911)	(18,448)	(19,002)	(19,572)	
Other Expenses	(6,018)	(5,249)	(5,405)	(5,567)	(5,733)	(5,904)	(6,081)	(6,262)	(6,450)	(6,642)	(6,841)	
Internal Expenses	0	(57,353)	(59,076)	(60,736)	(62,555)	(64,428)	(66,358)	(68,351)	(70,398)	(72,506)	(74,678)	
Net Cash Provided from Operating Activities	159,891	105,376	73,082	78,818	62,074	62,186	66,052	69,527	72,938	75,180	79,637	
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	62,227	40,000	0	0	0	0	0	0	0	0	0	
Sale of Real Estate	6,072	17,000	10,915	8,320	9,500	5,496	3,500	0	0	0	0	
Sale of Infrastructure, Property, Plant & Equipment	3,934	1,965	1,966	2,085	2,291	2,299	2,372	2,402	2,603	2,681	2,762	

BASE RATE SCENARIO											
STATEMENT OF CASH FLOWS - GENERAL FUND - Continued											
	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Investing Activities - Continued											
Payments:											
Purchase of Investment Securities	(12,000)	(50,227)	0	0	0	0	0	0	0	0	0
Purchase of Infrastructure, Property, Plant & Equipment	(130,690)	(143,166)	(59,547)	(74,094)	(65,613)	(48,275)	(55,198)	(54,446)	(58,963)	(58,615)	(69,797)
Purchase of Real Estate Assets	(3,249)	0	0	0	0	0	0	0	0	0	0
Net Cash Provided from Investing Activities	(73,706)	(134,428)	(46,666)	(63,689)	(53,822)	(40,480)	(49,326)	(52,044)	(56,360)	(55,934)	(67,035)
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	15,856	3,751	0	14,000	0	0	0	0	0	0	0
Payments:											
Repayment of Borrowings & Advances	(14,216)	(24,691)	(16,214)	(15,587)	(15,779)	(14,947)	(13,309)	(13,579)	(8,602)	(6,411)	(2,083)
Net Cash Provided from Financing Activities	1,640	(20,940)	(16,214)	(1,587)	(15,779)	(14,947)	(13,309)	(13,579)	(8,602)	(6,411)	(2,083)
Plus: Cash & Equivalents - beginning of year	15,564	103,389	53,397	63,599	77,141	69,614	76,373	79,790	83,694	91,670	104,505
Cash & Equivalents - end of year	103,389	53,397	63,599	77,141	69,614	76,373	79,790	83,694	91,670	104,505	115,024
plus: Investments on hand - end of year	28,602	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829
Total cash, cash equivalents and investments	131,991	92,226	102,428	115,970	108,443	115,202	118,619	122,523	130,499	143,334	153,853

BASE RATE SCENARIO

Key Performance Indicators Statement

Indicator	Target	Fund	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Local Government Industry Indicators												
Operating Performance Ratio	Greater than 0%	Consolidated	-7.6%	-6.9%	-5.1%	-4.0%	-3.6%	-3.9%	-4.1%	-3.6%	-3.4%	-2.8%
		General	-10.6%	-9.8%	-8.5%	-7.9%	-7.7%	-7.6%	-7.7%	-7.7%	-8.2%	-8.1%
Own Source Operating Revenue Ratio	Greater than 60%	Consolidated	76.0%	84.3%	85.3%	90.3%	91.3%	91.3%	91.3%	91.4%	91.5%	91.6%
		General	74.6%	83.5%	84.6%	90.1%	91.1%	91.1%	91.2%	91.2%	91.2%	91.3%
Unrestricted Current Ratio	Greater than 1.5	Consolidated	0.74	1.01	1.15	1.27	1.42	1.46	1.66	1.78	2.09	2.25
		General	0.74	1.01	1.15	1.27	1.42	1.46	1.66	1.78	2.09	2.25
Debt Service Cover Ratio	Greater than 2.0	Consolidated	4.05	4.18	4.81	4.34	4.82	5.53	5.85	8.24	10.31	16.40
		General	3.61	3.59	4.12	3.17	3.43	4.15	4.46	7.29	10.33	30.57
Cash Expense Cover Ratio	Greater than 3 mths	Consolidated	6.86	5.59	6.18	5.93	6.23	5.79	5.51	5.48	5.28	5.92
		General	3.72	4.21	4.71	4.31	4.48	4.53	4.57	4.82	5.17	5.50
Infrastructure Asset Performance Indicators												
Infrastructure Renewals Ratio	Greater than 100%	Consolidated	58.8%	58.5%	65.2%	64.3%	61.7%	64.5%	63.1%	65.0%	62.5%	69.1%
		General	52.4%	49.1%	59.6%	58.1%	54.0%	58.2%	56.1%	59.1%	55.3%	65.8%
Infrastructure Backlog Ratio	Less than 2%	Consolidated	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.9%	3.9%	3.9%	4.0%
		General	4.3%	4.2%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Asset Maintenance Ratio	Greater than 1x	Consolidated	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
		General	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84

8% SCENARIO

If Council were to apply to IPART for an SRV of 8%, Council would be permitted to increase the total rates charged for the year ended 30 June 2026 in the annual budget by an amount of 8%. This scenario has been based on that premise along with the same parameters as the Base Rate Scenario

This scenario would see Council achieve an average renewal rate of 63% over the life of the LTFP, failing the renewal ratio in each year leading to an increase in Councils infrastructure backlog ratio and ongoing maintenance costs.

Councils General Fund unrestricted cash position would grow to the target of \$15m by 30/06/2033, but Councils Operating Performance Ratio would be below the benchmark for the entire life of the LTFP (no operational surplus achieved in the 10 year plan).

The scenario is very similar to the Base Rate Scenario as an additional 4.2% increase of rating income produces approx. \$4m in additional revenue which for the purposes of this model was allocated to capital and does not have a significant effect on the other ratios.

The following tables present the summary financial statements, and the key performance indicators for the scenario.

8% RATE INCREASE

INCOME STATEMENT - CONSOLIDATED	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Balances as at 30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from Continuing Operations												
<i>Revenue:</i>												
Rates and Annual Charges	178,178	193,439	204,950	214,467	224,513	235,106	243,689	252,603	261,827	271,392	281,315	
User Charges and Fees	97,976	108,035	115,629	122,565	127,903	133,198	137,797	142,566	147,512	152,641	157,959	
Interest and Investment Revenue	7,571	8,358	6,351	6,685	6,431	6,022	5,270	4,544	4,933	5,369	5,882	
Other Revenues	9,049	5,231	5,234	5,391	5,553	5,720	5,890	6,068	6,250	6,437	6,630	
Internal Revenue	(4,691)	0	0	0	0	0	0	0	0	0	0	
Grants and Contributions provided for Operating Purposes	32,463	22,877	22,667	21,363	21,944	22,530	23,146	23,809	24,454	25,153	25,876	
Grants and Contributions provided for Capital Purposes	114,241	76,900	38,619	37,905	16,577	13,393	13,911	14,252	14,604	14,969	15,348	
<i>Other Income:</i>												
Net Gains from the disposal of assets	(7,095)	6,099	1,360	9,000	10,000	8,000	4,000	0	0	0	0	
Total Income from Continuing Operations	427,692	420,939	394,810	417,376	412,921	423,969	433,703	443,842	459,580	475,961	493,010	
Expenses from Continuing Operations												
Employee Benefits and On-Costs	119,647	127,703	125,055	124,807	126,935	129,320	132,560	135,900	139,292	142,782	146,361	
Borrowing Costs	7,204	7,430	6,819	6,000	6,047	5,249	4,462	3,667	2,872	2,118	1,557	
Materials and Contracts	114,074	110,605	118,303	123,318	127,307	133,833	138,934	144,423	149,034	155,064	158,946	
Depreciation and Amortisation	92,758	97,439	104,041	109,439	115,019	121,123	127,623	133,863	139,900	145,961	152,385	
Other Expenses	19,773	20,347	20,956	21,584	22,231	22,897	23,584	24,290	25,018	25,768	26,539	
Internal Expenses	(13,672)	0	0	0	0	0	0	0	0	0	0	
Net Losses from the disposal of assets	776	0	0	0	0	0	0	0	0	0	0	
Total Expenses from Continuing Operations	340,560	363,524	375,174	385,148	397,539	412,422	427,163	442,143	456,116	471,693	485,788	
Net Operating Result	87,132	57,415	19,636	32,228	15,382	11,547	6,540	1,699	3,464	4,268	7,222	
Net Operating Result before grants and contributions provided for capital purposes	(27,109)	(19,485)	(18,983)	(5,677)	(1,195)	(1,846)	(7,371)	(12,553)	(11,140)	(10,701)	(8,126)	

