

Liverpool Plains Shire Council

Long-Term Financial Plan 2023-2034



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Foreword

This Long-Term Financial Plan (LTFP) is one of the Resourcing documents in Liverpool Plains Shire Council's Integrated Planning and Reporting (IP&R) framework. It tests community aspirations as contained in the Community Strategic Plan against the financial realities of delivering on those aspirations. The LTFP integrates the Community Strategic Plan through the combined Delivery Program and Operational Plan.

Under the IP&R framework, this LTFP includes:

- Projected income and expenditure, balance sheet and cash flow statement;
- Planning assumptions used to develop the LTFP;
- Sensitivity analysis highlighting the factors and assumptions likely to affect the LTFP;
- Financial modelling for different scenarios; and
- Methods of monitoring financial performance.

This LTFP reflects Council's intentions at the time of adoption and will be reviewed annually as part of Council's IP&R process to ensure that it reflects the prevailing internal and external environment. As with any plan or budget, the actual results may vary from that forecast.

Integrated Planning and Reporting

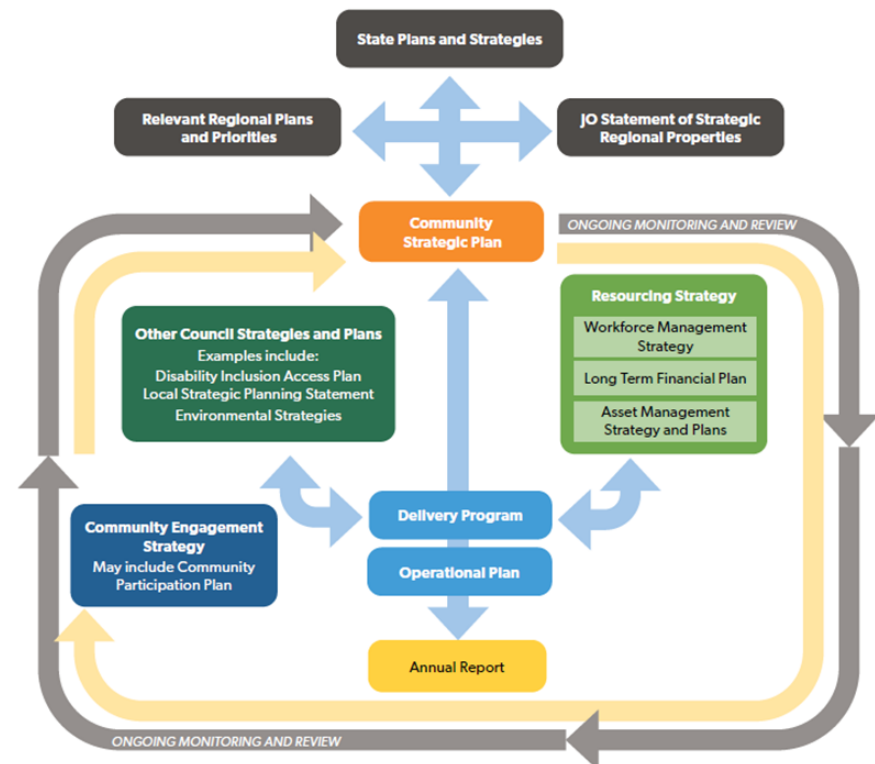
Our Strategic Approach

Integrated Planning and Reporting (IPR) is a strategic framework mandated by NSW Government legislation. The framework recognises local government's unique position of being a key advocate for community issues. A key requirement of this legislation is for councils and communities to work together better to plan for the future.

Last year the newly elected Council adopted the following planning and reporting documents:

- Community Strategic Plan (10+years)
- Community Engagement Strategy (4 years)
- Resourcing Strategies and Plans (4-10 years)
- Delivery Program (4 years)
- Operational Plan (1 year)

Refer to the following diagram depicting the IPR cycle;



Performance Monitoring and Review

Reporting is a key element of the IP&R framework. Council uses a variety of tools to report back to our community about our progress in achieving the Community Strategic Plan and implementing the combined Delivery Program and Operational Plan, as well as our financial performance against the annual and longer-term budgets using the following documentation:

- Delivery Program and Operation Plan Progress Reports
- Quarterly Budget Review Statements
- Annual Report (including audited Financial Statements)
- End of Term Report, and
- State of the Environment Report.

In addition to monitoring performance against the indicators in the annual statements, Council will continue to monitor the key performance for the following:

- Operating performance
- Own source operating revenues
- Building and Infrastructure renewals ratio
- Infrastructure Backlog ratio
- Asset Maintenance ratio
- Debt Service ratio, and
- Real Operating Expenditure Per Capita Ratio.

