

Long Term Financial Plan

2024 - 2034



Minor changes to this document may be made after publication at the discretion of the General Manager.

Access, Equity and Inclusion Statement

The Upper Hunter Shire community and Upper Hunter Shire Council are committed to welcoming all people who choose to live, work or visit our region.

We welcome and celebrate diversity and believe it fosters growth. Community connections are integral to everything we do.

We commit to build a sense of place and belonging in our community. We will work collaboratively with the whole of the community to achieve the collective vision for the future.

We will acknowledge and address inequity, work to reduce and remove barriers and champion belonging in our community.

We understand inclusion and participation are key to building a strong community. Access and inclusion make communities liveable for everyone.

We are committed to preserving the dignity of all people and to ensure services, facilities and public spaces are openly inviting and fully accessible.

Sustainability Statement

The Upper Hunter Shire community and Upper Hunter Shire Council are committed to improving sustainability outcomes in our region.

We will work with and alongside the community towards implementing the best practices around sustainability and celebrating the outcomes.

We value open spaces and creating opportunities for community to connect and enjoy the very best of the Upper Hunter Shire.

As well as setting targets to reduce emissions, we are acting to achieve our environmental goals and ensure the Shire remains a wonderful place to live, work and play.

Introduction

What is the Upper Hunter Shire Council Long Term Financial Plan?

The Long Term Financial Plan (LTFP) is a requirement under the Integrated Planning and Reporting framework and forms part of the Resourcing Strategy. The Resourcing Strategy is a document Council is required to develop to detail the provision of resources required to implement the strategies established by the Community Strategic Plan (CSP) 2032. The LTFP is a decision making and problem solving tool where long term community priorities can be tested against financial realities.

The Resourcing Strategy incorporates the Long Term Financial Plan, Asset Management Strategy and Workforce Plan with a specific focus to meet the needs of the Delivery Program 2021/2022-2024/2025.

The Long Term Financial Plan is an important part of Council's strategic planning process. This is the point where long-term community aspirations and goals are tested against financial realities. It is a decision making and problem solving tool but is not intended to be set in concrete, it is a guide for future action. The modelling that occurs as part of the plan will help Council to weather unexpected events. It will also provide an opportunity for Council to identify financial issues at an earlier stage and gauge the effect of these issues in the longer term.

The LTFP provides a framework in which Council can assess its revenue building capacity to meet the activities and the level of services outlined in the CSP 2032. It also:

- Establishes a greater transparency and accountability of Council to the Community;
- Provides an opportunity for early identification of financial issues and any likely impacts in the longer term;
- Provides a mechanism to solve financial problems as a whole;
- Provides a means of measuring Council's success in implementing strategies; and
- Confirms that Council can remain financially sustainable in the longer term.

The Long Term Financial Plan is built on four foundations:

- Planning assumptions used to develop the plan;
- Revenue forecasts;
- Expenditure forecasts; and
- Sensitivity analysis (factors/assumptions most likely to affect the plan);

Subsequent pages to this document detail the Long Term Financial Plan for the Upper Hunter Shire Council for the years 2024 to 2034 taking into account the assumptions detailed in "Part 5 – Structure" under the subheading of Modelling Assumptions.

Purpose of the Long Term Financial Plan

The Long Term Financial Plan exists primarily to facilitate the delivery of the Community Strategic Plan (CSP) 2032. The Long Term Financial Plan is not an end in itself but is a means of ensuring the objectives of Integrated Planning and Reporting (IP&R) framework are matched by an appropriate resource plan.

It is therefore important to acknowledge that any significant changes to the financial strategies expressed in this document will have a consequent impact on Council's ability to deliver the outcomes expressed in the Delivery Program.

In addition to acting as a resource plan, the Long Term Financial Plan aims to:

- Establish a prudent and sound financial framework, combining and integrating financial strategies to achieve a planned outcome;
- Establish a financial framework against which Council's strategies, policies, and financial performance can be measured against;
- Ensure that Council complies with sound financial management principles and plans for the long term financial sustainability of Council; and
- Allow Council to meet its obligations under the Council's Charter of the Local Government Act to provide adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively and also to have regard to the long term and cumulative effects of its decisions.

Introduction



This Long Term Financial Plan represents a comprehensive approach to documenting and integrating the various financial strategies of Council. The development of the long term financial projections represents the output of several strategy areas, that when combined, produce the financial direction of Council as shown here:

Introduction

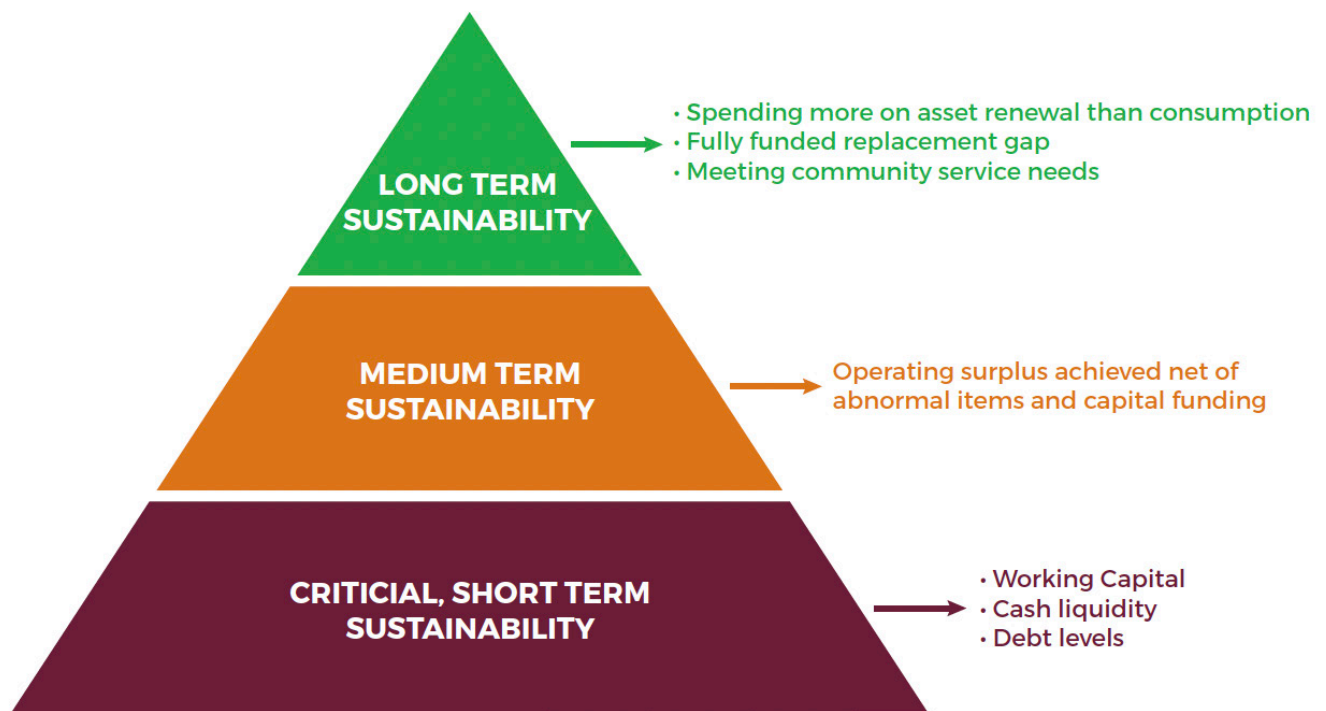
Objectives of the Long Term Financial Plan

The objectives that this Long Term Financial Plan are to achieve, are as follows:

- An increased ability to fund asset renewal requirements
- Progressing Council towards a position of financial sustainability in the long term
- Rate and fee increases that are both manageable and sustainable
- Investment and funding strategies which promote intergenerational equity

For the purposes of this strategy, financial sustainability is defined in the below diagram, modelled essentially on a hierarchy of needs approach

Whilst Upper Hunter Shire Council has no short term sustainability issues, it has challenges in meeting asset renewal requirements on an annual basis and the current gap, inclusive of the backlog of works not completed, is an issue that can only be addressed over a long period



About the Upper Hunter Shire

Upper Hunter Shire is located in the Hunter region of New South Wales, about 250 kilometres north of Sydney. It is bounded by Liverpool Plains Shire and the Tamworth Regional Council area in the north, Gloucester and Dungog Shires in the east, the Singleton Council area and Muswellbrook Shire in the south and the Mid-Western Regional Council area and Warrumbungle Shire in the west.

The Upper Hunter Shire is a predominantly rural area and encompasses a total land area of about 8000 square kilometres, of which a large proportion is national park and nature reserves. Most of the rural area is used for grazing, dairy farming, horse studs and general farming.

The main township is Scone, with smaller townships at Aberdeen, Merriwa and Murrurundi.

The Shire is a major cattle, crop, goat, pig, poultry and sheep producer, has an increasing number of vineyards, an abattoir which supplies the Australian and overseas markets, and the best and friendliest rural community within easy travelling distance from Sydney and Newcastle.

	Land Area	8,100km ²
	National Parks	686km ²
	Population	14,350
	Labour Force	5260 jobs
	Annual Economic Output	\$1.733 billion



Councillors



Cr Maurice Collison
Mayor



Cr James Burns
Deputy Mayor



Cr Allison McPhee



Cr Lee Watts



Cr Ron Campbell



Cr Belinda McKenzie



Cr Adam Williamson









Cr Tayah Clout

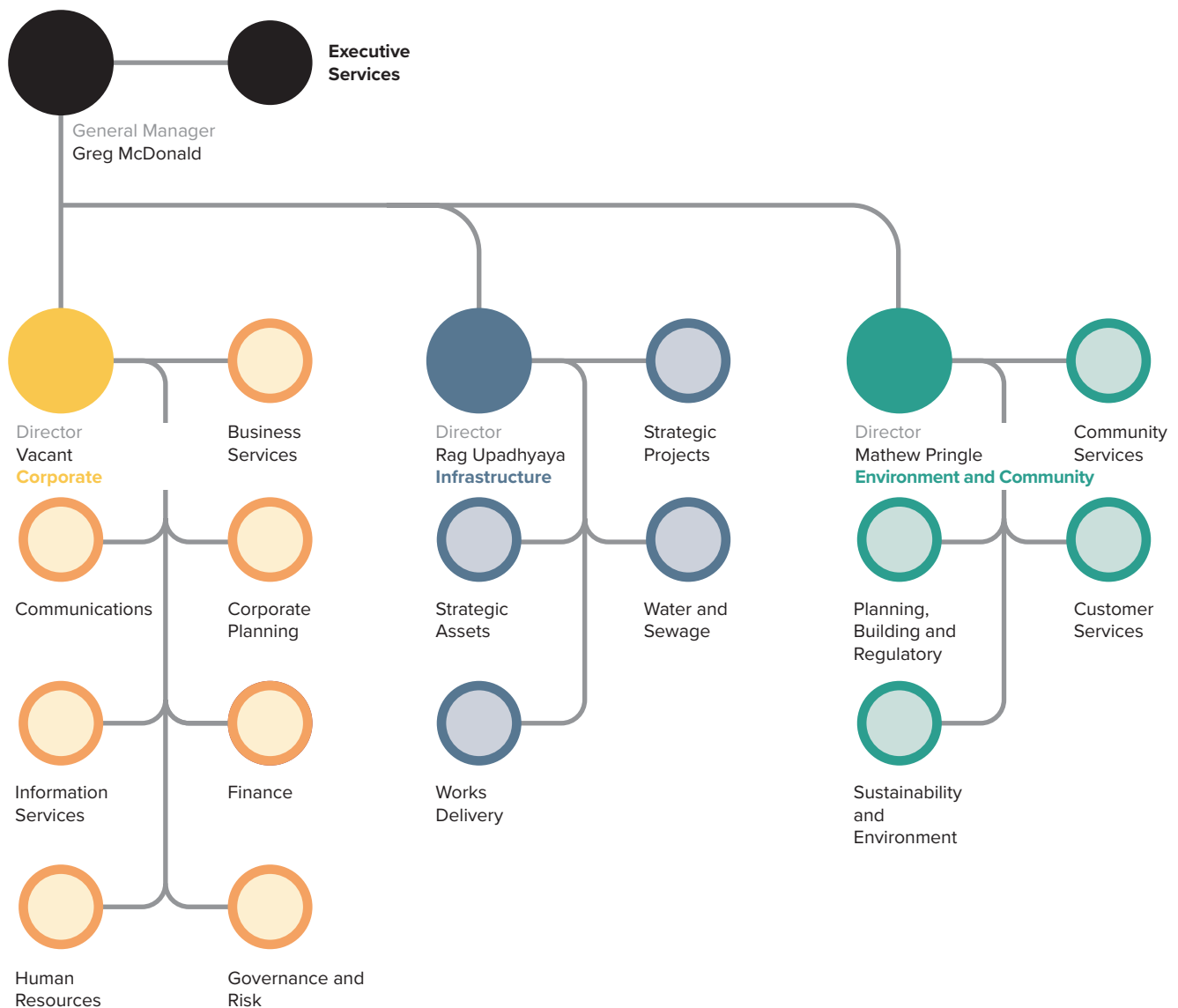
Upper Hunter Shire Council consists of eight Councillors who have been elected by the Shire to represent the community for the next three years.

Corporate Values and Structure

Values

-  Mutual respect for people and cultures.
-  Ensure staff and community safety.
-  Efficient, effective and reliable service.
-  Honest, open and accountable.
-  Deliver on our commitments.
-  Improved Environmental Responsibility.

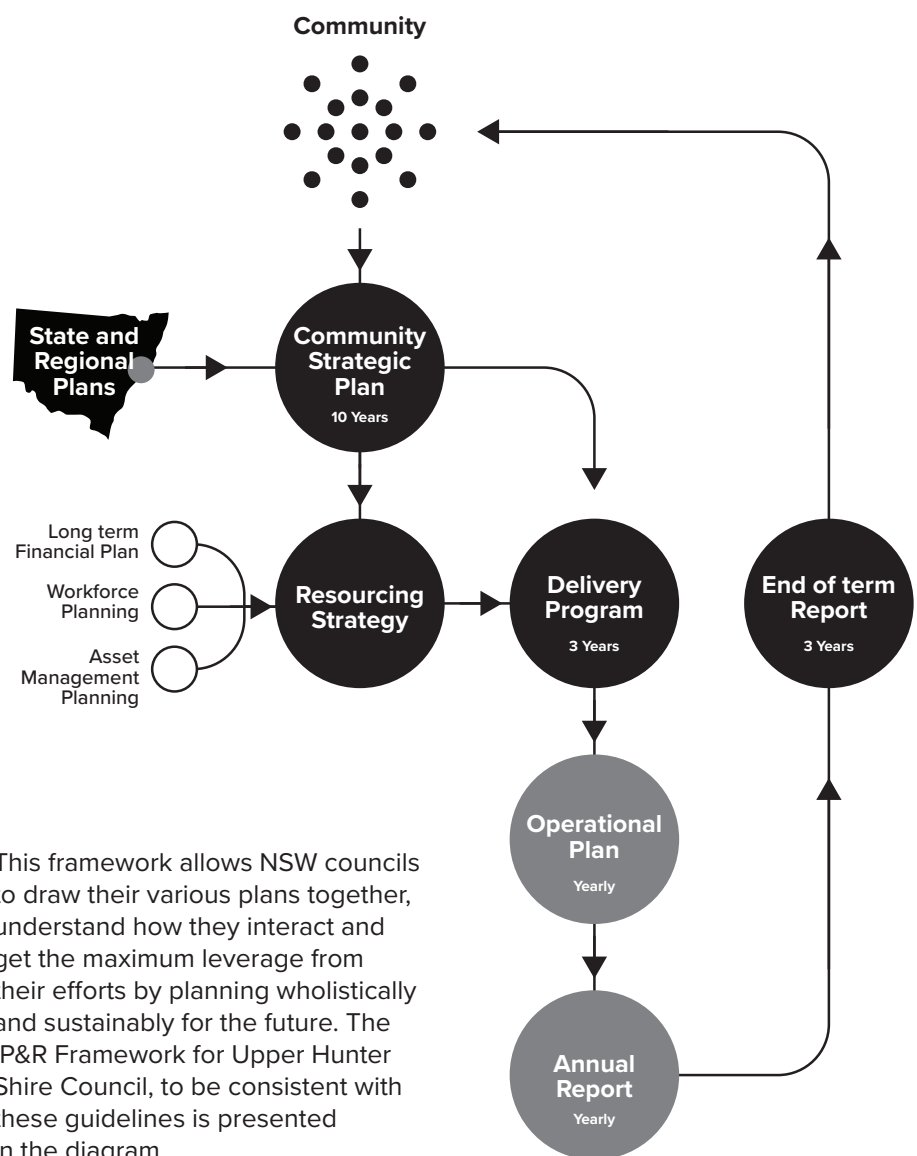
Structure



Integrated Planning and Reporting Framework

Local Governments in NSW are required to undertake their planning and reporting activities in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005. In 2009, the Local Government Act was amended to create an Integrated Planning and Reporting (IP&R) requirement. A greater emphasis is placed on longer term planning with key elements including a Community Strategic Plan setting out the strategic directions (minimum of 10 years), Delivery Program outlining how Council will deliver on these directions (4-year period) and an annual Operational Plan. As at June 30, 2012, NSW councils are required to be working within the IP&R Framework.

The Office of Local Government provides guidelines and information to assist councils in meeting their requirements. The IP&R framework recognises that most communities share similar aspirations: a safe, healthy and pleasant place to live, a sustainable environment, opportunities for social interaction, opportunities for education and employment, and reliable infrastructure. The difference lies in how each Community responds to these needs. It also recognises that council plans and policies should not exist in isolation – that they are interconnected.



This framework allows NSW councils to draw their various plans together, understand how they interact and get the maximum leverage from their efforts by planning holistically and sustainably for the future. The IP&R Framework for Upper Hunter Shire Council, to be consistent with these guidelines is presented in the diagram.

Measuring Progress

Community Strategic Plan

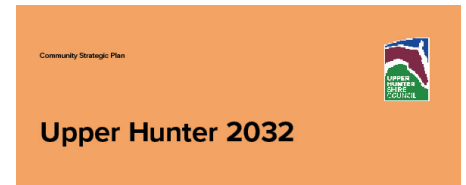
Upper Hunter 2032 is not a Council plan. There are many components and stakeholders, such as government departments, agencies and individuals who will help to deliver Upper Hunter 2032. The plan distills the community's aspirations and guides the decision making of Council.

Delivery Program

The Delivery Program turns the aspirations outlined in Upper Hunter 2032 into actionable outcomes for the current 3 year electoral period. It provides a roadmap to Council's project and service delivery.

Operational Plan

The first year of the Delivery Program is called the Operational Plan. The Operational Plan is developed annually throughout the budget process to ensure we have the resources and capacity to continue to implement Council services and projects responsibly. When you have a look at our Operational Plan you'll see what's happening in 2023-24, including ongoing Council services, long term planning for sustainable growth, community development and exciting infrastructure projects. Importantly, you'll see how the work we have planned links back to what you told us you wanted for the future in Upper Hunter 2032.



Community Vision

A quality rural lifestyle in a vibrant, caring and sustainable community.

The Community Vision reflects what matters most to the people of the Upper Hunter. The vision was developed through consultation with community members.

Strong partnerships with community members, groups, local businesses and State and Federal Government will be essential to successfully achieving the vision.



Community Priorities

Upper Hunter 2032 is the Community Strategic Plan for the Upper Hunter LGA. It defines the community's vision and is our roadmap for the future. It brings together extensive community feedback to set key directions and priorities.

Developing the Community Strategic Plan for the Upper Hunter has been a unique opportunity to understand the aspirations and concerns of the community. Upper Hunter 2032 aims to enhance the day-to-day lives and opportunities of the community through effective decision-making,

planning and service delivery across all areas. The product of an extensive community consultation process, Upper Hunter 2032 has been built around five community priorities that reflect the needs and values of the people who live in our region.



These priorities will underpin our future work. The Council and the Community will be able to clearly see how we are working to achieve each of the Community's priorities as each with link to a key focus area, goals and strategic directions.

Connected Community

Developing and deepening connections of people to each other and their community.

Protected Environment

Ensuring the ongoing protection of our environment and natural resources.

Thriving Economy

Strengthening our vibrant industries and economy while seizing emerging opportunities.

Quality Infrastructure

Maintaining and developing our infrastructure network to meet the ongoing needs of our population.

Responsible Governance

Providing efficient and responsible governance in order to effectively serve the community.

 Cameron Bridge construction

Strategic Objectives

Upper Hunter 2032 sets a series of strategic objectives which drive the decision making at Council. The Delivery Program and Operational Plan translates these aspirations into actions; setting Council's agenda over the next three years.

A connected Community Strategic Objectives

- 1.1** Advocate for and increase the availability and affordability of health services.
- 1.2** Work collaboratively to address social disadvantage.
- 1.3** Increase promotion of healthy lifestyle.
- 1.4** Enhance partnerships to maintain a safe community.
- 1.5** Advocate for, support and provide services and facilities for the community.
- 1.6** Provide and support a range of community events, festivals and celebrations.
- 1.7** Acknowledge and respect our Aboriginal culture, heritage and people.

Protected Environment Strategic Objectives

- 2.1** Advocate for, facilitate and support programs that protect and sustain our diverse environment for future generations.
- 2.2** Encourage and support community participation to care for our environment.
- 2.3** Ensure all actions, decisions and policy response to natural hazards and climate change remain current.
- 2.4** Implement and regularly review Strategic Land Use Plans, Environmental Planning Instruments and Development Controls, which reflect the needs and expectations of the broad Community.
- 2.5** Provide efficient and effective advisory, assessment and regulatory services focused on being customer 'friendly', responsive and environmentally responsible.
- 2.6** Plan, facilitate and provide for a changing population for current and future generations.

- 2.7** Provide efficient and effective waste and recycling services and support improved waste minimisation and recycling practices.
- 2.8** Implement policies to ensure the protection of strategic agricultural lands, equine critical industry clusters, natural resources and heritage.

Thriving Economy Strategic Objectives

- 3.1** Broaden and promote the range of business and industry sectors.
- 3.2** Encourage retail and commercial business to increase local employment opportunities.
- 3.3** Provide attractive and functional town centres and support revitalisation of the towns and villages including investment in built heritage and improvement of existing buildings.
- 3.4** Provide diversity in tourist attractions and experiences.
- 3.5** Promote the Upper Hunter's unique brand identity.

3.6

Facilitate and support increased and innovative tourism and marketing opportunities.

Quality Infrastructure Strategic Objectives

4.1

Provide for replacement, improvement and additional Community and open space infrastructure through investment, best practice and risk management.

4.2

Provide inviting public spaces that are clean, green, properly maintained, well designed, encourage active participation, family friendly and accessible to all.

4.3

Provide safe and reliable water and sewerage services to meet the demands of current and future generations.

4.4

Upgrade and maintain the road network and bridges.

4.5

Advocate and improve access to communication services.

Responsible Governance Strategic Objectives

5.1

Effectively and efficiently manage the business of Council, while encouraging an open and participatory Council with an emphasis on transparency, community engagement, action and response.

5.2

Council is focused on innovation and continuous improvement to ensure a high quality of service which is aligned with business needs and community priorities.

5.3

Effective financial and asset management to ensure Council's long-term sustainability.

5.4

Open and effective communication methods and technology are utilised to share information about Council plans, intentions, actions and progress.

5.5

Community is effectively engaged, can provide opinion and contribute to decisions that plan for the present and future of the Upper Hunter Shire.

5.6

Develop and maintain effective reporting systems that enable Council to measure and report on performance.

5.7

Effective management of risk underpins all Council decisions, service delivery and behaviours.

5.8

Develop leadership skills and build networks through a range of formal and informal opportunities.

5.9

Ensure Council is a great place to work by supporting Council employees in maximising their contribution.

5.10

Encourage and build strong partnerships between the Community, business and all levels of government to support implementation of the CSP 2032 and to deliver the Community priorities.

5.11

To participate and encourage regional coordination and planning between Councils and other organisations.

5.12

Provide timely and effective advocacy and leadership on key community issues and priorities.

Foundations of the plan

Planning Assumptions

The 2023/2024 budget is the base year for the Long Term Financial Plan. Some of the planning assumptions have come from the Community Strategic Plan 2032 (CSP 2032) whilst other have been derived from general financial planning practices and historical trends over past years. Assumptions from the CSP 2032 income:

Population Forecasts

The number of rating assessments has been assumed across the life of the plan to increase by approximately 30 assessments per annum. It has been depicted in Australia Bureau of Statistics data that the region has stagnate over the last 5 years.

Inflation Forecasts

The effects of inflation over the last 3 to 4 years post COVID-19 has been quite abnormal. The influx of huge government stimulus funding into the economy has resulted in inflation coming off negative during COVID-19 in 2020 to ranges of 5% to 10% for the period 2021 to 2024 for general inflation and the construction building indices. Current government de-stimulation measures has reduced inflation to levels of under 5% in 2024. As a result Council has assumed an inflation rate from year 2026 of 3.5% reducing to 2.5% by year 2030 and remaining at that level for the duration of the plan. Therefore, majority of revenue and expenditure has flowed from these inflation rates, with the exception of any known increments such as general rate pegging.

Revenue Forecasts

In considering the likely revenue streams that will be available to meet the community's priorities and expectations for delivery of services the Long Term Financial Plan takes into consideration:

Capacity for General Rating

This is the major component of Council revenue base. The planning process includes an assessment of the community's capacity and willingness to pay general rates and whether there is the potential for changes in sentiment towards that capacity. In making that judgement Council has reviewed information relating to:

- Opportunities for a Special Rate Variation (SRV) to increase the general rate revenue
- The potential to reduce the reliance on general rates through increased revenues from grants, annual charges and user fees and charges.

Capacity to pay for Special Rate Variation

Council has undertaken an assessment of the community's capacity to pay as part of a Special Rate Variation (SRV) consultation phase. Based on this assessment for an average residential household, the SRV options for 1, 10% for 3 years and for 2, 7.5% for 4 years, indicates that there will be an increase in the general rate of \$6.21 and \$6.29 per week respectfully by the final year of the SRV.

Based off the ABS 2021 statistical data of an average household of \$1429 in the Upper Hunter Shire this represented approx 0.44% of that income.

In essence the approx increase from the SRV above normal assumed rate peg is approx \$4 per week representing approx 0.28% of the average household income.

Fees and Charges

Many of the Council's services and facilities provided to the community and sporting groups are offered on a "user pays" basis. The fees are charged for the services and/or facilities provided and are detailed in the Fees and charges schedule provided each year. Council generally increases these revenue items by CPI with the exception of specific review or cost recovery.

Grants and Contributions

Although considered spasmodic, it is considered that Council is heavily reliant upon the availability grant funding opportunities from both the Federal and State Governments particularly for capital projects.

For operational purposes Council does receive constant funding from the Federal and State Governments in the form of:

- Financial Assistance Grants for general purposes and roads;
- Regional road funding from Transport for NSW to maintain linking State roads within the shire;
- Aged Care and Children Services subsidies to assist in delivering

Foundations of the plan

- both services
- Other general specific annual funding programs that are provided year on year.

It is noted that other funding opportunities do arise as and when funding programs become available which Council will make application for, however these are not guaranteed.

Expenditure Forecasts

The CSP 2032 gives Council a good indication of the amount of money required to meet the community's expectations for the future This should be considered along with the information Council already has about its ongoing operational costs

In developing expenditure forecasts, consideration has been given to new expenditure items that are proposed in addition to Council's ongoing commitments

The relevant sources of information for ongoing commitments include Asset Management Plans, Workforce Strategies and repayment schedules on borrowings

Appropriate phasing of costs across the term of the Long Term Financial Plan has been included For example, with capital projects which are to be completed during the term of the plan, the cost reflects when specific expenditure for planning, construction, implementation and maintenance is expected to occur.

Sensitivity Analysis

Long Term Financial Plans are inherently uncertain as they contain a wide range of assumptions, including assumptions about interest rates

and the potential effect of inflation on revenues and expenditures. Some of these assumptions have a relatively limited impact on the future forecasts if they are wrong, however others can have a major impact on future financial plans if the forecast assumptions are found to be inaccurate at which time it will be necessary for Council to reconsider the current strategies on expenditure and revenue and realign the LTFP 2024-2034 to fund any changes in costs or revenues.

The following assumptions have been used in the forecasting of the LTFP:

Inflation

Changes in inflation caused by both Australia and international local events, regional and microeconomics and macroeconomic events will impact both revenue and expenditure.

Rate Pegging

Changes in rate pegging methodology will impact revenue forecasts

Special Rate Variation (SRV)

Introduction of proposed SRV scenarios will impact revenue forecasts, potential borrowing costs and financial performance indicators such as operating performance ratios

Grants

The LTFP models only included recurring grants and capital grants that have already been awarded. A number of the grants that are received that funds specific programs may significantly affect infrastructure renewal programs if they are not be offered to Council and these grants

were eliminated (e.g., Roads to Recovery)

Employee Costs

Factors outside Council's control such as Wage Award increases will impact expenditure forecasts. In addition employee termination patterns will impact employee leave entitlements' reserve and liability as well as recruitment and training costs

Interest on Investments

Council has a cash investment portfolio that is subject to movements in interest rates Investments are placed and managed in accordance with the Council's adopted Investment Policy in compliance with the Local Government Act As a custodian of the community's funds, the Council ensures funds are invested with the same care, diligence and skill that a prudent person would exercise

Service levels and capital expenditure are impacted by fluctuations in interest rates

Interest on Borrowings

Council has entered all loan facilities under a fixed interest rate option so that repayments and interest charges are known over the life of the loan period. This removes the uncertainty of interest rate fluctuations within the market.

Population Growth

The Long Term Financial Plan is based on minimal population growth. Should the population grow faster than this rate both service levels and rating income will be impacted

Financial Performance Indicators

The financial performance indicator graph included in this plan are intended to be indicative of the Council's financial health and good business management practices being implemented. The financial indicators are calculated on the General Fund of Council only and form the cornerstone of the Office of Local Government's "Fit for the Future" criteria.

The financial performance indicator graphs have been calculated for each scenario of the long term financial plan with the benchmark requirements as set by the Office of Local Government summarised as follows:

Financial Performance Ratio	Benchmark Indicator
Operating Performance	>0%
Own Source Revenue	>60%
Infrastructure Renewal	>100%
Infrastructure Backlog	<2%
Asset Maintenance	>100%
Debt Service Cover	>2x

Operational Performance Ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Own Source Revenue Ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Infrastructure Renewal Ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Infrastructure Backlog Ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Asset Maintenance Ratio

Compares actual vs required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Debt Service Cover Ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments.

Structure

The Long Term Financial Plan is structured as a series of scenarios each of which shows a specific financial outlook.

This iteration of the Long Term Financial Plan presents financial forecasts associated with the following three (4) scenarios:

- **Scenario 1** – IPART Rate Pegging increment only. With reduced services and capital expenditure.
- **Scenario 2** – Option 1 introduction from the 2025/2026 year of a permanent SRV of 10% over 3 years with a cumulative effect of 33.10% and then reverting to rate pegging increments after the 3 year period.
- **Scenario 3** – Option 2 introduction from the 2025/2026 year of a permanent SRV of 7.5% over 4 years with a cumulative effect of 33.55% and then reverting to rate pegging increments after the 4 year period
- **Scenario 4** – IPART rate pegging Increment only with all services and capital expenditure included from scenarios 2 and 3.

The financial projections have been formulated to provide a 10 year consolidated financial position, inclusive of the Council's General, Water and Sewer funds, and are presented as follows:

- Income Statement
- Balance Sheet
- Cash Flow Statement
- "Fit for the Future" benchmark ratios

For completeness, each of the Council's individual funds are also included and presented in the following unconsolidated format:

- Income Statement
- Balance Sheet
- Cash Flow Statement

Financial modelling in the Long Term Financial Plan has been based on the Operational Plan 2023/24 and incorporates the final stages of a heavy infrastructure program over the next two (2) years

Council has over the last 4 years been successful with a number of major grant funding announcements which has brought a number of significant infrastructure projects from the design and planning stages to the construction phase. It is noted that Council, over the next 2 years, will be required to supplement the funds secured from Government agencies to assist in delivering these significant projects.

Council has reviewed its borrowing capacity and at this stage does not envisage the entering into of any new loan agreements within its 10 year forecasts. Significant improvement is forecasted in Council's borrowing capacity this a debt coverage ratio well above the recommended Office of Local Government benchmark of 2x by the end of the forecast period.

The projections are prepared based on current knowledge and service levels and will no doubt be affected by various events which will occur in future years It is important that the long term financial outlook be revisited and updated on an annual basis.

Special Rate Variation (SRV) Additional Information

With the four (4) Long Term Financial Plan (LTFP) scenarios including a proposed SRV in scenario 2 & 3 it is noted that Council has taken considerable efforts to minimise the financial effects on the community. Council has reviewed its operations and reduced costs and maximise revenues where possible to meet the significant costs escalations post COVID-19 and Government stimulus spending. Measures implemented by Council are documented in Appendix A to the LTFP.

These measures and cost savings identified have been incorporated into the four (4) LTFP scenarios.