8% RATE INCREASE

STATEMENT OF FINANCIAL POSITION - CONSOLIDATED	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June											
ASSETS											
Current Assets											
Cash and Cash Equivalents	121,780	62,878	80,651	93,115	81,023	91,326	97,955	103,643	111,126	113,774	135,055
Investments	88,130	98,357	82,357	91,357	100,357	105,357	89,357	80,357	75,357	67,357	72,357
Receivables	29,399	29,827	29,827	29,828	29,828	29,828	29,828	29,829	29,829	29,829	29,829
Inventories	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737
Other	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061
Non-current Assets Classified as 'Held for Sale'	0	0	0	0	0	0	0	0	0	0	0
Total Current Assets	245,107	196,860	198,633	220,098	217,006	232,309	222,938	219,627	222,110	216,758	243,039
Non-Current Assets											
Investments	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724
Receivables	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169
Inventories	11,520	9,555	0	680	1,180	3,684	4,184	4,184	4,184	4,184	4,184
Infrastructure, Property, Plant & Equipment	5,050,075	5,132,145	5,295,198	5,460,474	5,624,605	5,770,380	5,943,631	6,111,223	6,284,613	6,473,842	6,644,197
Investment Property	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425
Intangible Assets	368	368	368	368	368	368	368	368	368	368	368
Right of use assets	121	121	121	121	121	121	121	121	121	121	121
Other	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716
Total Non-Current Assets	5,083,118	5,163,223	5,316,721	5,482,677	5,647,308	5,795,587	5,969,338	6,136,930	6,310,320	6,499,549	6,669,904
TOTAL ASSETS	5,328,225	5,360,083	5,515,354	5,702,775	5,864,314	6,027,896	6,192,276	6,356,557	6,532,430	6,716,307	6,912,943

8% RATE INCREASE

STATEMENT OF FINANCIAL POSITION - CONSOLIDATED - Continued

	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
LIABILITIES											
Current Liabilities											
Payables	37,598	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599
Income received in advance	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547
Contract liabilities	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601
Lease liabilities	118	118	118	118	118	118	118	118	118	118	118
Borrowings	20,904	21,482	20,747	20,747	19,708	18,257	18,722	13,947	11,967	7,857	0
Employee benefit provision	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560
Provisions	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Total Current Liabilities	139,051	139,630	138,895	138,895	137,856	136,405	136,870	132,095	130,115	126,005	118,148
Non-Current Liabilities											
Payables	0	0	0	0	0	0	0	0	0	0	0
Lease liabilities	8	8	8	8	8	8	8	8	8	8	8
Borrowings	172,551	146,416	125,669	118,922	99,214	80,957	62,235	48,288	36,321	28,464	28,464
Employee benefit provision	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336
Provisions	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878
Total Non-Current Liabilities	185,773	159,638	138,891	132,144	112,436	94,179	75,457	61,510	49,543	41,686	41,686
TOTAL LIABILITIES	324,824	299,268	277,786	271,039	250,292	230,584	212,327	193,605	179,658	167,691	159,834
NET ASSETS	5,003,401	5,060,815	5,237,568	5,431,736	5,614,022	5,797,312	5,979,949	6,162,952	6,352,772	6,548,616	6,753,109
EQUITY											
Retained Earnings	1,874,011	1,931,426	1,954,218	1,989,533	2,008,007	2,022,562	2,032,091	2,036,788	2,043,275	2,050,583	2,060,865
Revaluation Reserves	3,129,390	3,129,390	3,283,351	3,442,204	3,606,016	3,774,751	3,947,859	4,126,164	4,309,498	4,498,033	4,692,245
Other reserves	0	0	0	0	0	0	0	0	0	0	0
TOTAL EQUITY	5,003,401	5,060,816	5,237,569	5,431,737	5,614,023	5,797,313	5,979,950	6,162,952	6,352,773	6,548,616	6,753,110

STATEMENT OF CASH FLOWS - CONSOLIDATED	DRAFT/ PROJECTION	FORWARD PLAN										
		2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June												
Cash Flows from Operating Activities												
<i>Receipts:</i>												
Rates and Annual Charges	176,559	193,439	204,950	214,467	224,513	235,106	243,689	252,603	261,827	271,392	281,315	
User Charges and Fees	96,399	108,035	115,629	122,565	127,903	133,198	137,797	142,566	147,512	152,641	157,959	
Interest and Investment Revenue	7,182	8,358	6,351	6,685	6,431	6,022	5,270	4,544	4,933	5,369	5,882	
Grants and Contributions	175,433	99,777	61,286	59,268	38,521	35,923	37,057	38,061	39,057	40,123	41,224	
Bonds, deposits and retention amounts received	1,630	0	0	0	0	0	0	0	0	0	0	
Other Revenues	37,130	5,231	5,234	5,391	5,552	5,720	5,890	6,068	6,250	6,437	6,630	
Internal Revenue	0	0	77,280	79,547	81,915	84,353	86,862	89,448	92,111	94,852	97,675	
<i>Payments:</i>												
Employee Benefits and On-Costs	(115,759)	(127,703)	(125,055)	(124,807)	(126,935)	(129,320)	(132,560)	(135,900)	(139,292)	(142,782)	(146,361)	
Borrowing Costs	(7,248)	(7,430)	(6,819)	(6,000)	(6,047)	(5,249)	(4,462)	(3,667)	(2,872)	(2,118)	(1,557)	
Materials and Contracts	(92,733)	(110,605)	(118,303)	(123,317)	(127,307)	(133,832)	(138,934)	(144,424)	(149,033)	(155,065)	(158,946)	
Bonds, deposits and retention amounts refunded	(1,892)	0	0	0	0	0	0	0	0	0	0	
Waste Levy	(14,208)	(15,000)	(15,450)	(15,914)	(16,391)	(16,883)	(17,389)	(17,911)	(18,448)	(19,002)	(19,572)	
Other Expenses	(52,228)	(5,347)	(5,506)	(5,671)	(5,840)	(6,014)	(6,195)	(6,379)	(6,570)	(6,766)	(6,968)	
Internal Expenses	0	0	(73,788)	(76,116)	(78,466)	(80,979)	(83,495)	(86,061)	(88,688)	(91,399)	(94,191)	
Net Cash Provided from Operating Activities	210,265	148,755	125,809	136,098	123,849	128,045	133,530	138,948	146,787	153,682	163,090	
Cash Flows from Investing Activities												
<i>Receipts:</i>												
Sale of Investment Securities	154,901	40,000	16,000	0	0	0	16,000	17,000	15,000	8,000	0	
Sale of Investment Property		0	0	0	0	0	0	0	0	0	0	
Sale of Real Estate	8,381	17,000	10,915	8,320	9,500	5,496	3,500	0	0	0	0	
Sale of Infrastructure, Property, Plant & Equipment	5,237	2,185	2,193	2,318	2,531	2,547	2,627	2,664	2,874	2,960	3,049	
Sale of Interest in Joint Venture & Associates	0	0	0	0	0	0	0	0	0	0	0	
Other	0	(428)	0	0	0	0	0	0	0	0	0	
Deferred debtors receipts	0	0	0	0	0	0	0	0	0	0	0	