Council will review the LTFP each year in conjunction with the annual Operational Plan. The review will include an assessment of the previous year's performance in terms of the accuracy of the projections made in the LTFP compared to the actual results. Evaluation will include reviewing and amending estimates and scenarios while the assumptions will be adjusted to improve the accuracy of the LTFP.

Executive Summary

Financial sustainability is a challenge for all Local Governments, particularly councils in rural and regional Australia which are faced with the challenge of maintaining and replacing aged assets, while keeping rates and charges affordable for their communities.

As with other similarly sized councils, Liverpool Plains Shire Council does not have a large number of rateable properties to disperse the rate burden across. Further, we must deliver water, sewerage and waste services in line with relevant guidelines and regulations, while ensuring the cost to provide those services remains within our community's capacity-to-pay.

In preparing this Long Term Financial Plan (LTFP), Council has been careful to ensure projected operating revenues and expenditures, as well as the planned capital works, are reliable and achievable – including the NSW and Commonwealth Government grants we receive. Council will continue to review and refine its LTFP and Assets Management Plans to reflect more accurate costs of maintaining our assets and delivering services. There is a high priority to address the deterioration of the assets, in particular Council's road network, that has occurred due to limited financial capacity.

Council has applied for a permanent Special Rate Variation (SRV) of 18.1 per cent for the 2023-2024 budget year. Council's temporary SRV expires on 30th June 2023. The temporary SRV for 2021-2022 and 2022-2023 was an 8 per cent increase each year. As the variation was temporary, in 2023-2024 Council is required to remove the temporary SRV and have outlined this scenario as:

Alternative Scenario 1 – without SRV: This financial plan is not sustainable. A removal of \$1,072,000 funding from Council's rate base. This would result in \$1,072,000 reduction in renewal of the road network. Without additional revenue supported by cost reduction and cost containment strategies, the cash position of the General Fund would deteriorate and Council's asset backlog increases. Scenario 1 – without SRV is based on the growth of rating income being limited to the rate peg percentage. For 2023-2024 at 3.7 per cent and thereafter at 2.5 per cent. Rates revenue will drop from \$9.0 Million in 2022-2023 back to \$7.9 Million in 2023-2024 under Scenario 1 – without SRV.

This LTFP includes a base case and two alternative scenarios:

Base Case – Permanent SRV: Models the permanent SRV being approved by IPART with increases year on year by the rate peg. In 2023-2024 estimated rates

revenue including rate peg is \$9.4 Million. This scenario results in a marginally sustainable position. With continued cost containment strategies this position could be sustained in the long term.

Alternative Scenario 1 – without SRV: Models the removal of the temporary SRV and the increase in revenue being limited to the rate peg, which is estimated at 3.7 per cent in 2023-2024. This model does not provide a sustainable future in either the short term or long term. A reduction in services/staffing is modelled to maintain a positive cashflow position.

Alternative Scenario 3 – towards sustainability: Models the permanent SRV being approved by IPART and includes an additional \$1.65 Million of capital grant funding for renewal of assets. In addition, modelling the consolidation of Council's non road infrastructure assets, in particular the sale of land not utilised effectively for provision of Council's current services. This scenario generates additional cash balance of \$8 Million during the 10-year period, with \$1.7 Million from sale of assets.

The Scenarios for the Water Fund and Sewer Fund are the same for all three Models, thus has only been included in this Base Case Scenario.

The Base Case Scenario is expected to contribute to the General Fund cash position and address some road renewal asset requirements. However, without further cost containment strategies and service productivity improvements, this scenario is considered not sound for Council's long-term future.

Council will continue to explore cost containment strategies and service delivery models over the coming 12 months to work towards a sustainable future.

Given the large investments required in our local infrastructure it is important that the administration of the Council delivers on the capital works demand efficiently, through well planned projects that not only are cost effective to deliver, but also reduces the ongoing demand on operational and maintenance costs. Our approach to asset management planning aims to identify the lowest cost approach to the design, delivery, operations and maintenance of our infrastructure, while delivering on the service needs the community has expressed through the Community Strategic Plan.

Current Financial Position

Council's current financial performance, as outlined in the prior year's audited Financial Statements, can be characterised by the following:

- Council frequently reports a negative operating result before grants and contributions provided for capital purposes for the financial year (\$5.91 Million in 2022 and \$9.33 Million in 2021).
- Council's expenditure on renewing infrastructure, property, plant and equipment for the 2022 and 2021 financial years was significantly less than the depreciation expense. In 2022 Council invested \$8.9 Million in asset renewal compared to depreciation of \$12.1 Million, and in 2021 Council invested \$9.5 Million in asset renewal compared to depreciation of \$14.1 Million.
- Council's financial flexibility position is weak as indicated by the Operating Performance Ratio of -19.42 per cent and Own Source Operating Revenue Ratio 42.06 per cent. The Own Source Operating Revenue Ratio is at only 43.0 per cent of total revenue for the General Fund. The General Fund is reliant upon the continuation of grants from other levels of government, and any reduction could adversely affect Council's financial position.
- Council's liquidity position (8.09 times in 2022) is comparatively sound, with an unrestricted current ratio above the benchmark of 1.5 times.