Council is continuing to monitor and implement potential cost savings and additional revenue streams from within its business units operations when they materialise, however it is noted that Council's considerable efforts in the initial identification of these costs savings and additional revenue streams means that potential of further significant savings and revenue will be limited.

Council will continue with Business Service reviews over the next 12 months in order to potentially improve processes and procedures that may lead to some cost savings and additional revenues, however the main focus will be to achieve and/or maintain service levels to the community from the budget dollars available.

Modelling Assumptions

The cornerstone of Council's Long Term Financial Plan assumptions are based on the Delivery Program & Operational Plan 2021/22 to 2024/25 which will be adopted by Council on the 24th June 2024

Using the Revised Operational Plan 2023/24 budget as the base year, Council has factored in the following assumptions to determine the 10 year forecast:

- Unrestricted cash balance target of greater than \$0 for the general fund as a measure of short term liquidity
- Four scenarios used:

Scenario 1 – IPART Rate Pegging increment only with reduced services and capital expenditure to balance the budget.

Scenario 2 – Option 1 introduction from the 2025/2026 year of a permanent SRV of 10% over 3 years with a cumulative effect of 33.10% and then reverting to rate pegging increments after the 3 year period.

Scenario 3 – Option 1 introduction from the 2025/2026 year of a permanent SRV of 7.5% over 4 years with a cumulative effect of 33.55% and then reverting to rate pegging increments after the 4 year period.

Scenario 4 – IPART rate pegging Increment only with all services and capital expenditure included from scenarios 2 and 3. This scenario is not viable as Council effectively does not have the funds to deliver the services and capital required and there would be a shortfall of \$15.8m in the general fund by 2034.

- Statutory fees and charges have been based on legislative boundaries.
 - Annual access charges for water, sewerage and waste services are increased on a needs basis to meet the service requirements of the communities current and future demands, inclusive of:
 - Providing the revenue mix of water supply under a 25/75 annual access charge to user consumption ratio in line with NSW Water Best Practice
 - Maintaining a year on year 5% increase in both Water and Sewerage access charges to meet future infrastructure demands of the community.
 - Ensuring revenues meet the operations of Council's waste management facilities and kerbside collections inclusive of the State Government Regional Regulated Area (RRA) Levy
 - Unregulated fees and charges be increased in line with Consumer Price Index (CPI) as a minimum
 - Salary and wages indexation to be set at 3.5% for 2025/2026 & 2026/2027 reducing to 3.0% in 2027/2028 then 2.75% for 2028/2029 & 2029/2030 then 2.5% from 2030/2031 and remaining future years of the LTFP
 - All other costs to be indexed by an indicative Consumer Price Index (CPI) of 3.5% for 2025/2026 & 2026/2027 reducing to 3.0% in 2027/2028 then 2.75% for 2028/2029 & 2029/2030 then 2.5% from 2030/2031 and remaining future years of the LTFP less continuation of improvement and efficiency reductions identified during the 10 year period
 - Investment rates estimated at a conservative 3.5% which is sense check against the 90 day BBSW monthly average over the last twelve months for reasonableness
 - Loan borrowing rates assumed for new borrowings are based on conservative T-Corp lending rates for 10, 15 and 20 years depending on loan term
 - New borrowings will only be for the following:
 - Capital infrastructure works for either new and expansion of existing assets to improve service delivery to the community and where annual recurrent operational costs attributable to the additional infrastructure has factored into the budget as affordable and funded
 - To reduce the funding gap for the renewal of existing infrastructure
 - When it is for commercial purposes and the repayments can be met from the additional revenue sources generated
 - The term of the loan must also be in accordance with Council's loan borrowing policy in that the loan borrowing term should be relevant to the useful life of the asset being funded from the borrowing.
- It is noted that there is no new borrowings included in the 10 year forecast.
- Advance payment for the 2024/25 Financial Assistance Grant has been recognised in the 2023/24 financial year. This scenario will occur across the period of the 10 year plan
 - Assumed that Council will reduce its outstanding receivables in 2023/24 by 50% and 30% in 2024/25 due to significant grant funding outstanding at 2022/23 and then by 2% year on year with increased recovery processes

- Assumed that Council will reduce its provision for employee entitlements by 1% year on year with adherence to Council's excessive leave policies
- Assumed that Council will reduce its inventories by 1% year on year with improved just-in-time ordering and reduced slow moving product lines
- Assumed that Council will reduce accounts payable in 2023/24 by 20%, then 30% in 2024/25 and 20% in 2025/26 due to large accruals for major infrastructure project works. Accounts payable will then increase by 1.0% year on year due to effects of indexation.
- Assumed cost savings and additional revenue streams identified and implemented, as noted in the 'SRV Background Paper' in Appendix 'A' to the Long Term Financial Plan, have been incorporated into the modelling for each of Scenarios 1 to 4.

Scenario 1

Rate peg base rate

with reduction in services and capital expenditure to balance the budget.

INCOME STATEMENT FORECAST

for Years 2022 to 2032

CONSOLIDATED

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	19,430	19,942	20,731	21,510	22,262	22,990	23,733	24,494	25,283	26,099	26,945
User Fees & Charges	14,495	14,244	13,146	13,557	13,929	14,286	14,652	15,006	15,370	15,743	16,125
Interest Received	482	733	733	733	733	733	733	733	733	733	733
Grants & Contributions - Operating	9,600	12,605	13,002	13,299	13,615	13,936	14,265	14,578	14,899	15,227	15,564
Grants & Contributions - Capital	49,676	52,997	23,069	5,542	6,321	686	432	432	432	432	432
Other Operating Revenues	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
Total Operating Revenues	96,083	103,306	73,339	57,389	59,690	55,537	56,801	58,306	59,856	61,452	63,097
Operating Expenses											
Employee Costs	18,383	19,231	19,688	20,362	20,962	21,532	22,118	22,672	23,239	23,820	24,417
Materials & Contracts	19,812	19,325	16,044	16,671	17,315	18,124	18,710	19,414	20,013	20,828	21,404
Depreciation	13,682	14,798	16,498	16,724	16,775	16,854	16,885	16,903	16,958	16,939	16,831
Interest Charges/Borrowing Costs	1,049	966	883	797	706	610	524	513	373	316	273
Other Operating Expenses	2,178	2,270	2,342	2,419	2,487	2,550	2,613	2,678	2,739	2,805	2,872
Loss on Disposal of Assets	1,290	1,365	1,388	1,410	1,433	1,481	1,556	1,631	1,706	1,781	1,856
Total Operating Expenses	56,394	57,955	56,844	58,382	59,677	61,153	62,406	63,810	65,027	66,490	67,653
Operating Result Surplus/(Deficit)	39,688	45,351	16,495	(992)	13	(5,616)	(5,605)	(5,504)	(5,172)	(5,038)	(4,556)
Operating Result Before Capital Amounts Surplus/(Deficit)	(9,988)	(7,646)	(6,574)	(6,534)	(6,308)	(6,301)	(6,037)	(5,936)	(5,604)	(5,470)	(4,988)

BALANCE SHEET

for Years 2022 to 2032

CONSOLIDATED

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,938	5,278	6,285	6,497	7,455	7,692	7,895	5,886	4,390	4,594	4,856
Investments	24,767	11,750	10,509	10,307	10,131	11,275	12,321	13,299	15,489	17,030	19,108
Receivables	7,769	5,713	5,599	5,487	5,377	5,270	5,165	5,062	4,960	4,861	4,764
Inventories	967	957	948	939	930	921	912	903	894	885	876
Real Estate	703	703	703	703	703	703	703	703	703	703	703
Other	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276
Total Current Assets	42,420	25,678	25,321	25,209	25,872	27,137	28,272	27,129	27,712	29,349	31,584
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	1,251,738	1,303,709	1,312,528	1,309,248	1,306,119	1,296,913	1,288,073	1,281,598	1,273,904	1,265,600	1,257,167
Other	535	535	535	535	535	535	535	535	535	535	535
Total Non-Current Assets	1,252,273	1,304,244	1,313,063	1,309,783	1,306,654	1,297,448	1,288,608	1,282,133	1,274,439	1,266,135	1,257,702
TOTAL ASSETS	1,294,694	1,329,922	1,338,384	1,334,992	1,332,526	1,324,584	1,316,880	1,309,262	1,302,151	1,295,484	1,289,286
LIABILITIES											
Current Liabilities											
Payables	10,698	7,488	6,157	6,219	6,281	6,343	6,407	6,471	6,536	6,601	6,667
Contract Liabilities	8,654	4,327	-	-	-	-	-	-	-	-	-
Borrowings	2,037	2,119	2,206	2,286	2,287	2,059	2,076	1,901	1,543	1,558	-
Provisions	5,307	5,250	5,195	5,141	5,087	5,032	4,979	4,927	4,875	4,823	4,772
Total Current Liabilities	26,696	19,184	13,559	13,646	13,654	13,434	13,463	13,299	12,954	12,983	11,440
Non-Current Liabilities											
Borrowings	27,746	25,627	23,421	21,134	18,848	16,789	14,714	12,812	11,269	9,710	9,710
Provisions	18,305	18,205	18,005	17,805	17,605	17,555	17,505	17,455	17,405	17,305	17,205
Total Non-Current Assets	46,051	43,832	41,426	38,939	36,453	34,344	32,219	30,267	28,674	27,015	26,915
TOTAL LIABILITIES	72,747	63,016	54,985	52,585	50,107	47,778	45,682	43,566	41,628	39,998	38,355
NET ASSETS	1,221,947	1,266,906	1,283,399	1,282,406	1,282,419	1,276,806	1,271,199	1,265,697	1,260,523	1,255,486	1,250,932
EQUITY											
Retained Earnings	490,201	535,159	551,652	550,659	550,673	545,059	539,452	533,949	528,775	523,739	519,184
Revaluation Reserves	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747
TOTAL EQUITY	1,221,948	1,266,906	1,283,399	1,282,406	1,282,420	1,276,806	1,271,199	1,265,696	1,260,522	1,255,486	1,250,931

CASH FLOW
for Years 2022 to 2032
CONSOLIDATED

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	21,982	22,143	22,727	23,598	24,452	25,270	26,072	26,891	27,738	28,615	29,522
User Charges & Fees	17,598	14,971	13,194	13,603	14,007	14,362	14,726	15,079	15,442	15,813	16,194
Interest & Investment Revenue	482	733	733	733	733	733	733	733	733	733	733
Grants & Contributions	54,015	62,293	31,791	18,888	19,936	14,622	14,697	15,010	15,331	15,659	15,996
Other	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
	96,477	102,925	71,103	59,570	61,958	57,893	59,215	60,775	62,382	64,038	65,743
Payments											
Employee Benefits & On-costs	18,440	19,287	19,744	20,417	21,016	21,586	22,171	22,724	23,291	23,872	24,468
Materials & Contracts	22,006	20,591	17,364	16,612	17,262	18,029	18,647	19,285	19,941	20,789	21,314
Borrowing Costs	1,049	966	883	797	706	610	524	513	373	316	273
Other	3,627	4,160	4,320	4,488	4,645	4,799	4,925	5,044	5,166	5,292	5,420
Total Non-Current Assets	45,121	45,004	42,311	42,313	43,629	45,025	46,266	47,566	48,771	50,269	51,475
Net Cash provided (or used in) Operating Activities	51,356	57,921	28,792	17,257	18,329	12,869	12,949	13,209	13,611	13,769	14,268
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	975	400	400	400	400	400	400	400	400	400	400
	975	400	400	400	400	400	400	400	400	400	400
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	59,686	70,961	27,306	15,442	15,660	9,600	10,041	12,564	11,416	10,880	10,769
	59,686	70,961	27,306	15,442	15,660	9,600	10,041	12,564	11,416	10,880	10,769
Net Cash provided (or used in) Investing Activities	(58,711)	(70,561)	(26,906)	(15,042)	(15,260)	(9,200)	(9,641)	(12,164)	(11,016)	(10,480)	(10,369)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	2,038	2,037	2,120	2,206	2,287	2,287	2,058	2,076	1,902	1,543	1,559
	2,038	2,037	2,120	2,206	2,287	2,287	2,058	2,076	1,902	1,543	1,559
Net Cash provided (or used in) Financing Activities	(2,038)	(2,037)	(2,120)	(2,206)	(2,287)	(2,287)	(2,058)	(2,076)	(1,902)	(1,543)	(1,559)
Net Increase (Decrease) in Cash & Cash Equivalents	(9,393)	(14,678)	(234)	9	782	1,382	1,250	(1,030)	694	1,746	2,340
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	41,099	31,706	17,028	16,794	16,803	17,585	18,967	20,217	19,187	19,880	21,626
Cash, Cash Equivalents & Investments @ end of the year	31,706	17,028	16,794	16,803	17,585	18,967	20,217	19,187	19,880	21,626	23,966
REPRESENTED BY:											
Cash & Cash Equivalents	6,938	5,278	6,285	6,497	7,455	7,692	7,895	5,886	4,390	4,594	4,856
Investments	24,767	11,750	10,509	10,307	10,131	11,275	12,321	13,299	15,489	17,030	19,108
TOTAL	31,706	17,028	16,794	16,804	17,585	18,967	20,216	19,186	19,879	21,624	23,964

INCOME STATEMENT FORECAST

for Years 2024 to 2034

GENERAL FUND

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	14,588	15,149	15,691	16,212	16,692	17,134	17,574	18,017	18,471	18,937	19,414
User Fees & Charges	10,967	10,287	9,055	9,326	9,575	9,814	10,060	10,303	10,552	10,806	11,068
Interest Received	311	503	503	503	503	503	503	503	503	503	503
Grants & Contributions - Operating	9,482	12,529	12,926	13,223	13,539	13,860	14,189	14,502	14,823	15,151	15,488
Grants & Contributions - Capital	48,308	52,497	21,469	5,342	5,992	232	232	232	232	232	232
Other Operating Revenues	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
Total Operating Revenues	86,056	93,751	62,302	47,354	49,130	44,450	45,545	46,619	47,720	48,847	50,003
Operating Expenses											
Employee Costs	16,423	17,119	17,503	18,101	18,634	19,141	19,662	20,153	20,658	21,174	21,704
Materials & Contracts	15,341	13,103	11,504	12,000	12,462	13,162	13,562	14,166	14,576	15,285	15,661
Depreciation	10,711	11,787	13,022	13,203	13,207	13,237	13,237	13,218	13,233	13,197	13,044
Interest Charges/Borrowing Costs	840	776	711	643	572	498	433	446	331	292	251
Other Operating Expenses	1,837	1,885	1,953	2,015	2,079	2,149	2,253	2,313	2,371	2,424	2,486
Corporate Administration Overheads	(1,800)	(2,100)	(2,174)	(2,250)	(2,317)	(2,381)	(2,446)	(2,508)	(2,570)	(2,635)	(2,700)
Loss on Disposal of Assets	1,290	1,365	1,388	1,410	1,433	1,481	1,556	1,631	1,706	1,781	1,856
Total Operating Expenses	44,641	43,935	43,907	45,121	46,070	47,287	48,255	49,421	50,305	51,519	52,302
Operating Result Surplus/(Deficit)	41,415	49,816	18,395	2,233	3,061	(2,837)	(2,710)	(2,802)	(2,585)	(2,672)	(2,299)
Operating Result Before Capital Amounts Surplus/(Deficit)	(6,893)	(2,681)	(3,074)	(3,109)	(2,931)	(3,069)	(2,942)	(3,034)	(2,817)	(2,904)	(2,531)

BALANCE SHEET

for Years 2024 to 2034

GENERAL FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,043	4,383	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699	3,961
Investments	10,500	2,500	-	-	-	-	-	-	-	-	-
Receivables	6,786	4,750	4,655	4,562	4,471	4,381	4,293	4,208	4,123	4,041	3,960
Inventories	570	565	559	553	548	542	537	532	526	521	516
Real Estate	703	703	703	703	703	703	703	703	703	703	703
Other	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265
Total Current Assets	25,867	14,165	12,572	12,685	13,546	13,688	13,799	11,698	10,113	10,229	10,405
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	1,108,271	1,158,295	1,168,456	1,166,325	1,164,148	1,156,902	1,149,996	1,145,157	1,140,189	1,133,281	1,126,608
Other	301	301	301	301	301	301	301	301	301	301	301
Total Non-Current Assets	1,108,572	1,158,596	1,168,757	1,166,626	1,164,449	1,157,203	1,150,297	1,145,458	1,140,490	1,133,582	1,126,909
TOTAL ASSETS	1,134,438	1,172,761	1,181,329	1,179,311	1,177,995	1,170,891	1,164,096	1,157,157	1,150,603	1,143,811	1,137,314
LIABILITIES											
Current Liabilities											
Payables	9,565	6,695	5,356	5,410	5,464	5,519	5,574	5,630	5,686	5,743	5,800
Contract Liabilities	8,654	4,327	-	-	-	-	-	-	-	-	-
Borrowings	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425	-
Provisions	4,669	4,620	4,571	4,523	4,475	4,428	4,381	4,335	4,289	4,244	4,199
Total Current Assets	24,576	17,395	11,749	11,815	11,800	11,557	11,559	11,338	11,387	11,412	9,999
Non-Current Liabilities											
Borrowings	23,586	21,833	20,012	18,129	16,269	14,658	13,054	11,681	10,268	8,843	8,843
Provisions	18,277	18,177	17,977	17,777	17,577	17,527	17,477	17,427	17,377	17,277	17,177
Total Non-Current Assets	41,863	40,010	37,989	35,906	33,846	32,185	30,531	29,108	27,645	26,120	26,020
TOTAL LIABILITIES	66,439	57,406	49,738	47,722	45,646	43,742	42,090	40,445	39,032	37,531	36,019
NET ASSETS	1,067,999	1,115,355	1,131,591	1,131,590	1,132,349	1,127,148	1,122,006	1,116,711	1,111,570	1,106,280	1,101,296
EQUITY											
Retained Earnings	406,972	454,328	470,564	470,562	471,322	466,122	460,978	455,684	450,542	445,252	440,268
Revaluation Reserves	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027
TOTAL EQUITY	1,067,999	1,115,355	1,131,591	1,131,589	1,132,349	1,127,149	1,122,005	1,116,711	1,111,569	1,106,279	1,101,295

CASH FLOW

for Years 2024 to 2034

GENERAL FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	16,996	17,202	17,534	18,138	18,714	19,239	19,734	20,230	20,738	21,260	21,794
User Charges & Fees	13,342	11,000	9,088	9,359	9,639	9,877	10,121	10,363	10,610	10,864	11,124
Interest & Investment Revenue	311	503	503	503	503	503	503	503	503	503	503
Grants & Contributions	52,529	61,717	30,115	18,612	19,532	14,092	14,421	14,734	15,055	15,384	15,720
Other	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
	85,578	93,207	59,898	49,360	51,217	46,618	47,766	48,892	50,046	51,228	52,439
Payments											
Employee Benefits & On-costs	16,473	17,168	17,552	18,149	18,682	19,188	19,708	20,200	20,703	21,220	21,749
Materials & Contracts	17,446	15,952	12,917	12,004	12,507	13,133	13,604	14,102	14,614	15,314	15,686
Borrowing Costs	840	776	711	643	572	498	433	446	331	292	251
Other	3,227	3,633	3,782	3,928	4,074	4,227	4,389	4,501	4,615	4,722	4,842
Total Non-Current Assets	37,986	37,529	34,962	34,724	35,835	37,046	38,134	39,249	40,263	41,548	42,529
Net Cash provided (or used in) Operating Activities	47,592	55,678	24,936	14,636	15,382	9,572	9,632	9,643	9,782	9,680	9,910
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	975	400	400	400	400	400	400	400	400	400	400
	975	400	400	400	400	400	400	400	400	400	400
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	51,020	64,050	25,075	13,003	12,942	7,874	8,217	10,448	10,305	8,464	8,623
	51,020	64,050	25,075	13,003	12,942	7,874	8,217	10,448	10,305	8,464	8,623
Net Cash provided (or used in) Investing Activities	(50,045)	(63,650)	(24,675)	(12,603)	(12,542)	(7,474)	(7,817)	(10,048)	(9,905)	(8,064)	(8,223)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	1,708	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425
	1,708	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425
Net Cash provided (or used in) Financing Activities	(1,708)	(1,688)	(1,753)	(1,821)	(1,882)	(1,861)	(1,611)	(1,604)	(1,373)	(1,413)	(1,425)
Net Increase (Decrease) in Cash & Cash Equivalents	(4,161)	(9,660)	(1,492)	211	958	237	204	(2,009)	(1,496)	204	262
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	20,704	16,543	6,883	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699
Cash, Cash Equivalents & Investments @ end of the year	16,543	6,883	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699	3,961
REPRESENTED BY:											
Cash & Cash Equivalents	6,043	4,383	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699	3,961
Investments	10,500	2,500	-	-	-	-	-	-	-	-	-
TOTAL	16,543	6,883	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699	3,961

INCOME STATEMENT FORECAST

for Years 2024 to 2034

WATER FUND

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	1,443	1,552	1,633	1,718	1,807	1,900	2,000	2,105	2,215	2,330	2,452
User Fees & Charges	3,290	3,697	3,824	3,956	4,072	4,183	4,296	4,402	4,511	4,622	4,736
Interest Received	107	149	149	149	149	149	149	149	149	149	149
Grants & Contributions - Operating	42	39	39	39	39	39	39	39	39	39	39
Grants & Contributions - Capital	1,268	500	1,600	200	329	454	200	200	200	200	200
Total Operating Revenues	6,148	5,936	7,244	6,060	6,395	6,724	6,683	6,894	7,112	7,339	7,574
Operating Expenses											
Employee Costs	1,147	1,191	1,232	1,275	1,313	1,348	1,385	1,419	1,454	1,490	1,527
Materials & Contracts	2,220	2,590	2,679	2,743	2,864	2,915	3,040	3,083	3,213	3,257	3,395
Depreciation	1,888	1,914	2,403	2,440	2,474	2,507	2,528	2,556	2,585	2,594	2,628
Interest Charges/Borrowing Costs	208	190	172	154	134	113	91	67	42	25	22
Other Operating Expenses	215	252	255	264	267	265	246	249	252	260	263
Corporate Administration Overheads	1,101	1,251	1,295	1,340	1,381	1,419	1,458	1,494	1,531	1,570	1,609
Total Operating Expenses	6,780	7,389	8,037	8,216	8,432	8,566	8,747	8,868	9,077	9,196	9,443
Operating Result Surplus/(Deficit)	(632)	(1,453)	(793)	(2,155)	(2,037)	(1,842)	(2,064)	(1,974)	(1,964)	(1,856)	(1,869)
Operating Result Before Capital Amounts Surplus/(Deficit)	(1,899)	(1,953)	(2,393)	(2,355)	(2,366)	(2,296)	(2,264)	(2,174)	(2,164)	(2,056)	(2,069)

BALANCE SHEET

for Years 2024 to 2034

WATER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	321	321	321	321	321	321	321	321	321	321	321
Investments	4,135	1,729	2,774	2,670	2,773	3,590	3,921	4,383	5,644	6,457	7,359
Receivables	728	713	699	685	671	658	645	632	619	607	595
Inventories	337	334	331	328	325	322	319	316	313	310	307
Other	9	9	9	9	9	9	9	9	9	9	9
Total Current Assets	5,530	3,106	4,134	4,013	4,099	4,900	5,215	5,661	6,906	7,704	8,591
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	95,060	96,716	95,810	94,717	93,555	91,891	90,508	89,097	86,877	85,648	84,355
Other	234	234	234	234	234	234	234	234	234	234	234
Total Non-Current Assets	95,294	96,950	96,044	94,951	93,789	92,125	90,742	89,331	87,111	85,882	84,589
TOTAL ASSETS	100,824	100,056	100,178	98,964	97,888	97,025	95,957	94,992	94,017	93,586	93,180
LIABILITIES											
Current Liabilities											
Payables	601	420	425	429	433	437	442	446	451	455	460
Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	349	366	385	404	426	448	472	528	130	133	-
Provisions	319	315	312	309	306	302	299	296	293	290	287
Total Current Assets	1,269	1,101	1,122	1,142	1,165	1,187	1,213	1,270	874	878	747
Non-Current Liabilities											
Borrowings	4,160	3,794	3,409	3,005	2,579	2,131	1,660	1,131	1,001	867	867
Provisions	14	14	14	14	14	14	14	14	14	14	14
Total Non-Current Assets	4,174	3,808	3,423	3,019	2,593	2,145	1,674	1,145	1,015	881	881
TOTAL LIABILITIES	5,443	4,909	4,545	4,161	3,758	3,332	2,887	2,415	1,889	1,759	1,628
NET ASSETS	95,381	95,147	95,633	94,803	94,130	93,693	93,070	92,577	92,128	91,827	91,552
EQUITY											
Retained Earnings	61,865	61,630	62,116	61,286	60,614	60,175	59,553	59,060	58,611	58,310	58,035
Revaluation Reserves	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517
TOTAL EQUITY	95,382	95,147	95,633	94,803	94,131	93,692	93,070	92,577	92,128	91,827	91,552

CASH FLOW

for Years 2024 to 2034

WATER FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	1,475	1,589	1,672	1,759	1,850	1,946	2,047	2,153	2,264	2,381	2,504
User Charges & Fees	4,018	3,711	3,838	3,969	4,086	4,196	4,309	4,415	4,523	4,634	4,748
Interest & Investment Revenue	107	149	149	149	149	149	149	149	149	149	149
Grants & Contributions	1,309	539	1,639	239	367	492	239	239	239	239	239
	6,908	5,987	7,297	6,115	6,452	6,783	6,744	6,955	7,174	7,402	7,639
Payments											
Employee Benefits & On-costs	1,151	1,194	1,236	1,278	1,316	1,351	1,388	1,422	1,457	1,493	1,530
Materials & Contracts	2,627	2,683	2,590	2,684	2,771	2,854	2,940	3,022	3,107	3,194	3,284
Borrowing Costs	208	190	172	154	134	113	91	67	42	25	22
Other	247	288	294	305	311	311	293	297	301	310	315
Total Non-Current Assets	4,232	4,356	4,292	4,421	4,531	4,629	4,711	4,808	4,907	5,022	5,150
Net Cash provided (or used in) Operating Activities	2,676	1,631	3,005	1,694	1,921	2,154	2,032	2,147	2,267	2,380	2,488
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	6,211	3,688	1,594	1,413	1,413	911	1,254	1,214	479	1,436	1,454
	6,211	3,688	1,594	1,413	1,413	911	1,254	1,214	479	1,436	1,454
Net Cash provided (or used in) Investing Activities	(6,211)	(3,688)	(1,594)	(1,413)	(1,413)	(911)	(1,254)	(1,214)	(479)	(1,436)	(1,454)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	330	349	366	385	404	426	448	472	528	130	133
	330	349	366	385	404	426	448	472	528	130	133
Net Cash provided (or used in) Financing Activities	(330)	(349)	(366)	(385)	(404)	(426)	(448)	(472)	(528)	(130)	(133)
Net Increase (Decrease) in Cash & Cash Equivalents	(3,865)	(2,406)	1,045	(104)	103	817	331	462	1,261	814	901
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	8,321	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778
Cash, Cash Equivalents & Investments @ end of the year	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778	7,680
REPRESENTED BY:											
Cash & Cash Equivalents	321	321	321	321	321	321	321	321	321	321	321
Investments	4,135	1,729	2,774	2,670	2,773	3,590	3,921	4,383	5,644	6,457	7,359
TOTAL	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778	7,680

INCOME STATEMENT FORECAST

for Years 2024 to 2034

SEWER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	3,399	3,241	3,406	3,580	3,763	3,956	4,159	4,372	4,597	4,832	5,080
User Fees & Charges	239	260	268	275	282	289	295	302	308	315	321
Interest Received	65	82	82	82	82	82	82	82	82	82	82
Grants & Contributions - Operating	76	37	37	37	37	37	37	37	37	37	37
Grants & Contributions - Capital	100	-	-	-	-	-	-	-	-	-	-
Total Operating Revenues	3,879	3,620	3,793	3,975	4,165	4,363	4,573	4,793	5,024	5,266	5,520
Operating Expenses											
Employee Costs	813	921	953	986	1,015	1,043	1,072	1,099	1,127	1,156	1,186
Materials & Contracts	2,252	3,632	1,861	1,928	1,989	2,047	2,108	2,165	2,225	2,286	2,349
Depreciation	1,083	1,097	1,074	1,082	1,094	1,111	1,121	1,128	1,139	1,147	1,159
Interest Charges/Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	127	133	134	140	141	136	115	115	116	122	123
Corporate Administration Overheads	699	849	879	909	937	962	989	1,013	1,039	1,065	1,091
Total Operating Expenses	4,974	6,632	4,900	5,045	5,175	5,300	5,404	5,521	5,646	5,776	5,908
Operating Result Surplus/(Deficit)	(1,095)	(3,012)	(1,107)	(1,070)	(1,011)	(936)	(831)	(728)	(622)	(510)	(388)
Operating Result Before Capital Amounts Surplus/(Deficit)	(1,195)	(3,012)	(1,107)	(1,070)	(1,011)	(936)	(831)	(728)	(622)	(510)	(388)

BALANCE SHEET

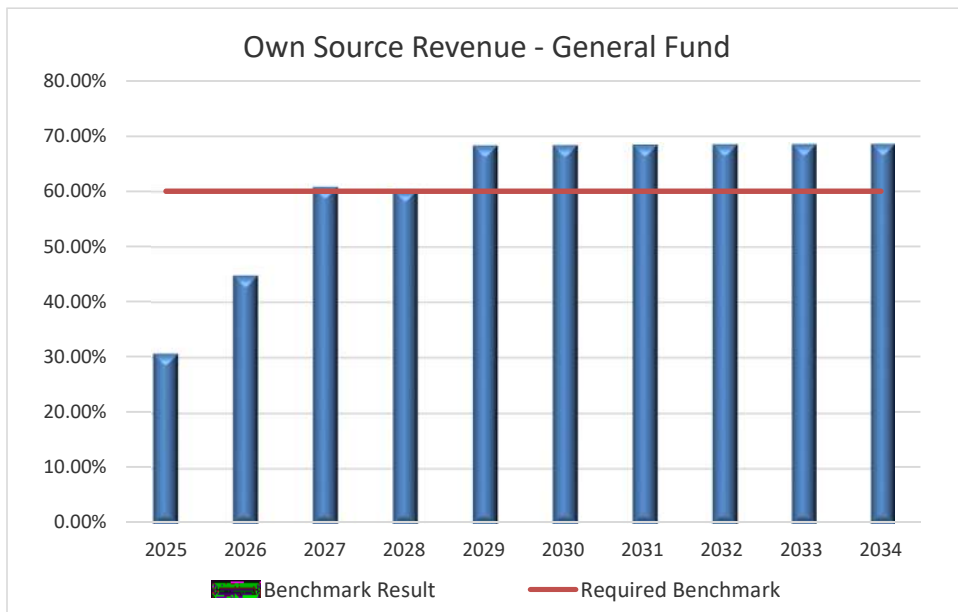
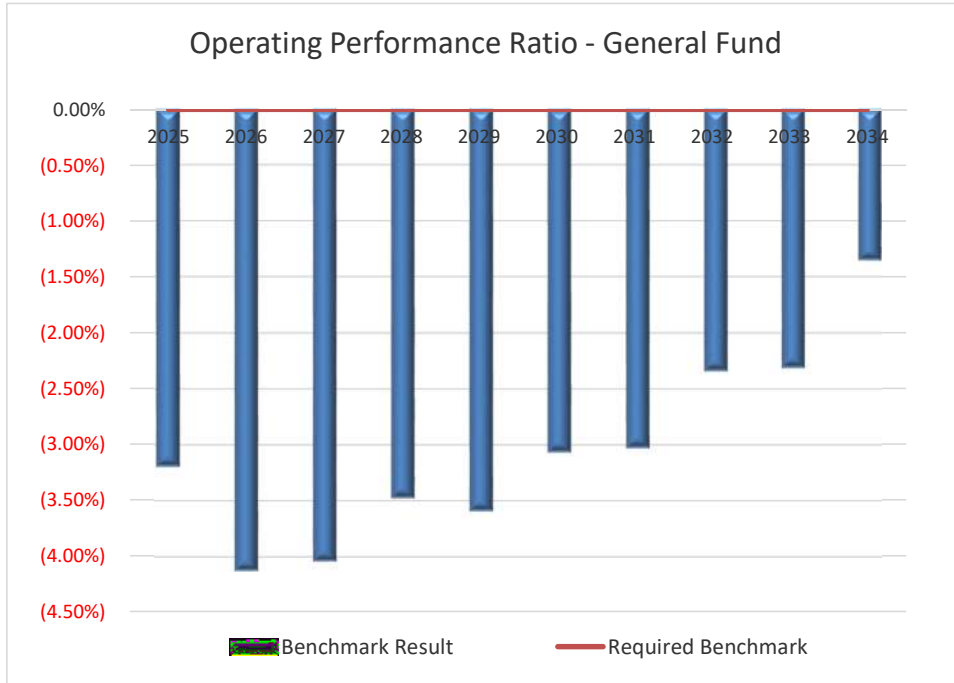
for Years 2024 to 2034
SEWER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	574	574	574	574	574	574	574	574	574	574	574
Investments	10,132	7,521	7,735	7,637	7,358	7,685	8,400	8,916	9,845	10,573	11,749
Receivables	256	251	246	241	236	231	227	222	218	213	209
Inventories	59	59	58	58	57	56	56	55	55	54	54
Other	2	2	2	2	2	2	2	2	2	2	2
Total Current Assets	11,024	8,406	8,615	8,511	8,227	8,549	9,258	9,770	10,693	11,416	12,588
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	48,408	48,699	48,262	48,205	48,416	48,120	47,569	47,344	46,838	46,671	46,204
Total Non-Current Assets	48,408	48,699	48,262	48,205	48,416	48,120	47,569	47,344	46,838	46,671	46,204
TOTAL ASSETS	59,431	57,105	56,877	56,716	56,643	56,669	56,828	57,114	57,531	58,087	58,792
LIABILITIES											
Current Liabilities											
Payables	532	372	376	380	384	388	391	395	399	403	407
Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Provisions	319	315	312	309	306	302	299	296	293	290	287
Total Current Assets	851	688	688	689	689	690	691	691	692	693	694
Non-Current Liabilities											
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Provisions	14	14	14	14	14	14	14	14	14	14	14
Total Non-Current Assets	14	14	14	14	14	14	14	14	14	14	14
TOTAL LIABILITIES	865	702	702	703	703	704	705	705	706	707	708
NET ASSETS	58,567	56,403	56,175	56,014	55,939	55,965	56,123	56,408	56,825	57,380	58,084
EQUITY											
Retained Earnings	21,364	19,200	18,972	18,811	18,737	18,762	18,921	19,206	19,622	20,177	20,881
Revaluation Reserves	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203
TOTAL EQUITY	58,567	56,403	56,175	56,014	55,940	55,965	56,124	56,409	56,825	57,380	58,084