STATEMENT OF CASH FLOWS - CONSOLIDATED - Continued

	DRAFT/ PROJECTED 2023/24 \$'000	FORWARD PLAN									
		2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Cash Flows from Investing Activities - Continued											
<i>Payments:</i>											
Purchase of Investment Securities	(109,750)	(50,227)	0	(9,000)	(9,000)	(5,000)	0	(8,000)	(10,000)	0	(5,000)
Purchase of Investment Property	0	0	0	0	0	0	0	0	0	0	0
Purchase of Infrastructure, Property, Plant & Equipment	(171,633)	(190,630)	(115,326)	(118,180)	(117,869)	(100,710)	(130,393)	(125,814)	(132,830)	(149,615)	(131,577)
Purchase of Real Estate Assets	451	0	0	0	0	0	0	0	0	0	0
Purchase of Intangible Assets	1	0	0	0	0	0	0	0	0	0	0
Purchase of Interest in Joint Ventures & Associates	0	0	0	0	0	0	0	0	0	0	0
Deferred Debtors & Advances Made	(20)	0	0	0	0	0	0	0	0	0	0
Net Cash Provided from Investing Activities	(112,432)	(182,100)	(86,218)	(116,542)	(114,838)	(97,667)	(108,266)	(114,150)	(124,956)	(138,655)	(133,528)
Cash Flows from Financing Activities											
<i>Receipts:</i>											
Proceeds from Borrowings & Advances	15,856	3,751	0	14,000	0	0	0	0	0	0	0
Other Financing Activity Receipts	0	0	0	0	0	0	0	0	0	0	0
<i>Payments:</i>											
Repayment of Borrowings & Advances	(19,340)	(29,308)	(21,482)	(20,747)	(20,747)	(19,708)	(18,257)	(18,722)	(13,947)	(11,967)	(7,857)
Repayment of Finance Lease Liabilities	0	0	0	0	0	0	0	0	0	0	0
Other Financing Activity Payments	0	0	(335)	(346)	(355)	(367)	(378)	(389)	(401)	(413)	(425)
Net Cash Provided from Financing Activities	(3,484)	(25,557)	(21,817)	(7,093)	(21,102)	(20,075)	(18,635)	(19,111)	(14,348)	(12,380)	(8,282)
Net Increase/(Decrease) in Cash & Cash Equivalents	94,349	(58,902)	17,774	12,463	(12,091)	10,303	6,629	5,687	7,483	2,647	21,280
Plus: Cash & Equivalents - beginning of year	27,431	121,780	62,878	80,651	93,115	81,023	91,326	97,955	103,643	111,126	113,774
Cash & Equivalents - end of year	121,780	62,878	80,652	93,114	81,024	91,326	97,955	103,642	111,126	113,773	135,054
plus: Investments on hand - end of year	95,854	106,081	90,081	99,081	108,081	113,081	97,081	88,081	83,081	75,081	80,081
Total cash, cash equivalents and investments	217,634	168,959	170,733	192,195	189,105	204,407	195,036	191,723	194,207	188,854	215,135

8% RATE INCREASE

INCOME STATEMENT - GENERAL FUND	DRAFT/ PROJECTE D	FORWARD PLAN										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Balances as at 30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from Continuing Operations												
<i>Revenue:</i>												
Rates and Annual Charges	120,335	129,627	136,557	141,099	145,793	150,645	155,659	160,842	166,199	171,735	177,457	
User Charges and Fees	67,664	72,470	78,418	83,632	87,168	90,578	93,204	95,909	98,695	101,564	104,518	
Interest and Investment Revenue	4,372	5,904	3,491	3,518	3,546	3,574	3,604	3,634	3,665	3,696	3,729	
Other Revenues	8,920	4,957	5,105	5,259	5,416	5,579	5,746	5,919	6,096	6,279	6,467	
Internal Revenue	0	69,415	71,577	73,674	75,865	78,121	80,444	82,837	85,301	87,838	90,451	
Grants and Contributions provided for Operating Purposes	21,946	22,877	22,667	21,363	21,944	22,530	23,146	23,809	24,454	25,153	25,876	
Grants and Contributions provided for Capital Purposes	104,738	73,235	34,811	33,949	12,465	9,121	9,470	9,636	9,806	9,981	10,162	
<i>Other Income:</i>												
Net Gains from the disposal of assets	(7,095)	6,099	1,360	9,000	10,000	8,000	4,000	0	0	0	0	
Other income	0	0	0	0	0	0	0	0	0	0	0	
Total Income from Continuing Operations	320,880	384,584	353,986	371,494	362,197	368,148	375,273	382,586	394,216	406,246	418,660	
Expenses from Continuing Operations												
Employee Benefits and On-Costs	93,183	103,771	99,863	99,036	100,520	102,245	104,807	107,453	110,135	112,895	115,727	
Borrowing Costs	4,146	4,523	4,136	3,543	3,802	3,201	2,601	2,001	1,408	864	522	
Materials and Contracts	74,970	87,213	91,673	94,802	96,904	100,937	103,470	106,410	109,605	114,159	116,511	
Depreciation and Amortisation	61,135	64,553	69,013	72,464	76,087	79,891	83,886	88,080	92,484	97,108	101,964	
Other Expenses	17,906	20,249	20,855	21,480	22,124	22,787	23,470	24,173	24,898	25,644	26,412	
Internal Expenses	0	57,353	59,076	60,736	62,555	64,428	66,358	68,351	70,398	72,506	74,678	
Total Expenses from Continuing Operations	251,340	337,662	344,616	352,061	361,992	373,489	384,592	396,468	408,928	423,176	435,814	
Net Operating Result	69,540	46,922	9,370	19,433	205	(5,341)	(9,319)	(13,882)	(14,712)	(16,930)	(17,154)	
Net Operating Result before grants and contributions provided for capital purposes	(35,198)	(26,313)	(25,441)	(14,516)	(12,260)	(14,462)	(18,789)	(23,518)	(24,518)	(26,911)	(27,316)	

8% RATE INCREASE

STATEMENT OF FINANCIAL POSITION - GENERAL FUND	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June											
ASSETS											
Current Assets											
Cash and Cash Equivalents	58,162	8,170	18,372	31,992	24,683	31,806	35,738	40,313	49,122	59,278	69,797
Investments	73,829	84,056	84,056	84,056	84,056	84,056	84,056	84,056	84,056	84,056	84,056
Receivables	21,609	21,609	21,609	21,610	21,610	21,610	21,610	21,611	21,611	21,611	21,611
Inventories	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656
Other	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061
Non-current Assets Classified as 'Held for Sale'	0	0	0	0	0	0	0	0	0	0	0
Total Current Assets	158,317	118,552	128,754	142,375	135,066	142,189	146,121	150,697	159,506	169,662	180,181
Non-Current Assets											
Investments	0	0	0	0	0	0	0	0	0	0	0
Receivables	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637
Inventories	11,520	9,555	0	680	1,180	3,684	4,184	4,184	4,184	4,184	4,184
Infrastructure, Property, Plant & Equipment	3,585,215	3,652,927	3,755,024	3,871,220	3,978,592	4,068,035	4,163,016	4,255,870	4,351,422	4,448,469	4,552,166
Investment Property	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425
Intangible Assets	306	306	306	306	306	306	306	306	306	306	306
Right of use assets	121	121	121	121	121	121	121	121	121	121	121
Other	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716
Total Non-Current Assets	3,607,940	3,673,687	3,766,229	3,883,105	3,990,977	4,082,924	4,178,405	4,271,259	4,366,811	4,463,858	4,567,555
TOTAL ASSETS	3,766,257	3,792,239	3,894,983	4,025,480	4,126,043	4,225,113	4,324,526	4,421,956	4,526,317	4,633,520	4,747,736

8% RATE INCREASE

STATEMENT OF FINANCIAL POSITION - GENERAL FUND - Continued

	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
LIABILITIES											
Current Liabilities											
Payables	33,370	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371
Contract liabilities	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601
Lease Liabilities	118	118	118	118	118	118	118	118	118	118	118
Borrowings	16,287	16,214	15,587	15,779	14,947	13,309	13,579	8,602	6,411	2,083	0
Employee benefit provision	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560
Provisions	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Total Current Liabilities	115,659	115,587	114,960	115,152	114,320	112,682	112,952	107,975	105,784	101,456	99,373
Non-Current Liabilities											
Lease liabilities	8	8	8	8	8	8	8	8	8	8	8
Borrowings	103,390	82,523	66,936	65,157	50,210	36,901	23,322	14,720	8,309	6,226	6,226
Employee benefit provision	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336
Provisions	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878
Total Non-Current Liabilities	116,612	95,745	80,158	78,379	63,432	50,123	36,544	27,942	21,531	19,448	19,448
TOTAL LIABILITIES	232,271	211,332	195,118	193,531	177,752	162,805	149,496	135,917	127,315	120,904	118,821
NET ASSETS	3,533,986	3,580,907	3,699,865	3,831,949	3,948,291	4,062,308	4,175,030	4,286,039	4,399,002	4,512,616	4,628,915
EQUITY											
Retained Earnings	1,172,901	1,219,823	1,229,193	1,248,626	1,248,831	1,243,490	1,234,171	1,220,289	1,205,577	1,188,647	1,171,493
Revaluation Reserves	2,361,085	2,361,085	2,470,673	2,583,324	2,699,461	2,818,819	2,940,860	3,065,750	3,193,426	3,323,969	3,457,423
TOTAL EQUITY	3,533,986	3,580,908	3,699,866	3,831,950	3,948,292	4,062,309	4,175,031	4,286,039	4,399,003	4,512,616	4,628,916