Council has enough current cash to meet current liabilities as they fall due.

- Council's debt service cover ratio servicing capacity was strong (15.03 times) which is above the benchmark of 2.0 times. This indicates Council has sufficient capacity to meet current borrowings.
- Council's outstanding rates, annual and extra charges in 2022 reduced to 7.83 per cent, below the benchmark for regional councils at 10 per cent.
- Council has estimated \$12.5 Million is required to bring assets to satisfactory standard. While Council's actual maintenance expenditure was above the required amount, the asset renewal in 2022 was \$8.9 Million, below the depreciation at \$12.1 Million.
- IPART approved a two year temporary Special Rates Variation for 2021-2022 and 2022-2023 of 8 per cent each year. The quarterly forecast for 2021-2022 shows an improvement in Council's current financial positions as follows:
- The SRV increased funding for roads by \$0.46 Million in 2021-2022 and \$1.07 Million in 2022-2023. Road renewals is forecast at \$8.24 Million in 2021-2022 with depreciation estimated at \$8.16 Million.

Planning Assumptions

Levels of Service

Current levels of core services and current asset maintenance schedules have been used as a baseline for the financial projections.

Workforce Levels

Workforce levels are assumed to remain largely the same.

A position vacancy rate of 5 per cent has been factored into the Scenarios.

Economic Growth

The LTFP assumes minimal increased economic activity. However, Council is actively working to facilitate increased economic growth through its Tourism and Economic Development strategies. As and when any results come to fruition, future revisions to the LTFP will be made to appropriately reflect them.

Asset Renewal Predictions

This LTFP has been informed by asset renewal predictions using broad assumptions at a program level. Condition and capacity assessments are currently limited in providing confident predictions of when individual assets will require renewal or upgrade. Council will continue undertaking necessary actions which will provide more detailed assessment and predictions of asset renewals at an asset level.

Indexation Rates

In 2023-2024, the standard indexation rate used is 5 per cent, however, indexation for electricity in the general fund and sewer fund at 20 per cent, with the water fund at 25 per cent. Similarly, insurance is expected to increase by 10 per cent with cyber insurance by 25 per cent. Future years, indexations are modelled 2.5 per cent for expenditure.

Capital works – increase to ongoing operating costs

Included in the Scenarios is the increase to water filtration costs from 2023-2024 onwards after the commissioning of the Quipolly Water Project. Similarly, commissioning of the Quirindi Waste Water Treatment Plant from 2024-2025 onwards.

Grants Provided for Operational Purposes

Financial Assistance Grants (FAG) are received from the Commonwealth Government and the Regional Roads Grants are received from the State Government. Both grants are a large source of funds to Council. These operating grants have been modelled to increase 2.5 per cent each year.

Capital Grants

Capital grants approved at the time of compiling this LTFP have been included in the projections for the base scenario. Scenario three – towards sustainability has included a conservative \$1.65 Million of capital grants over the 10 year plan.

Water and Sewer Fees and Charges

In 2023-2024 Water and Sewer Charges have been modelled at a 5 per cent increase. From 2024-2025 onwards, Sewer Charges have increased by 2.5 per cent. Total water revenue has been modelled to increase by 5 per cent from 2023-2024 to 2026-2027, then a 2.5 per cent increase thereafter.

Fees and Charges

Council applies a range of fees and charges for services provided to the community. These are reviewed annually and set as part of Council's Revenue Policy. The increase in fees and charges for 2023-2024 is averaged at 7 per cent, then 2.5 per cent thereafter.

Capital Works Program

Capital works are asset acquisitions or building and engineering works that construct an asset. Capital works projects would typically include purchase of plant and fleet, construction of new infrastructure and upgrade of existing infrastructure.

Capital expenditure is undertaken to;

- **Renew or replace** - existing assets or a component of an asset that has reached the end of its useful life. With the exception of land and bulk earthworks including road formation, assets have limited useful lives and decline in value due to wear and tear. Examples are the resealing of an existing sealed road or replacing a roof on a building such as a public hall.
- **New** – the construction of an asset that did not previously exist.
- **Upgrade** (growth or enhancement) – increasing the capacity of existing assets beyond their original design capacity or service potential – for example, widening a bridge or extending a building.
- **Disposal or decommission** – removing an asset from service that is no longer required.

Council's SRV application of 18.1 per cent results in funding of approximately \$1.145 Million in 2023-2024 to be used on renewal of the road infrastructure. If the SRV is not approved, \$1.072 Million will be removed from revenue and renewal of road infrastructure, a total reduction in capital spend over the 10 years would be \$13.0 Million.