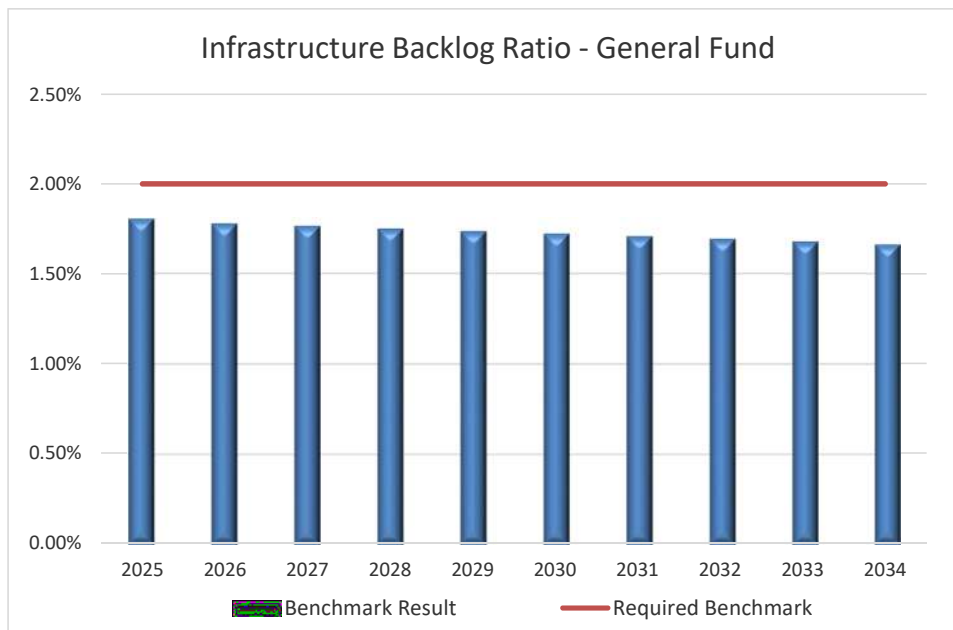
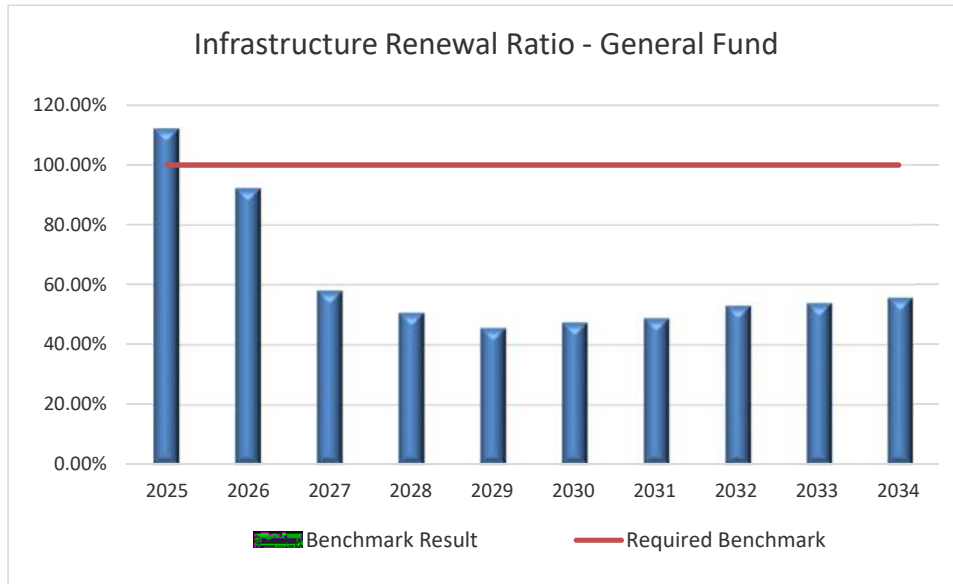
CASH FLOW
for Years 2024 to 2034
SEWER FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	3,511	3,352	3,522	3,701	3,888	4,085	4,291	4,508	4,735	4,974	5,225
User Charges & Fees	239	260	268	275	282	289	295	302	308	315	321
Interest & Investment Revenue	65	82	82	82	82	82	82	82	82	82	82
Grants & Contributions	176	37	37	37	37	37	37	37	37	37	37
	3,991	3,731	3,908	4,095	4,289	4,492	4,705	4,928	5,162	5,408	5,665
Payments											
Employee Benefits & On-costs	817	925	956	989	1,018	1,046	1,075	1,102	1,130	1,159	1,189
Materials & Contracts	1,933	1,956	1,857	1,924	1,984	2,043	2,103	2,161	2,220	2,281	2,344
Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Other	154	239	244	255	260	261	242	246	250	259	264
Total Non-Current Assets	2,903	3,119	3,057	3,168	3,263	3,350	3,420	3,509	3,601	3,700	3,796
Net Cash provided (or used in) Operating Activities	1,087	612	851	927	1,026	1,142	1,285	1,419	1,562	1,708	1,869
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	2,455	3,223	637	1,025	1,305	815	570	903	633	980	693
Purchase of Real Estate	-	-	-	-	-	-	-	-	-	-	-
Purchase of Other Assets - Water Licences	-	-	-	-	-	-	-	-	-	-	-
	2,455	3,223	637	1,025	1,305	815	570	903	633	980	693
Net Cash provided (or used in) Investing Activities	(2,455)	(3,223)	(637)	(1,025)	(1,305)	(815)	(570)	(903)	(633)	(980)	(693)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Financing Activities	-	-	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) in Cash & Cash Equivalents	(1,368)	(2,611)	214	(98)	(279)	327	715	517	929	728	1,176
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	12,074	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,491	10,420	11,148
Cash, Cash Equivalents & Investments @ end of the year	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,491	10,420	11,148	12,325
REPRESENTED BY:											
Cash & Cash Equivalents	574	574	574	574	574	574	574	574	574	574	574
Investments	10,132	7,521	7,735	7,637	7,358	7,685	8,400	8,916	9,845	10,573	11,749
TOTAL	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147	12,323

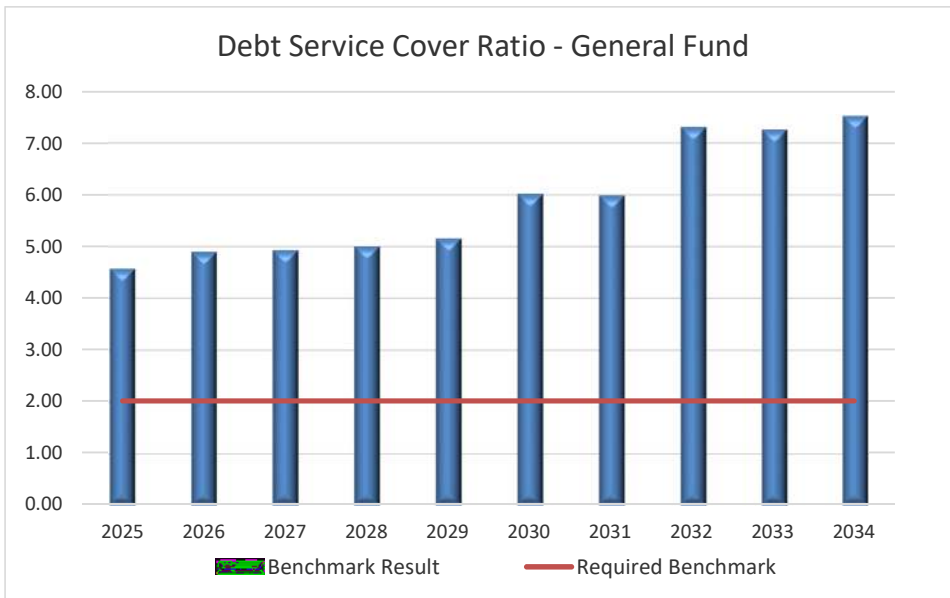
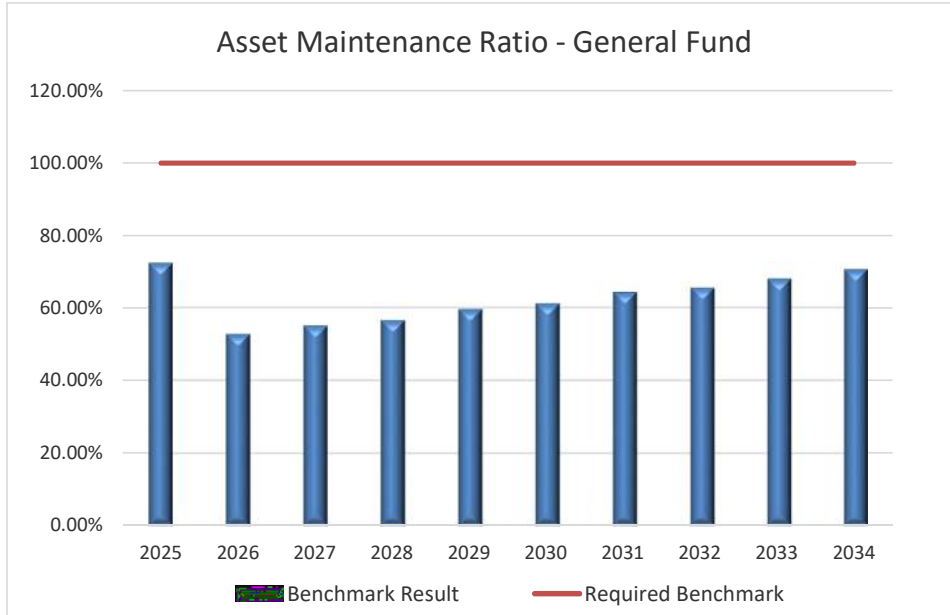
Scenario 1 - Base Rate Peg increment with reduction in services or capital expenditure from Scenario 2 and 3



Scenario 1 - Base Rate Peg increment with reduction in services or capital expenditure from Scenario 2 and 3



Scenario 1 - Base Rate Peg increment with reduction in services or capital expenditure from Scenario 2 and 3



Scenario 2

SRV of 10% over 3 years

with a cumulative effect of 33.10%

INCOME STATEMENT FORECAST

for Years 2022 to 2032

CONSOLIDATED

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	19,430	19,942	21,548	23,297	25,187	25,997	26,815	27,654	28,521	29,419	30,348
User Fees & Charges	14,495	14,244	13,146	13,557	13,929	14,286	14,652	15,006	15,370	15,743	16,125
Interest Received	482	733	733	733	733	733	733	733	733	733	733
Grants & Contributions - Operating	9,600	12,605	13,002	13,299	13,615	13,936	14,265	14,578	14,899	15,227	15,564
Grants & Contributions - Capital	49,676	52,997	23,069	5,542	6,321	686	432	432	432	432	432
Other Operating Revenues	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
Total Operating Revenues	96,083	103,306	74,156	59,176	62,615	58,545	59,883	61,465	63,094	64,772	66,500
Operating Expenses											
Employee Costs	18,383	19,231	19,688	20,362	20,962	21,532	22,118	22,672	23,239	23,820	24,417
Materials & Contracts	19,812	19,325	16,537	17,171	17,815	18,624	19,210	19,914	20,513	21,328	21,904
Depreciation	13,682	14,798	16,498	16,724	16,783	16,880	16,939	16,985	17,069	17,080	17,003
Interest Charges/Borrowing Costs	1,049	966	883	797	706	610	524	513	373	316	273
Other Operating Expenses	2,178	2,270	2,342	2,419	2,487	2,550	2,613	2,678	2,739	2,805	2,872
Loss on Disposal of Assets	1,290	1,365	1,388	1,410	1,433	1,481	1,556	1,631	1,706	1,781	1,856
Total Operating Expenses	56,394	57,955	57,337	58,882	60,185	61,678	62,960	64,392	65,639	67,132	68,325
Operating Result Surplus/(Deficit)	39,688	45,351	16,819	295	2,430	(3,134)	(3,076)	(2,927)	(2,545)	(2,360)	(1,826)
Operating Result Before Capital Amounts Surplus/(Deficit)	(9,988)	(7,646)	(6,250)	(5,248)	(3,891)	(3,820)	(3,508)	(3,359)	(2,977)	(2,792)	(2,258)

BALANCE SHEET

for Years 2022 to 2032

CONSOLIDATED

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,938	5,278	6,610	7,527	9,635	10,297	10,937	9,375	8,338	9,011	9,755
Investments	24,767	11,750	10,509	10,307	10,131	11,275	12,321	13,299	15,489	17,030	19,108
Receivables	7,769	5,713	5,599	5,487	5,377	5,270	5,165	5,062	4,960	4,861	4,764
Inventories	967	957	948	939	930	921	912	903	894	885	876
Real Estate	703	703	703	703	703	703	703	703	703	703	703
Other	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276
Total Current Assets	42,420	25,678	25,645	26,239	28,052	29,743	31,314	30,618	31,660	33,766	36,482
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	1,251,738	1,303,709	1,312,528	1,309,829	1,307,967	1,300,817	1,294,070	1,289,725	1,284,198	1,278,103	1,271,920
Other	535	535	535	535	535	535	535	535	535	535	535
Total Non-Current Assets	1,252,273	1,304,244	1,313,063	1,310,364	1,308,502	1,301,352	1,294,605	1,290,260	1,284,733	1,278,638	1,272,455
TOTAL ASSETS	1,294,694	1,329,922	1,338,708	1,336,603	1,336,554	1,331,095	1,325,919	1,320,878	1,316,393	1,312,404	1,308,937
LIABILITIES											
Current Liabilities											
Payables	10,698	7,488	6,157	6,219	6,281	6,343	6,407	6,471	6,536	6,601	6,667
Contract Liabilities	8,654	4,327	-	-	-	-	-	-	-	-	-
Borrowings	2,037	2,119	2,206	2,286	2,287	2,059	2,076	1,901	1,543	1,558	-
Provisions	5,307	5,250	5,195	5,141	5,087	5,032	4,979	4,927	4,875	4,823	4,772
Total Current Liabilities	26,696	19,184	13,559	13,646	13,654	13,434	13,463	13,299	12,954	12,983	11,440
Non-Current Liabilities											
Borrowings	27,746	25,627	23,421	21,134	18,848	16,789	14,714	12,812	11,269	9,710	9,710
Provisions	18,305	18,205	18,005	17,805	17,605	17,555	17,505	17,455	17,405	17,305	17,205
Total Non-Current Liabilities	46,051	43,832	41,426	38,939	36,453	34,344	32,219	30,267	28,674	27,015	26,915
TOTAL LIABILITIES	72,747	63,016	54,985	52,585	50,107	47,778	45,682	43,566	41,628	39,998	38,355
NET ASSETS	1,221,947	1,266,906	1,283,723	1,284,017	1,286,447	1,283,317	1,280,238	1,277,312	1,274,765	1,272,407	1,270,582
EQUITY											
Retained Earnings	490,201	535,159	551,976	552,270	554,701	551,569	548,491	545,566	543,018	540,660	538,836
Revaluation Reserves	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747
TOTAL EQUITY	1,221,948	1,266,906	1,283,723	1,284,017	1,286,448	1,283,316	1,280,238	1,277,313	1,274,765	1,272,407	1,270,583

CASH FLOW
for Years 2022 to 2032
CONSOLIDATED

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	21,982	22,143	23,545	25,385	27,378	28,277	29,155	30,050	30,976	31,934	32,925
User Charges & Fees	17,598	14,971	13,194	13,603	14,007	14,362	14,726	15,079	15,442	15,813	16,194
Interest & Investment Revenue	482	733	733	733	733	733	733	733	733	733	733
Grants & Contributions	54,015	62,293	31,791	18,888	19,936	14,622	14,697	15,010	15,331	15,659	15,996
Other	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
	96,477	102,925	71,921	61,357	64,883	60,901	62,298	63,935	65,621	67,357	69,145
Payments											
Employee Benefits & On-costs	18,440	19,287	19,744	20,417	21,016	21,586	22,171	22,724	23,291	23,872	24,468
Materials & Contracts	22,006	20,591	17,857	17,112	17,762	18,529	19,147	19,785	20,441	21,289	21,814
Borrowing Costs	1,049	966	883	797	706	610	524	513	373	316	273
Other	3,627	4,160	4,320	4,488	4,645	4,799	4,925	5,044	5,166	5,292	5,420
Total Non-Current Assets	45,121	45,004	42,804	42,814	44,129	45,525	46,766	48,066	49,271	50,769	51,975
Net Cash provided (or used in) Operating Activities	51,356	57,921	29,116	18,544	20,754	15,376	15,531	15,869	16,350	16,588	17,170
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	975	400	400	400	400	400	400	400	400	400	400
	975	400	400	400	400	400	400	400	400	400	400
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	59,686	70,961	27,306	16,023	16,935	11,682	12,187	14,777	13,696	13,230	13,190
	59,686	70,961	27,306	16,023	16,935	11,682	12,187	14,777	13,696	13,230	13,190
Net Cash provided (or used in) Investing Activities	(58,711)	(70,561)	(26,906)	(15,623)	(16,535)	(11,282)	(11,787)	(14,377)	(13,296)	(12,830)	(12,790)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	2,038	2,037	2,120	2,206	2,287	2,287	2,058	2,076	1,902	1,543	1,559
	2,038	2,037	2,120	2,206	2,287	2,287	2,058	2,076	1,902	1,543	1,559
Net Cash provided (or used in) Financing Activities	(2,038)	(2,037)	(2,120)	(2,206)	(2,287)	(2,287)	(2,058)	(2,076)	(1,902)	(1,543)	(1,559)
Net Increase (Decrease) in Cash & Cash Equivalents	(9,393)	(14,678)	90	714	1,933	1,807	1,686	(584)	1,152	2,215	2,821
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	41,099	31,706	17,028	17,119	17,833	19,766	21,573	23,258	22,675	23,826	26,041
Cash, Cash Equivalents & Investments @ end of the year	31,706	17,028	17,119	17,833	19,766	21,573	23,258	22,675	23,826	26,041	28,862
REPRESENTED BY:											
Cash & Cash Equivalents	6,938	5,278	6,610	7,527	9,635	10,297	10,937	9,375	8,338	9,011	9,755
Investments	24,767	11,750	10,509	10,307	10,131	11,275	12,321	13,299	15,489	17,030	19,108
TOTAL	31,706	17,028	17,119	17,833	19,766	21,572	23,258	22,675	23,827	26,041	28,863

INCOME STATEMENT FORECAST

for Years 2024 to 2034

GENERAL FUND

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	14,588	15,149	16,509	17,999	19,617	20,141	20,656	21,176	21,710	22,256	22,816
User Fees & Charges	10,967	10,287	9,055	9,326	9,575	9,814	10,060	10,303	10,552	10,806	11,068
Interest Received	311	503	503	503	503	503	503	503	503	503	503
Grants & Contributions - Operating	9,482	12,529	12,926	13,223	13,539	13,860	14,189	14,502	14,823	15,151	15,488
Grants & Contributions - Capital	48,308	52,497	21,469	5,342	5,992	232	232	232	232	232	232
Other Operating Revenues	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
Total Operating Revenues	86,056	93,751	63,119	49,141	52,056	47,457	48,627	49,778	50,958	52,167	53,405
Operating Expenses											
Employee Costs	16,423	17,119	17,503	18,101	18,634	19,141	19,662	20,153	20,658	21,174	21,704
Materials & Contracts	15,341	13,103	11,997	12,500	12,962	13,662	14,062	14,666	15,076	15,785	16,161
Depreciation	10,711	11,787	13,022	13,203	13,215	13,263	13,290	13,301	13,345	13,339	13,215
Interest Charges/Borrowing Costs	840	776	711	643	572	498	433	446	331	292	251
Other Operating Expenses	1,837	1,885	1,953	2,015	2,079	2,149	2,253	2,313	2,371	2,424	2,486
Corporate Administration Overheads	(1,800)	(2,100)	(2,174)	(2,250)	(2,317)	(2,381)	(2,446)	(2,508)	(2,570)	(2,635)	(2,700)
Loss on Disposal of Assets	1,290	1,365	1,388	1,410	1,433	1,481	1,556	1,631	1,706	1,781	1,856
Total Operating Expenses	44,641	43,935	44,400	45,621	46,577	47,812	48,808	50,003	50,916	52,161	52,974
Operating Result Surplus/(Deficit)	41,415	49,816	18,719	3,520	5,478	(355)	(181)	(225)	42	6	431
Operating Result Before Capital Amounts Surplus/(Deficit)	(6,893)	(2,681)	(2,750)	(1,822)	(514)	(587)	(413)	(457)	(190)	(226)	199

BALANCE SHEET

for Years 2024 to 2034

GENERAL FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,043	4,383	5,715	6,632	8,740	9,402	10,042	8,480	7,443	8,116	8,860
Investments	10,500	2,500	-	-	-	-	-	-	-	-	-
Receivables	6,786	4,750	4,655	4,562	4,471	4,381	4,293	4,208	4,123	4,041	3,960
Inventories	570	565	559	553	548	542	537	532	526	521	516
Real Estate	703	703	703	703	703	703	703	703	703	703	703
Other	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265
Total Current Assets	25,867	14,165	12,897	13,715	15,726	16,294	16,841	15,188	14,060	14,646	15,304
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	1,108,271	1,158,295	1,168,456	1,166,906	1,165,996	1,160,806	1,155,993	1,153,284	1,150,483	1,145,784	1,141,360
Other	301	301	301	301	301	301	301	301	301	301	301
Total Non-Current Assets	1,108,572	1,158,596	1,168,757	1,167,207	1,166,297	1,161,107	1,156,294	1,153,585	1,150,784	1,146,085	1,141,661
TOTAL ASSETS	1,134,438	1,172,761	1,181,653	1,180,922	1,182,024	1,177,401	1,173,135	1,168,772	1,164,845	1,160,731	1,156,965
LIABILITIES											
Current Liabilities											
Payables	9,565	6,695	5,356	5,410	5,464	5,519	5,574	5,630	5,686	5,743	5,800
Contract Liabilities	8,654	4,327	-	-	-	-	-	-	-	-	-
Borrowings	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425	-
Provisions	4,669	4,620	4,571	4,523	4,475	4,428	4,381	4,335	4,289	4,244	4,199
Total Current Assets	24,576	17,395	11,749	11,815	11,800	11,557	11,559	11,338	11,387	11,412	9,999
Non-Current Liabilities											
Borrowings	23,586	21,833	20,012	18,129	16,269	14,658	13,054	11,681	10,268	8,843	8,843
Provisions	18,277	18,177	17,977	17,777	17,577	17,527	17,477	17,427	17,377	17,277	17,177
Total Non-Current Assets	41,863	40,010	37,989	35,906	33,846	32,185	30,531	29,108	27,645	26,120	26,020
TOTAL LIABILITIES	66,439	57,406	49,738	47,722	45,646	43,742	42,090	40,445	39,032	37,531	36,019
NET ASSETS	1,067,999	1,115,355	1,131,916	1,133,200	1,136,378	1,133,659	1,131,045	1,128,327	1,125,812	1,123,200	1,120,947
EQUITY											
Retained Earnings	406,972	454,328	470,889	472,173	475,351	472,632	470,018	467,300	464,785	462,173	459,920
Revaluation Reserves	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027
TOTAL EQUITY	1,067,999	1,115,355	1,131,916	1,133,200	1,136,378	1,133,659	1,131,045	1,128,327	1,125,812	1,123,200	1,120,947

CASH FLOW

for Years 2024 to 2034

GENERAL FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	16,996	17,202	18,351	19,925	21,639	22,246	22,816	23,389	23,977	24,579	25,196
User Charges & Fees	13,342	11,000	9,088	9,359	9,639	9,877	10,121	10,363	10,610	10,864	11,124
Interest & Investment Revenue	311	503	503	503	503	503	503	503	503	503	503
Grants & Contributions	52,529	61,717	30,115	18,612	19,532	14,092	14,421	14,734	15,055	15,384	15,720
Other	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
	85,578	93,207	60,715	51,147	54,142	49,625	50,849	52,052	53,284	54,547	55,841
Payments											
Employee Benefits & On-costs	16,473	17,168	17,552	18,149	18,682	19,188	19,708	20,200	20,703	21,220	21,749
Materials & Contracts	17,446	15,952	13,410	12,504	13,007	13,633	14,104	14,602	15,114	15,814	16,186
Borrowing Costs	840	776	711	643	572	498	433	446	331	292	251
Other	3,227	3,633	3,782	3,928	4,074	4,227	4,389	4,501	4,615	4,722	4,842
Total Non-Current Assets	37,986	37,529	35,455	35,224	36,335	37,546	38,634	39,749	40,763	42,048	43,029
Net Cash provided (or used in) Operating Activities	47,592	55,678	25,260	15,923	17,808	12,079	12,214	12,303	12,521	12,500	12,813
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	975	400	400	400	400	400	400	400	400	400	400
	975	400	400	400	400	400	400	400	400	400	400
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	51,020	64,050	25,075	13,585	14,217	9,956	10,364	12,661	12,585	10,814	11,044
	51,020	64,050	25,075	13,585	14,217	9,956	10,364	12,661	12,585	10,814	11,044
Net Cash provided (or used in) Investing Activities	(50,045)	(63,650)	(24,675)	(13,185)	(13,817)	(9,556)	(9,964)	(12,261)	(12,185)	(10,414)	(10,644)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	1,708	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425
	1,708	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425
Net Cash provided (or used in) Financing Activities	(1,708)	(1,688)	(1,753)	(1,821)	(1,882)	(1,861)	(1,611)	(1,604)	(1,373)	(1,413)	(1,425)
Net Increase (Decrease) in Cash & Cash Equivalents	(4,161)	(9,660)	(1,168)	917	2,109	662	640	(1,562)	(1,038)	673	744
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	20,704	16,543	6,883	5,715	6,632	8,740	9,402	10,042	8,480	7,443	8,116
Cash, Cash Equivalents & Investments @ end of the year	16,543	6,883	5,715	6,632	8,740	9,402	10,042	8,480	7,443	8,116	8,860
REPRESENTED BY:											
Cash & Cash Equivalents	6,043	4,383	5,715	6,632	8,740	9,402	10,042	8,480	7,443	8,116	8,860
Investments	10,500	2,500	-	-	-	-	-	-	-	-	-
TOTAL	16,543	6,883	5,715	6,632	8,740	9,402	10,042	8,480	7,443	8,116	8,860

INCOME STATEMENT FORECAST

for Years 2024 to 2034

WATER FUND

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	1,443	1,552	1,633	1,718	1,807	1,900	2,000	2,105	2,215	2,330	2,452
User Fees & Charges	3,290	3,697	3,824	3,956	4,072	4,183	4,296	4,402	4,511	4,622	4,736
Interest Received	107	149	149	149	149	149	149	149	149	149	149
Grants & Contributions - Operating	42	39	39	39	39	39	39	39	39	39	39
Grants & Contributions - Capital	1,268	500	1,600	200	329	454	200	200	200	200	200
Total Operating Revenues	6,148	5,936	7,244	6,060	6,395	6,724	6,683	6,894	7,112	7,339	7,574
Operating Expenses											
Employee Costs	1,147	1,191	1,232	1,275	1,313	1,348	1,385	1,419	1,454	1,490	1,527
Materials & Contracts	2,220	2,590	2,679	2,743	2,864	2,915	3,040	3,083	3,213	3,257	3,395
Depreciation	1,888	1,914	2,403	2,440	2,474	2,507	2,528	2,556	2,585	2,594	2,628
Interest Charges/Borrowing Costs	208	190	172	154	134	113	91	67	42	25	22
Other Operating Expenses	215	252	255	264	267	265	246	249	252	260	263
Corporate Administration Overheads	1,101	1,251	1,295	1,340	1,381	1,419	1,458	1,494	1,531	1,570	1,609
Total Operating Expenses	6,780	7,389	8,037	8,216	8,432	8,566	8,747	8,868	9,077	9,196	9,443
Operating Result Surplus/(Deficit)	(632)	(1,453)	(793)	(2,155)	(2,037)	(1,842)	(2,064)	(1,974)	(1,964)	(1,856)	(1,869)
Operating Result Before Capital Amounts Surplus/(Deficit)	(1,899)	(1,953)	(2,393)	(2,355)	(2,366)	(2,296)	(2,264)	(2,174)	(2,164)	(2,056)	(2,069)

BALANCE SHEET
for Years 2024 to 2034
WATER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	321	321	321	321	321	321	321	321	321	321	321
Investments	4,135	1,729	2,774	2,670	2,773	3,590	3,921	4,383	5,644	6,457	7,359
Receivables	728	713	699	685	671	658	645	632	619	607	595
Inventories	337	334	331	328	325	322	319	316	313	310	307
Other	9	9	9	9	9	9	9	9	9	9	9
Total Current Assets	5,530	3,106	4,134	4,013	4,099	4,900	5,215	5,661	6,906	7,704	8,591
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	95,060	96,716	95,810	94,717	93,555	91,891	90,508	89,097	86,877	85,648	84,355
Other	234	234	234	234	234	234	234	234	234	234	234
Total Non-Current Assets	95,294	96,950	96,044	94,951	93,789	92,125	90,742	89,331	87,111	85,882	84,589
TOTAL ASSETS	100,824	100,056	100,178	98,964	97,888	97,025	95,957	94,992	94,017	93,586	93,180
LIABILITIES											
Current Liabilities											
Payables	601	420	425	429	433	437	442	446	451	455	460
Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	349	366	385	404	426	448	472	528	130	133	-
Provisions	319	315	312	309	306	302	299	296	293	290	287
Total Current Assets	1,269	1,101	1,122	1,142	1,165	1,187	1,213	1,270	874	878	747
Non-Current Liabilities											
Borrowings	4,160	3,794	3,409	3,005	2,579	2,131	1,660	1,131	1,001	867	867
Provisions	14	14	14	14	14	14	14	14	14	14	14
Total Non-Current Assets	4,174	3,808	3,423	3,019	2,593	2,145	1,674	1,145	1,015	881	881
TOTAL LIABILITIES	5,443	4,909	4,545	4,161	3,758	3,332	2,887	2,415	1,889	1,759	1,628
NET ASSETS	95,381	95,147	95,633	94,803	94,130	93,693	93,070	92,577	92,128	91,827	91,552
EQUITY											
Retained Earnings	61,865	61,630	62,116	61,286	60,614	60,175	59,553	59,060	58,611	58,310	58,035
Revaluation Reserves	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517
TOTAL EQUITY	95,382	95,147	95,633	94,803	94,131	93,692	93,070	92,577	92,128	91,827	91,552