8% RATE INCREASE

STATEMENT OF CASH FLOWS - GENERAL FUND											
	DRAFT/ PROJECTED										
Balances as at 30 June	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities											
<i>Receipts:</i>											
Rates and Annual Charges	118,370	129,627	136,557	141,099	145,793	150,645	155,659	160,842	166,199	171,735	177,457
User Charges and Fees	67,664	72,470	78,418	83,632	87,168	90,578	93,204	95,909	98,695	101,564	104,518
Interest and Investment Revenue	4,372	5,904	3,491	3,518	3,546	3,574	3,604	3,634	3,665	3,696	3,729
Grants and Contributions	150,769	96,112	57,478	55,312	34,409	31,651	32,616	33,445	34,259	35,135	36,038
Bonds, deposits and retention amounts received	0	0	0	0	0	0	0	0	0	0	0
Other Revenues	8,920	4,957	5,105	5,259	5,416	5,579	5,746	5,919	6,096	6,279	6,467
Internal Revenue	0	69,415	71,577	73,674	75,865	78,121	80,444	82,837	85,301	87,838	90,451
<i>Payments:</i>											
Employee Benefits and On-Costs	(93,183)	(103,771)	(99,863)	(99,036)	(100,520)	(102,245)	(104,807)	(107,453)	(110,135)	(112,895)	(115,727)
Borrowing Costs	(4,146)	(4,523)	(4,136)	(3,543)	(3,802)	(3,201)	(2,601)	(2,001)	(1,408)	(864)	(522)
Materials and Contracts	(74,970)	(87,213)	(91,673)	(94,802)	(96,904)	(100,937)	(103,470)	(106,410)	(109,605)	(114,159)	(116,511)
Bonds, deposits and retention amounts refunded	0	0	0	0	0	0	0	0	0	0	0
Waste Levy	(11,887)	(15,000)	(15,450)	(15,914)	(16,391)	(16,883)	(17,389)	(17,911)	(18,448)	(19,002)	(19,572)
Other Expenses	(6,018)	(5,249)	(5,405)	(5,567)	(5,733)	(5,904)	(6,081)	(6,262)	(6,450)	(6,642)	(6,841)
Internal Expenses	0	(57,353)	(59,076)	(60,736)	(62,555)	(64,428)	(66,358)	(68,351)	(70,398)	(72,506)	(74,678)
Net Cash Provided from Operating Activities	159,891	105,376	77,023	82,896	66,292	66,550	70,567	74,198	77,771	80,179	84,809
Cash Flows from Investing Activities											
<i>Receipts:</i>											
Sale of Investment Securities	17,000	40,000	0	0	0	0	0	0	0	0	0
Sale of Real Estate	6,072	17,000	10,915	8,320	9,500	5,496	3,500	0	0	0	0
Sale of Infrastructure, Property, Plant & Equipment	3,934	1,965	1,966	2,085	2,291	2,299	2,372	2,402	2,603	2,681	2,762

8% RATE INCREASE

STATEMENT OF CASH FLOWS - GENERAL FUND - Continued

	DRAFT/ PROJECTED	FORWARD PLAN									
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Investing Activities - Continued											
Payments:											
Purchase of Investment Securities	(12,000)	(50,227)	0	0	0	0	0	0	0	0	0
Purchase of Infrastructure, Property, Plant & Equipment	(130,690)	(143,166)	(63,488)	(78,094)	(69,613)	(52,275)	(59,198)	(58,446)	(62,963)	(66,293)	(74,969)
Purchase of Real Estate Assets	(3,249)	0	0	0	0	0	0	0	0	0	0
Net Cash Provided from Investing Activities	(118,933)	(134,428)	(50,607)	(67,689)	(57,822)	(44,480)	(53,326)	(56,044)	(60,360)	(63,612)	(72,207)
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	15,856	3,751	0	14,000	0	0	0	0	0	0	0
Payments:											
Repayment of Borrowings & Advances	(14,216)	(24,691)	(16,214)	(15,587)	(15,779)	(14,947)	(13,309)	(13,579)	(8,602)	(6,411)	(2,083)
Net Cash Provided from Financing Activities	1,640	(20,940)	(16,214)	(1,587)	(15,779)	(14,947)	(13,309)	(13,579)	(8,602)	(6,411)	(2,083)
Plus: Cash & Equivalents - beginning of year	15,564	58,162	8,170	18,372	31,992	24,683	31,806	35,738	40,313	49,122	59,278
Cash & Equivalents - end of year	58,162	8,170	18,372	31,992	24,683	31,806	35,738	40,313	49,122	59,278	69,797
plus: Investments on hand - end of year	73,829	84,056	84,056	84,056	84,056	84,056	84,056	84,056	84,056	84,056	84,056
Total cash, cash equivalents and investments	131,991	92,226	102,428	116,048	108,739	115,862	119,794	124,369	133,178	143,334	153,853

8% SCENARIO

Key Performance Indicators Statement

Indicator	Target	Fund	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Local Government Industry Indicators												
Operating Performance Ratio	Greater than 0%	Consolidated	-7.6%	-5.7%	-4.0%	-2.9%	-2.5%	-2.7%	-2.9%	-2.5%	-2.3%	-1.7%
		General	-10.6%	-8.4%	-7.2%	-6.6%	-6.4%	-6.3%	-6.3%	-6.4%	-6.8%	-6.7%
Own Source Operating Revenue Ratio	Greater than 60%	Consolidated	76.0%	84.4%	85.5%	90.4%	91.4%	91.4%	91.4%	91.5%	91.6%	91.6%
		General	74.6%	83.7%	84.7%	90.2%	91.2%	91.2%	91.3%	91.3%	91.4%	91.4%
Unrestricted Current Ratio	Greater than 1.5	Consolidated	0.74	1.01	1.15	1.27	1.43	1.48	1.70	1.83	2.09	2.25
		General	0.74	1.01	1.15	1.27	1.43	1.48	1.70	1.83	2.09	2.25
Debt Service Cover Ratio	Greater than 2.0	Consolidated	4.05	4.32	4.96	4.49	5.00	5.73	6.05	8.52	10.67	16.95
		General	3.61	3.78	4.33	3.39	3.67	4.44	4.76	7.77	11.02	32.56
Cash Expense Cover Ratio	Greater than 3 mths	Consolidated	6.86	5.59	6.18	5.94	6.25	5.83	5.56	5.56	5.28	5.92
		General	3.72	4.21	4.72	4.33	4.51	4.58	4.64	4.92	5.17	5.50
Infrastructure Asset Performance Indicators												
Infrastructure Renewals Ratio	Greater than 100%	Consolidated	58.8%	62.9%	69.5%	68.3%	65.6%	68.1%	66.6%	68.3%	68.6%	73.1%
		General	52.4%	56.0%	66.3%	64.5%	60.0%	64.0%	61.6%	64.4%	64.9%	72.0%
Infrastructure Backlog Ratio	Less than 2%	Consolidated	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.9%	3.9%	3.9%	4.0%
		General	4.3%	4.2%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Asset Maintenance Ratio	Greater than 1x	Consolidated	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
		General	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84

12% SCENARIO

If Council were to apply to IPART for an SRV of 12%, Council would be permitted to increase the total rates charged for the year ended 30 June 2026 in the annual budget by an amount of 12%. This scenario has been based on that premise along with the same parameters as the Base Rate Scenario

This scenario would see Council achieve an average renewal rate of 67% over the life of the LTFP, failing the renewal ratio in each year leading to an increase in Councils infrastructure backlog ratio and ongoing maintenance costs.

Councils General Fund unrestricted cash position would grow to the target of \$15m by 30/06/2032, but Councils Operating Performance Ratio would still be below the benchmark for the entire life of the LTFP (no operational surplus achieved in the 10 year plan).

The following tables present the summary financial statements, and the key performance indicators for the scenario.