The major capital works in 2023-2024 consist of three projects, the finalisation of the Quipolly Water Project, the continuation of the Quirindi Sewer Waste Water Treatment project and the Werris Creek Industrial Precinct Southern Access.

Capital Works Projections

LTFP - CAPITAL WORKS PROJECTIONS - Base Case Scenario

Year Ending	Budget	Projected Capital Expenditure									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Land	0	0	0	0	0	0	0	0	0	0	0
Buildings	1,009	260	500	200	150	150	150	150	150	150	150
Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0
Plant, Machinery and equipment	850	850	850	850	850	850	850	850	850	850	850
Fixtures, fittings and furniture	10	30	30	30	30	30	30	30	30	30	30
Computers and Communications	350	150	50	70	50	50	50	50	50	50	50
Roads	20,934	5,978	6,128	6,581	6,745	6,914	7,087	7,264	7,446	7,632	7,823
Bridges	947	0	0	0	0	0	0	0	0	0	0
Footpaths and Cycleways	35	35	70	70	69	69	69	69	69	69	69
Other Structures	5,679	2,532	200	300	200	200	200	200	200	200	200
Aerodrome	0	0	0	0	189	0	101	0	142	0	0
Stormwater	113	142	454	142	142	142	142	95	79	79	79
Waste	2,000	150	135	135	135	135	135	135	135	135	135
Water	8,847	1,490	2,236	2,178	1,989	2,054	2,120	2,185	2,262	2,017	2,064
Sewer	8,274	7,505	1,075	1,118	750	769	788	808	828	849	870
Total Capital Works	49,049	19,121	11,727	11,673	11,299	11,362	11,721	11,835	12,240	12,060	12,319
Represented by:	0	0	0	0	0	0	0	0	0	0	0
Renew	21,075	12,618	11,344	11,623	11,110	11,362	11,620	11,835	12,098	12,060	12,319
New	27,974	6,503	383	50	0	0	0	0	0	0	0
Total Capital Works	49,049	19,121	11,727	11,673	11,110	11,362	11,620	11,835	12,098	12,060	12,319

LTFP - CAPITAL WORKS PROJECTIONS - Scenario 1 - Unsuccessful SRV Application

Year Ending	Budget	Projected Capital Expenditure									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Land	0	0	0	0	0	0	0	0	0	0	0
Buildings	1,009	260	500	200	150	150	150	150	150	150	150
Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0
Plant, Machinery and equipment	850	850	850	850	850	850	850	850	850	850	850
Fixtures, fittings and furniture	10	30	30	30	30	30	30	30	30	30	30
Computers and Communications	350	150	50	70	50	50	50	50	50	50	50
Roads	19,862	4,879	5,001	5,426	5,562	5,701	5,844	5,990	6,139	6,293	6,450
Bridges	947	0	0	0	0	0	0	0	0	0	0
Footpaths and Cycleways	35	35	70	70	69	69	69	69	69	69	69
Other Structures	5,679	2,532	200	300	200	200	200	200	200	200	200
Aerodrome	0	0	0	0	189	0	101	0	142	0	0
Stormwater	113	142	454	142	142	142	142	95	79	79	79
Waste	2,000	150	135	135	135	135	135	135	135	135	135
Water	8,847	1,490	2,236	2,178	1,989	2,054	2,120	2,185	2,262	2,017	2,064
Sewer	8,274	7,505	1,075	1,118	750	769	788	808	828	849	870
Total Capital Works	47,977	18,022	10,601	10,518	10,115	10,149	10,478	10,561	10,934	10,721	10,947

LTFP - CAPITAL WORKS PROJECTIONS - Scenario 2 - towards sustainability

Year Ending	Budget	Projected Capital Expenditure									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Land	0	0	0	0	0	0	0	0	0	0	0
Buildings	1,009	260	500	200	150	150	150	150	150	150	150
Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0
Plant, Machinery and equipment	850	850	850	850	850	850	850	850	850	850	850
Fixtures, fittings and furniture	10	30	30	30	30	30	30	30	30	30	30
Computers and Communications	350	150	50	70	50	50	50	50	50	50	50
Roads	20,934	6,278	6,428	6,881	7,045	7,214	7,387	7,564	7,746	7,932	8,123
Bridges	947	0	0	0	0	0	0	0	0	0	0
Footpaths and Cycleways	35	35	70	70	69	69	69	69	69	69	69
Other Structures	5,679	2,532	200	300	200	200	200	200	200	200	200
Aerodrome	0	0	0	0	189	0	101	0	142	0	0
Stormwater	113	142	454	142	142	142	142	95	79	79	79
Waste	2,000	150	135	135	135	135	135	135	135	135	135
Water	8,847	1,490	2,236	2,178	1,989	2,054	2,120	2,185	2,262	2,017	2,064
Sewer	8,274	7,505	1,075	1,118	750	769	788	808	828	849	870
Total Capital Works	49,049	19,121	11,727	11,673	11,299	11,362	11,721	11,835	12,240	12,060	12,319

Base and Alternative Scenarios

Under the IP&R framework, the development process for the LTFP should include financial modelling of different scenarios, such as planned, conservative and optimistic scenarios.