CASH FLOW

for Years 2024 to 2034

WATER FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	1,475	1,589	1,672	1,759	1,850	1,946	2,047	2,153	2,264	2,381	2,504
User Charges & Fees	4,018	3,711	3,838	3,969	4,086	4,196	4,309	4,415	4,523	4,634	4,748
Interest & Investment Revenue	107	149	149	149	149	149	149	149	149	149	149
Grants & Contributions	1,309	539	1,639	239	367	492	239	239	239	239	239
	6,908	5,987	7,297	6,115	6,452	6,783	6,744	6,955	7,174	7,402	7,639
Payments											
Employee Benefits & On-costs	1,151	1,194	1,236	1,278	1,316	1,351	1,388	1,422	1,457	1,493	1,530
Materials & Contracts	2,627	2,683	2,590	2,684	2,771	2,854	2,940	3,022	3,107	3,194	3,284
Borrowing Costs	208	190	172	154	134	113	91	67	42	25	22
Other	247	288	294	305	311	311	293	297	301	310	315
Total Non-Current Assets	4,232	4,356	4,292	4,421	4,531	4,629	4,711	4,808	4,907	5,022	5,150
Net Cash provided (or used in) Operating Activities	2,676	1,631	3,005	1,694	1,921	2,154	2,032	2,147	2,267	2,380	2,488
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	6,211	3,688	1,594	1,413	1,413	911	1,254	1,214	479	1,436	1,454
	6,211	3,688	1,594	1,413	1,413	911	1,254	1,214	479	1,436	1,454
Net Cash provided (or used in) Investing Activities	(6,211)	(3,688)	(1,594)	(1,413)	(1,413)	(911)	(1,254)	(1,214)	(479)	(1,436)	(1,454)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	330	349	366	385	404	426	448	472	528	130	133
	330	349	366	385	404	426	448	472	528	130	133
Net Cash provided (or used in) Financing Activities	(330)	(349)	(366)	(385)	(404)	(426)	(448)	(472)	(528)	(130)	(133)
Net Increase (Decrease) in Cash & Cash Equivalents	(3,865)	(2,406)	1,045	(104)	103	817	331	462	1,261	814	901
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	8,321	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778
Cash, Cash Equivalents & Investments @ end of the year	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778	7,680
REPRESENTED BY:											
Cash & Cash Equivalents	321	321	321	321	321	321	321	321	321	321	321
Investments	4,135	1,729	2,774	2,670	2,773	3,590	3,921	4,383	5,644	6,457	7,359
TOTAL	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778	7,680

INCOME STATEMENT FORECAST

for Years 2024 to 2034

SEWER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	3,399	3,241	3,406	3,580	3,763	3,956	4,159	4,372	4,597	4,832	5,080
User Fees & Charges	239	260	268	275	282	289	295	302	308	315	321
Interest Received	65	82	82	82	82	82	82	82	82	82	82
Grants & Contributions - Operating	76	37	37	37	37	37	37	37	37	37	37
Grants & Contributions - Capital	100	-	-	-	-	-	-	-	-	-	-
Total Operating Revenues	3,879	3,620	3,793	3,975	4,165	4,363	4,573	4,793	5,024	5,266	5,520
Operating Expenses											
Employee Costs	813	921	953	986	1,015	1,043	1,072	1,099	1,127	1,156	1,186
Materials & Contracts	2,252	3,632	1,861	1,928	1,989	2,047	2,108	2,165	2,225	2,286	2,349
Depreciation	1,083	1,097	1,074	1,082	1,094	1,111	1,121	1,128	1,139	1,147	1,159
Interest Charges/Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	127	133	134	140	141	136	115	115	116	122	123
Corporate Administration Overheads	699	849	879	909	937	962	989	1,013	1,039	1,065	1,091
Total Operating Expenses	4,974	6,632	4,900	5,045	5,175	5,300	5,404	5,521	5,646	5,776	5,908
Operating Result Surplus/(Deficit)	(1,095)	(3,012)	(1,107)	(1,070)	(1,011)	(936)	(831)	(728)	(622)	(510)	(388)
Operating Result Before Capital Amounts Surplus/(Deficit)	(1,195)	(3,012)	(1,107)	(1,070)	(1,011)	(936)	(831)	(728)	(622)	(510)	(388)

BALANCE SHEET

for Years 2024 to 2034

SEWER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	574	574	574	574	574	574	574	574	574	574	574
Investments	10,132	7,521	7,735	7,637	7,358	7,685	8,400	8,916	9,845	10,573	11,749
Receivables	256	251	246	241	236	231	227	222	218	213	209
Inventories	59	59	58	58	57	56	56	55	55	54	54
Other	2	2	2	2	2	2	2	2	2	2	2
Total Current Assets	11,024	8,406	8,615	8,511	8,227	8,549	9,258	9,770	10,693	11,416	12,588
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	48,408	48,699	48,262	48,205	48,416	48,120	47,569	47,344	46,838	46,671	46,204
Total Non-Current Assets	48,408	48,699	48,262	48,205	48,416	48,120	47,569	47,344	46,838	46,671	46,204
TOTAL ASSETS	59,431	57,105	56,877	56,716	56,643	56,669	56,828	57,114	57,531	58,087	58,792
LIABILITIES											
Current Liabilities											
Payables	532	372	376	380	384	388	391	395	399	403	407
Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Provisions	319	315	312	309	306	302	299	296	293	290	287
Total Current Assets	851	688	688	689	689	690	691	691	692	693	694
Non-Current Liabilities											
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Provisions	14	14	14	14	14	14	14	14	14	14	14
Total Non-Current Assets	14	14	14	14	14	14	14	14	14	14	14
TOTAL LIABILITIES	865	702	702	703	703	704	705	705	706	707	708
NET ASSETS	58,567	56,403	56,175	56,014	55,939	55,965	56,123	56,408	56,825	57,380	58,084
EQUITY											
Retained Earnings	21,364	19,200	18,972	18,811	18,737	18,762	18,921	19,206	19,622	20,177	20,881
Revaluation Reserves	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203
TOTAL EQUITY	58,567	56,403	56,175	56,014	55,940	55,965	56,124	56,409	56,825	57,380	58,084

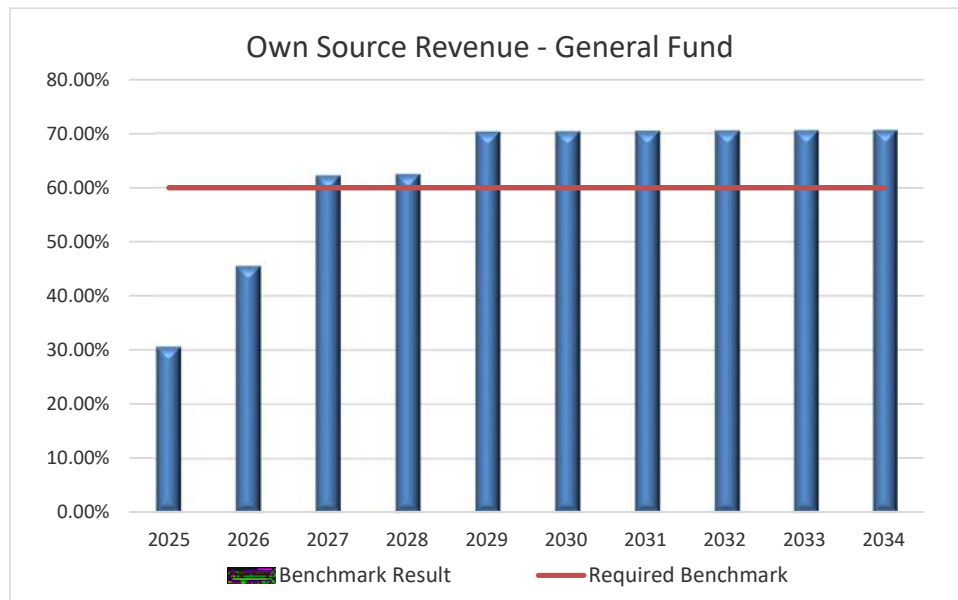
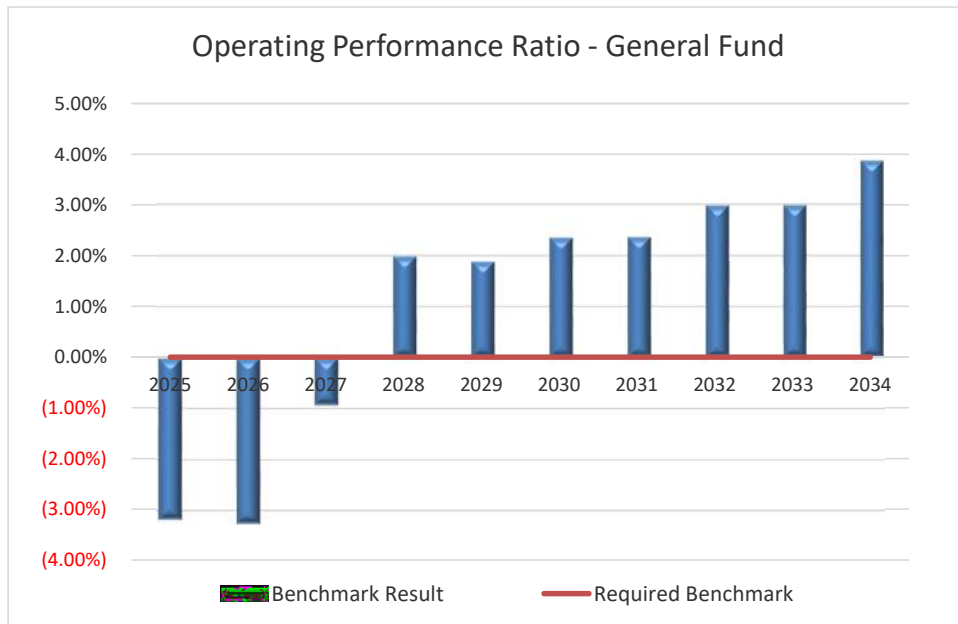
CASH FLOW

for Years 2024 to 2034

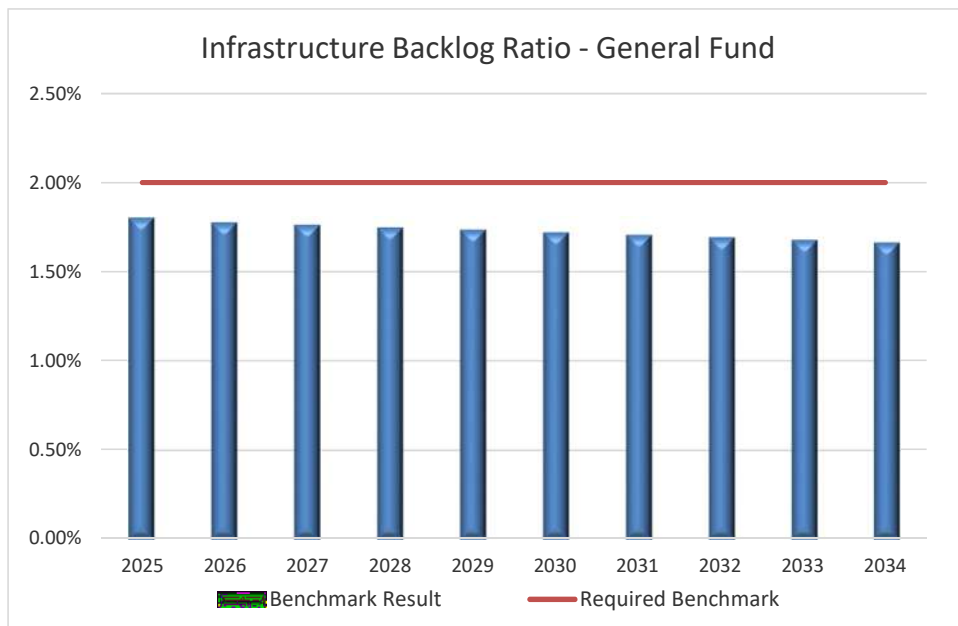
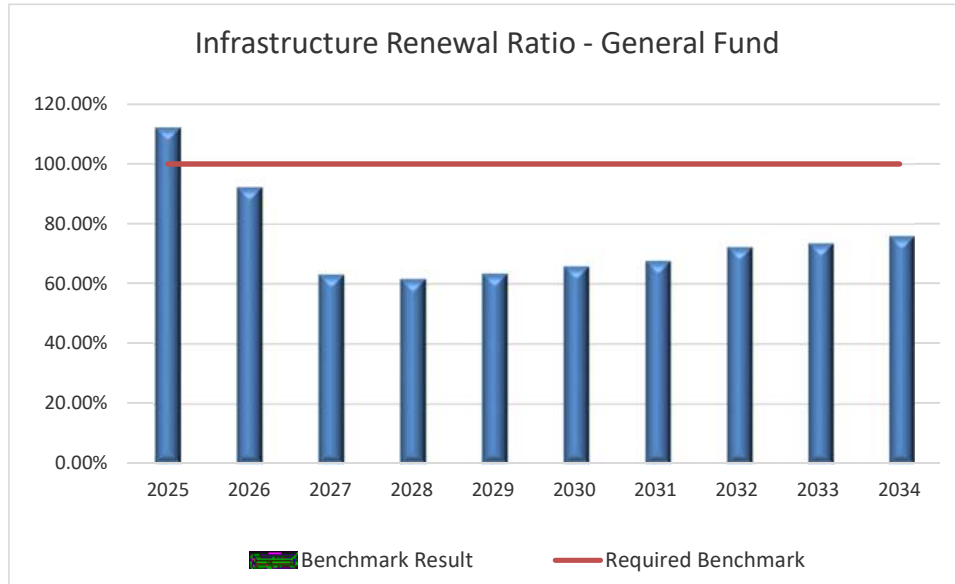
SEWER FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	3,511	3,352	3,522	3,701	3,888	4,085	4,291	4,508	4,735	4,974	5,225
User Charges & Fees	239	260	268	275	282	289	295	302	308	315	321
Interest & Investment Revenue	65	82	82	82	82	82	82	82	82	82	82
Grants & Contributions	176	37	37	37	37	37	37	37	37	37	37
	3,991	3,731	3,908	4,095	4,289	4,492	4,705	4,928	5,162	5,408	5,665
Payments											
Employee Benefits & On-costs	817	925	956	989	1,018	1,046	1,075	1,103	1,131	1,159	1,189
Materials & Contracts	1,933	1,956	1,857	1,924	1,984	2,043	2,103	2,161	2,220	2,281	2,344
Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Other	154	239	244	255	260	261	242	246	250	259	264
Total Non-Current Assets	2,903	3,119	3,057	3,168	3,263	3,350	3,421	3,509	3,601	3,700	3,797
Net Cash provided (or used in) Operating Activities	1,087	612	851	927	1,026	1,142	1,285	1,419	1,561	1,708	1,869
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	2,455	3,223	637	1,025	1,305	815	570	903	633	980	693
	2,455	3,223	637	1,025	1,305	815	570	903	633	980	693
Net Cash provided (or used in) Investing Activities	(2,455)	(3,223)	(637)	(1,025)	(1,305)	(815)	(570)	(903)	(633)	(980)	(693)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Financing Activities	-	-	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) in Cash & Cash Equivalents	(1,368)	(2,611)	214	(98)	(279)	327	715	516	929	728	1,176
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	12,074	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147
Cash, Cash Equivalents & Investments @ end of the year	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147	12,323
REPRESENTED BY:											
Cash & Cash Equivalents	574	574	574	574	574	574	574	574	574	574	574
Investments	10,132	7,521	7,735	7,637	7,358	7,685	8,400	8,916	9,845	10,573	11,749
TOTAL	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147	12,323

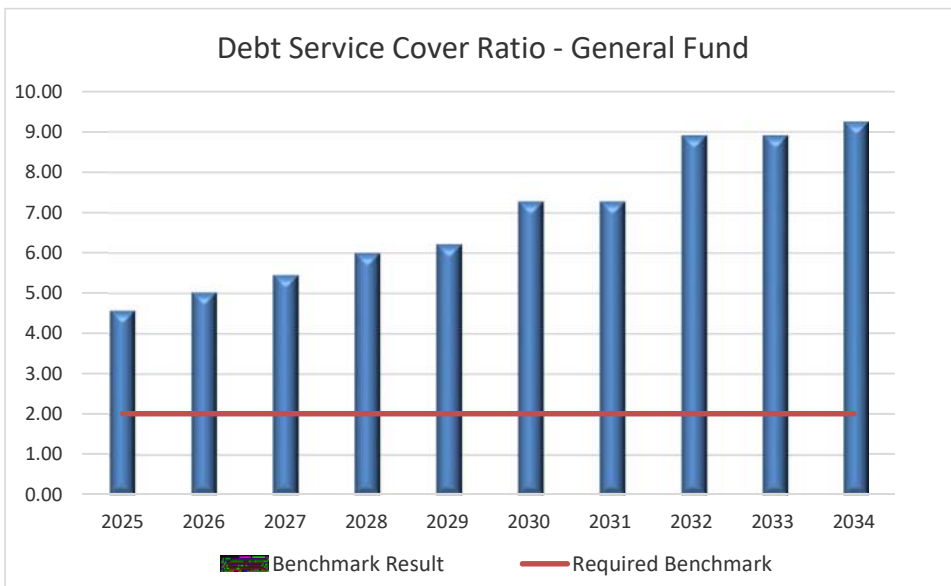
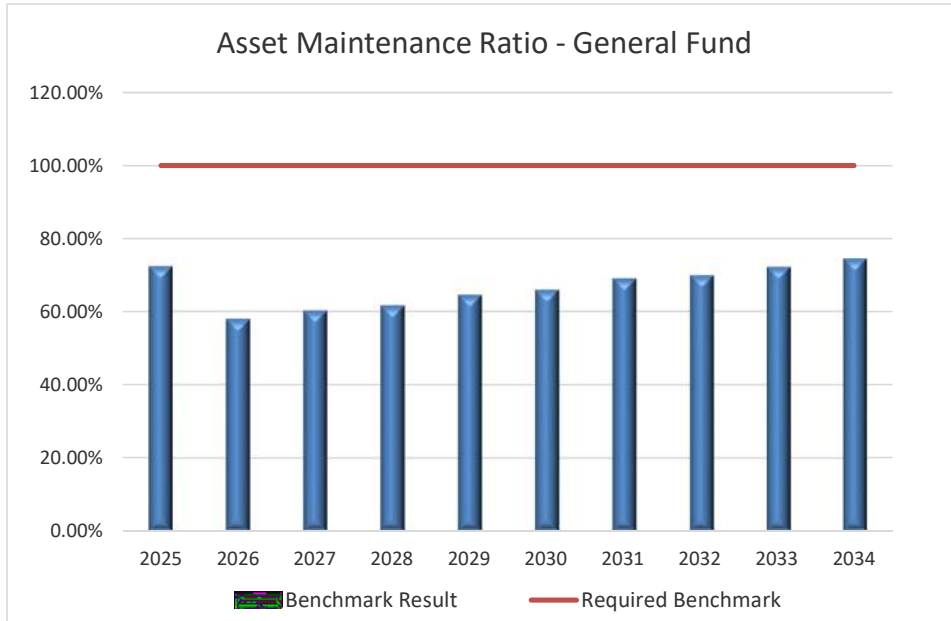
Scenario 2 - Permanent SRV of 10.0% over 3 years with a cumulative effect of 33.10%



Scenario 2 - Permanent SRV of 10.0% over 3 years with a cumulative effect of 33.10%



Scenario 2 - Permanent SRV of 10.0% over 3 years with a cumulative effect of 33.10%



Scenario 3

SRV of 7.5% over 4 years

with a cumulative effect of 33.55%

INCOME STATEMENT FORECAST

for Years 2022 to 2032

CONSOLIDATED

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
Operating Revenues	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Rates & Annual Charges	19,430	19,942	21,224	22,592	24,037	25,571	26,379	27,207	28,063	28,949	29,866
User Fees & Charges	14,495	14,244	13,146	13,557	13,929	14,286	14,652	15,006	15,370	15,743	16,125
Interest Received	482	733	733	733	733	733	733	733	733	733	733
Grants & Contributions - Operating	9,600	12,605	13,002	13,299	13,615	13,936	14,265	14,578	14,899	15,227	15,564
Grants & Contributions - Capital	49,676	52,997	23,069	5,542	6,321	686	432	432	432	432	432
Other Operating Revenues	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
Total Operating Revenues	96,083	103,306	73,832	58,471	61,465	58,119	59,447	61,018	62,636	64,302	66,018
Operating Expenses											
Employee Costs	18,383	19,231	19,688	20,362	20,962	21,532	22,118	22,672	23,239	23,820	24,417
Materials & Contracts	19,812	19,325	16,537	17,171	17,815	18,624	19,210	19,914	20,513	21,328	21,904
Depreciation	13,682	14,798	16,498	16,724	16,783	16,880	16,939	16,985	17,069	17,080	17,003
Interest Charges/Borrowing Costs	1,049	966	883	797	706	610	524	513	373	316	273
Other Operating Expenses	2,178	2,270	2,342	2,419	2,487	2,550	2,613	2,678	2,739	2,805	2,872
Loss on Disposal of Assets	1,290	1,365	1,388	1,410	1,433	1,481	1,556	1,631	1,706	1,781	1,856
Total Operating Expenses	56,394	57,955	57,337	58,882	60,185	61,678	62,960	64,392	65,639	67,132	68,325
Operating Result Surplus/(Deficit)	39,688	45,351	16,495	(411)	1,279	(3,559)	(3,512)	(3,374)	(3,003)	(2,830)	(2,307)
Operating Result Before Capital Amounts Surplus/(Deficit)	(9,988)	(7,646)	(6,574)	(5,953)	(5,042)	(4,245)	(3,944)	(3,806)	(3,435)	(3,262)	(2,739)

BALANCE SHEET

for Years 2022 to 2032

CONSOLIDATED

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,938	5,278	6,285	6,497	7,455	7,692	7,895	5,886	4,390	4,594	4,856
Investments	24,767	11,750	10,509	10,307	10,131	11,275	12,321	13,299	15,489	17,030	19,108
Receivables	7,769	5,713	5,599	5,487	5,377	5,270	5,165	5,062	4,960	4,861	4,764
Inventories	967	957	948	939	930	921	912	903	894	885	876
Real Estate	703	703	703	703	703	703	703	703	703	703	703
Other	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276
Total Current Assets	42,420	25,678	25,321	25,209	25,872	27,137	28,272	27,129	27,712	29,349	31,584
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	1,251,738	1,303,709	1,312,528	1,309,829	1,307,967	1,300,817	1,294,070	1,289,725	1,284,198	1,278,103	1,271,920
Other	535	535	535	535	535	535	535	535	535	535	535
Total Non-Current Assets	1,252,273	1,304,244	1,313,063	1,310,364	1,308,502	1,301,352	1,294,605	1,290,260	1,284,733	1,278,638	1,272,455
TOTAL ASSETS	1,294,694	1,329,922	1,338,384	1,335,573	1,334,374	1,328,489	1,322,877	1,317,389	1,312,446	1,307,987	1,304,039
LIABILITIES											
Current Liabilities											
Payables	10,698	7,488	6,157	6,219	6,281	6,343	6,407	6,471	6,536	6,601	6,667
Contract Liabilities	8,654	4,327	-	-	-	-	-	-	-	-	-
Borrowings	2,037	2,119	2,206	2,286	2,287	2,059	2,076	1,901	1,543	1,558	-
Provisions	5,307	5,250	5,195	5,141	5,087	5,032	4,979	4,927	4,875	4,823	4,772
Total Current Liabilities	26,696	19,184	13,559	13,646	13,654	13,434	13,463	13,299	12,954	12,983	11,440
Non-Current Liabilities											
Borrowings	27,746	25,627	23,421	21,134	18,848	16,789	14,714	12,812	11,269	9,710	9,710
Provisions	18,305	18,205	18,005	17,805	17,605	17,555	17,505	17,455	17,405	17,305	17,205
Total Non-Current Liabilities	46,051	43,832	41,426	38,939	36,453	34,344	32,219	30,267	28,674	27,015	26,915
TOTAL LIABILITIES	72,747	63,016	54,985	52,585	50,107	47,778	45,682	43,566	41,628	39,998	38,355
NET ASSETS	1,221,947	1,266,906	1,283,399	1,282,987	1,284,267	1,280,711	1,277,196	1,273,823	1,270,818	1,267,990	1,265,684
EQUITY											
Retained Earnings	490,201	535,159	551,652	551,241	552,521	548,964	545,449	542,077	539,071	536,243	533,937
Revaluation Reserves	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747
TOTAL EQUITY	1,221,948	1,266,906	1,283,399	1,282,988	1,284,268	1,280,711	1,277,196	1,273,824	1,270,818	1,267,990	1,265,684

CASH FLOW
for Years 2022 to 2032
CONSOLIDATED

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	21,982	22,143	23,220	24,679	26,227	27,852	28,719	29,603	30,518	31,464	32,443
User Charges & Fees	17,598	14,971	13,194	13,603	14,007	14,362	14,726	15,079	15,442	15,813	16,194
Interest & Investment Revenue	482	733	733	733	733	733	733	733	733	733	733
Grants & Contributions	54,015	62,293	31,791	18,888	19,936	14,622	14,697	15,010	15,331	15,659	15,996
Other	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
	96,477	102,925	71,596	60,652	63,733	60,475	61,861	63,488	65,163	66,887	68,664
Payments											
Employee Benefits & On-costs	18,440	19,287	19,744	20,417	21,016	21,586	22,171	22,724	23,291	23,872	24,468
Materials & Contracts	22,006	20,591	17,857	17,112	17,762	18,529	19,147	19,785	20,441	21,289	21,814
Borrowing Costs	1,049	966	883	797	706	610	524	513	373	316	273
Other	3,627	4,160	4,320	4,488	4,645	4,799	4,925	5,044	5,166	5,292	5,420
Total Non-Current Assets	45,121	45,004	42,804	42,814	44,129	45,525	46,766	48,066	49,271	50,769	51,975
Net Cash provided (or used in) Operating Activities	51,356	57,921	28,792	17,838	19,604	14,950	15,095	15,422	15,891	16,118	16,688
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	975	400	400	400	400	400	400	400	400	400	400
	975	400	400	400	400	400	400	400	400	400	400
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	59,686	70,961	27,306	16,023	16,935	11,682	12,187	14,777	13,696	13,230	13,190
	59,686	70,961	27,306	16,023	16,935	11,682	12,187	14,777	13,696	13,230	13,190
Net Cash provided (or used in) Investing Activities	(58,711)	(70,561)	(26,906)	(15,623)	(16,535)	(11,282)	(11,787)	(14,377)	(13,296)	(12,830)	(12,790)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	2,038	2,037	2,120	2,206	2,287	2,287	2,058	2,076	1,902	1,543	1,559
	2,038	2,037	2,120	2,206	2,287	2,287	2,058	2,076	1,902	1,543	1,559
Net Cash provided (or used in) Financing Activities	(2,038)	(2,037)	(2,120)	(2,206)	(2,287)	(2,287)	(2,058)	(2,076)	(1,902)	(1,543)	(1,559)
Net Increase (Decrease) in Cash & Cash Equivalents	(9,393)	(14,678)	(234)	9	782	1,382	1,250	(1,031)	693	1,745	2,340
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	41,099	31,706	17,028	16,794	16,803	17,585	18,967	20,216	19,186	19,879	21,624
Cash, Cash Equivalents & Investments @ end of the year	31,706	17,028	16,794	16,803	17,585	18,967	20,216	19,186	19,879	21,624	23,964
REPRESENTED BY:											
Cash & Cash Equivalents	6,938	5,278	6,285	6,497	7,455	7,692	7,895	5,886	4,390	4,594	4,856
Investments	24,767	11,750	10,509	10,307	10,131	11,275	12,321	13,299	15,489	17,030	19,108
TOTAL	31,706	17,028	16,794	16,804	17,585	18,967	20,216	19,186	19,879	21,624	23,964

INCOME STATEMENT FORECAST

for Years 2024 to 2034

GENERAL FUND

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	14,588	15,149	16,184	17,293	18,466	19,715	20,220	20,729	21,251	21,787	22,335
User Fees & Charges	10,967	10,287	9,055	9,326	9,575	9,814	10,060	10,303	10,552	10,806	11,068
Interest Received	311	503	503	503	503	503	503	503	503	503	503
Grants & Contributions - Operating	9,482	12,529	12,926	13,223	13,539	13,860	14,189	14,502	14,823	15,151	15,488
Grants & Contributions - Capital	48,308	52,497	21,469	5,342	5,992	232	232	232	232	232	232
Other Operating Revenues	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
Total Operating Revenues	86,056	93,751	62,795	48,436	50,905	47,032	48,191	49,331	50,500	51,697	52,924
Operating Expenses											
Employee Costs	16,423	17,119	17,503	18,101	18,634	19,141	19,662	20,153	20,658	21,174	21,704
Materials & Contracts	15,341	13,103	11,997	12,500	12,962	13,662	14,062	14,666	15,076	15,785	16,161
Depreciation	10,711	11,787	13,022	13,203	13,215	13,263	13,290	13,301	13,345	13,339	13,215
Interest Charges/Borrowing Costs	840	776	711	643	572	498	433	446	331	292	251
Other Operating Expenses	1,837	1,885	1,953	2,015	2,079	2,149	2,253	2,313	2,371	2,424	2,486
Corporate Administration Overheads	(1,800)	(2,100)	(2,174)	(2,250)	(2,317)	(2,381)	(2,446)	(2,508)	(2,570)	(2,635)	(2,700)
Loss on Disposal of Assets	1,290	1,365	1,388	1,410	1,433	1,481	1,556	1,631	1,706	1,781	1,856
Total Operating Expenses	44,641	43,935	44,400	45,621	46,577	47,812	48,808	50,003	50,916	52,161	52,974
Operating Result Surplus/(Deficit)	41,415	49,816	18,395	2,814	4,328	(780)	(618)	(672)	(416)	(464)	(50)
Operating Result Before Capital Amounts Surplus/(Deficit)	(6,893)	(2,681)	(3,074)	(2,528)	(1,665)	(1,013)	(850)	(904)	(649)	(696)	(282)

BALANCE SHEET

for Years 2024 to 2034

GENERAL FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,043	4,383	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699	3,961
Investments	10,500	2,500	-	-	-	-	-	-	-	-	-
Receivables	6,786	4,750	4,655	4,562	4,471	4,381	4,293	4,208	4,123	4,041	3,960
Inventories	570	565	559	553	548	542	537	532	526	521	516
Real Estate	703	703	703	703	703	703	703	703	703	703	703
Other	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265
Total Current Assets	25,867	14,165	12,572	12,685	13,546	13,688	13,799	11,698	10,113	10,229	10,405
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	1,108,271	1,158,295	1,168,456	1,166,906	1,165,996	1,160,806	1,155,993	1,153,284	1,150,483	1,145,784	1,141,360
Other	301	301	301	301	301	301	301	301	301	301	301
Total Non-Current Assets	1,108,572	1,158,596	1,168,757	1,167,207	1,166,297	1,161,107	1,156,294	1,153,585	1,150,784	1,146,085	1,141,661
TOTAL ASSETS	1,134,438	1,172,761	1,181,329	1,179,892	1,179,843	1,174,795	1,170,093	1,165,283	1,160,897	1,156,314	1,152,067
LIABILITIES											
Current Liabilities											
Payables	9,565	6,695	5,356	5,410	5,464	5,519	5,574	5,630	5,686	5,743	5,800
Contract Liabilities	8,654	4,327	-	-	-	-	-	-	-	-	-
Borrowings	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425	-
Provisions	4,669	4,620	4,571	4,523	4,475	4,428	4,381	4,335	4,289	4,244	4,199
Total Current Assets	24,576	17,395	11,749	11,815	11,800	11,557	11,559	11,338	11,387	11,412	9,999
Non-Current Liabilities											
Borrowings	23,586	21,833	20,012	18,129	16,269	14,658	13,054	11,681	10,268	8,843	8,843
Provisions	18,277	18,177	17,977	17,777	17,577	17,527	17,477	17,427	17,377	17,277	17,177
Total Non-Current Assets	41,863	40,010	37,989	35,906	33,846	32,185	30,531	29,108	27,645	26,120	26,020
TOTAL LIABILITIES	66,439	57,406	49,738	47,722	45,646	43,742	42,090	40,445	39,032	37,531	36,019
NET ASSETS	1,067,999	1,115,355	1,131,591	1,132,171	1,134,197	1,131,053	1,128,003	1,124,838	1,121,865	1,118,783	1,116,048
EQUITY											
Retained Earnings	406,972	454,328	470,564	471,144	473,170	470,026	466,976	463,811	460,838	457,756	455,021
Revaluation Reserves	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027
TOTAL EQUITY	1,067,999	1,115,355	1,131,591	1,132,171	1,134,197	1,131,053	1,128,003	1,124,838	1,121,865	1,118,783	1,116,048

CASH FLOW

for Years 2024 to 2034

GENERAL FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	16,996	17,202	18,027	19,220	20,489	21,821	22,380	22,942	23,519	24,109	24,715
User Charges & Fees	13,342	11,000	9,088	9,359	9,639	9,877	10,121	10,363	10,610	10,864	11,124
Interest & Investment Revenue	311	503	503	503	503	503	503	503	503	503	503
Grants & Contributions	52,529	61,717	30,115	18,612	19,532	14,092	14,421	14,734	15,055	15,384	15,720
Other	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
	85,578	93,207	60,391	50,442	52,991	49,200	50,413	51,605	52,826	54,078	55,360
Payments											
Employee Benefits & On-costs	16,473	17,168	17,552	18,149	18,682	19,188	19,708	20,200	20,703	21,220	21,749
Materials & Contracts	17,446	15,952	13,410	12,504	13,007	13,633	14,104	14,602	15,114	15,814	16,186
Borrowing Costs	840	776	711	643	572	498	433	446	331	292	251
Other	3,227	3,633	3,782	3,928	4,074	4,227	4,389	4,501	4,615	4,722	4,842
Total Non-Current Assets	37,986	37,529	35,455	35,224	36,335	37,546	38,634	39,749	40,763	42,048	43,029
Net Cash provided (or used in) Operating Activities	47,592	55,678	24,936	15,217	16,657	11,654	11,778	11,856	12,063	12,030	12,331
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	975	400	400	400	400	400	400	400	400	400	400
	975	400	400	400	400	400	400	400	400	400	400
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	51,020	64,050	25,075	13,585	14,217	9,956	10,364	12,661	12,585	10,814	11,044
	51,020	64,050	25,075	13,585	14,217	9,956	10,364	12,661	12,585	10,814	11,044
Net Cash provided (or used in) Investing Activities	(50,045)	(63,650)	(24,675)	(13,185)	(13,817)	(9,556)	(9,964)	(12,261)	(12,185)	(10,414)	(10,644)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	1,708	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425
	1,708	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425
Net Cash provided (or used in) Financing Activities	(1,708)	(1,688)	(1,753)	(1,821)	(1,882)	(1,861)	(1,611)	(1,604)	(1,373)	(1,413)	(1,425)
Net Increase (Decrease) in Cash & Cash Equivalents	(4,161)	(9,660)	(1,492)	211	958	237	204	(2,009)	(1,496)	204	262
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	20,704	16,543	6,883	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699
Cash, Cash Equivalents & Investments @ end of the year	16,543	6,883	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699	3,961
REPRESENTED BY:											
Cash & Cash Equivalents	6,043	4,383	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699	3,961
Investments	10,500	2,500	-	-	-	-	-	-	-	-	-
TOTAL	16,543	6,883	5,390	5,602	6,560	6,797	7,000	4,991	3,495	3,699	3,961