12% RATE INCREASE

INCOME STATEMENT - CONSOLIDATED	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June											
Income from Continuing Operations											
<i>Revenue:</i>											
Rates and Annual Charges	178,178	193,439	208,704	218,350	228,531	239,262	247,989	257,051	266,429	276,153	286,241
User Charges and Fees	97,976	108,035	115,629	122,565	127,903	133,198	137,797	142,566	147,512	152,641	157,959
Interest and Investment Revenue	7,571	8,358	6,351	6,685	6,431	6,022	5,270	4,544	4,933	5,369	5,882
Other Revenues	9,049	5,231	5,234	5,391	5,553	5,720	5,890	6,068	6,250	6,437	6,630
Internal Revenue	(4,691)	0	0	0	0	0	0	0	0	0	0
Grants and Contributions provided for Operating Purposes	32,463	22,877	22,667	21,363	21,944	22,530	23,146	23,809	24,454	25,153	25,876
Grants and Contributions provided for Capital Purposes	114,241	76,900	38,619	37,905	16,577	13,393	13,911	14,252	14,604	14,969	15,348
<i>Other Income:</i>											
Net Gains from the disposal of assets	(7,095)	6,099	1,360	9,000	10,000	8,000	4,000	0	0	0	0
Total Income from Continuing Operations	427,692	420,939	398,564	421,259	416,939	428,125	438,003	448,290	464,182	480,722	497,936
Expenses from Continuing Operations											
Employee Benefits and On-Costs	119,647	127,703	125,055	124,807	126,935	129,320	132,560	135,900	139,292	142,782	146,361
Borrowing Costs	7,204	7,430	6,819	6,000	6,047	5,249	4,462	3,667	2,872	2,118	1,557
Materials and Contracts	114,074	110,605	118,303	123,318	127,307	133,833	138,934	144,423	149,034	155,064	158,946
Depreciation and Amortisation	92,758	97,439	104,041	109,439	115,019	121,123	127,623	133,863	139,900	145,961	152,385
Other Expenses	19,773	20,347	20,956	21,584	22,231	22,897	23,584	24,290	25,018	25,768	26,539
Internal Expenses	(13,672)	0	0	0	0	0	0	0	0	0	0
Net Losses from the disposal of assets	776	0	0	0	0	0	0	0	0	0	0
Total Expenses from Continuing Operations	340,560	363,524	375,174	385,148	397,539	412,422	427,163	442,143	456,116	471,693	485,788
Net Operating Result	87,132	57,415	23,390	36,111	19,400	15,703	10,840	6,147	8,066	9,029	12,148
Net Operating Result before grants and contributions provided for capital purposes	(27,109)	(19,485)	(15,229)	(1,794)	2,823	2,310	(3,071)	(8,105)	(6,538)	(5,940)	(3,200)

STATEMENT OF FINANCIAL POSITION - CONSOLIDATED	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June											
ASSETS											
Current Assets											
Cash and Cash Equivalents	121,780	62,878	82,405	94,752	82,678	93,137	100,066	106,202	112,794	113,774	135,055
Investments	88,130	98,357	82,357	91,357	100,357	105,357	89,357	80,357	75,357	67,357	72,357
Receivables	29,399	29,827	29,827	29,828	29,828	29,828	29,828	29,829	29,829	29,829	29,829
Inventories	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737	4,737
Other	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061
Non-current Assets Classified as 'Held for Sale'	0	0	0	0	0	0	0	0	0	0	0
Total Current Assets	245,107	196,860	200,387	221,735	218,661	234,120	225,049	222,186	223,778	216,758	243,039
Non-Current Assets											
Investments	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724	7,724
Receivables	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169	7,169
Inventories	11,520	9,555	0	680	1,180	3,684	4,184	4,184	4,184	4,184	4,184
Infrastructure, Property, Plant & Equipment	5,050,075	5,132,145	5,297,198	5,466,534	5,634,846	5,784,928	5,962,615	6,134,777	6,314,367	6,510,917	6,687,310
Investment Property	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425
Intangible Assets	368	368	368	368	368	368	368	368	368	368	368
Right of use assets	121	121	121	121	121	121	121	121	121	121	121
Other	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716
Total Non-Current Assets	5,083,118	5,163,223	5,318,721	5,488,737	5,657,549	5,810,135	5,988,322	6,160,484	6,340,074	6,536,624	6,713,017
TOTAL ASSETS	5,328,225	5,360,083	5,519,108	5,710,472	5,876,210	6,044,255	6,213,371	6,382,670	6,563,852	6,753,382	6,956,056

STATEMENT OF FINANCIAL POSITION - CONSOLIDATED - Continued

	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
LIABILITIES											
Current Liabilities											
Payables	37,598	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599	37,599
Income received in advance	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547	14,547
Contract liabilities	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601
Lease liabilities	118	118	118	118	118	118	118	118	118	118	118
Borrowings	20,904	21,482	20,747	20,747	19,708	18,257	18,722	13,947	11,967	7,857	0
Employee benefit provision	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560
Provisions	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Total Current Liabilities	139,051	139,630	138,895	138,895	137,856	136,405	136,870	132,095	130,115	126,005	118,148
Non-Current Liabilities											
Payables	0	0	0	0	0	0	0	0	0	0	0
Lease liabilities	8	8	8	8	8	8	8	8	8	8	8
Borrowings	172,551	146,416	125,669	118,922	99,214	80,957	62,235	48,288	36,321	28,464	28,464
Employee benefit provision	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336
Provisions	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878
Total Non-Current Liabilities	185,773	159,638	138,891	132,144	112,436	94,179	75,457	61,510	49,543	41,686	41,686
TOTAL LIABILITIES	324,824	299,268	277,786	271,039	250,292	230,584	212,327	193,605	179,658	167,691	159,834
NET ASSETS	5,003,401	5,060,815	5,241,322	5,439,433	5,625,918	5,813,671	6,001,044	6,189,065	6,384,194	6,585,691	6,796,222
EQUITY											
Retained Earnings	1,874,011	1,931,426	1,957,972	1,997,170	2,019,662	2,038,373	2,052,202	2,061,347	2,072,436	2,084,505	2,099,713
Revaluation Reserves	3,129,390	3,129,390	3,283,351	3,442,264	3,606,257	3,775,299	3,948,843	4,127,718	4,311,759	4,501,186	4,696,510
Other reserves	0	0	0	0	0	0	0	0	0	0	0
TOTAL EQUITY	5,003,401	5,060,816	5,241,323	5,439,434	5,625,919	5,813,672	6,001,045	6,189,065	6,384,195	6,585,691	6,796,223

STATEMENT OF CASH FLOWS - CONSOLIDATED	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June												
Cash Flows from Operating Activities												
Receipts:												
Rates and Annual Charges	176,559	193,439	208,704	218,350	228,531	239,262	247,989	257,051	266,429	276,153	286,241	
User Charges and Fees	96,399	108,035	115,629	122,565	127,903	133,198	137,797	142,566	147,512	152,641	157,959	
Interest and Investment Revenue	7,182	8,358	6,351	6,685	6,431	6,022	5,270	4,544	4,933	5,369	5,882	
Grants and Contributions	175,433	99,777	61,286	59,268	38,521	35,923	37,057	38,061	39,057	40,123	41,224	
Bonds, deposits and retention amounts received	1,630	0	0	0	0	0	0	0	0	0	0	
Other Revenues	37,130	5,231	5,234	5,391	5,552	5,720	5,890	6,068	6,250	6,437	6,630	
Internal Revenue	0	0	77,280	79,547	81,915	84,353	86,862	89,448	92,111	94,852	97,675	
Payments:												
Employee Benefits and On-Costs	(115,759)	(127,703)	(125,055)	(124,807)	(126,935)	(129,320)	(132,560)	(135,900)	(139,292)	(142,782)	(146,361)	
Borrowing Costs	(7,248)	(7,430)	(6,819)	(6,000)	(6,047)	(5,249)	(4,462)	(3,667)	(2,872)	(2,118)	(1,557)	
Materials and Contracts	(92,733)	(110,605)	(118,303)	(123,317)	(127,307)	(133,832)	(138,934)	(144,424)	(149,033)	(155,065)	(158,946)	
Bonds, deposits and retention amounts refunded	(1,892)	0	0	0	0	0	0	0	0	0	0	
Waste Levy	(14,208)	(15,000)	(15,450)	(15,914)	(16,391)	(16,883)	(17,389)	(17,911)	(18,448)	(19,002)	(19,572)	
Other Expenses	(52,228)	(5,347)	(5,506)	(5,671)	(5,840)	(6,014)	(6,195)	(6,379)	(6,570)	(6,766)	(6,968)	
Internal Expenses	0	0	(73,788)	(76,116)	(78,466)	(80,979)	(83,495)	(86,061)	(88,688)	(91,399)	(94,191)	
Net Cash Provided from Operating Activities	210,265	148,755	129,563	139,981	127,867	132,201	137,830	143,396	151,389	158,443	168,016	
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	154,901	40,000	16,000	0	0	0	16,000	17,000	15,000	8,000	0	
Sale of Investment Property		0	0	0	0	0	0	0	0	0	0	
Sale of Real Estate	8,381	17,000	10,915	8,320	9,500	5,496	3,500	0	0	0	0	
Sale of Infrastructure, Property, Plant & Equipment	5,237	2,185	2,193	2,318	2,531	2,547	2,627	2,664	2,874	2,960	3,049	
Sale of Interest in Joint Venture & Associates	0	0	0	0	0	0	0	0	0	0	0	
Other	0	(428)	0	0	0	0	0	0	0	0	0	
Deferred debtors receipts	0	0	0	0	0	0	0	0	0	0	0	