The use of scenarios provides the Council with an idea of how much flexibility is in the LTFP and how much latitude it has with various projects and scenarios.

The scenarios modelled are important when discussing the financial implications of the Community Strategic Plan with residents and will also assist in developing suitable actions for the Delivery Program.

The three scenarios outlined further below are:

- **Base Scenario** – The permanent SRV application being approved for 18.1 per cent. This scenario may be unsustainable for the long term unless supported by costcontainment and productivity improvements;
- **Alternative Scenario 1** – The application for a permanent SRV being unsuccessful. This scenario is unsustainable for short and long term; and
- **Alternative Scenario 2** – Towards Sustainability. Model based on the permanent SRV being approved by IPART and includes an additional \$1.65 Million of capital grant funding for renewal of assets; modelling the consolidation of Council's non road infrastructure assets, including sale of land not utilised effectively for provision of Council's current services; and an improvement to the capitalisation methodology and Asset Management Plans.

Each Scenario uses the same LTFP for the Water Fund and Sewer Fund. These plans have been included with the Base Scenario but relate to each Scenario.

Assessment of Scenarios



Base Case Scenario – with SRV

The Base Scenario sees Council's application for the SRV of 18.1 per cent becoming permanent in Council's rate base and the general income increase of the rate peg expected at 2.5 per cent each year. The projected revenues and expenditure are forecast based upon the proposed 2023-2024 Budget and incorporates cost saving and revenue increases arising from the non-core service review and the cost containment reviews in 2021-2022 and 2022-2023.

This scenario presents the current position if Council was to replace and renew assets as required by the updated Asset Management Plan, as well as maintain the current level of services.

Analysis of Consolidated Position

- The Income Statement reports an operating surplus due to large capital grants expected for Water, Sewer and Werris Creek Industrial Precinct Southern Access Projects in 2023-2024 and finalisation of the Sewer project in 2024-2025. While the revenue is reported in the Income Statement, the capital expenditure is not reported in the Income Statement, producing a surplus position. If the capital grants are removed, the net operating result is an operating deficit between \$2.4 Million and \$4.4 Million per annum.
- The Balance Sheet projects a decline in Council's cash position from \$25.2 Million at the beginning of the 2024 financial year to \$13.4 Million at the end of 2034 financial year.
- The Cash Flow Statement indicates that Council generates an average cash surplus each year from recurrent operating activities excluding non-recurrent capital grants. This surplus is required to fund an annual capital works program, make principal payments on borrowings.

Analysis of General Fund

- The General Fund is expected to produce a small operating surplus in each of the four year forward estimates, however, produce a deficit from 2028 as capital renewal expenditure is maintained. With a reduction in cash over the LTFP of \$6 Million.

Analysis of Water Fund

- The Water Fund generates a modest deficit over the forward estimates with Council increasing user fees by 5 per cent per annum till 2028 to improve financial sustainability in the Water Fund. Surplus result after capital grants and contributions for the remainder of the LTFP.
- The cash position of the Water Fund deteriorates due to ongoing renewals, however, does not deteriorate below the benchmark throughout the LTFP.

Analysis of Sewer Fund

- The Sewer Fund generates a modest operating surplus before capital grants and contribution throughout the LTFP.
- The cash position of the Sewer Fund reduces with the large capital program until 2031, then modest improvements in cash position for the remainder of the LTFP.

The Scenarios for the Water Fund and Sewer Fund are the same for all three Models, thus has only been included in this Base Case Scenario.

Summary

The Base Scenario cash position is sustainable; however, Council's capital program does not yet meet capital depreciation year on year. Council has moved towards cost containment strategies and will need to continue to review services and improve productivity to allow for future increased expenditure on capital renewals.

Alternative Scenario 1 – unsuccessful SRV application

Council received a temporary SRV for two years ending at 30 June 2023. Council has applied for a permanent SRV, however, the result of the application will not be known until May 2023. This Scenario is based on the removal of the SRV, resulting in a reduction of general revenue of \$1.072 Million per annum.

Analysis of Consolidated Position

- Due to the reduction in revenue, the Operating result before capital grants and contributions will deteriorate to a loss each year between \$3.4 Million and \$5.5 Million.