INCOME STATEMENT FORECAST

for Years 2024 to 2034

WATER FUND

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	1,443	1,552	1,633	1,718	1,807	1,900	2,000	2,105	2,215	2,330	2,452
User Fees & Charges	3,290	3,697	3,824	3,956	4,072	4,183	4,296	4,402	4,511	4,622	4,736
Interest Received	107	149	149	149	149	149	149	149	149	149	149
Grants & Contributions - Operating	42	39	39	39	39	39	39	39	39	39	39
Grants & Contributions - Capital	1,268	500	1,600	200	329	454	200	200	200	200	200
Total Operating Revenues	6,148	5,936	7,244	6,060	6,395	6,724	6,683	6,894	7,112	7,339	7,574
Operating Expenses											
Employee Costs	1,147	1,191	1,232	1,275	1,313	1,348	1,385	1,419	1,454	1,490	1,527
Materials & Contracts	2,220	2,590	2,679	2,743	2,864	2,915	3,040	3,083	3,213	3,257	3,395
Depreciation	1,888	1,914	2,403	2,440	2,474	2,507	2,528	2,556	2,585	2,594	2,628
Interest Charges/Borrowing Costs	208	190	172	154	134	113	91	67	42	25	22
Other Operating Expenses	215	252	255	264	267	265	246	249	252	260	263
Corporate Administration Overheads	1,101	1,251	1,295	1,340	1,381	1,419	1,458	1,494	1,531	1,570	1,609
Total Operating Expenses	6,780	7,389	8,037	8,216	8,432	8,566	8,747	8,868	9,077	9,196	9,443
Operating Result Surplus/(Deficit)	(632)	(1,453)	(793)	(2,155)	(2,037)	(1,842)	(2,064)	(1,974)	(1,964)	(1,856)	(1,869)
Operating Result Before Capital Amounts Surplus/(Deficit)	(1,899)	(1,953)	(2,393)	(2,355)	(2,366)	(2,296)	(2,264)	(2,174)	(2,164)	(2,056)	(2,069)

BALANCE SHEET
for Years 2024 to 2034
WATER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	321	321	321	321	321	321	321	321	321	321	321
Investments	4,135	1,729	2,774	2,670	2,773	3,590	3,921	4,383	5,644	6,457	7,359
Receivables	728	713	699	685	671	658	645	632	619	607	595
Inventories	337	334	331	328	325	322	319	316	313	310	307
Other	9	9	9	9	9	9	9	9	9	9	9
Total Current Assets	5,530	3,106	4,134	4,013	4,099	4,900	5,215	5,661	6,906	7,704	8,591
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	95,060	96,716	95,810	94,717	93,555	91,891	90,508	89,097	86,877	85,648	84,355
Other	234	234	234	234	234	234	234	234	234	234	234
Total Non-Current Assets	95,294	96,950	96,044	94,951	93,789	92,125	90,742	89,331	87,111	85,882	84,589
TOTAL ASSETS	100,824	100,056	100,178	98,964	97,888	97,025	95,957	94,992	94,017	93,586	93,180
LIABILITIES											
Current Liabilities											
Payables	601	420	425	429	433	437	442	446	451	455	460
Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	349	366	385	404	426	448	472	528	130	133	-
Provisions	319	315	312	309	306	302	299	296	293	290	287
Total Current Assets	1,269	1,101	1,122	1,142	1,165	1,187	1,213	1,270	874	878	747
Non-Current Liabilities											
Borrowings	4,160	3,794	3,409	3,005	2,579	2,131	1,660	1,131	1,001	867	867
Provisions	14	14	14	14	14	14	14	14	14	14	14
Total Non-Current Assets	4,174	3,808	3,423	3,019	2,593	2,145	1,674	1,145	1,015	881	881
TOTAL LIABILITIES	5,443	4,909	4,545	4,161	3,758	3,332	2,887	2,415	1,889	1,759	1,628
NET ASSETS	95,381	95,147	95,633	94,803	94,130	93,693	93,070	92,577	92,128	91,827	91,552
EQUITY											
Retained Earnings	61,865	61,630	62,116	61,286	60,614	60,175	59,553	59,060	58,611	58,310	58,035
Revaluation Reserves	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517
TOTAL EQUITY	95,382	95,147	95,633	94,803	94,131	93,692	93,070	92,577	92,128	91,827	91,552

CASH FLOW

for Years 2024 to 2034

WATER FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	1,475	1,589	1,672	1,759	1,850	1,946	2,047	2,153	2,264	2,381	2,504
User Charges & Fees	4,018	3,711	3,838	3,969	4,086	4,196	4,309	4,415	4,523	4,634	4,748
Interest & Investment Revenue	107	149	149	149	149	149	149	149	149	149	149
Grants & Contributions	1,309	539	1,639	239	367	492	239	239	239	239	239
	6,908	5,987	7,297	6,115	6,452	6,783	6,744	6,955	7,174	7,402	7,639
Payments											
Employee Benefits & On-costs	1,151	1,194	1,236	1,278	1,316	1,351	1,388	1,422	1,457	1,493	1,530
Materials & Contracts	2,627	2,683	2,590	2,684	2,771	2,854	2,940	3,022	3,107	3,194	3,284
Borrowing Costs	208	190	172	154	134	113	91	67	42	25	22
Other	247	288	294	305	311	311	293	297	301	310	315
Total Non-Current Assets	4,232	4,356	4,292	4,421	4,531	4,629	4,711	4,808	4,907	5,022	5,150
Net Cash provided (or used in) Operating Activities	2,676	1,631	3,005	1,694	1,921	2,154	2,032	2,147	2,267	2,380	2,488
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	6,211	3,688	1,594	1,413	1,413	911	1,254	1,214	479	1,436	1,454
	6,211	3,688	1,594	1,413	1,413	911	1,254	1,214	479	1,436	1,454
Net Cash provided (or used in) Investing Activities	(6,211)	(3,688)	(1,594)	(1,413)	(1,413)	(911)	(1,254)	(1,214)	(479)	(1,436)	(1,454)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	330	349	366	385	404	426	448	472	528	130	133
	330	349	366	385	404	426	448	472	528	130	133
Net Cash provided (or used in) Financing Activities	(330)	(349)	(366)	(385)	(404)	(426)	(448)	(472)	(528)	(130)	(133)
Net Increase (Decrease) in Cash & Cash Equivalents	(3,865)	(2,406)	1,045	(104)	103	817	331	462	1,261	814	901
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	8,321	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778
Cash, Cash Equivalents & Investments @ end of the year	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778	7,680
REPRESENTED BY:											
Cash & Cash Equivalents	321	321	321	321	321	321	321	321	321	321	321
Investments	4,135	1,729	2,774	2,670	2,773	3,590	3,921	4,383	5,644	6,457	7,359
TOTAL	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778	7,680

INCOME STATEMENT FORECAST

for Years 2024 to 2034

SEWER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	3,399	3,241	3,406	3,580	3,763	3,956	4,159	4,372	4,597	4,832	5,080
User Fees & Charges	239	260	268	275	282	289	295	302	308	315	321
Interest Received	65	82	82	82	82	82	82	82	82	82	82
Grants & Contributions - Operating	76	37	37	37	37	37	37	37	37	37	37
Grants & Contributions - Capital	100	-	-	-	-	-	-	-	-	-	-
Total Operating Revenues	3,879	3,620	3,793	3,975	4,165	4,363	4,573	4,793	5,024	5,266	5,520
Operating Expenses											
Employee Costs	813	921	953	986	1,015	1,043	1,072	1,099	1,127	1,156	1,186
Materials & Contracts	2,252	3,632	1,861	1,928	1,989	2,047	2,108	2,165	2,225	2,286	2,349
Depreciation	1,083	1,097	1,074	1,082	1,094	1,111	1,121	1,128	1,139	1,147	1,159
Interest Charges/Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	127	133	134	140	141	136	115	115	116	122	123
Corporate Administration Overheads	699	849	879	909	937	962	989	1,013	1,039	1,065	1,091
Total Operating Expenses	4,974	6,632	4,900	5,045	5,175	5,300	5,404	5,521	5,646	5,776	5,908
Operating Result Surplus/(Deficit)	(1,095)	(3,012)	(1,107)	(1,070)	(1,011)	(936)	(831)	(728)	(622)	(510)	(388)
Operating Result Before Capital Amounts Surplus/(Deficit)	(1,195)	(3,012)	(1,107)	(1,070)	(1,011)	(936)	(831)	(728)	(622)	(510)	(388)

BALANCE SHEET

for Years 2024 to 2034

SEWER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	574	574	574	574	574	574	574	574	574	574	574
Investments	10,132	7,521	7,735	7,637	7,358	7,685	8,400	8,916	9,845	10,573	11,749
Receivables	256	251	246	241	236	231	227	222	218	213	209
Inventories	59	59	58	58	57	56	56	55	55	54	54
Other	2	2	2	2	2	2	2	2	2	2	2
Total Current Assets	11,024	8,406	8,615	8,511	8,227	8,549	9,258	9,770	10,693	11,416	12,588
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	48,408	48,699	48,262	48,205	48,416	48,120	47,569	47,344	46,838	46,671	46,204
Total Non-Current Assets	48,408	48,699	48,262	48,205	48,416	48,120	47,569	47,344	46,838	46,671	46,204
TOTAL ASSETS	59,431	57,105	56,877	56,716	56,643	56,669	56,828	57,114	57,531	58,087	58,792
LIABILITIES											
Current Liabilities											
Payables	532	372	376	380	384	388	391	395	399	403	407
Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Provisions	319	315	312	309	306	302	299	296	293	290	287
Total Current Assets	851	688	688	689	689	690	691	691	692	693	694
Non-Current Liabilities											
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Provisions	14	14	14	14	14	14	14	14	14	14	14
Total Non-Current Assets	14	14	14	14	14	14	14	14	14	14	14
TOTAL LIABILITIES	865	702	702	703	703	704	705	705	706	707	708
NET ASSETS	58,567	56,403	56,175	56,014	55,939	55,965	56,123	56,408	56,825	57,380	58,084
EQUITY											
Retained Earnings	21,364	19,200	18,972	18,811	18,737	18,762	18,921	19,206	19,622	20,177	20,881
Revaluation Reserves	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203
TOTAL EQUITY	58,567	56,403	56,175	56,014	55,940	55,965	56,124	56,409	56,825	57,380	58,084

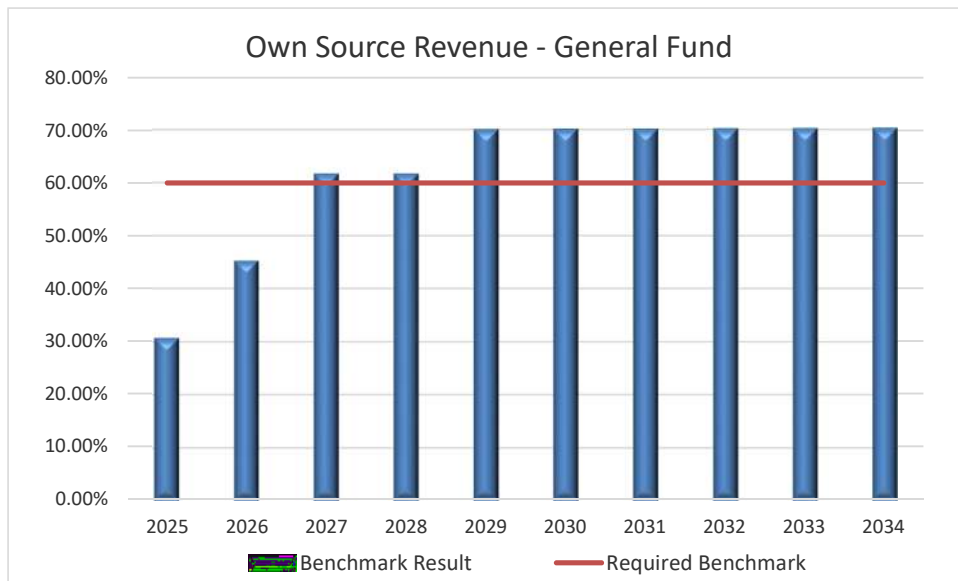
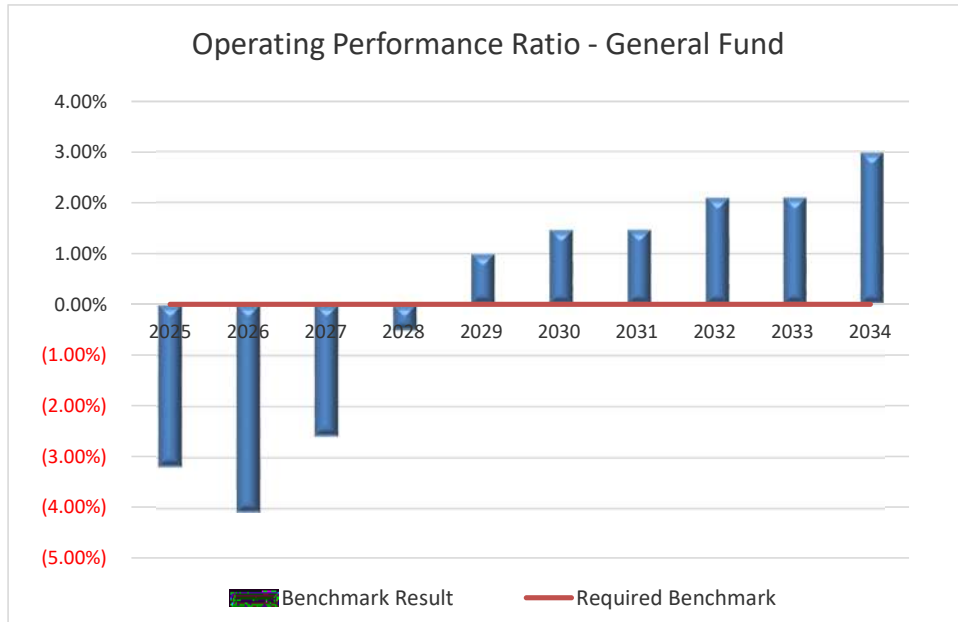
CASH FLOW

for Years 2024 to 2034

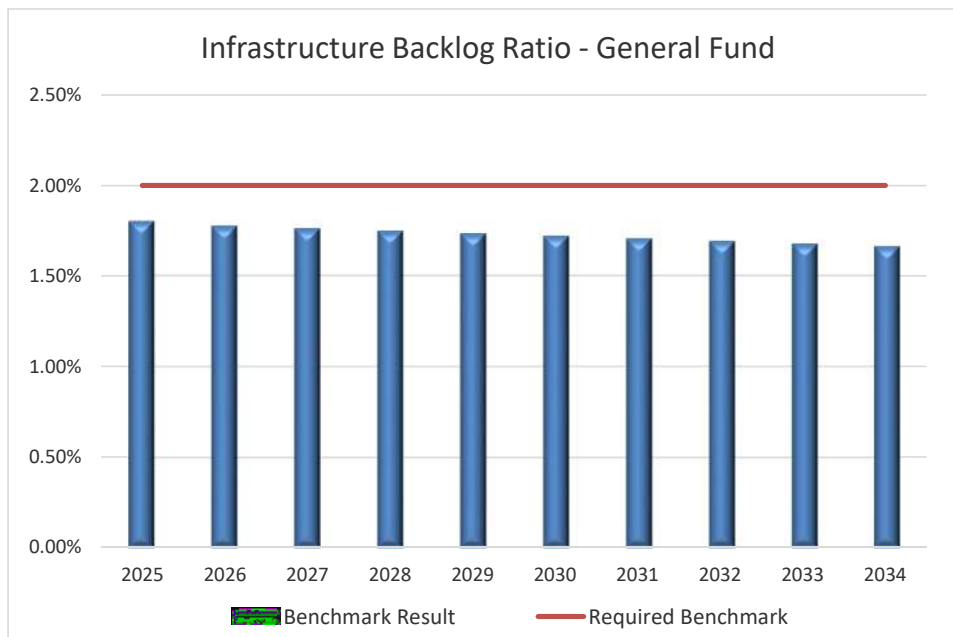
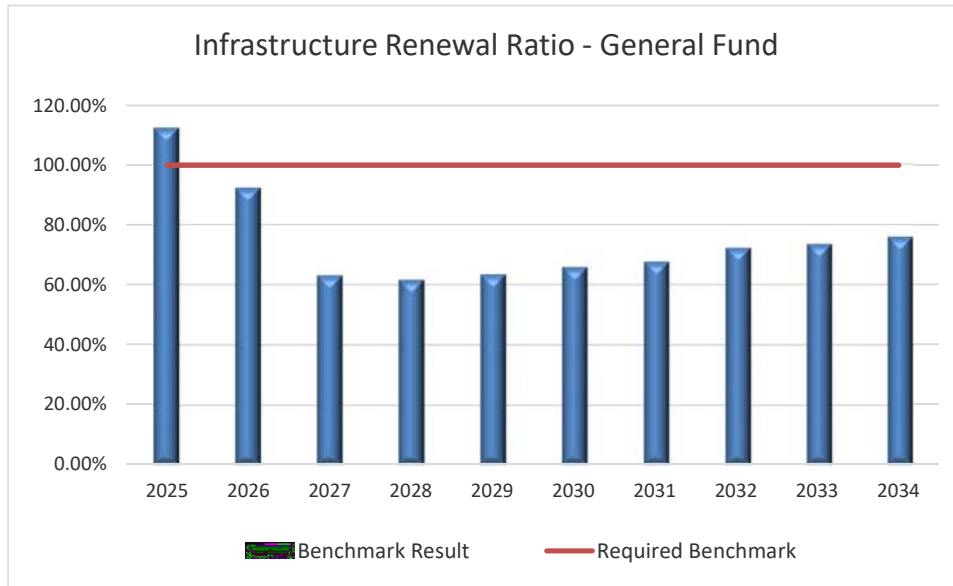
SEWER FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	3,511	3,352	3,522	3,701	3,888	4,085	4,291	4,508	4,735	4,974	5,225
User Charges & Fees	239	260	268	275	282	289	295	302	308	315	321
Interest & Investment Revenue	65	82	82	82	82	82	82	82	82	82	82
Grants & Contributions	176	37	37	37	37	37	37	37	37	37	37
	3,991	3,731	3,908	4,095	4,289	4,492	4,705	4,928	5,162	5,408	5,665
Payments											
Employee Benefits & On-costs	817	925	956	989	1,018	1,046	1,075	1,103	1,131	1,159	1,189
Materials & Contracts	1,933	1,956	1,857	1,924	1,984	2,043	2,103	2,161	2,220	2,281	2,344
Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Other	154	239	244	255	260	261	242	246	250	259	264
Total Non-Current Assets	2,903	3,119	3,057	3,168	3,263	3,350	3,421	3,509	3,601	3,700	3,797
Net Cash provided (or used in) Operating Activities	1,087	612	851	927	1,026	1,142	1,285	1,419	1,561	1,708	1,869
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	2,455	3,223	637	1,025	1,305	815	570	903	633	980	693
	2,455	3,223	637	1,025	1,305	815	570	903	633	980	693
Net Cash provided (or used in) Investing Activities	(2,455)	(3,223)	(637)	(1,025)	(1,305)	(815)	(570)	(903)	(633)	(980)	(693)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Financing Activities	-	-	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) in Cash & Cash Equivalents	(1,368)	(2,611)	214	(98)	(279)	327	715	516	929	728	1,176
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	12,074	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147
Cash, Cash Equivalents & Investments @ end of the year	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147	12,323
REPRESENTED BY:											
Cash & Cash Equivalents	574	574	574	574	574	574	574	574	574	574	574
Investments	10,132	7,521	7,735	7,637	7,358	7,685	8,400	8,916	9,845	10,573	11,749
TOTAL	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147	12,323

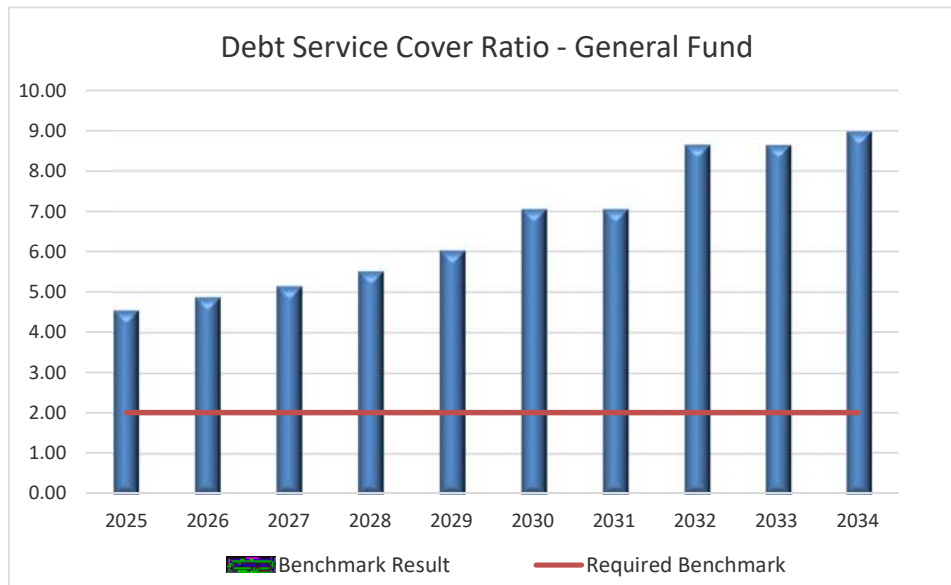
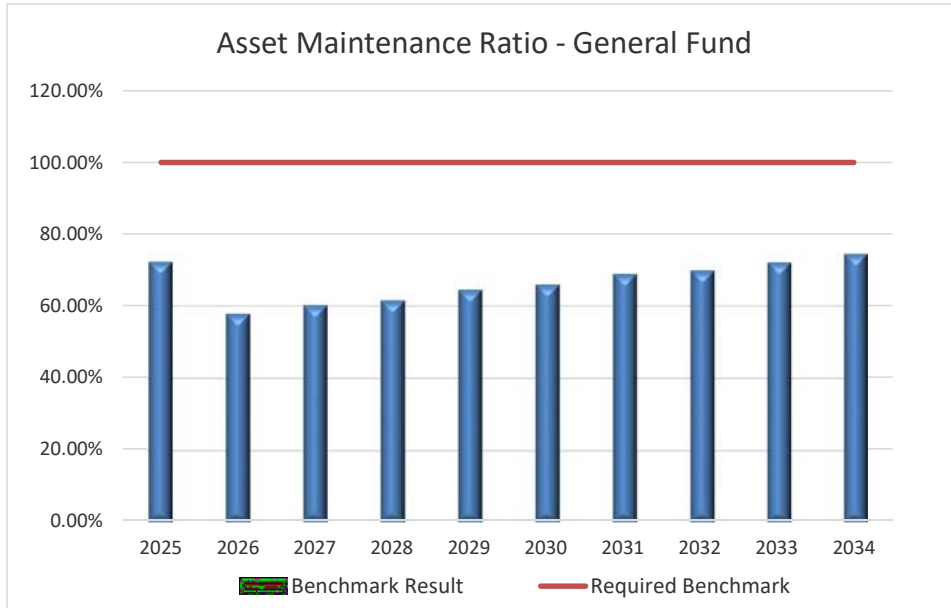
Scenario 3 - Permanent SRV of 7.5% over 4 years with a cumulative effect of 33.55%



Scenario 3 - Permanent SRV of 7.5% over 4 years with a cumulative effect of 33.55%



Scenario 3 - Permanent SRV of 7.5% over 4 years with a cumulative effect of 33.55%



Scenario 4

SRV of 10% over 3 years

rate peg base rate with no reductions in services and capital expenditure from scenario 2 and 3.

INCOME STATEMENT FORECAST

for Years 2022 to 2032

CONSOLIDATED

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	19,430	19,942	20,731	21,510	22,262	22,990	23,733	24,494	25,283	26,099	26,945
User Fees & Charges	14,495	14,244	13,146	13,557	13,929	14,286	14,652	15,006	15,370	15,743	16,125
Interest Received	482	733	733	733	733	733	733	733	733	733	733
Grants & Contributions - Operating	9,600	12,605	13,002	13,299	13,615	13,936	14,265	14,578	14,899	15,227	15,564
Grants & Contributions - Capital	49,676	52,997	23,069	5,542	6,321	686	432	432	432	432	432
Other Operating Revenues	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
Total Operating Revenues	96,083	103,306	73,339	57,389	59,690	55,537	56,801	58,306	59,856	61,452	63,097
Operating Expenses											
Employee Costs	18,383	19,231	19,688	20,362	20,962	21,532	22,118	22,672	23,239	23,820	24,417
Materials & Contracts	19,812	19,325	16,537	17,171	17,815	18,624	19,210	19,914	20,513	21,328	21,904
Depreciation	13,682	14,798	16,498	16,724	16,783	16,880	16,939	16,985	17,069	17,080	17,003
Interest Charges/Borrowing Costs	1,049	966	883	797	706	610	524	513	373	316	273
Other Operating Expenses	2,178	2,270	2,342	2,419	2,487	2,550	2,613	2,678	2,739	2,805	2,872
Loss on Disposal of Assets	1,290	1,365	1,388	1,410	1,433	1,481	1,556	1,631	1,706	1,781	1,856
Total Operating Expenses	56,394	57,955	57,337	58,882	60,185	61,678	62,960	64,392	65,639	67,132	68,325
Operating Result Surplus/(Deficit)	39,688	45,351	16,002	(1,492)	(495)	(6,141)	(6,159)	(6,087)	(5,784)	(5,680)	(5,228)
Operating Result Before Capital Amounts Surplus/(Deficit)	(9,988)	(7,646)	(7,067)	(7,034)	(6,816)	(6,827)	(6,591)	(6,519)	(6,216)	(6,112)	(5,660)

BALANCE SHEET

for Years 2022 to 2032

CONSOLIDATED

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,938	5,278	5,792	4,922	4,106	1,761	(682)	(5,403)	(9,680)	(12,326)	(14,985)
Investments	24,767	11,750	10,509	10,307	10,131	11,275	12,321	13,299	15,489	17,030	19,108
Receivables	7,769	5,713	5,599	5,487	5,377	5,270	5,165	5,062	4,960	4,861	4,764
Inventories	967	957	948	939	930	921	912	903	894	885	876
Real Estate	703	703	703	703	703	703	703	703	703	703	703
Other	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276
Total Current Assets	42,420	25,678	24,828	23,635	22,523	21,206	19,695	15,839	13,642	12,429	11,743
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	1,251,738	1,303,709	1,312,528	1,309,829	1,307,967	1,300,817	1,294,070	1,289,725	1,284,198	1,278,103	1,271,920
Other	535	535	535	535	535	535	535	535	535	535	535
Total Non-Current Assets	1,252,273	1,304,244	1,313,063	1,310,364	1,308,502	1,301,352	1,294,605	1,290,260	1,284,733	1,278,638	1,272,455
TOTAL ASSETS	1,294,694	1,329,922	1,337,891	1,333,998	1,331,024	1,322,558	1,314,300	1,306,099	1,298,376	1,291,067	1,284,198
LIABILITIES											
Current Liabilities											
Payables	10,698	7,488	6,157	6,219	6,281	6,343	6,407	6,471	6,536	6,601	6,667
Contract Liabilities	8,654	4,327	-	-	-	-	-	-	-	-	-
Borrowings	2,037	2,119	2,206	2,286	2,287	2,059	2,076	1,901	1,543	1,558	-
Provisions	5,307	5,250	5,195	5,141	5,087	5,032	4,979	4,927	4,875	4,823	4,772
Total Current Liabilities	26,696	19,184	13,559	13,646	13,654	13,434	13,463	13,299	12,954	12,983	11,440
Non-Current Liabilities											
Borrowings	27,746	25,627	23,421	21,134	18,848	16,789	14,714	12,812	11,269	9,710	9,710
Provisions	18,305	18,205	18,005	17,805	17,605	17,555	17,505	17,455	17,405	17,305	17,205
Total Non-Current Assets	46,051	43,832	41,426	38,939	36,453	34,344	32,219	30,267	28,674	27,015	26,915
TOTAL LIABILITIES	72,747	63,016	54,985	52,585	50,107	47,778	45,682	43,566	41,628	39,998	38,355
NET ASSETS	1,221,947	1,266,906	1,282,906	1,281,413	1,280,918	1,274,780	1,268,618	1,262,533	1,256,748	1,251,070	1,245,843
EQUITY											
Retained Earnings	490,201	535,159	551,159	549,666	549,172	543,033	536,872	530,787	525,001	519,323	514,096
Revaluation Reserves	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747	731,747
TOTAL EQUITY	1,221,948	1,266,906	1,282,906	1,281,413	1,280,919	1,274,780	1,268,619	1,262,534	1,256,748	1,251,070	1,245,843

CASH FLOW
for Years 2022 to 2032
CONSOLIDATED

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	21,982	22,143	22,727	23,598	24,452	25,270	26,072	26,891	27,738	28,615	29,522
User Charges & Fees	17,598	14,971	13,194	13,603	14,007	14,362	14,726	15,079	15,442	15,813	16,194
Interest & Investment Revenue	482	733	733	733	733	733	733	733	733	733	733
Grants & Contributions	54,015	62,293	31,791	18,888	19,936	14,622	14,697	15,010	15,331	15,659	15,996
Other	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
	96,477	102,925	71,103	59,570	61,958	57,893	59,215	60,775	62,382	64,038	65,743
Payments											
Employee Benefits & On-costs	18,440	19,287	19,744	20,417	21,016	21,586	22,171	22,724	23,291	23,872	24,468
Materials & Contracts	22,006	20,591	17,857	17,112	17,762	18,529	19,147	19,785	20,441	21,289	21,814
Borrowing Costs	1,049	966	883	797	706	610	524	513	373	316	273
Other	3,627	4,160	4,320	4,488	4,645	4,799	4,925	5,044	5,166	5,292	5,420
Total Non-Current Assets	45,121	45,004	42,804	42,814	44,129	45,525	46,766	48,066	49,271	50,769	51,975
Net Cash provided (or used in) Operating Activities	51,356	57,921	28,299	16,757	17,829	12,369	12,449	12,709	13,111	13,268	13,767
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	975	400	400	400	400	400	400	400	400	400	400
	975	400	400	400	400	400	400	400	400	400	400
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	59,686	70,961	27,306	16,023	16,935	11,682	12,187	14,777	13,696	13,230	13,190
	59,686	70,961	27,306	16,023	16,935	11,682	12,187	14,777	13,696	13,230	13,190
Net Cash provided (or used in) Investing Activities	(58,711)	(70,561)	(26,906)	(15,623)	(16,535)	(11,282)	(11,787)	(14,377)	(13,296)	(12,830)	(12,790)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	2,038	2,037	2,120	2,206	2,287	2,287	2,058	2,076	1,902	1,543	1,559
	2,038	2,037	2,120	2,206	2,287	2,287	2,058	2,076	1,902	1,543	1,559
Net Cash provided (or used in) Financing Activities	(2,038)	(2,037)	(2,120)	(2,206)	(2,287)	(2,287)	(2,058)	(2,076)	(1,902)	(1,543)	(1,559)
Net Increase (Decrease) in Cash & Cash Equivalents	(9,393)	(14,678)	(727)	(1,072)	(993)	(1,200)	(1,397)	(3,743)	(2,087)	(1,105)	(581)
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	41,099	31,706	17,028	16,301	15,229	14,236	13,036	11,639	7,896	5,809	4,704
Cash, Cash Equivalents & Investments @ end of the year	31,706	17,028	16,301	15,229	14,236	13,036	11,639	7,896	5,809	4,704	4,123
REPRESENTED BY:											
Cash & Cash Equivalents	6,938	5,278	5,792	4,922	4,106	1,761	(682)	(5,403)	(9,680)	(12,326)	(14,985)
Investments	24,767	11,750	10,509	10,307	10,131	11,275	12,321	13,299	15,489	17,030	19,108
TOTAL	31,706	17,028	16,301	15,229	14,236	13,036	11,639	7,896	5,809	4,704	4,123