STATEMENT OF CASH FLOWS - CONSOLIDATED - Continued

	DRAFT/ PROJECTED 2023/24 \$'000	FORWARD PLAN									
		2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Cash Flows from Investing Activities - Continued											
<i>Payments:</i>											
Purchase of Investment Securities	(109,750)	(50,227)	0	(9,000)	(9,000)	(5,000)	0	(8,000)	(10,000)	0	(5,000)
Purchase of Investment Property	0	0	0	0	0	0	0	0	0	0	0
Purchase of Infrastructure, Property, Plant & Equipment	(171,633)	(190,630)	(117,326)	(122,180)	(121,869)	(104,710)	(134,393)	(129,814)	(138,323)	(156,044)	(136,503)
Purchase of Real Estate Assets	451	0	0	0	0	0	0	0	0	0	0
Purchase of Intangible Assets	1	0	0	0	0	0	0	0	0	0	0
Purchase of Interest in Joint Ventures & Associates	0	0	0	0	0	0	0	0	0	0	0
Deferred Debtors & Advances Made	(20)	0	0	0	0	0	0	0	0	0	0
Net Cash Provided from Investing Activities	(112,432)	(182,100)	(88,218)	(120,542)	(118,838)	(101,667)	(112,266)	(118,150)	(130,449)	(145,084)	(138,454)
Cash Flows from Financing Activities											
<i>Receipts:</i>											
Proceeds from Borrowings & Advances	15,856	3,751	0	14,000	0	0	0	0	0	0	0
Other Financing Activity Receipts	0	0	0	0	0	0	0	0	0	0	0
<i>Payments:</i>											
Repayment of Borrowings & Advances	(19,340)	(29,308)	(21,482)	(20,747)	(20,747)	(19,708)	(18,257)	(18,722)	(13,947)	(11,967)	(7,857)
Repayment of Finance Lease Liabilities	0	0	0	0	0	0	0	0	0	0	0
Other Financing Activity Payments	0	0	(335)	(346)	(355)	(367)	(378)	(389)	(401)	(413)	(425)
Net Cash Provided from Financing Activities	(3,484)	(25,557)	(21,817)	(7,093)	(21,102)	(20,075)	(18,635)	(19,111)	(14,348)	(12,380)	(8,282)
Net Increase/(Decrease) in Cash & Cash Equivalents	94,349	(58,902)	19,528	12,346	(12,073)	10,459	6,929	6,135	6,592	979	21,280
Plus: Cash & Equivalents - beginning of year	27,431	121,780	62,878	82,405	94,752	82,678	93,137	100,066	106,202	112,794	113,774
Cash & Equivalents - end of year	121,780	62,878	82,406	94,751	82,679	93,137	100,066	106,201	112,794	113,773	135,054
plus: Investments on hand - end of year	95,854	106,081	90,081	99,081	108,081	113,081	97,081	88,081	83,081	75,081	80,081
Total cash, cash equivalents and investments	217,634	168,959	172,487	193,832	190,760	206,218	197,147	194,282	195,875	188,854	215,135

12% RATE INCREASE

INCOME STATEMENT - GENERAL FUND	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Balances as at 30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from Continuing Operations												
<i>Revenue:</i>												
Rates and Annual Charges	120,335	129,627	140,311	144,982	149,811	154,801	159,959	165,290	170,801	176,496	182,383	
User Charges and Fees	67,664	72,470	78,418	83,632	87,168	90,578	93,204	95,909	98,695	101,564	104,518	
Interest and Investment Revenue	4,372	5,904	3,491	3,518	3,546	3,574	3,604	3,634	3,665	3,696	3,729	
Other Revenues	8,920	4,957	5,105	5,259	5,416	5,579	5,746	5,919	6,096	6,279	6,467	
Internal Revenue	0	69,415	71,577	73,674	75,865	78,121	80,444	82,837	85,301	87,838	90,451	
Grants and Contributions provided for Operating Purposes	21,946	22,877	22,667	21,363	21,944	22,530	23,146	23,809	24,454	25,153	25,876	
Grants and Contributions provided for Capital Purposes	104,738	73,235	34,811	33,949	12,465	9,121	9,470	9,636	9,806	9,981	10,162	
<i>Other Income:</i>												
Net Gains from the disposal of assets	(7,095)	6,099	1,360	9,000	10,000	8,000	4,000	0	0	0	0	
Other income	0	0	0	0	0	0	0	0	0	0	0	
Total Income from Continuing Operations	320,880	384,584	357,740	375,377	366,215	372,304	379,573	387,034	398,818	411,007	423,586	
Expenses from Continuing Operations												
Employee Benefits and On-Costs	93,183	103,771	99,863	99,036	100,520	102,245	104,807	107,453	110,135	112,895	115,727	
Borrowing Costs	4,146	4,523	4,136	3,543	3,802	3,201	2,601	2,001	1,408	864	522	
Materials and Contracts	74,970	87,213	91,673	94,802	96,904	100,937	103,470	106,410	109,605	114,159	116,511	
Depreciation and Amortisation	61,135	64,553	69,013	72,464	76,087	79,891	83,886	88,080	92,484	97,108	101,964	
Other Expenses	17,906	20,249	20,855	21,480	22,124	22,787	23,470	24,173	24,898	25,644	26,412	
Internal Expenses	0	57,353	59,076	60,736	62,555	64,428	66,358	68,351	70,398	72,506	74,678	
Total Expenses from Continuing Operations	251,340	337,662	344,616	352,061	361,992	373,489	384,592	396,468	408,928	423,176	435,814	
Net Operating Result	69,540	46,922	13,124	23,316	4,223	(1,185)	(5,019)	(9,434)	(10,110)	(12,169)	(12,228)	
Net Operating Result before grants and contributions provided for capital purposes	(35,198)	(26,313)	(21,687)	(10,633)	(8,242)	(10,306)	(14,489)	(19,070)	(19,916)	(22,150)	(22,390)	

12% RATE INCREASE

STATEMENT OF FINANCIAL POSITION - GENERAL FUND	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June												
ASSETS												
Current Assets												
Cash and Cash Equivalents	103,389	53,397	65,353	78,856	71,565	78,844	83,076	88,099	96,017	104,505	115,024	
Investments	28,602	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	
Receivables	21,609	21,609	21,609	21,610	21,610	21,610	21,610	21,611	21,611	21,611	21,611	
Inventories	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	3,656	
Other	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	
Non-current Assets Classified as 'Held for Sale'	0	0	0	0	0	0	0	0	0	0	0	
Total Current Assets	158,317	118,552	130,508	144,012	136,721	144,000	148,232	153,256	161,174	169,662	180,181	
Non-Current Assets												
Investments	0	0	0	0	0	0	0	0	0	0	0	
Receivables	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	
Inventories	11,520	9,555	0	680	1,180	3,684	4,184	4,184	4,184	4,184	4,184	
Infrastructure, Property, Plant & Equipment	3,585,215	3,652,927	3,757,024	3,877,280	3,988,833	4,082,583	4,182,000	4,279,424	4,381,176	4,485,544	4,595,279	
Investment Property	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	3,425	
Intangible Assets	306	306	306	306	306	306	306	306	306	306	306	
Right of use assets	121	121	121	121	121	121	121	121	121	121	121	
Other	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	
Total Non-Current Assets	3,607,940	3,673,687	3,768,229	3,889,165	4,001,218	4,097,472	4,197,389	4,294,813	4,396,565	4,500,933	4,610,668	
TOTAL ASSETS	3,766,257	3,792,239	3,898,737	4,033,177	4,137,939	4,241,472	4,345,621	4,448,069	4,557,739	4,670,595	4,790,849	