- The cash position will be relatively unchanged as the reduction in revenue will be offset by a reduction in road renewal expenditure. This will result in Council's backlog of capital renewals increasing.
- The SRV impacts the General Fund and thus the Water Fund and Sewer Fund remains unchanged in this scenario.
- The Balance Sheet projects a decline in Council's cash position from \$16.9 Million in 2022-2023 to under \$0.5 Million in 2031-2032.

Alternative Scenario 2 – towards sustainability

Alternative Scenario 2 is modelled based on the permanent SRV being approved by IPART and includes an additional \$1.65 Million of capital grant funding for renewal of assets. In addition, modelling the consolidation of Council's non road infrastructure assets, including sale of land not utilised effectively for provision of Council's current services. This scenario generates additional cash balance of \$8 Million during the 10-year period, with \$1.7 Million from sale of assets.

Modelled includes a reduction to Depreciation based on Council improving its capitalisation methodology and reviewing the Asset Management Plans. Council has depreciating assets that will not be replaced or required to be replaced when useful life has been exhausted. For example, the Rural Fire Service, Red Fleet. These assets were vested in Council, however, Council funds are not used to replace RFS Red Fleet. This totals \$0.5 Million of depreciation per annum.

Analysis of Consolidated Position and General Fund Position

- The General Fund's operating result before grants and contributions provided for capital purposes is steady each year between \$2 and \$3 Million. There is work to be undertaken in 2023-2024 to determine the acceptable tolerance of deficit due to accounting depreciation of assets that will not be renewed or required to be renewed, eg RFS Red Fleet.
- Cash position improves and remains steady around \$16 Million.

Summary

Alternative Scenario 2 towards sustainability is a long-term view of Council moving to an acceptable balanced operating result.

Sensitivity Analysis



Sensitivity Analysis

Any variations to the assumptions outlined in this LTFP over the life of the plan may have a significant impact on the Council's future financial plans. The LTFP will be updated annually to ensure the assumptions continually reflect the latest information available.

Below is an analysis of how sensitive the LTFP is to possible variations.

Interest on Investments

Council has a modest 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 1993*. 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.

Council currently has \$28.5 Million in investments. Therefore, for every 1 per cent change in the interest earned, Council's revenue will be impacted by \$0.28 Million. The budget in 2023-2024 investment return is based on achieving an average of 5 per cent.

Rate Pegging and Special Rates Variations

Any changes in rate pegging will significantly impact revenue forecasts. Given the significant uncertainty in the economic forecast, it is very likely that the actual rate peg in future years will be different from the projected in the LTFP.

IPART are currently reviewing the Rate Peg Methodology, thus change to the method to calculate the increase in Council's general revenue will impact the LTFP.

The revenue expected from the permanent SRV in 2023-2024 is \$9.4 Million. Each half of one percent change in the rate peg will affect the total general income by \$0.05 Million.

Inflation (CPI and Local Government Index)

Changes in inflation will impact both revenue and expenditure, including the Financial Assistance Grants provided by the Commonwealth Government and the Regional Road Grants from the State Government. Given the heavy reliance upon grant funding, the LTFP is particularly sensitive to the change in the indexation applied to grants.

For every half of one percent variation in the indexation applied to grants for operating purposes Council's revenue base will change by \$0.05 Million.

Employee Costs

Given that Council's employee costs for 2023-2024 is estimated to be \$11.46 Million (including capitalised cost), any variation to the percentage increase/decrease will have a significant impact on the operating expenditure, capital works costs and employee related liabilities for Council.

For each half of one percent variation in the annual increase to employee costs, the operating expenditure will vary by \$0.06 Million.

APPENDIX A:
Current Financial Policies



Current Financial Policies

In developing this LTFP, the following policies of Council have been considered. These policies may be accessed from Council's website at www.liverpoolplains.nsw.gov.au.

Investment Policy

Council must comply with the Ministerial Investment Order (revised on a periodic basis) which notifies forms of investment for the purposes of section 625 (2) of the *Local Government Act 1993*. Council has an investment policy which meets the requirements of the Order and the Act and can be summarised to:

- Undertake authorised investment of surplus funds not required to meet commitments after consideration of credit risk and diversification limits as set out in the policy
- Maximise earnings from authorised investments and ensure the security of Council funds

- Ensure the availability of sufficient funds to meet Council's ongoing commitments for salary, wages, loan repayments, contract payments and general payments and limit usage of the overdraft facility, and
- Meet obligations under Council's Charter as the custodian and trustee of public assets and to effectively account for and manage those assets for which it is responsible.

Revenue (Fees & Charges)

Council's Schedule of Fees and Charges is contained in the Revenue Policy, which is adopted through the annual Operational Plan process. Council's fees and charges range from regulatory prescribed fees, minimum contribution to full cost and overhead recovery.

Loan Borrowings

This policy is to establish guidelines for loan borrowings. Council uses loan funds when it considers that it is in the best interests of the community to carry out capital works or purchase assets and the funding of these purchases are not able to be sourced from existing budgets.