INCOME STATEMENT FORECAST

for Years 2024 to 2034

GENERAL FUND

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	14,588	15,149	15,691	16,212	16,692	17,134	17,574	18,017	18,471	18,937	19,414
User Fees & Charges	10,967	10,287	9,055	9,326	9,575	9,814	10,060	10,303	10,552	10,806	11,068
Interest Received	311	503	503	503	503	503	503	503	503	503	503
Grants & Contributions - Operating	9,482	12,529	12,926	13,223	13,539	13,860	14,189	14,502	14,823	15,151	15,488
Grants & Contributions - Capital	48,308	52,497	21,469	5,342	5,992	232	232	232	232	232	232
Other Operating Revenues	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
Total Operating Revenues	86,056	93,751	62,302	47,354	49,130	44,450	45,545	46,619	47,720	48,847	50,003
Operating Expenses											
Employee Costs	16,423	17,119	17,503	18,101	18,634	19,141	19,662	20,153	20,658	21,174	21,704
Materials & Contracts	15,341	13,103	11,997	12,500	12,962	13,662	14,062	14,666	15,076	15,785	16,161
Depreciation	10,711	11,787	13,022	13,203	13,215	13,263	13,290	13,301	13,345	13,339	13,215
Interest Charges/Borrowing Costs	840	776	711	643	572	498	433	446	331	292	251
Other Operating Expenses	1,837	1,885	1,953	2,015	2,079	2,149	2,253	2,313	2,371	2,424	2,486
Corporate Administration Overheads	(1,800)	(2,100)	(2,174)	(2,250)	(2,317)	(2,381)	(2,446)	(2,508)	(2,570)	(2,635)	(2,700)
Loss on Disposal of Assets	1,290	1,365	1,388	1,410	1,433	1,481	1,556	1,631	1,706	1,781	1,856
Total Operating Expenses	44,641	43,935	44,400	45,621	46,577	47,812	48,808	50,003	50,916	52,161	52,974
Operating Result Surplus/(Deficit)	41,415	49,816	17,902	1,733	2,553	(3,362)	(3,264)	(3,384)	(3,197)	(3,314)	(2,971)
Operating Result Before Capital Amounts Surplus/(Deficit)	(6,893)	(2,681)	(3,567)	(3,609)	(3,439)	(3,594)	(3,496)	(3,617)	(3,429)	(3,546)	(3,203)

BALANCE SHEET

for Years 2024 to 2034

GENERAL FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,043	4,383	4,897	4,027	3,211	866	(1,577)	(6,298)	(10,575)	(13,221)	(15,880)
Investments	10,500	2,500	-	-	-	-	-	-	-	-	-
Receivables	6,786	4,750	4,655	4,562	4,471	4,381	4,293	4,208	4,123	4,041	3,960
Inventories	570	565	559	553	548	542	537	532	526	521	516
Real Estate	703	703	703	703	703	703	703	703	703	703	703
Other	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265
Total Current Assets	25,867	14,165	12,079	11,110	10,197	7,757	5,222	409	(3,957)	(6,691)	(9,436)
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	1,108,271	1,158,295	1,168,456	1,166,906	1,165,996	1,160,806	1,155,993	1,153,284	1,150,483	1,145,784	1,141,360
Other	301	301	301	301	301	301	301	301	301	301	301
Total Non-Current Assets	1,108,572	1,158,596	1,168,757	1,167,207	1,166,297	1,161,107	1,156,294	1,153,585	1,150,784	1,146,085	1,141,661
TOTAL ASSETS	1,134,438	1,172,761	1,180,836	1,178,318	1,176,494	1,168,864	1,161,515	1,153,993	1,146,827	1,139,394	1,132,226
LIABILITIES											
Current Liabilities											
Payables	9,565	6,695	5,356	5,410	5,464	5,519	5,574	5,630	5,686	5,743	5,800
Contract Liabilities	8,654	4,327	-	-	-	-	-	-	-	-	-
Borrowings	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425	-
Provisions	4,669	4,620	4,571	4,523	4,475	4,428	4,381	4,335	4,289	4,244	4,199
Total Current Assets	24,576	17,395	11,749	11,815	11,800	11,557	11,559	11,338	11,387	11,412	9,999
Non-Current Liabilities											
Borrowings	23,586	21,833	20,012	18,129	16,269	14,658	13,054	11,681	10,268	8,843	8,843
Provisions	18,277	18,177	17,977	17,777	17,577	17,527	17,477	17,427	17,377	17,277	17,177
Total Non-Current Assets	41,863	40,010	37,989	35,906	33,846	32,185	30,531	29,108	27,645	26,120	26,020
TOTAL LIABILITIES	66,439	57,406	49,738	47,722	45,646	43,742	42,090	40,445	39,032	37,531	36,019
NET ASSETS	1,067,999	1,115,355	1,131,098	1,130,596	1,130,848	1,125,122	1,119,425	1,113,548	1,107,795	1,101,863	1,096,207
EQUITY											
Retained Earnings	406,972	454,328	470,071	469,569	469,821	464,095	458,398	452,521	446,768	440,836	435,180
Revaluation Reserves	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027	661,027
TOTAL EQUITY	1,067,999	1,115,355	1,131,098	1,130,596	1,130,848	1,125,122	1,119,425	1,113,548	1,107,795	1,101,863	1,096,207

CASH FLOW

for Years 2024 to 2034

GENERAL FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	16,996	17,202	17,534	18,138	18,714	19,239	19,734	20,230	20,738	21,260	21,794
User Charges & Fees	13,342	11,000	9,088	9,359	9,639	9,877	10,121	10,363	10,610	10,864	11,124
Interest & Investment Revenue	311	503	503	503	503	503	503	503	503	503	503
Grants & Contributions	52,529	61,717	30,115	18,612	19,532	14,092	14,421	14,734	15,055	15,384	15,720
Other	2,400	2,786	2,658	2,748	2,830	2,907	2,987	3,062	3,139	3,218	3,298
	85,578	93,207	59,898	49,360	51,217	46,618	47,766	48,892	50,046	51,228	52,439
Payments											
Employee Benefits & On-costs	16,473	17,168	17,552	18,149	18,682	19,188	19,708	20,200	20,703	21,220	21,749
Materials & Contracts	17,446	15,952	13,410	12,504	13,007	13,633	14,104	14,602	15,114	15,814	16,186
Borrowing Costs	840	776	711	643	572	498	433	446	331	292	251
Other	3,227	3,633	3,782	3,928	4,074	4,227	4,389	4,501	4,615	4,722	4,842
Total Non-Current Assets	37,986	37,529	35,455	35,224	36,335	37,546	38,634	39,749	40,763	42,048	43,029
Net Cash provided (or used in) Operating Activities	47,592	55,678	24,443	14,136	14,882	9,072	9,132	9,143	9,282	9,180	9,410
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	975	400	400	400	400	400	400	400	400	400	400
	975	400	400	400	400	400	400	400	400	400	400
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	51,020	64,050	25,075	13,585	14,217	9,956	10,364	12,661	12,585	10,814	11,044
	51,020	64,050	25,075	13,585	14,217	9,956	10,364	12,661	12,585	10,814	11,044
Net Cash provided (or used in) Investing Activities	(50,045)	(63,650)	(24,675)	(13,185)	(13,817)	(9,556)	(9,964)	(12,261)	(12,185)	(10,414)	(10,644)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	1,708	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425
	1,708	1,688	1,753	1,821	1,882	1,861	1,611	1,604	1,373	1,413	1,425
Net Cash provided (or used in) Financing Activities	(1,708)	(1,688)	(1,753)	(1,821)	(1,882)	(1,861)	(1,611)	(1,604)	(1,373)	(1,413)	(1,425)
Net Increase (Decrease) in Cash & Cash Equivalents	(4,161)	(9,660)	(1,985)	(870)	(817)	(2,345)	(2,442)	(4,722)	(4,276)	(2,646)	(2,659)
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	20,704	16,543	6,883	4,897	4,027	3,211	866	(1,577)	(6,298)	(10,575)	(13,221)
Cash, Cash Equivalents & Investments @ end of the year	16,543	6,883	4,897	4,027	3,211	866	(1,577)	(6,298)	(10,575)	(13,221)	(15,880)
REPRESENTED BY:											
Cash & Cash Equivalents	6,043	4,383	4,897	4,027	3,211	866	(1,577)	(6,298)	(10,575)	(13,221)	(15,880)
Investments	10,500	2,500	-	-	-	-	-	-	-	-	-
TOTAL	16,543	6,883	4,897	4,027	3,211	866	(1,577)	(6,298)	(10,575)	(13,221)	(15,880)

INCOME STATEMENT FORECAST

for Years 2024 to 2034

WATER FUND

	Revised 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	1,443	1,552	1,633	1,718	1,807	1,900	2,000	2,105	2,215	2,330	2,452
User Fees & Charges	3,290	3,697	3,824	3,956	4,072	4,183	4,296	4,402	4,511	4,622	4,736
Interest Received	107	149	149	149	149	149	149	149	149	149	149
Grants & Contributions - Operating	42	39	39	39	39	39	39	39	39	39	39
Grants & Contributions - Capital	1,268	500	1,600	200	329	454	200	200	200	200	200
Total Operating Revenues	6,148	5,936	7,244	6,060	6,395	6,724	6,683	6,894	7,112	7,339	7,574
Operating Expenses											
Employee Costs	1,147	1,191	1,232	1,275	1,313	1,348	1,385	1,419	1,454	1,490	1,527
Materials & Contracts	2,220	2,590	2,679	2,743	2,864	2,915	3,040	3,083	3,213	3,257	3,395
Depreciation	1,888	1,914	2,403	2,440	2,474	2,507	2,528	2,556	2,585	2,594	2,628
Interest Charges/Borrowing Costs	208	190	172	154	134	113	91	67	42	25	22
Other Operating Expenses	215	252	255	264	267	265	246	249	252	260	263
Corporate Administration Overheads	1,101	1,251	1,295	1,340	1,381	1,419	1,458	1,494	1,531	1,570	1,609
Total Operating Expenses	6,780	7,389	8,037	8,216	8,432	8,566	8,747	8,868	9,077	9,196	9,443
Operating Result Surplus/(Deficit)	(632)	(1,453)	(793)	(2,155)	(2,037)	(1,842)	(2,064)	(1,974)	(1,964)	(1,856)	(1,869)
Operating Result Before Capital Amounts Surplus/(Deficit)	(1,899)	(1,953)	(2,393)	(2,355)	(2,366)	(2,296)	(2,264)	(2,174)	(2,164)	(2,056)	(2,069)

BALANCE SHEET
for Years 2024 to 2034
WATER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	321	321	321	321	321	321	321	321	321	321	321
Investments	4,135	1,729	2,774	2,670	2,773	3,590	3,921	4,383	5,644	6,457	7,359
Receivables	728	713	699	685	671	658	645	632	619	607	595
Inventories	337	334	331	328	325	322	319	316	313	310	307
Other	9	9	9	9	9	9	9	9	9	9	9
Total Current Assets	5,530	3,106	4,134	4,013	4,099	4,900	5,215	5,661	6,906	7,704	8,591
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	95,060	96,716	95,810	94,717	93,555	91,891	90,508	89,097	86,877	85,648	84,355
Other	234	234	234	234	234	234	234	234	234	234	234
Total Non-Current Assets	95,294	96,950	96,044	94,951	93,789	92,125	90,742	89,331	87,111	85,882	84,589
TOTAL ASSETS	100,824	100,056	100,178	98,964	97,888	97,025	95,957	94,992	94,017	93,586	93,180
LIABILITIES											
Current Liabilities											
Payables	601	420	425	429	433	437	442	446	451	455	460
Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	349	366	385	404	426	448	472	528	130	133	-
Provisions	319	315	312	309	306	302	299	296	293	290	287
Total Current Assets	1,269	1,101	1,122	1,142	1,165	1,187	1,213	1,270	874	878	747
Non-Current Liabilities											
Borrowings	4,160	3,794	3,409	3,005	2,579	2,131	1,660	1,131	1,001	867	867
Provisions	14	14	14	14	14	14	14	14	14	14	14
Total Non-Current Assets	4,174	3,808	3,423	3,019	2,593	2,145	1,674	1,145	1,015	881	881
TOTAL LIABILITIES	5,443	4,909	4,545	4,161	3,758	3,332	2,887	2,415	1,889	1,759	1,628
NET ASSETS	95,381	95,147	95,633	94,803	94,130	93,693	93,070	92,577	92,128	91,827	91,552
EQUITY											
Retained Earnings	61,865	61,630	62,116	61,286	60,614	60,175	59,553	59,060	58,611	58,310	58,035
Revaluation Reserves	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517	33,517
TOTAL EQUITY	95,382	95,147	95,633	94,803	94,131	93,692	93,070	92,577	92,128	91,827	91,552

CASH FLOW

for Years 2024 to 2034

WATER FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	1,475	1,589	1,672	1,759	1,850	1,946	2,047	2,153	2,264	2,381	2,504
User Charges & Fees	4,018	3,711	3,838	3,969	4,086	4,196	4,309	4,415	4,523	4,634	4,748
Interest & Investment Revenue	107	149	149	149	149	149	149	149	149	149	149
Grants & Contributions	1,309	539	1,639	239	367	492	239	239	239	239	239
	6,908	5,987	7,297	6,115	6,452	6,783	6,744	6,955	7,174	7,402	7,639
Payments											
Employee Benefits & On-costs	1,151	1,194	1,236	1,278	1,316	1,351	1,388	1,422	1,457	1,493	1,530
Materials & Contracts	2,627	2,683	2,590	2,684	2,771	2,854	2,940	3,022	3,107	3,194	3,284
Borrowing Costs	208	190	172	154	134	113	91	67	42	25	22
Other	247	288	294	305	311	311	293	297	301	310	315
Total Non-Current Assets	4,232	4,356	4,292	4,421	4,531	4,629	4,711	4,808	4,907	5,022	5,150
Net Cash provided (or used in) Operating Activities	2,676	1,631	3,005	1,694	1,921	2,154	2,032	2,147	2,267	2,380	2,488
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	6,211	3,688	1,594	1,413	1,413	911	1,254	1,214	479	1,436	1,454
	6,211	3,688	1,594	1,413	1,413	911	1,254	1,214	479	1,436	1,454
Net Cash provided (or used in) Investing Activities	(6,211)	(3,688)	(1,594)	(1,413)	(1,413)	(911)	(1,254)	(1,214)	(479)	(1,436)	(1,454)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	330	349	366	385	404	426	448	472	528	130	133
	330	349	366	385	404	426	448	472	528	130	133
Net Cash provided (or used in) Financing Activities	(330)	(349)	(366)	(385)	(404)	(426)	(448)	(472)	(528)	(130)	(133)
Net Increase (Decrease) in Cash & Cash Equivalents	(3,865)	(2,406)	1,045	(104)	103	817	331	462	1,261	814	901
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	8,321	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778
Cash, Cash Equivalents & Investments @ end of the year	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778	7,680
REPRESENTED BY:											
Cash & Cash Equivalents	321	321	321	321	321	321	321	321	321	321	321
Investments	4,135	1,729	2,774	2,670	2,773	3,590	3,921	4,383	5,644	6,457	7,359
TOTAL	4,456	2,050	3,095	2,991	3,094	3,911	4,242	4,704	5,965	6,778	7,680

INCOME STATEMENT FORECAST

for Years 2024 to 2034

SEWER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues											
Rates & Annual Charges	3,399	3,241	3,406	3,580	3,763	3,956	4,159	4,372	4,597	4,832	5,080
User Fees & Charges	239	260	268	275	282	289	295	302	308	315	321
Interest Received	65	82	82	82	82	82	82	82	82	82	82
Grants & Contributions - Operating	76	37	37	37	37	37	37	37	37	37	37
Grants & Contributions - Capital	100	-	-	-	-	-	-	-	-	-	-
Total Operating Revenues	3,879	3,620	3,793	3,975	4,165	4,363	4,573	4,793	5,024	5,266	5,520
Operating Expenses											
Employee Costs	813	921	953	986	1,015	1,043	1,072	1,099	1,127	1,156	1,186
Materials & Contracts	2,252	3,632	1,861	1,928	1,989	2,047	2,108	2,165	2,225	2,286	2,349
Depreciation	1,083	1,097	1,074	1,082	1,094	1,111	1,121	1,128	1,139	1,147	1,159
Interest Charges/Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	127	133	134	140	141	136	115	115	116	122	123
Corporate Administration Overheads	699	849	879	909	937	962	989	1,013	1,039	1,065	1,091
Total Operating Expenses	4,974	6,632	4,900	5,045	5,175	5,300	5,404	5,521	5,646	5,776	5,908
Operating Result Surplus/(Deficit)	(1,095)	(3,012)	(1,107)	(1,070)	(1,011)	(936)	(831)	(728)	(622)	(510)	(388)
Operating Result Before Capital Amounts Surplus/(Deficit)	(1,195)	(3,012)	(1,107)	(1,070)	(1,011)	(936)	(831)	(728)	(622)	(510)	(388)

BALANCE SHEET

for Years 2024 to 2034
SEWER FUND

	Revised 2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget	2033 Budget	2034 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	574	574	574	574	574	574	574	574	574	574	574
Investments	10,132	7,521	7,735	7,637	7,358	7,685	8,400	8,916	9,845	10,573	11,749
Receivables	256	251	246	241	236	231	227	222	218	213	209
Inventories	59	59	58	58	57	56	56	55	55	54	54
Other	2	2	2	2	2	2	2	2	2	2	2
Total Current Assets	11,024	8,406	8,615	8,511	8,227	8,549	9,258	9,770	10,693	11,416	12,588
Non-Current Assets											
Infrastructure, Property, Plant & Equipment	48,408	48,699	48,262	48,205	48,416	48,120	47,569	47,344	46,838	46,671	46,204
Total Non-Current Assets	48,408	48,699	48,262	48,205	48,416	48,120	47,569	47,344	46,838	46,671	46,204
TOTAL ASSETS	59,431	57,105	56,877	56,716	56,643	56,669	56,828	57,114	57,531	58,087	58,792
LIABILITIES											
Current Liabilities											
Payables	532	372	376	380	384	388	391	395	399	403	407
Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Provisions	319	315	312	309	306	302	299	296	293	290	287
Total Current Assets	851	688	688	689	689	690	691	691	692	693	694
Non-Current Liabilities											
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Provisions	14	14	14	14	14	14	14	14	14	14	14
Total Non-Current Assets	14	14	14	14	14	14	14	14	14	14	14
TOTAL LIABILITIES	865	702	702	703	703	704	705	705	706	707	708
NET ASSETS	58,567	56,403	56,175	56,014	55,939	55,965	56,123	56,408	56,825	57,380	58,084
EQUITY											
Retained Earnings	21,364	19,200	18,972	18,811	18,737	18,762	18,921	19,206	19,622	20,177	20,881
Revaluation Reserves	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203	37,203
TOTAL EQUITY	58,567	56,403	56,175	56,014	55,940	55,965	56,124	56,409	56,825	57,380	58,084

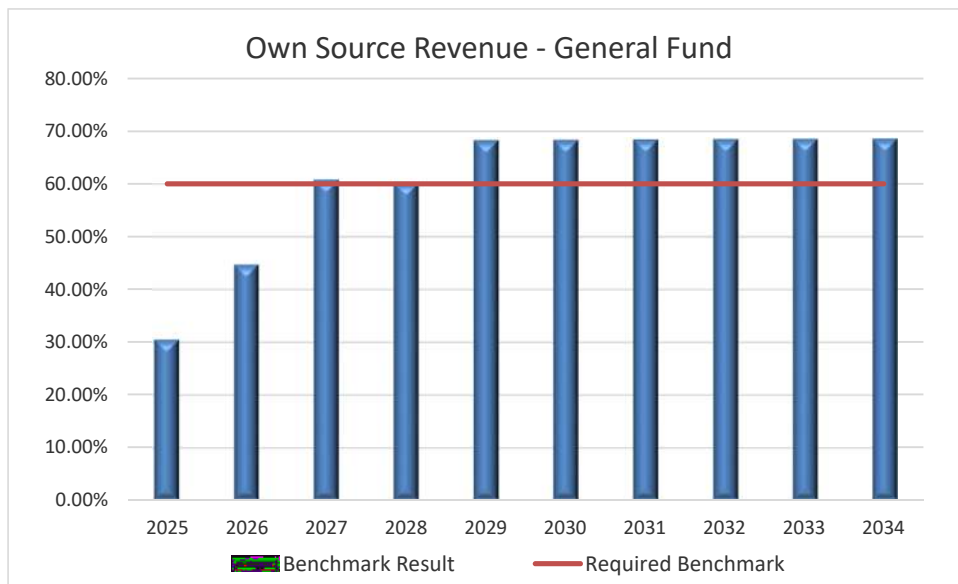
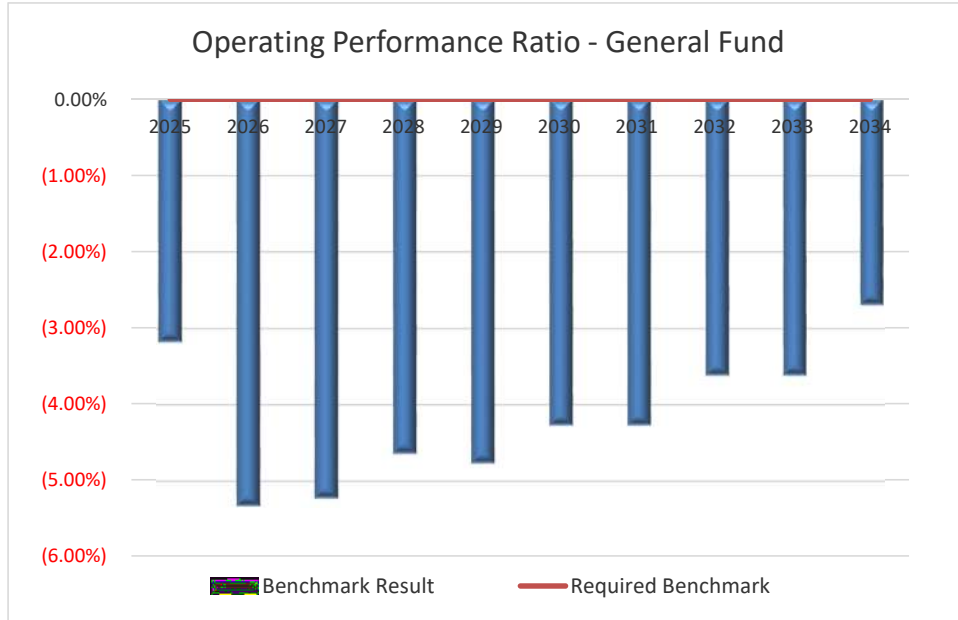
CASH FLOW

for Years 2024 to 2034

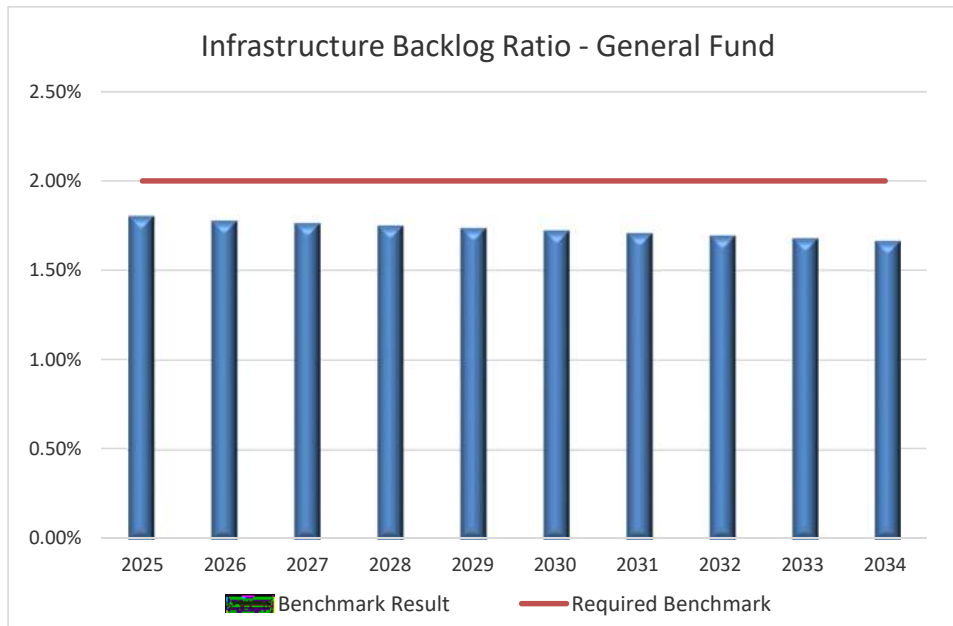
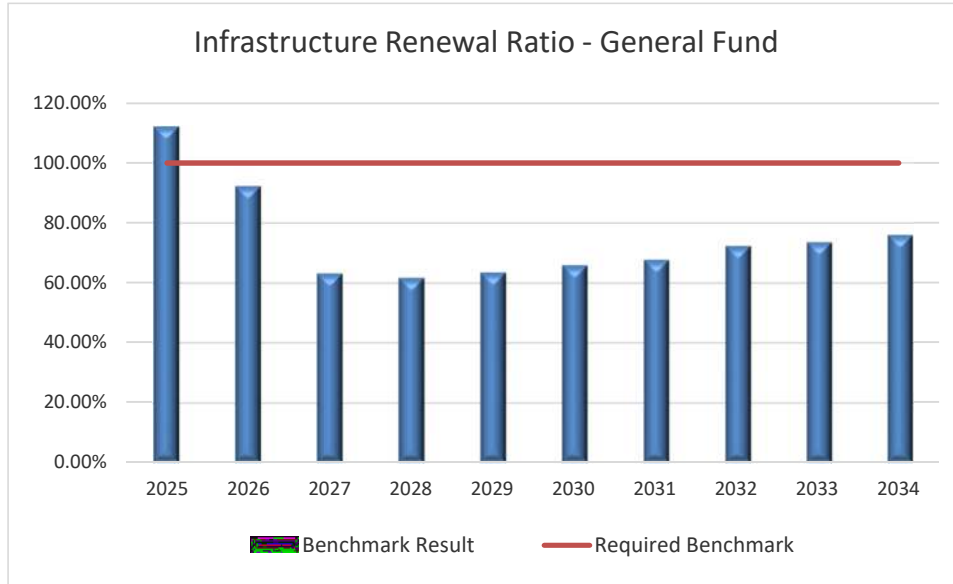
SEWER FUND

	Revised 2024 Budget \$'000	2025 Budget \$'000	2026 Budget \$'000	2027 Budget \$'000	2028 Budget \$'000	2029 Budget \$'000	2030 Budget \$'000	2031 Budget \$'000	2032 Budget \$'000	2033 Budget \$'000	2034 Budget \$'000
Cash Flows from Operating Activities											
Receipts											
Rates & Annual Charges	3,511	3,352	3,522	3,701	3,888	4,085	4,291	4,508	4,735	4,974	5,225
User Charges & Fees	239	260	268	275	282	289	295	302	308	315	321
Interest & Investment Revenue	65	82	82	82	82	82	82	82	82	82	82
Grants & Contributions	176	37	37	37	37	37	37	37	37	37	37
	3,991	3,731	3,908	4,095	4,289	4,492	4,705	4,928	5,162	5,408	5,665
Payments											
Employee Benefits & On-costs	817	925	956	989	1,018	1,046	1,075	1,103	1,131	1,159	1,189
Materials & Contracts	1,933	1,956	1,857	1,924	1,984	2,043	2,103	2,161	2,220	2,281	2,344
Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Other	154	239	244	255	260	261	242	246	250	259	264
Total Non-Current Assets	2,903	3,119	3,057	3,168	3,263	3,350	3,421	3,509	3,601	3,700	3,797
Net Cash provided (or used in) Operating Activities	1,087	612	851	927	1,026	1,142	1,285	1,419	1,561	1,708	1,869
Cash Flows from Investing Activities											
Receipts											
Sale of Infrastructure, Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Purchase of Infrastructure, Property, Plant & Equipment	2,455	3,223	637	1,025	1,305	815	570	903	633	980	693
	2,455	3,223	637	1,025	1,305	815	570	903	633	980	693
Net Cash provided (or used in) Investing Activities	(2,455)	(3,223)	(637)	(1,025)	(1,305)	(815)	(570)	(903)	(633)	(980)	(693)
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Financing Activities	-	-	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) in Cash & Cash Equivalents	(1,368)	(2,611)	214	(98)	(279)	327	715	516	929	728	1,176
Add:											
Cash, Cash Equivalents & Investments @ beginning of year	12,074	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147
Cash, Cash Equivalents & Investments @ end of the year	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147	12,323
REPRESENTED BY:											
Cash & Cash Equivalents	574	574	574	574	574	574	574	574	574	574	574
Investments	10,132	7,521	7,735	7,637	7,358	7,685	8,400	8,916	9,845	10,573	11,749
TOTAL	10,706	8,095	8,309	8,211	7,932	8,259	8,974	9,490	10,419	11,147	12,323

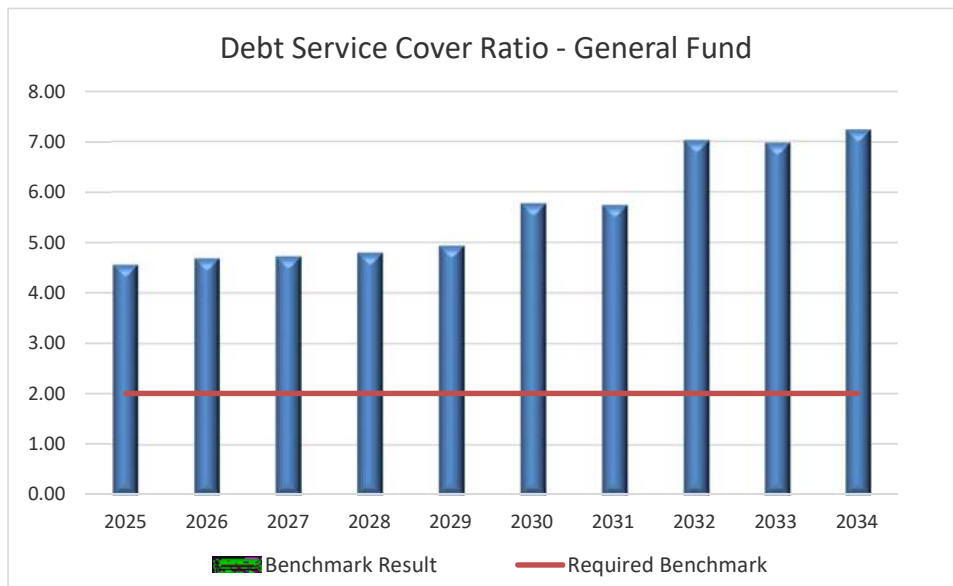
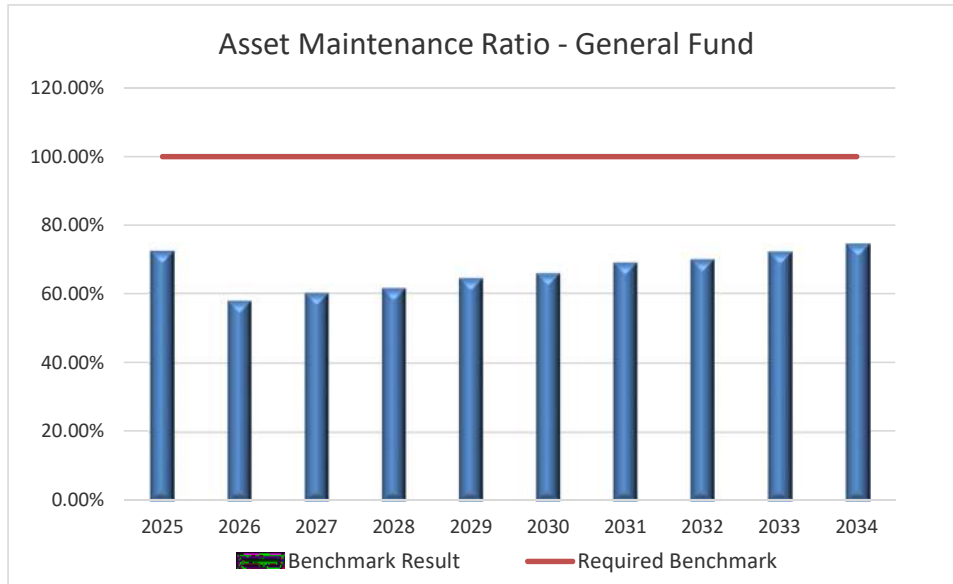
Scenario 4 - Base Rate Peg increment with no reduction in services or capital expenditure from Scenario 2 and 3



Scenario 4 - Base Rate Peg increment with no reduction in services or capital expenditure from Scenario 2 and 3



Scenario 4 - Base Rate Peg increment with no reduction in services or capital expenditure from Scenario 2 and 3



Appendix A

Special Rate Variation (SRV) Background Paper

Upper Hunter Shire Council SRV Background Paper Outline

Introduction

The purpose of this document is to outline the key information that is required for community engagement on the SRV.