12% RATE INCREASE

STATEMENT OF FINANCIAL POSITION - GENERAL FUND - Continued

	DRAFT/ PROJECTED	FORWARD PLAN									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
LIABILITIES											
Current Liabilities											
Payables	33,370	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371	33,371
Contract liabilities	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601
Lease liabilities	18	18	18	18	18	18	18	18	18	18	18
Borrowings	16,287	16,214	15,587	15,779	14,947	13,309	13,579	8,602	6,411	2,083	0
Employee benefit provision	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560	34,560
Provisions	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Total Current Liabilities	115,659	115,587	114,960	115,152	114,320	112,682	112,952	107,975	105,784	101,456	99,373
Non-Current Liabilities											
Lease liabilities	8	8	8	8	8	8	8	8	8	8	8
Borrowings	103,390	82,523	66,936	65,157	50,210	36,901	23,322	14,720	8,309	6,226	6,226
Employee benefit provision	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336
Provisions	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878
Total Non-Current Liabilities	116,612	95,745	80,158	78,379	63,432	50,123	36,544	27,942	21,531	19,448	19,448
TOTAL LIABILITIES	232,271	211,332	195,118	193,531	177,752	162,805	149,496	135,917	127,315	120,904	118,821
NET ASSETS	3,533,986	3,580,907	3,703,619	3,839,646	3,960,187	4,078,667	4,196,125	4,312,152	4,430,424	4,549,691	4,672,028
EQUITY											
Retained Earnings	1,729,901	1,219,823	1,232,947	1,256,263	1,260,486	1,259,301	1,254,282	1,244,848	1,234,738	1,222,569	1,210,341
Revaluation Reserves	2,361,085	2,361,085	2,470,673	2,583,384	2,699,702	2,819,367	2,941,844	3,067,304	3,195,687	3,327,122	3,461,688
TOTAL EQUITY	3,533,986	3,580,908	3,703,620	3,839,647	3,960,188	4,078,668	4,196,126	4,312,152	4,430,425	4,549,691	4,672,029

12% RATE INCREASE

STATEMENT OF CASH FLOWS - GENERAL FUND	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000
Balances as at 30 June												
Cash Flows from Operating Activities												
Receipts:												
Rates and Annual Charges	18,370	129,627	140,311	144,982	149,811	154,801	159,959	165,290	170,801	176,496	182,383	
User Charges and Fees	67,664	72,470	78,418	83,632	87,168	90,578	93,204	95,909	98,695	101,564	104,518	
Interest and Investment Revenue	4,372	5,904	3,491	3,518	3,546	3,574	3,604	3,634	3,665	3,696	3,729	
Grants and Contributions	150,769	96,112	57,478	55,312	34,409	31,651	32,616	33,445	34,259	35,135	36,038	
Bonds, deposits and retention amounts received	0	0	0	0	0	0	0	0	0	0	0	
Other Revenues	8,920	4,957	5,105	5,259	5,416	5,579	5,746	5,919	6,096	6,279	6,467	
Internal Revenue	0	69,415	71,577	73,674	75,865	78,121	80,444	82,837	85,301	87,838	90,451	
Payments:												
Employee Benefits and On-Costs	(93,183)	(103,771)	(99,863)	(99,036)	(100,520)	(102,245)	(104,807)	(107,453)	(110,135)	(112,895)	(115,727)	
Borrowing Costs	(4,146)	(4,523)	(4,136)	(3,543)	(3,802)	(3,201)	(2,601)	(2,001)	(1,408)	(864)	(522)	
Materials and Contracts	(74,970)	(87,213)	(91,673)	(94,802)	(96,904)	(100,937)	(103,470)	(106,410)	(109,605)	(114,159)	(116,511)	
Bonds, deposits and retention amounts refunded	0	0	0	0	0	0	0	0	0	0	0	
Waste Levy	(11,887)	(15,000)	(15,450)	(15,914)	(16,391)	(16,883)	(17,389)	(17,911)	(18,448)	(19,002)	(19,572)	
Other Expenses	(6,018)	(5,249)	(5,405)	(5,567)	(5,733)	(5,904)	(6,081)	(6,262)	(6,450)	(6,642)	(6,841)	
Internal Expenses	0	(57,353)	(59,076)	(60,736)	(62,555)	(64,428)	(66,358)	(68,351)	(70,398)	(72,506)	(74,678)	
Net Cash Provided from Operating Activities	159,891	105,376	80,777	86,779	70,310	70,706	74,867	78,646	82,373	84,940	89,735	
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	62,227	40,000	0	0	0	0	0	0	0	0	0	
Sale of Real Estate	6,072	17,000	10,915	8,320	9,500	5,496	3,500	0	0	0	0	
Sale of Infrastructure, Property, Plant & Equipment	3,934	1,965	1,966	2,085	2,291	2,299	2,372	2,402	2,603	2,681	2,762	

12% RATE INCREASE

STATEMENT OF CASH FLOWS - GENERAL FUND - Continued

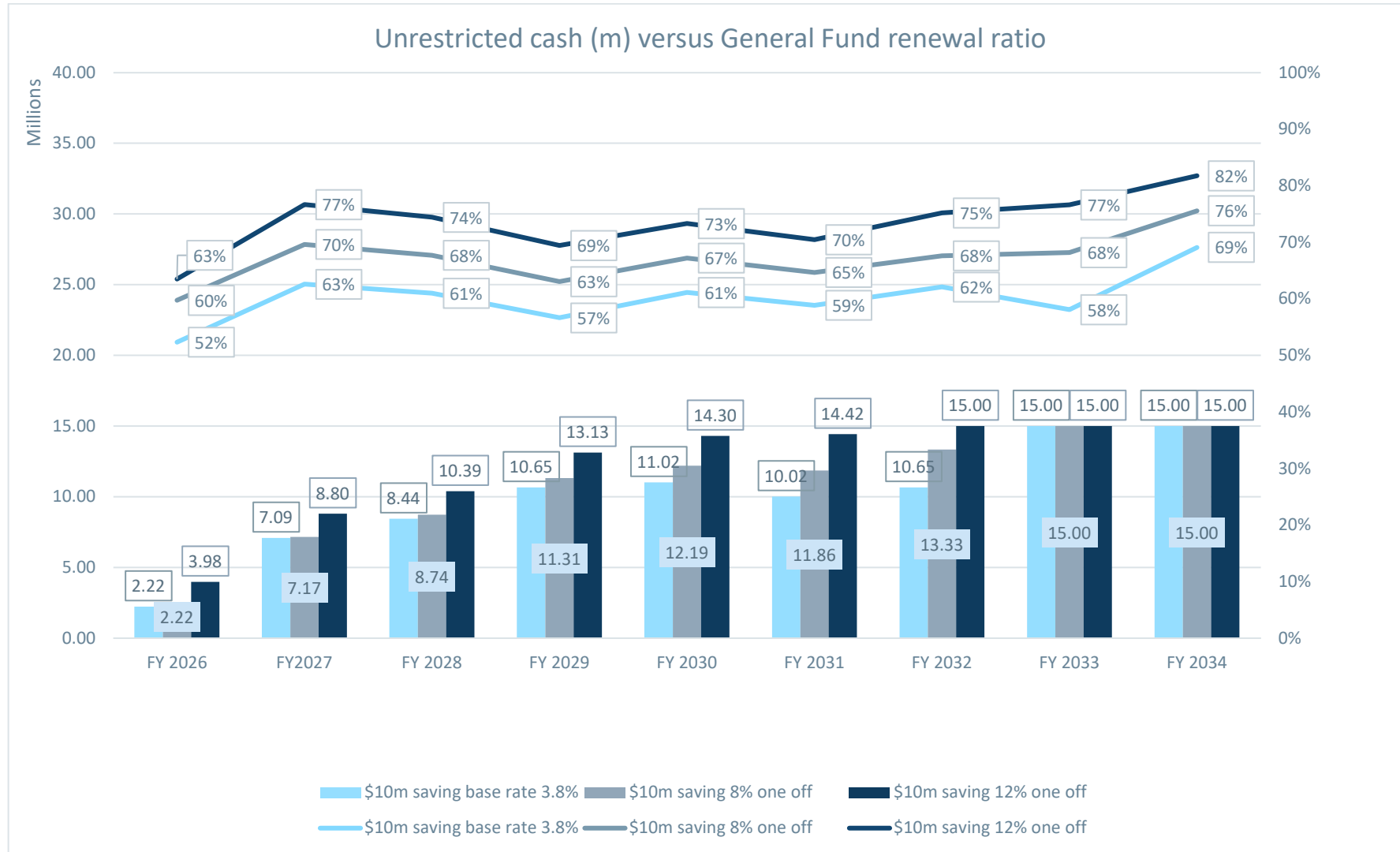
	DRAFT/ PROJECTED	FORWARD PLAN										
		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Investing Activities - Continued												
Payments:												
Purchase of Investment Securities	(12,000)	(50,227)	0	0	0	0	0	0	0	0	0	0
Purchase of Infrastructure, Property, Plant & Equipment	(30,690)	(143,166)	(65,488)	(82,094)	(73,613)	(56,275)	(63,198)	(62,446)	(68,456)	(72,722)	(79,895)	
Purchase of Real Estate Assets	(3,249)	0	0	0	0	0	0	0	0	0	0	
Net Cash Provided from Investing Activities	(73,706)	(134,428)	(52,607)	(71,689)	(61,822)	(48,480)	(57,326)	(60,044)	(65,853)	(70,041)	(77,133)	
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	15,856	3,751	0	14,000	0	0	0	0	0	0	0	
Payments:												
Repayment of Borrowings & Advances	(14,216)	(24,691)	(16,214)	(15,587)	(15,779)	(14,947)	(13,309)	(13,579)	(8,602)	(6,411)	(2,083)	
Net Cash Provided from Financing Activities	1,640	(20,940)	(16,214)	(1,587)	(15,779)	(14,947)	(13,309)	(13,579)	(8,602)	(6,411)	(2,083)	
Plus: Cash & Equivalents - beginning of year	15,564	103,389	53,397	65,353	78,856	71,565	78,844	83,076	88,099	96,017	104,505	
Cash & Equivalents - end of year	103,389	53,397	65,353	78,856	71,565	78,844	83,076	88,099	96,017	104,505	115,024	
plus: Investments on hand - end of year	28,602	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	38,829	
Total cash, cash equivalents and investments	131,991	92,226	104,182	117,685	110,394	117,673	121,905	126,928	134,846	143,334	153,853	