APPENDIX B:

Base Case Scenario with SRV



CONSOLIDATED - Base Case Scenario with SRV

INCOME STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Income from Continuing Operations											
Revenue:											
Rates and Annual Charges	14,688	15,004	15,327	15,659	16,051	16,452	16,863	17,285	17,717	18,160	18,614
User Charges and Fees	5,705	6,029	6,341	6,667	6,834	7,005	7,180	7,360	7,544	7,732	7,925
Interest and Investment Revenue	557	388	310	311	319	327	335	344	352	361	370
Other Revenues	479	491	503	515	528	542	555	569	583	598	613
Grants and Contributions - Operating	13,681	9,090	9,274	9,463	9,699	9,942	10,191	10,445	10,706	10,974	11,248
Grants and Contributions - Capital	32,672	8,261	1,722	1,355	0	0	0	0	0	0	0
Total Income from Continuing Operations	67,782	39,263	33,478	33,971	33,432	34,267	35,124	36,002	36,902	37,825	38,770
Expenses from Continuing Operations											
Employee Benefits and on-costs	10,568	10,648	10,721	10,986	11,261	11,542	11,831	12,127	12,430	12,740	13,059
Borrowing Costs	666	650	623	600	577	548	517	488	454	438	419
Materials and Contracts	13,227	10,060	10,198	10,527	10,790	11,060	11,336	11,620	11,910	12,208	12,513
Depreciation and Amortisation	13,159	13,397	13,498	13,600	13,695	13,791	13,888	13,985	14,083	14,182	14,281
Other Expenses	694	712	729	748	766	786	805	825	846	867	889
Total Expenses from Continuing Operations	38,314	35,467	35,769	36,461	37,090	37,727	38,377	39,045	39,723	40,435	41,160
Net Operating Result for the Year	29,468	3,796	(2,291)	(2,490)	(3,658)	(3,459)	(3,253)	(3,043)	(2,821)	(2,610)	(2,390)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(3,203)	(4,465)	(4,013)	(3,845)	(3,658)	(3,459)	(3,253)	(3,043)	(2,821)	(2,610)	(2,390)

CONSOLIDATED - Base Case Scenario with SRV

BALANCE SHEET Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
ASSETS											
Current Assets											
Cash and Cash Equivalents	23,170	21,166	20,567	19,923	18,620	17,548	16,419	15,482	14,459	13,923	13,447
Receivables	1,421	1,497	1,575	1,657	1,698	1,741	1,784	1,829	1,875	1,922	1,970
Other Assets	586	0	0	0	0	0	0	0	0	0	0
Total Current Assets	25,178	22,664	22,142	21,580	20,319	19,289	18,203	17,311	16,333	15,845	15,417
Non-Current Assets											
Infrastructure, property, plant & Equipment	623,124	636,318	643,381	650,525	657,435	664,517	672,107	679,993	688,250	696,823	705,822
Investment Property	600	600	600	600	600	600	600	600	600	600	600
Other Non-Current Assets	250	125	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	623,974	637,043	643,981	651,125	658,035	665,117	672,707	680,593	688,850	697,423	706,422
LIABILITIES											
Current Liabilities											
Payables	3,673	1,590	1,458	1,480	1,514	1,531	1,573	1,596	1,642	1,667	1,704
Borrowings	286	410	431	451	476	501	471	496	331	351	365
Provisions	1,893	1,855	1,818	1,782	1,746	1,711	1,677	1,644	1,611	1,579	1,547
Total Current Liabilities	5,852	3,856	3,707	3,712	3,736	3,743	3,721	3,735	3,584	3,596	3,616
Non-Current Liabilities											
Borrowings	10,558	10,272	9,862	9,430	8,979	8,504	8,056	7,594	7,098	6,767	6,416
Provisions	12,901	13,223	13,554	13,893	14,240	14,596	14,961	15,335	15,718	16,111	16,514
Total Non-Current Liabilities	23,459	23,495	23,415	23,323	23,219	23,099	23,016	22,929	22,817	22,878	22,930
Net Assets	619,841	632,355	639,000	645,670	651,399	657,563	664,173	671,240	678,783	686,794	695,292
EQUITY											
Retained Earnings	271,129	274,925	272,634	270,144	266,486	263,027	259,774	256,731	253,911	251,301	248,911
Revaluation Reserve	348,712	357,430	366,366	375,525	384,913	394,536	404,399	414,509	424,872	435,494	446,381
Total Equity	619,842	632,355	639,000	645,670	651,399	657,564	664,173	671,240	678,783	686,795	695,292