The Local Government Act requires councils to apply sound financial management principles of being responsible and sustainable in aligning income, expenses, and infrastructure investment, with effective financial and asset performance management. The objectives are to:

- achieve a fully funded operating position.
- maintain sufficient cash reserves.
- maintain its asset base is 'fit for purpose'.
- have an appropriately funded capital program.

These objectives are the foundation for sound financial management and a financially sustainable council that has the financial capacity to deliver the services to its community over the long term.

Overview

Upper Hunter Shire is a rural local government area (LGA) with a land area of 8,100 square kilometres to service and maintain. The Shire was formed from an amalgamation in 2004 with the former Scone, Murrurundi and Merriwa Shires.

With the amalgamation has come challenges in providing services to the wide breadth of the LGA and its main populations in Scone, Merriwa (65km west of Scone) and Murrurundi (40km north of Scone).

Due to these distances, Council is not able to fully rationalise facilities and maintain many services for the community. Council also provides a number of services that are not core to the operations of Council however have been entrusted to Council as no private enterprise has been forthcoming to operate these service entities.

Figure 1 shows the LGA and key metrics.

Figure 1 - Upper Hunter Shire LGA and key metrics



Current services and infrastructure provided by Council

Council maintains, operates and upgrades the following essential core services for the community:

- Road network length of 1,770km
 - 124km of urban and other roads
 - 319km of sealed rural roads
 - 1,153km of unsealed rural roads
 - 174km of regional state roads
- 89 bridges and major culverts
 - 66 concrete structures
 - 23 timber structures
- Water network
 - 28km of pipe work
 - 7 water treatment plants
 - 14 pump stations
 - 23 reservoirs
 - 11 bores and wells
 - 7 water filling standpipe stations
- Sewer network
 - 16km of pipe work
 - 4 sewer treatment plants
 - 17 pump stations

- Waste Facilities
 - 4 main landfill sites
 - 1 transfer station
- 3 Council Administration Offices
- 10 Community & Public Halls
- 5 Public Library Branches
- 3 Public Swimming Pools
- 3 Youth Centres involving
 - Youth drop-in centre
 - Early intervention services including:
 - Family and youth support
 - Skills groups
 - Counselling
- Two Approved Children's Education and Care Services
 - Early Learning Centre (ELC) Long Day Care
 - Family Day Care (FDC)
- An aged care facility with 16 resident beds
- 17 independent Living Units
- 2 Low Income Units
- 1 Emergency Housing premises
- 3 Animal Shelters
- Approx. 20 Emergency Services buildings
- Regional Airport
- Hunter Warbirds Aviation Attraction
- White Park Arena
- Tourism, community events and programs
- Sporting and recreation programs and events
- Numerous commercial properties including Campbells Corner
- Caravan Park and camping grounds
- Visitor information centres and Community Connect Service
- Services Australia and Service NSW agencies
- Numerous public conveniences
- More than 119 hectares of recreational open spaces
- Planning, building and regulatory services including development application assessments, building certification and inspections, footpath trading approvals, animal control, food shop inspections, onsite sewage management inspections, public health and environmental compliance.
- Emergency management
- Floodplain management including flood warning systems
- Waste education and sustainability programs and activities.

Current situation

Increasing costs of maintaining infrastructure

Over the past five years, both drought and floods has severely affected Council’s road infrastructure. Council has had to allocate funds for increased maintenance to meet community expectations and provide safe roads for both domestic and heavy vehicle traffic.

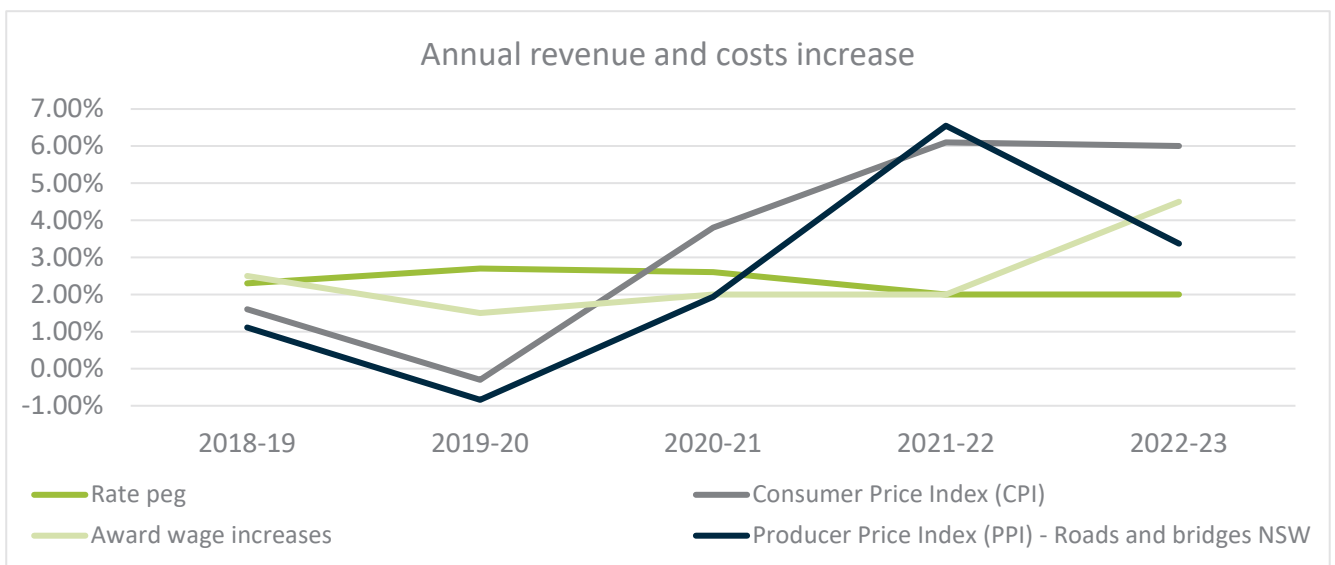
Over this time, Council has been very successful in securing capital grant funding applications with \$90.5 million received in capital grant funds over the last five years. In order to secure this funding, Council is often required to commit its own funds to these projects. This can reduce the funding available for other programs and priorities.

The level of capital grant funding that Council has been successful in securing in the past few years is not expected to continue. The State and Federal Governments have tightened their own budgets as they try to get inflation under control and manage their own fiscal deficits. This will ultimately mean that Council’s asset renewal programs will need to be funded internally rather than relying on the level of external funding that it has seen recently. Council has forecast, over the next 10 years, its capital works program will be \$205.9 million.

The increasing costs of maintaining such a large sealed and unsealed road network has also been a major issue for Council. Since COVID-19, inflationary pressure on roads and bridges construction costs has seen increases of more than 20% for the same scope of works required 3 years ago.

Generally, over the last three years, costs have grown much faster than the IPART recommended rate peg, as shown in figure 2. NSW Award increases reflect the increase in employee costs, the Consumer Price Index reflects the average increase in many of Council’s operating costs, and the Producer Price Index (PPI) for roads and bridge construction reflects the increases in cost to maintain and renew Council’s infrastructure.

Figure 2 - Annual revenue and cost increases



The Independent Pricing and Regulatory Tribunal (IPART) reviewed the way the rate peg was calculated in 2023 and has implemented a new approach from 2024-25 onward. The rate peg was based on historical inflation data and the new methodology looks to forecasted data to set the rate peg. This change has skipped over the 18 months from January 2023 to June 2024, which were some of the highest levels of inflation experienced in the last 20 years.

The cost of compliance

There are also several areas where councils are restricted in raising revenue to match increases in costs and where councils are required to fund State or Federal government services where they have no control over cost increases. Some of them are listed below:

Emergency Services Levy

One significant example of this is the Emergency Services Levy (ESL). This is an amount that councils are required to pay the State Government for the provision of Rural Fire Services (RFS), Fire and Rescue and State Emergency Services (SES). While the new rate peg methodology includes a new specific factor to include the cost increases in ESL from 2024-25 onward, historic cost increases are not included and have represented a significant financial burden on councils.

Over the past 8 years the State Government has increased the emergency levy from \$538,431 to \$901,979 which is an increase of 70% from 2017-18 year to 2024-25. Council did receive the benefit of funding from the Office of Local Government (OLG) between the years 2019-20 and 2021-22 to mitigate the substantial increase over this period however this subsidy was removed in 2022-23. The cost for the levy in 2024-25 is \$901,979, which represents 6.95% of Council's total general rate.

Waste Levy

Council is at the outlying area for the Regional Regulated Area of the Hunter Valley which effectively means that Council has the impost of a waste levy payable to the State Government for each tonne of waste that returns to its landfill sites. Although Council does attempt to recover this levy from the community through increased landfill fees and annual waste collection charges, it is unlikely that full recovery is achieved. The levy is a form of cost shifting as Council is required to remit direct to the State Government without receiving any benefits to the community.

Since its implementation Council has remitted \$9.79 million to the State Government and received grant funding in return from the Environmental Protection Agency Trust of \$1.68 million, an overall shortfall of \$8.11 million. Removal of the levy and subsequent reduction in kerbside waste collection and general landfill disposals for both business and residential residents will provide avenues for the capacity to afford the SRV increase.

Other State Government Cost Shifting

In the last five years Council has been required to pick up additional services or costs that were previously undertaken by the State Government. The following list highlights some of these additional services:

- Introduction of the NSW Planning Portal
- Regulation of Underground Petroleum Storage Systems (UPSS)
- Crown Land Management
- ARTC Rail Road Interface Agreement to maintain ARTC land reserves within council infrastructure
- Landscaping and ongoing maintenance of Transport for NSW corridor in New England Bypass of Scone
- Cemeteries & Crematoria NSW Licence Fee and Interment Services Levy imposed from 2024

The above list is only a handful of cost shifting activities a more detail overview is provided in the Local Government NSW report on cost shifting located at the following link:

<https://lgnsw.org.au/Public/Public/Advocacy/Cost-shifting.aspx>

Providing important services that are not provided by others

Council operates a number of businesses providing important services for the community where there is not a sufficiently profitable market for private operators to step in. These businesses, while often subsidised by State and Federal Government, are often highly regulated by legislation and the costs of complying with regulation outweighs the revenue and subsidies provided, particularly in regional and rural communities. These businesses tend to make losses for Council and are effectively subsidised by ratepayers.

Council has made representations to seek the possibility of other skilled parties to operate these businesses over the last 3 years without any success. Council has also taken the step to review these business structures in order to gain some cost saving which have been limited due to the compliance regulations. Over the last five years, the costs of subsidising these businesses are outlined in table 1.

Table 1 - Cost of subsidising aged care and childcare services

Business Service	Cash Losses Sustained 2019 to 2023
Aged Care Facility with 16 Beds	\$1,783,912
Early Childcare Facility	\$418,887

The need for a Special Rate Variation

Council's current Community Strategic Plan (CSP) identifies a key strategic objective for Responsible Governance as the "effective financial and asset management to ensure Council's long-term sustainability". In executing this objective and considering the economic changes that have recently occurred, the 2022-26 Delivery Program and 2022-23 Operational Plan flagged the anticipated need to seek a Special Rate Variation (SRV) within the next two to five years. In the 2023-24 Operational Plan, the need for an SRV had become more urgent to within the next 12 to 24 months. At the 29 January 2024 Council meeting, Council resolved to notify IPART of its intention to apply for an SRV to commence in the 2025-26 financial year.

Council manages three funds – a Water Fund, a Sewer Fund and a General Fund. The Water Fund covers all the costs of providing clean water to the community and is funded from direct water charges. Similarly, the Sewer Fund covers the costs of removing and processing wastewater and is funded from direct sewer charges. The General Fund is funded predominantly from rates and provides all the other services provided by Council, including roads, open spaces, community services and economic development activities. Within the General Fund, there is also the domestic waste charges and costs, the funds raised through domestic waste charges must be spent on domestic waste even though it is accounted for in the General Fund. It is the General Fund that is the focus for the financial sustainability challenges for Council, as the allowable increases in rates, called the rate peg, has not kept pace with the increases in costs that Council has incurred.

While the NSW Government has revised the way that the rate peg will be calculated from 2024-25 onward, which is intended to address the gap between the rate peg and cost increases, this will not deal with the catching up of the gap that was experienced over the last three years. Over this time, Council has experienced persistent deficits in its General Fund and maintained low unrestricted cash balances. Council has used significant capital grants to maintain and renew infrastructure however does not expect this will continue into the future. As a result, Council must consider the need for a Special Rate Variation (SRV) to increase rates revenue to ensure small operating surpluses and continue to maintain its infrastructure.

Over the last five years Council has reported operating deficits (before capital grants and contributions) and a generally declining operating performance ratio (which is the operating result as a proportion of revenue). Unrestricted cash has remained very low over the last five years, which is cash available for day to day operations. Total cash has grown mainly as a result of capital grants received before they are spent.

General Fund financial and operating performance over the last 5 years is shown in figures 3 and 4.

Figure 3 - General Fund financial performance

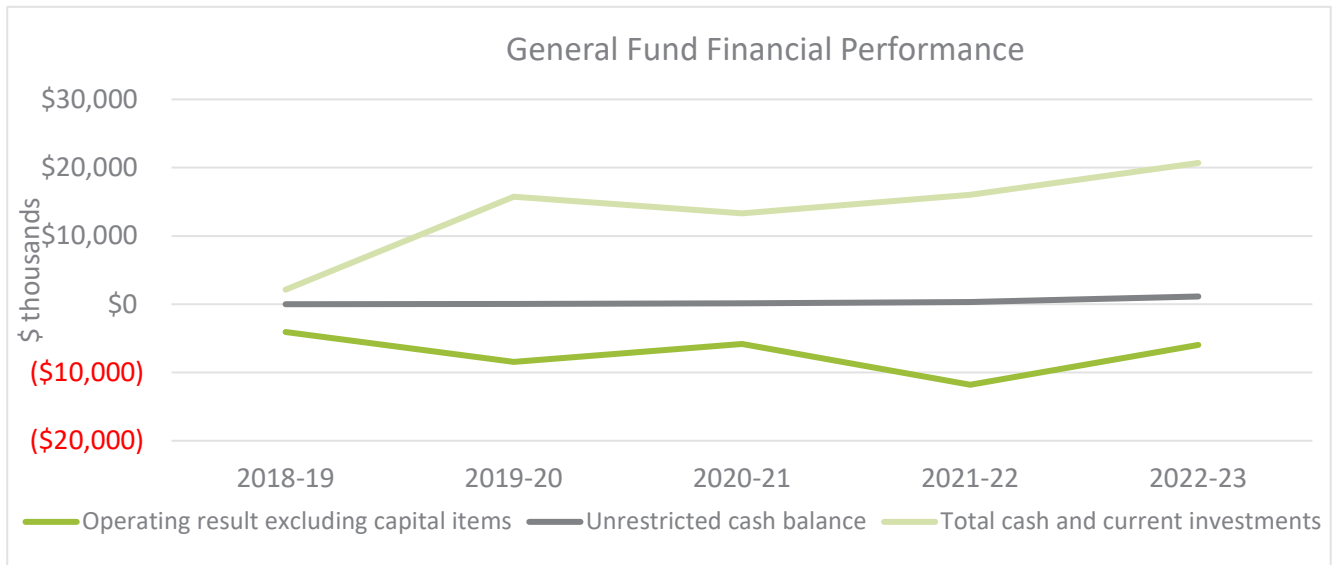
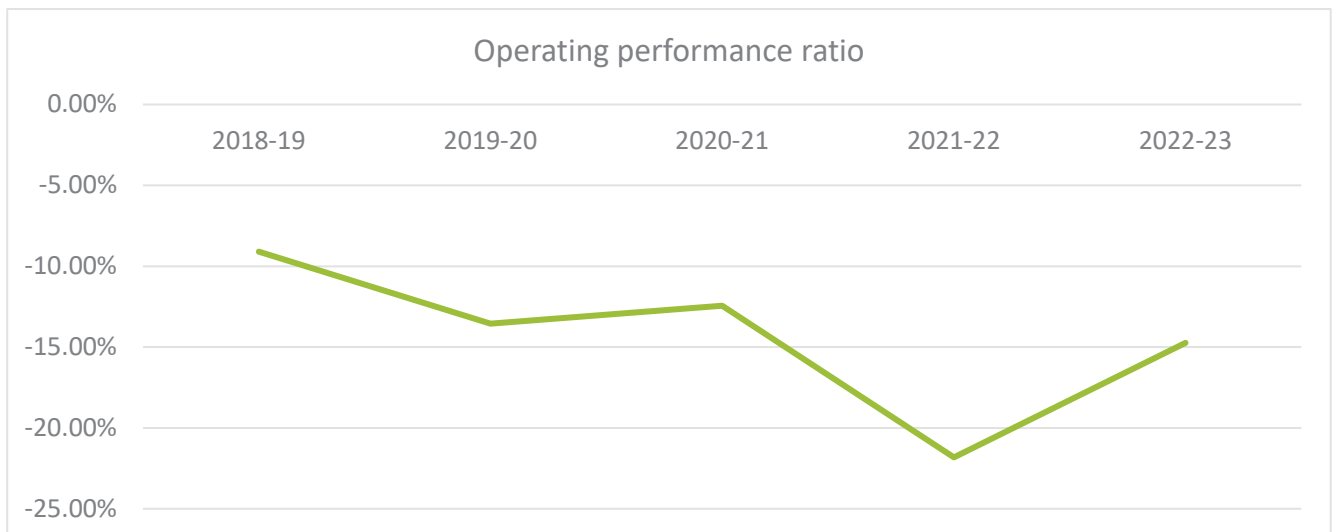


Figure 4 - General Fund operating performance ratio



The asset renewal and maintenance ratios (figures 5 and 6) show the level of Council spend on renewal and maintenance as a proportion of what is required to maintain assets at their current condition. As a result the target for both ratios is to stay around 100%. Council has spent significantly more on renewals that was required over the last few years, taking advantage of capital grant funding that was available. The backlog ratio is the amount of money needed to be spent to bring all assets back to a satisfactory level as a proportion of total asset value. This has grown in the last few years, and in 2022-23 has increased beyond the benchmark of 2% set by the Office of Local Government. The growth in the backlog ratio is a result of a number of perfect storm factors that have occurred over the last 3 to 4 years. It appears that the ratio, which should have a converse effect to the level of renewal and actual maintenance meaning that the higher the renewal/maintenance ratios the lower the backlog ratio and vice-versa, is increasing even though the level of Council's renewal ratio has been considerably above the 100% benchmark while the asset maintenance ratio has increased steadily above the 100% benchmark over the last 5 years. These factors stemmed from:

- Large stimulus projects targeted at specific projects that were and will be renewed with improved serviceability, however Council requirements for maintenance of its road infrastructure network is extremely broad and wide ranging.
- COVID-19 effects on the inflationary costs of building and construction materials to undertake the large infrastructure base of Council.
- Weather effects and maintenance required to bring assets, especially the road network, up to a satisfactory condition resulting from the extremes of drought to flood/storm events.

It is noted that funding is being supplied by the State Government to undertake maintenance requirements as a result of the flood events from November 2021 & February 2022 which commenced late in the 2022/2023 year after the initial emergency works were completed in the 2021/2022 year. These factors provided for the increase in the asset maintenance ratio over the last two years.

Figure 5 - General Fund asset performance ratios

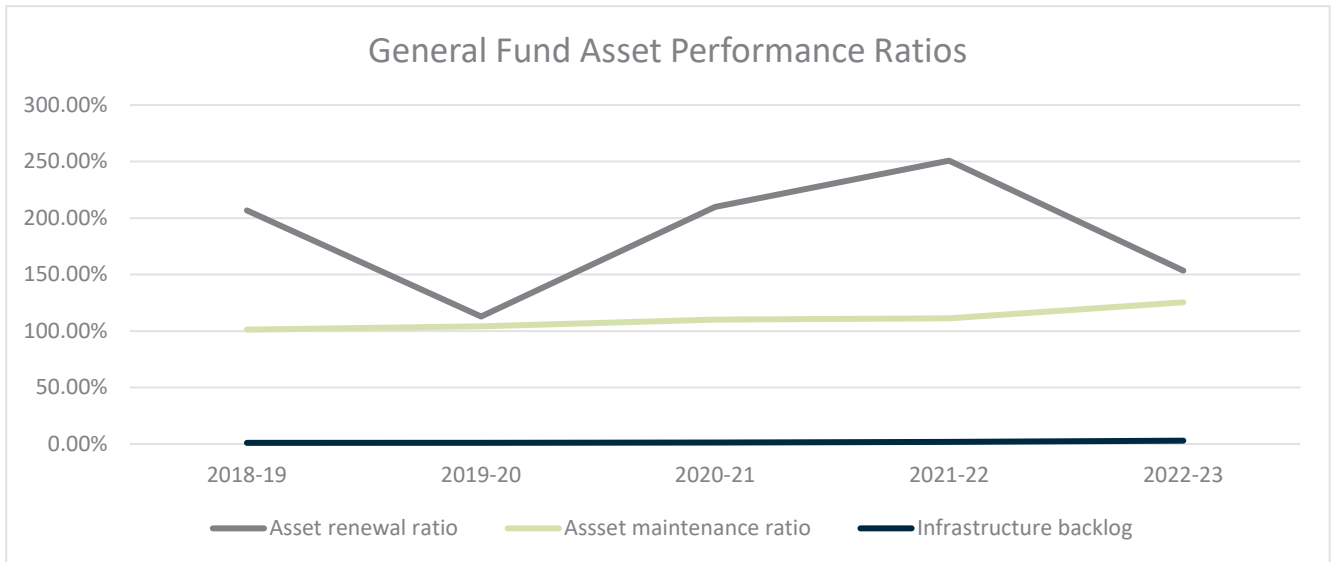
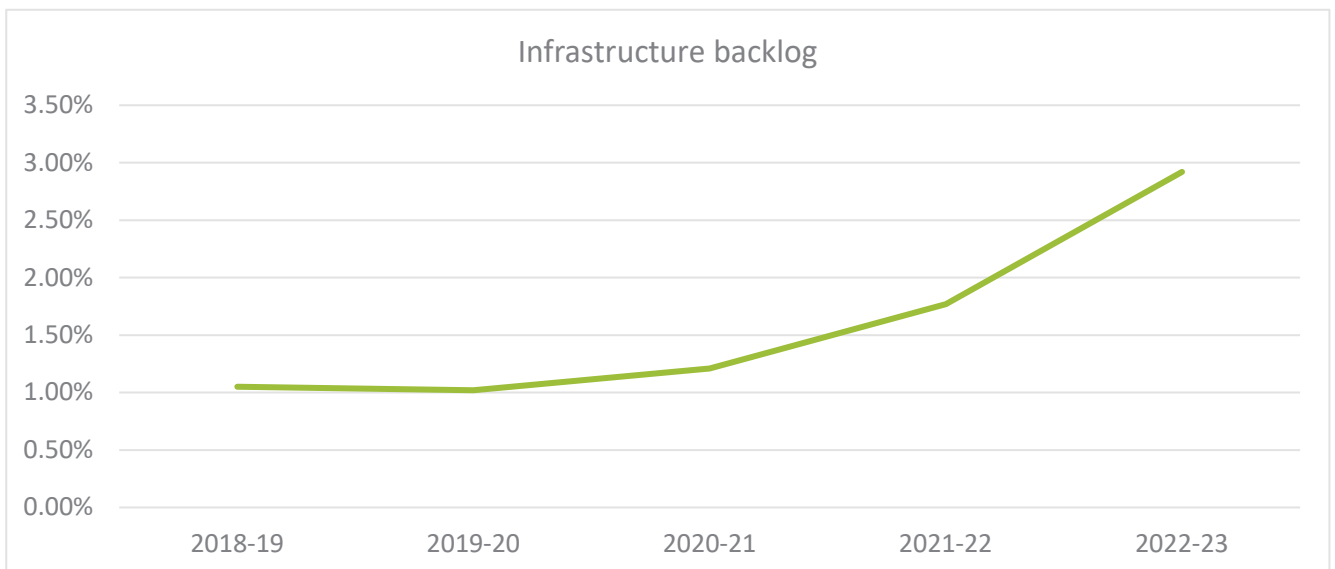


Figure 6 - General Fund infrastructure backlog ratio



The proposed special rate variation

What is a special rate variation?

New South Wales has a rate capping regime in place. Each year, IPART sets a “rate peg”, which is the maximum percentage increase in total rates that all are allowed to implement. If a council needs to increase rates by more than the rate peg, it must apply to IPART for a Special Rate Variation (SRV).

There are two types of SRVs:

- a temporary SRV for a fixed amount over a fixed period
- a permanent SRV for a fixed amount that remains in the rate base.

When a temporary SRV expires, rates return to the original level at the conclusion of the approval period. Temporary SRVs are usually approved to fund specific one-off projects, such as significant infrastructure projects. As Upper Hunter Shire Council is looking to deliver current service levels, maintain its current level of ongoing renewal of assets and address the core deficit in the General Fund, a permanent SRV is required. Permanent SRVs can be implemented over up to seven years.

What is the SRV being considered at Upper Hunter Shire Council?

Upper Hunter Shire Council is considering two different options for a potential SRV, which is now seeking to consult the community on. The first option, Option 1, is a cumulative permanent increase of 33.10% over three years as outlined in Table 2. The other option, Option 2, is a cumulative permanent increase of 33.55% over four years, as outlined in table 3.

Table 2 - Option 1: SRV over three (3) years

	2025-26	2026-27	2027-28	Cumulative
Permanent increase above the rate peg	6.30%	6.60%	6.90%	21.13%
Forecasted rate peg	3.70%	3.40%	3.10%	10.55%
Total proposed increase	10.00%	10.00%	10.00%	33.10%

Table 3 - Option 2: SRV over four (4) years

	2025-26	2026-27	2027-28	2028-29	Cumulative
Permanent increase above rate peg	3.80%	4.10%	4.40%	4.70%	18.11%
Forecasted rate peg	3.70%	3.40%	3.10%	2.80%	13.65%
Total proposed increase	7.50%	7.50%	7.50%	7.50%	33.55%

At the conclusion of both these potential rate increases, rates will continue to increase by the set rate peg for that year. IPART determines the annual rate peg that councils receive each year based on the expected cost increase for the year. This is usually set approximately 6-9 months before the start of that financial year. The forecasted rate peg increases for the years in tables 2 & 3 are based on the assumptions that Council has applied in its Long Term Financial Plan. If Council is successful in seeking an SRV and the actual rate peg is different than what is forecasted, this will not change the total proposed increase in council rates. The maximum total rate increase will be 10% for each of the three years or 33.10% cumulative in Option 1 or 7.5% for each of the four years or 33.55% cumulative in Option 2.

As outlined in the OLG's Guidelines on SRVs and IPART's guidance, the SRV rate is expressed as a cumulative percentage over the period the SRV is to be implemented. However, as the two options being considered are over different periods, the two cumulative rates of 33.10% for Option 1 and 33.55% for Option 2 are not comparable. Table 4 provides the two options as comparable rates over four years so that the rates are comparable.

Table 4 - Option 1 and 2 comparison over 4 years

	2025-26	2026-27	2027-28	2028-29	Comparison
Option 1 (SRV over three years)	10.00%	10.00%	10.00%	2.80%*	36.83%
Option 2 (SRV over four years)	7.50%	7.50%	7.50%	7.50%	33.55%

* The fourth year rate for Option 1 is the assumed rate peg for that year.

What has council done and is planning to do to be as efficient as possible

Council has undertaken a number of cost saving measures entailing both an organisational management restructure and business service reviews. These savings have been realised and are banked into Council's current Long Term Financial Plan (LTFP).

Council's 2024-25 draft budget has only increased operating expenditure by 2.9%, demonstrating our commitment to efficiency in our operating processes against a significantly higher inflationary background.

Organisational Management Restructure:

Council has reviewed its structure and removed and/or downgraded a number of senior positions within the organisation that has achieved approximately \$624,000. Cost savings from the restructure are outlined in table 5.

Table 5 - Organisational restructure savings

Position	Removed / Downgraded	Estimated annual savings (With on-costs)
Director Corporate Service	Removed	\$246,100
Manager Business Services	Removed	\$144,062
Manager Governance & Risk	Downgraded	\$14,547
Manager Strategic Projects	Removed	\$130,360
Airport Reporting Officer	Combined two roles into one	\$88,991
Total		\$624,060

Business Improvements

Council is in the process of facilitating an organisational business service review with a focus on delivering:

- Additional revenue streams
- Cost savings
- Operating efficiencies.

This review is being undertaken with the view of a user pays system and no reduction to the provision of the satisfactory service delivery to the community. Another factor in this process will be the removal of excess or non-beneficial services provided and the combining of operations with similar synergies.

Revenue and expenditure benefits achieved are outlined in table 6.

Table 6 - Savings to date from business service review

Business service function	Measure undertaken	Estimated annual costs saving	Estimated additional annual revenue
Regional Saleyards	Fee Structure		\$80,000
Scone Airport	Fee Structure		\$20,000
Sporting Grounds	Fee Structure		\$20,000
White Park	Signage Sponsorship		\$10,000
Commercial Property	New Leases		\$50,000
Hunter Warbirds & Scone Visitor Information Centre	Combining Operations and staffing restructure	\$125,000	
Hunter Warbirds	Lease of Café and Parking Spot		\$20,000
Totals		\$125,000	\$200,000

Future initiatives and improvements

Council will be investigating and/or implementing the following future initiatives and practices, detailed in table 7, in order to create efficiencies to achieve increased delivery productivity, utilisation and revenue generation.

Table 7 - Service review identified improvements to be investigated

Business service function	Initiative and improvements	Benefit measure
Road construction	Change in methodology to reduce pavement width and on-going future maintenance	Efficiency Gain to deliver additional works for same cost. Efficiency gains from the methodology for sealing of the reduced pavement is approximately \$7,000 per kilometre. In addition, Council's road maintenance program will be based on actual condition rather than frequency based.
Property development	Develop and/or dispose of Council's excess land holding	Additional revenue streams from either sale or leasing opportunities
Internal fleet utilisation and productivity	Optimise internal fleet held by Council through review of specified needs and current utilisation of existing fleet items	Disposal of underutilised fleet items providing funds to replace aging fleet with new technology to increase productivity.
Business enterprises	Constant review of user fees and charges and reduction on costs for associated business through efficiencies and business hours	<ol style="list-style-type: none"> 1. Saleyards increased revenue \$70,000 for 2024/25 then CPI. 2. Other increases will only have minimal effect on overall revenue.

Service reviews program

Council has commenced an overall business service review for the delivery of all its services and business enterprises. Initial phases of the program has entailed the review by service and business managers to review and highlight any possible efficiency, cost saving and increase in revenue streams.

Although this is limited as the majority of the major items within these services and business entities have already been critically reviewed over the last 2 years in order to achieve savings to counteract the effects of the high inflationary effects in the economy since COVID-19.

Throughout this process the areas where greatest improvement can be made is through road construction methodology, limiting service provision such as mowing and maintenance or reducing operating hours of community services.

Despite not finding suitable operators for Council owned businesses in the last 3 years, there still exists potential for Council to limit its losses if commercial operators can provide this service.

Business and Service Activities Costing Residents

Council provides many service activities that are considered a burden on the residents that exists for the benefit of all community. These include libraries, parks, sporting grounds, public amenities, swimming pools, community halls and services etc. Other businesses that also benefit the community that are more commercial in nature are also provided by Council which have in the past five years been a burden on residents. These activities although not directly benefiting the community do have an indirect benefit to the shire's economy through employment and tourism stimulus.

While Council acknowledges that these businesses are considered commercial in nature the intent is to return these businesses to at least a cost neutral operating position. Council will also seriously consider opportunities of divesting potential businesses to other suitable providers or divesting the business operation completely and utilising the facility for another purpose. These options are considered to be a medium to long term strategy.

However, in the short term Council will continue to review these operations with a view to either increase potential revenue streams and seek cost saving measures through reduced operating hours in non-productive times and/or resource sharing.

Voluntary Planning Agreements

Over the last five years Council has entered into a number of Voluntary Planning Agreements (VPAs) which will ultimately benefit the communities that reside near these mining and renewable projects. Although these won't immediately assist in the increased operational costs shortfalls, they will provide for improved infrastructure in the future which will have the flow-on effect of reduced maintenance costs.

To date Council has entered into 3 VPAs (table 8) in Aberdeen and Cassilis with another 3 VPAs currently in negotiations situated in the Merriwa, Rouchel and Timor/Murrurundi.

Table 8 - Existing VPAs entered into

VPA Location	Annual Community Contribution	Annual Contribution to Environmental Officer	Annual Contribution to Aboriginal Liaison Officer
Dartbrook Coal Mine	\$110,000	\$20,000	
Mt Pleasant Coal Mine	\$250,000		\$25,000
Liverpool Range Wind Farm	\$147,000		

What do the proposed SRV options mean for rate payers?

The impact on an individual's rates will be different depending on the unimproved land value of their property. Tables 9 and 10 indicate the annual rate increase likely to be experienced by the average land value for each rating category. Tables 11, 12 and 13 show the more detailed breakdown by subcategory for the NO SRV base case, option 1 and option 2. The increases include the forecast rate peg when relevant to that model.