Key Performance Indicators Statement

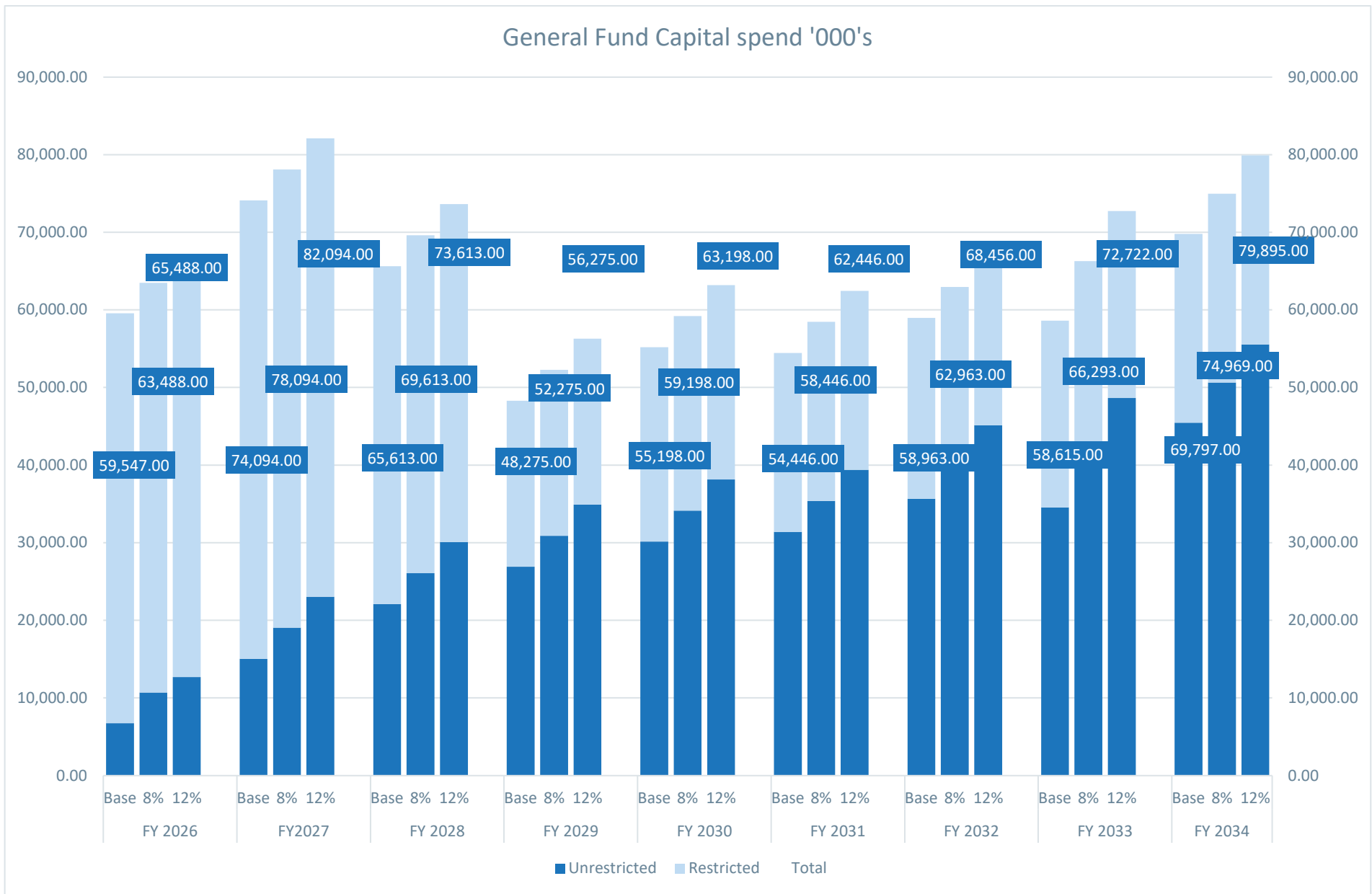
Indicator	Target	Fund	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Local Government Industry Indicators												
Operating Performance Ratio	Greater than 0%	Consolidated	-7.6%	-4.6%	-2.9%	-1.8%	-1.4%	-1.7%	-1.9%	-1.5%	-1.3%	-0.7%
		General	-10.6%	-7.2%	-5.9%	-5.3%	-5.2%	-5.1%	-5.1%	-5.1%	-5.5%	-5.4%
Own Source Operating Revenue Ratio	Greater than 60%	Consolidated	76.0%	84.6%	85.6%	90.5%	91.5%	91.5%	91.5%	91.6%	91.7%	91.7%
		General	74.6%	83.9%	84.9%	90.3%	91.3%	91.3%	91.4%	91.4%	91.5%	91.5%
Unrestricted Current Ratio	Greater than 1.5	Consolidated	0.74	1.04	1.18	1.30	1.46	1.51	1.74	1.86	2.09	2.25
		General	0.74	1.04	1.18	1.30	1.46	1.51	1.74	1.86	2.09	2.25
Debt Service Cover Ratio	Greater than 2.0	Consolidated	4.05	4.45	5.11	4.64	5.16	5.92	6.25	8.80	11.00	17.48
		General	3.61	3.97	4.54	3.59	3.90	4.71	5.05	8.23	11.68	34.45
Cash Expense Cover Ratio	Greater than 3 mths	Consolidated	6.86	5.64	6.24	5.99	6.31	5.89	5.64	5.61	5.28	5.92
		General	3.72	4.28	4.78	4.39	4.58	4.66	4.73	4.98	5.17	5.50
Infrastructure Asset Performance Indicators												
Infrastructure Renewals Ratio	Greater than 100%	Consolidated	58.8%	65.2%	73.7%	72.4%	69.4%	71.7%	70.0%	72.9%	73.7%	76.8%
		General	52.4%	59.6%	73.0%	70.9%	66.1%	69.8%	67.1%	71.6%	73.0%	77.9%
Infrastructure Backlog Ratio	Less than 2%	Consolidated	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.9%	3.9%	3.9%	4.0%
		General	4.3%	4.2%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Asset Maintenance Ratio	Greater than 1x	Consolidated	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
		General	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84

SUMMARY

The graphs below provide a side by side comparison of the three scenarios with a focus on unrestricted cash, buildings and infrastructure renewal ratios, and restricted and unrestricted capital spend.



General Fund Capital spend '000's



The table below shows the impact on average rates across all rating categories for each of the three scenarios.

Options Being Considered	Average FY2024/25	Average FY2024/25 + Base (3.8%)	Average FY2024/25 + 8%	Average FY2024/25 + 12%
Residential	1,499.60	1,556.58	1,619.57	1,679.55
Residential non urban	131.17	136.15	141.66	146.91
Business ordinary	43.10	44.73	46.54	48.27
Business Nowra	4,529.64	4,701.77	4,892.02	5,073.20
Business Industrial Commercial	2,424.19	2,516.31	2,618.12	2,715.09
Business Major Retail Nowra	78,795.10	81,789.31	85,098.71	88,250.51
Business Major Retail Vincentia	41,159.50	42,723.56	44,452.26	46,098.64
Farmland	3,078.83	3,195.82	3,325.13	3,448.29
Farmland dairy	2,289.75	2,376.76	2,472.93	2,546.52



Address all correspondence to:
The Chief Executive Officer
PO Box 42, Nowra NSW 2541
shoalhaven.nsw.gov.au/contact
1300 293 111

shoalhaven.nsw.gov.au     