Table 9 - Option 1 – Average annual general rate for each year of the Special Rate Variation of 10% over three (3) years

Rating Category	2025-26	2026-27	2027-28
Residential	\$1,072.66	\$1,179.93	\$1,297.92
Business	\$1,317.46	\$1,449.21	\$1,594.13
Farming	\$4,581.38	\$5,039.52	\$5,543.47
Mining	\$157,880.27	\$173,668.30	\$191,035.13

Table 10 - Option 2 - Average annual general rate for each year of the Special Rate Variation of 7.5% over four (4) years

Rating Category	2025-26	2026-27	2027-28	2028-29
Residential	\$1,048.28	\$1,126.90	\$1,211.42	\$1,302.28
Business	\$1,287.52	\$1,384.08	\$1,487.89	\$1,599.48
Farming	\$4,477.25	\$4,813.04	\$5,174.02	\$5,562.07
Mining	\$154,292.08	\$165,863.99	\$178,303.79	\$191,676.57

Table 11 – No SRV with detailed rate forecast for each subcategory (base case)

	2024-25 4.5%	2025-26 3.7%	2026-27 3.4%	2027-28 3.1%	2028-29 2.8%
Farmland	\$4,164.89	\$4,318.99	\$4,465.84	\$4,604.28	\$4,733.20
Residential					
Aberdeen	\$668.30	\$693.03	\$716.59	\$738.80	\$759.49
Cassilis	\$568.73	\$589.77	\$609.82	\$628.72	\$646.32
Merriwa	\$653.09	\$677.25	\$700.28	\$721.99	\$742.21
Murrurundi	\$618.05	\$640.92	\$662.71	\$683.25	\$702.38
Scone	\$1,186.39	\$1,230.28	\$1,272.11	\$1,311.55	\$1,348.27
Ordinary (Land classified as residential outside townships i.e. lifestyle blocks)	\$1,094.47	\$1,133.93	\$1,172.48	\$1,208.83	\$1,242.68
Business					
Aberdeen	\$1,235.90	\$1,281.63	\$1,325.21	\$1,366.29	\$1,404.55
Merriwa	\$797.07	\$826.56	\$854.66	\$881.15	\$905.82
Murrurundi	\$986.27	\$1,023.31	\$1,058.10	\$1,090.90	\$1,121.45
Scone	\$1,816.20	\$1,883.40	\$1,947.44	\$2,007.81	\$2,064.03
Ordinary (Land not classified as Farming, residential or mining outside of townships)	\$793.68	\$823.05	\$851.03	\$877.41	\$901.98
Mining	\$143,527.52	\$148,838.04	\$153,898.53	\$158,669.38	\$163,112.12

Table 12 – Option 1 with detailed rate forecast for each subcategory

	2024-25 4.50%	2025-26 10.00%	2026-27 10.00%	2027-28 10.00%	2028-29 2.80%
Farmland	\$4,164.89	\$4,581.38	\$5,039.52	\$5,543.47	\$5,698.69
Residential					
Aberdeen	\$668.30	\$735.14	\$808.65	\$889.52	\$914.43
Cassilis	\$568.73	\$625.60	\$688.16	\$756.98	\$778.18
Merriwa	\$653.09	\$718.39	\$790.23	\$869.25	\$893.59
Murrurundi	\$618.05	\$679.86	\$747.85	\$822.64	\$845.67
Scone	\$1,186.39	\$1,305.03	\$1,435.53	\$1,579.08	\$1,623.29
Ordinary (Land classified as residential outside townships i.e. lifestyle blocks)	\$1,093.47	\$1,202.81	\$1,323.09	\$1,455.40	\$1,496.15
Business					
Aberdeen	\$1,235.90	\$1,359.49	\$1,495.44	\$1,644.98	\$1,691.04
Merriwa	\$797.07	\$876.78	\$964.46	\$1,060.91	\$1,090.62
Murrurundi	\$986.79	\$1,085.47	\$1,194.02	\$1,313.42	\$1,350.20
Scone	\$1,816.20	\$1,997.82	\$2,197.60	\$2,417.36	\$2,485.05
Ordinary (Land not classified as Farming, residential or mining outside of townships)	\$793.68	\$873.05	\$960.36	\$1,056.40	\$1,085.98
Mining	\$143,527.52	\$157,880.27	\$173,668.30	\$191,035.13	\$196,384.11

Table 13 – Option 2 with detailed rate forecast for each subcategory

	2024-25 4.50%	2025-26 7.50%	2026-27 7.50%	2027-28 7.50%	2028-29 7.50%
Farmland	\$4,164.89	\$4,477.25	\$4,813.04	\$5,174.02	\$5,562.07
Residential					
Aberdeen	\$668.30	\$718.43	\$772.31	\$830.23	\$892.50
Cassilis	\$568.73	\$611.38	\$657.23	\$706.52	\$759.51
Merriwa	\$653.09	\$702.07	\$754.73	\$811.33	\$872.18
Murrurundi	\$618.05	\$664.41	\$714.24	\$767.81	\$825.40
Scone	\$1,186.39	\$1,275.37	\$1,371.02	\$1,473.85	\$1,584.39
Ordinary (Land classified as residential outside townships i.e. lifestyle blocks)	\$1,093.47	\$1,175.48	\$1,263.64	\$1,358.41	\$1,460.29
Business					
Aberdeen	\$1,235.90	\$1,328.59	\$1,428.23	\$1,535.35	\$1,650.50
Merriwa	\$797.07	\$856.85	\$921.11	\$990.19	\$1,064.45
Murrurundi	\$986.79	\$1,060.80	\$1,140.36	\$1,225.89	\$1,317.83
Scone	\$1,816.20	\$1,952.41	\$2,098.84	\$2,256.25	\$2,425.47
Ordinary (Land not classified as Farming, residential or mining outside of townships)	\$793.68	\$853.21	\$917.20	\$985.99	\$1,059.94
Mining	\$143,527.52	\$154,292.08	\$165,863.99	\$178,303.79	\$191,676.57

Table 14 - Cumulative increase in rate breakdown for each category Option 1

	2025/26	2026/27	2027/28
	10.00%	10.00%	10.00%
Farmland			
IPART increase	\$154.10	\$300.95	\$439.39
SRV increase	\$262.39	\$573.68	\$939.19
Total	\$416.49	\$874.63	\$1,378.58
Residential			
Aberdeen			
IPART increase	\$24.73	\$48.29	\$70.50
SRV increase	\$42.10	\$92.05	\$150.70
Total	\$66.83	\$140.34	\$221.21
Cassilis			
IPART increase	\$21.04	\$41.10	\$60.00
SRV increase	\$35.83	\$78.34	\$128.25
Total	\$56.87	\$119.43	\$188.25
Merriwa			
IPART increase	\$24.16	\$47.19	\$68.90
SRV increase	\$41.14	\$89.96	\$147.27
Total	\$65.31	\$137.15	\$216.17
Murrurundi			
IPART increase	\$22.87	\$44.66	\$65.20
SRV increase	\$38.94	\$85.13	\$139.37
Total	\$61.81	\$129.79	\$204.57
Scone			
IPART increase	\$43.90	\$85.73	\$125.16
SRV increase	\$74.74	\$163.42	\$267.53
Total	\$118.64	\$249.14	\$392.70
Lifestyle Blocks			
IPART increase	\$40.46	\$79.01	\$115.36
SRV increase	\$68.89	\$150.62	\$246.58
Total	\$109.35	\$229.63	\$361.94
Business			
Aberdeen			
IPART increase	\$45.73	\$89.30	\$130.38
SRV increase	\$77.86	\$170.24	\$278.70
Total	\$123.59	\$259.54	\$409.08
Merriwa			
IPART increase	\$29.49	\$57.59	\$84.09
SRV increase	\$50.22	\$109.79	\$179.74
Total	\$79.71	\$167.38	\$263.83
Murrurundi			
IPART increase	\$36.51	\$71.30	\$104.10
SRV increase	\$62.17	\$135.92	\$222.52
Total	\$98.68	\$207.23	\$326.63
Scone			
IPART increase	\$67.20	\$131.23	\$191.61
SRV increase	\$114.42	\$250.17	\$409.56
Total	\$181.62	\$381.40	\$601.16

Table 15 - Cumulative increase in rate breakdown for each category Option 2

	2025/26	2026/27	2027/28	2028/29
	7.50%	7.50%	7.50%	7.50%
Farmland				
IPART increase	\$154.10	\$300.95	\$439.39	\$568.31
SRV increase	\$158.27	\$347.21	\$569.75	\$828.88
Total	\$312.37	\$648.16	\$1,009.14	\$1,397.19
Residential				
Aberdeen				
IPART increase	\$24.73	\$48.29	\$70.50	\$91.19
SRV increase	\$25.40	\$55.71	\$91.42	\$133.00
Total	\$50.12	\$104.00	\$161.93	\$224.19
Cassilis				
IPART increase	\$21.04	\$41.10	\$60.00	\$77.60
SRV increase	\$21.61	\$47.41	\$77.80	\$113.19
Total	\$42.65	\$88.51	\$137.80	\$190.79
Merriwa				
IPART increase	\$24.16	\$47.19	\$68.90	\$89.12
SRV increase	\$24.82	\$54.45	\$89.34	\$129.98
Total	\$48.98	\$101.64	\$158.24	\$219.09
Murrurundi				
IPART increase	\$22.87	\$44.66	\$65.20	\$84.33
SRV increase	\$23.49	\$51.52	\$84.55	\$123.00
Total	\$46.35	\$96.18	\$149.75	\$207.34
Scone				
IPART increase	\$43.90	\$85.73	\$125.16	\$161.89
SRV increase	\$45.08	\$98.91	\$162.30	\$236.11
Total	\$88.98	\$184.63	\$287.46	\$398.00
Lifestyle Blocks				
IPART increase	\$40.46	\$79.01	\$115.36	\$149.21
SRV increase	\$41.55	\$91.16	\$149.59	\$217.62
Total	\$82.01	\$170.17	\$264.94	\$366.83
Business				
Aberdeen				
IPART increase	\$45.73	\$89.30	\$130.38	\$168.64
SRV increase	\$46.96	\$103.03	\$169.07	\$245.97
Total	\$92.69	\$192.34	\$299.45	\$414.61
Merriwa				
IPART increase	\$29.49	\$57.59	\$84.09	\$108.76
SRV increase	\$30.29	\$66.45	\$109.04	\$158.63
Total	\$59.78	\$124.04	\$193.13	\$267.39
Murrurundi				
IPART increase	\$36.51	\$71.30	\$104.10	\$134.65
SRV increase	\$37.50	\$82.27	\$134.99	\$196.39
Total	\$74.01	\$153.57	\$239.10	\$331.04
Scone				
IPART increase	\$67.20	\$131.23	\$191.61	\$247.82
SRV increase	\$69.02	\$151.41	\$248.45	\$361.46
Total	\$136.22	\$282.65	\$440.06	\$609.28

Council made a comparison with the average annual general rate by category with other neighbouring “like” councils to ensure that the final general rate for each option was still comparable to those “like” Councils, as shown in the following tables 16 and 17 for each SRV option.

Table 16 - Option 1 – 10% for three (3) years – a permanent cumulative effect of 33.10%

Average general rate at the end of the SRV period - 2027/2028 year

Rating Category	UHSC	Singleton	Muswellbrook	Dungog	Liverpool Plains	Warrumbungles	Mid Western
Residential	\$1,297.92	\$1,443.26	\$1,153.12	\$1,778.75	\$1,125.07	\$767.18	\$1,191.77
Business	\$1,594.13	\$2,978.50	\$3,346.81	\$1,843.89	\$1,969.25	\$2,107.91	\$2,650.94
Farmland	\$5,543.47	\$2,961.52	\$3,743.66	\$4,548.26	\$6,558.71	\$3,912.32	\$3,102.82
Mining	\$191,035.13	\$298,443.14	\$1,393,847.46	N/A	\$163,150.06	N/A	\$1,869,881.89

Table 17 - Option 2 – 7.50% for four (4) years – a permanent cumulative effect of 33.55%

Average general rate at the end of the SRV period - 2028/2029 year

Rating Category	UHSC	Singleton	Muswellbrook	Dungog	Liverpool Plains	Warrumbungles	Mid Western
Residential	\$1,302.28	\$1,483.67	\$1,185.41	\$1,828.55	\$1,156.57	\$788.66	\$1,225.14
Business	\$1,599.48	\$3,061.90	\$3,440.52	\$1,895.51	\$2,024.38	\$2,166.93	\$2,725.16
Farmland	\$5,562.07	\$3,044.44	\$3,848.48	\$4,675.61	\$6,742.36	\$4,021.87	\$3,189.70
Mining	\$191,676.57	\$306,799.54	\$1,432,875.19	N/A	\$167,718.26	N/A	\$1,922,238.59

Capacity to Pay Analysis

Census data for 2021 identified that for the Upper Hunter Shire region that the median total household weekly income was \$1,429.

Further analysis was completed from the 2021 census data which identified that the average household income which indicated that approximately 50% of households within the region achieved a household income meeting or exceeding the median level.

Tables 18 and 19 show the impact on households relative to household income and household rental amounts in 2021.

Table 18 - Household income levels (ABS 2021)

Level of household Income	Family number of households	Non-family number of households(b)	Total number of households	Cumulative number of households	Inverse Cumulative percent for number of households	SRV increase (\$4 / week) represented as a percentage of household weekly income
Negative/Nil income	56	62	123	123	98%	
\$1-\$149	29	25	47	170	97%	5.33%
\$150-\$299	27	71	99	269	95%	2.67%
\$300-\$399	24	110	132	401	92%	1.33%
\$400-\$499	82	327	410	811	84%	1.00%
\$500-\$649	81	182	262	1,073	79%	0.80%
\$650-\$799	289	105	393	1,466	71%	0.62%
\$800-\$999	190	139	335	1,801	64%	0.50%
\$1,000-\$1,249	234	183	411	2,212	56%	0.40%
\$1,250-\$1,499	321	102	423	2,635	48%	0.32%
\$1,500-\$1,749	192	76	271	2,906	42%	0.27%
\$1,750-\$1,999	207	67	272	3,178	37%	0.23%
\$2,000-\$2,499	460	118	581	3,759	25%	0.20%
\$2,500-\$2,999	350	14	360	4,119	18%	0.16%
\$3,000-\$3,499	283	26	309	4,428	12%	0.13%
\$3,500-\$3,999	185	0	184	4,612	8%	0.11%
\$4,000 or more	390	27	411	5,023	0%	0.10%
Total	3,400	1,634	5,023			
Partial income stated(c)	310	24	337			
All incomes not stated(d)	55	80	136			

The general rate increase on the average residential household by the final year of the Option 1 SRV of 10% over 3 years will be \$323 or \$6.21 per week and for the Option 2 SRV of 7.5% over 4 years will be \$327 or \$6.29 which, based on the median household income of \$1,429, is approximately 0.43% and 0.44% respectfully.

Therefore, the likely additional average general rate increase by the final year of the SRV options, above normal rate peg recommended by IPART, for residential households as a result of the SRV, will be in the vicinity of \$4 per week above the assumed rate peg which, based on the median household income of \$1,429 is approximately 0.28% of total household income.

The real percentage impact is less due to likely wage increases since the census data collection.

Table 19 - ABS data on rent amounts in Upper Hunter in 2021

Rent range	Real estate agent	State or territory housing authority	Community housing provider	Person not in same household(c)	Other landlord type(d)	Not stated	Total	Median rent	inverse cumulative percentage	\$4 / week represented as a percentage of rent
\$1-\$74	4	0	0	3	3	0	16	\$37.50	99%	10.7%
\$75-\$99	0	0	4	0	0	0	9	\$87.00	98%	4.6%
\$100-\$149	20	17	16	24	13	0	90	\$124.50	91%	3.2%
\$150-\$199	49	37	16	47	16	0	157	\$174.50	80%	2.3%
\$200-\$224	54	13	5	42	8	0	125	\$212.00	70%	1.9%
\$225-\$274	149	21	4	46	12	4	239	\$249.50	52%	1.6%
\$275-\$349	222	15	3	81	13	0	327	\$312.00	28%	1.3%
\$350-\$449	127	13	6	41	9	0	195	\$399.50	13%	1.0%
\$450-\$549	34	0	0	22	7	0	61	\$499.50	9%	0.8%
\$550-\$649	4	0	0	0	0	0	8	\$599.50	8%	0.7%
\$650-\$749	0	0	0	0	0	0	3	\$699.50	8%	0.6%
\$750-\$849	0	0	0	0	0	0	0	\$799.50	8%	0.5%
\$850-\$949	0	0	0	0	0	0	0	\$899.50	8%	0.4%
\$950 and over	0	0	0	6	0	0	9	\$975.00	7%	0.4%
Rent not stated	14	5	7	27	61	0	99	\$1,001.00	0%	0.4%
Total	675	125	45	338	149	10	1,329			

Rental amounts in the Upper Hunter sourced from the ABS data for the 2021 Census indicate that the majority of rents fall between \$150 per week and \$550 per week with a median amount of approximately \$225 per week. An indicative rate increase of \$4 / week in the final year of operation of both options, if fully passed on from the landlord to the tenant, will result in a 1.8% increase in the final year. Over 80% of tenants will be impacted by less than 2.3%.

The real percentage impact is less due to likely rent increases since the census data collection.

What do the proposed SRV options mean for Council?

With the proposed SRV Council will be able to keep pace with the general inflationary cost of doing business and providing services to the community.

Currently Council has been faced with the increasing cost of inflation on construction materials, contractor services, employee award wages, utilities (such as insurance & electricity) etc. which has created a hindrance to deliver a satisfactory service to the community.

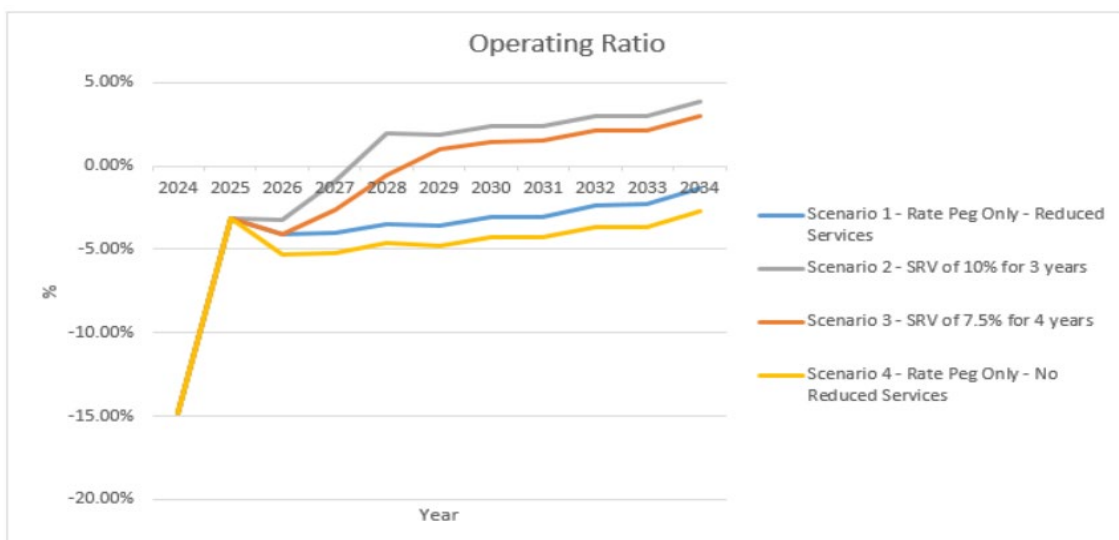
The SRV will provide Council with the necessary revenue streams for financial sustainability over the next 10 years whilst maintaining and improving the level of service to the community in order to provide the essential pillar stones of Council's operations being quality infrastructure, vibrant connected community and thriving economy.

The following ratios depict the effects of the SRV on Council given the maintaining of levels of service at their current levels into the next 10 years.

Operating Ratio

Currently Council has maintained a negative operating ratio over the last 5 years which indicates with the continued trend that availability of funds to deliver services will be impossible. With the proposed SRV Council's operating ratio is expected to be positive from 2027 year with option 1 of 10% SRV over 3 years and 2028 year with option 2 of 7.5% SRV over 4 years. If no SRV is approved the operating ratio will remain negative for the next 10 years meaning that to return to a positive position will require the reduction in services. Figure 7 shows the return to a positive operating ratio over the 10 year forecast period.

Figure 7 - Operating ratio forecast for 10 years



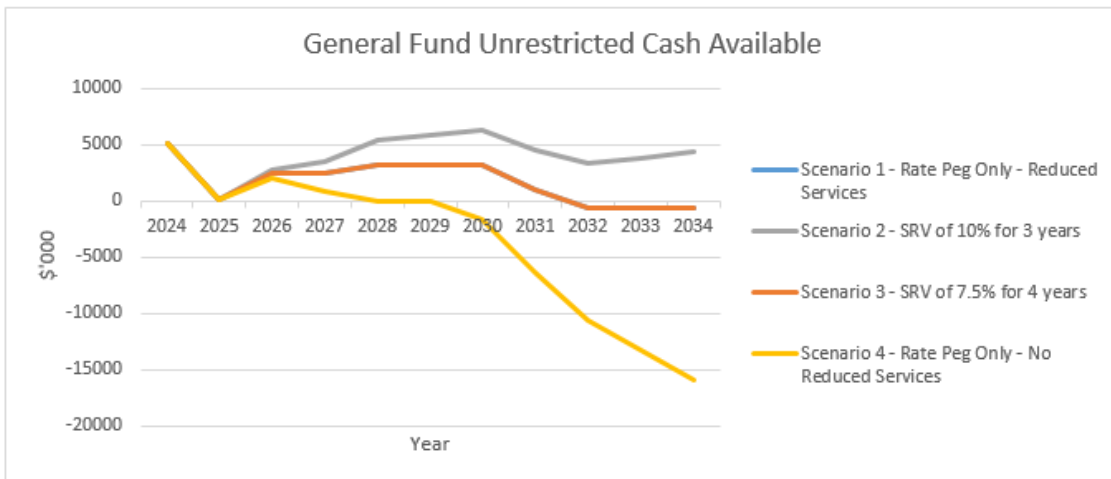
Cash reserves

Council's level of available unrestricted cash reserves are quite limited due to recent requirements to maintain the level of services for community during the high inflationary effects over the last 3 years.

To maintain positive unrestricted cash reserves whilst maintaining the level of services to the community, the implementation of an SRV is paramount to financial survival.

Figure 8 indicates that Council is able to maintain a positive level of cash reserves over the next 10 years with an SRV for option 1 of 10% over 3 years providing estimated cash reserves of \$5.86 million by 2034 and SRV for option 2 of 7.5% over 4 years providing estimated cash reserves of \$0.96 million by year 2034 which isn't ideal. However, the effects of no SRV will place Council in an unsustainable financial position of a negative cash position of \$18.87 million which ultimately means that Council will be required to reduce the levels of service to the Community to maintain a positive cash balance over the next 10 years.

Figure 8 - Cash available forecast for 10 years



It was noted that for Scenario 1 (blue) and 3 (orange) run on the same line trajectory for cash availability, therefore both are on the same orange line in the graph.

Infrastructure Ratios

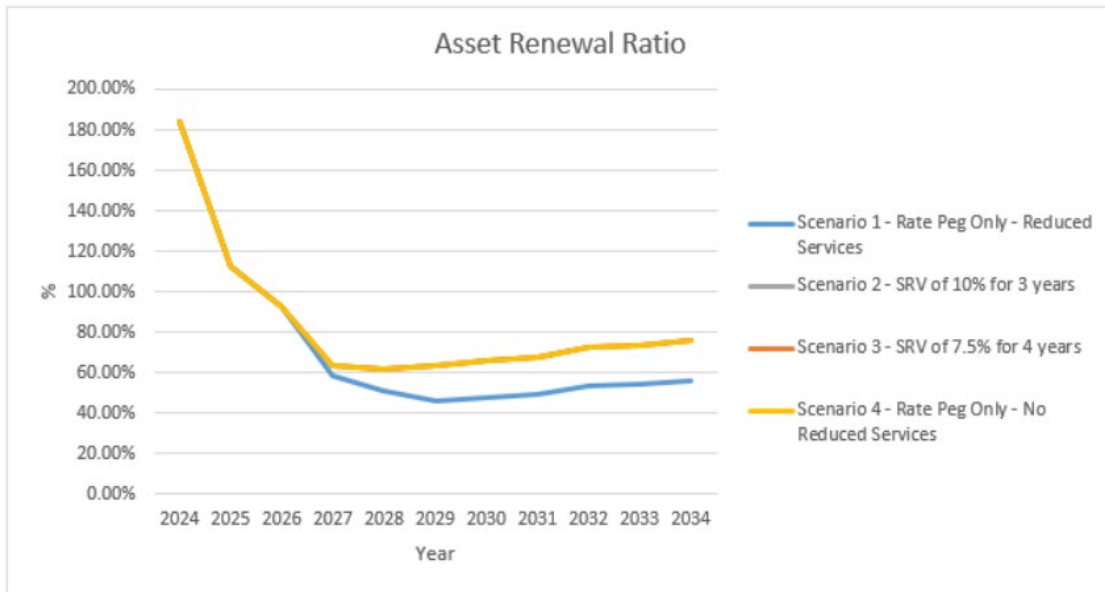
The next set of graphs effectively show the level of asset renewals, asset maintenance and backlog ratios effectively mirroring each other for the no SRV Rate Peg, SRV of 10% over 3 years and SRV of 7.5% over 4 years as the Long Term Financial Plan model has been utilised that same expenditure regimes in order to maintain the level of services to the community.

Asset renewals

As can be seen in the renewal ratio (figure 9) a major drop is experienced from the 2025 year to the 2028 year which is caused by the removal of the government infrastructure stimulus funding resulting in Council effectively becoming more self-sufficient in delivering its renewal programs.

Improvement in the renewal ratio can be seen from 2028 to 2034 as the use of the proposed SRV funds come into play with Council increasing its levels of renewals year on year.

Figure 9 - Asset renewal ratio forecast for 10 years



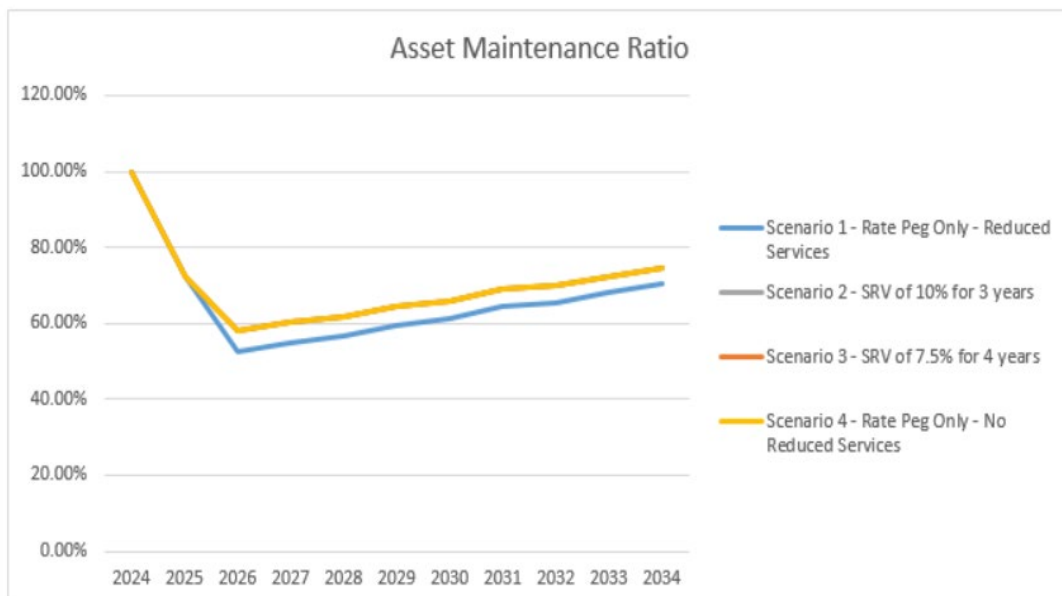
It was noted that for Scenario 2 (grey), 3 (orange) and 4 (yellow) run on the same line trajectory for asset renewal ratio, therefore both are on the same yellow line in the graph.

Asset maintenance

Similar to the asset renewal ratio the asset maintenance ratio also shows a major drop from the 2025 year to the 2028 year (fig 10) which is caused by the removal of the government flood damage funding resulting in the return of Council to effectively utilising its own funds in delivering its maintenance programs.

Improvement in the maintenance ratio can be seen from 2028 to 2034 as the use of the proposed SRV funds come into play with Council increasing its levels of renewals year on year.

Figure 10 - Asset maintenance ratio forecast for 10 years



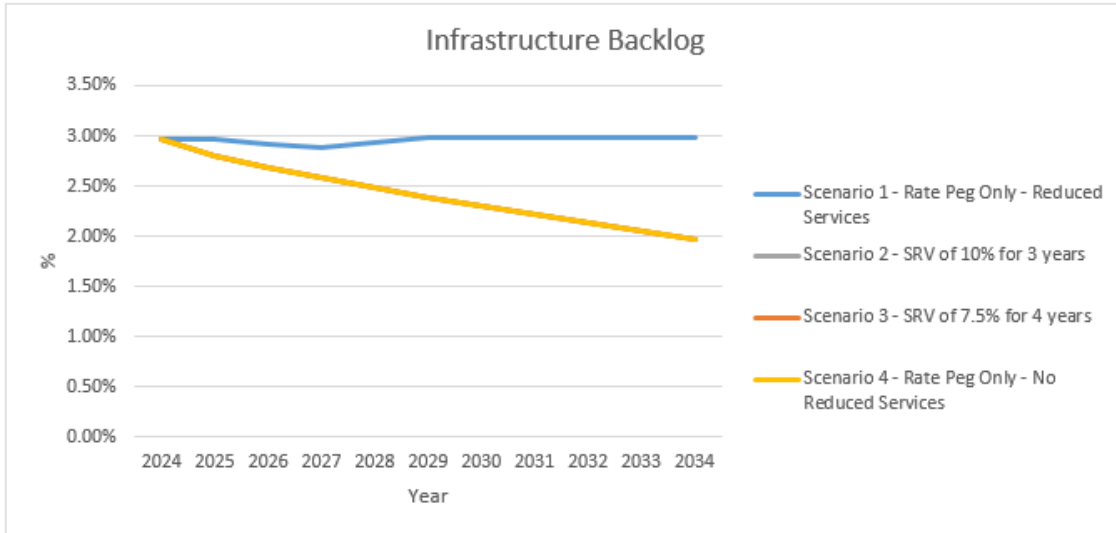
It was noted that for Scenario 2 (grey), 3 (orange) and 4 (yellow) run on the same line trajectory for asset maintenance ratio, therefore both are on the same yellow line in the graph.

Infrastructure Backlog

Council has a focus on the level of maintenance required to improve its backlog ratio. With the utilisation of the flood damage funding improvement will be seen from the current levels held from the 2023 year before this major parcel of works were undertaken.

Council through the improved levels of the asset renewal and asset maintenance ratios a steady improvement over the 10 year period to 2034 can be seen (fig 11), excluding any other extreme weather event occurring.

Figure 11 - Infrastructure backlog forecast for 10 years



It was noted that for Scenario 2 (grey), 3 (orange) and 4 (yellow) run on the same line trajectory for infrastructure backlog, therefore both are on the same yellow line in the graph.

What other councils have applied for Special Rate Variations recently?

Councils regularly make applications for rate variations each year to IPART. Across NSW this can vary from 5 to 20 in any one year. Recent applications from councils in the Hunter Valley is depicted in table 20. Some councils have made multiple applications in this period. Each line represents a separate application period. The figures show the percentage increase granted in the respective years of the table.

Table 20 – Applications for Special Rate Variations since 2012 for Hunter Valley Councils

Special Rate Variation Summary															
	SRV #	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26
Cessnock	1		9.45												
	2			9.55											
Dungog	1								15	15	10	10	10		
Lake Macquarie	2	10.44	10.34	9.77	7.95	7.29	6.75	4.75							
Liverpool Plains	1			12.5											
	2									8	8		18.1		
Maitland	1			7.25	7.25	7.25	7.25	7.25	7.25	7.25					
Mid Coast (Great Lakes)	1		13.92												
	2			2.32											
	3						4.25	4.25	4.25						
Mid Coast (Taree)	1			7.3											
	2					6.9	6.9	6.9	6.9	6.9	6.9				
Mid Coast (Gloucester)	1				13	13	13								
Port Stephens	1		3.47												
	2			2.34											
	3				2.44										
	4												9.5	9.5	9.5
Muswellbrook	1	7.6													
	2							14.73							
	3								15.13						
Newcastle	1	8.6													
	2			3.05											
	3				8	8	8	8	8						
Singleton	1			7.3											
	2					9.75	9.75	9.75	9.75						
Upper Hunter	1		5.9	5.5	5.5										
	2							unsuccessful							

What is the process for Council to apply for an SRV?

Council must apply to IPART for approval to increase rates through an SRV. Before doing so, Council must demonstrate that it has engaged the community about the possibility of an SRV and has considered its views. IPART will also seek community feedback.

More information on SRVs can be found on IPART's website:

<https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Special-Variations>.