CONSOLIDATED - Base Case Scenario with SRV

CASHFLOW STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Cash flows from Operating Activities											
Receipts:											
Rates and Annual Charges	14,555	14,928	15,249	15,577	16,009	16,409	16,820	17,240	17,671	18,113	18,566
User charges and fees	6,005	6,339	6,658	6,993	7,167	7,347	7,530	7,718	7,911	8,109	8,312
Investment and interest revenue received	557	388	310	311	319	327	335	344	352	361	370
Grants and Contributions	46,353	17,351	10,996	10,818	9,699	9,942	10,191	10,445	10,706	10,974	11,248
Other	5,252	5,127	2,355	2,216	2,200	2,254	2,290	2,354	2,398	2,438	2,482
Payments:											
Employee benefits and on-costs	10,568	10,648	10,721	10,986	11,261	11,542	11,831	12,127	12,430	12,740	13,059
Materials and Contracts	12,637	13,235	11,261	11,450	11,724	12,036	12,310	12,641	12,932	13,280	13,599
Borrowing Costs	666	650	623	600	577	548	517	488	454	438	419
Other	743	761	781	800	820	841	862	883	905	928	951
Net cash provided (or used in) operating activities	48,108	18,838	12,183	12,079	11,013	11,312	11,646	11,963	12,318	12,610	12,952
Cash flows from investing activities											
Payments:											
Purchase of infrastr, property, plant & equipment	53,178	20,432	12,351	12,272	11,840	11,884	12,305	12,404	13,010	12,795	13,063
Net cash provided (or used in) investing activities	(53,178)	(20,432)	(12,351)	(12,272)	(11,840)	(11,884)	(12,305)	(12,404)	(13,010)	(12,795)	(13,063)
Cash flow from financing activities											
Receipts:											
Proceeds from borrowing and advances	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of borrowings and advances	286	410	431	451	476	501	471	496	331	351	365
Net cash flow provided (or used in) financing activities	(286)	(410)	(431)	(451)	(476)	(501)	(471)	(496)	(331)	(351)	(365)
Net increase/(decrease) in cash and cash equivalents	(5,356)	(2,004)	(599)	(644)	(1,303)	(1,073)	(1,129)	(937)	(1,023)	(535)	(476)
Plus: Cash and cash equivalents and investments - beginning of year	28,526	23,170	21,166	20,567	19,923	18,620	17,548	16,419	15,482	14,459	13,923
Cash and cash equivalents and investments - end of the year	23,170	21,166	20,567	19,923	18,620	17,548	16,419	15,482	14,459	13,923	13,447

GENERAL FUND - Base Case Scenario with SRV

INCOME STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Income from Continuing Operations											
Revenue:											
Rates and Annual Charges	10,948	11,227	11,513	11,806	12,101	12,404	12,714	13,032	13,358	13,692	14,034
User Charges and Fees	4,286	4,422	4,533	4,646	4,762	4,881	5,003	5,128	5,256	5,388	5,523
Interest and Investment Revenue	150	151	153	154	158	162	166	170	174	178	183
Other Revenues	479	491	503	515	528	542	555	569	583	598	613
Grants and Contributions - Operating	13,681	9,090	9,274	9,463	9,699	9,942	10,191	10,445	10,706	10,974	11,248
Grants and Contributions - Capital	23,113	3,402	1,365	1,315	0	0	0	0	0	0	0
Total Income from Continuing Operations	52,657	28,783	27,341	27,899	27,249	27,930	28,628	29,344	30,078	30,830	31,600
Expenses from Continuing Operations											
Employee Benefits and on-costs	9,323	9,372	9,413	9,646	9,887	10,134	10,387	10,647	10,913	11,186	11,466
Borrowing Costs	24	25	22	20	16	12	6	0	0	0	0
Materials and Contracts	11,687	8,503	8,618	8,923	9,146	9,375	9,609	9,849	10,096	10,348	10,607
Depreciation and Amortisation	11,245	11,285	11,288	11,290	11,369	11,449	11,529	11,609	11,691	11,773	11,855
Other Expenses	694	712	729	748	766	786	805	825	846	867	889
Total Expenses from Continuing Operations	32,973	29,896	30,070	30,626	31,184	31,755	32,337	32,931	33,546	34,174	34,816
Net Operating Result for the Year	19,684	(1,113)	(2,729)	(2,727)	(3,936)	(3,825)	(3,708)	(3,587)	(3,468)	(3,344)	(3,216)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(3,429)	(4,515)	(4,094)	(4,042)	(3,936)	(3,825)	(3,708)	(3,587)	(3,468)	(3,344)	(3,216)

GENERAL FUND - Base Case Scenario with SRV

BALANCE SHEET Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
ASSETS											
Current Assets											
Cash and Cash Equivalents	13,920	13,937	14,051	14,209	13,053	12,108	11,086	10,234	9,275	8,477	7,697
Receivables	1,066	1,095	1,123	1,152	1,180	1,210	1,240	1,271	1,303	1,336	1,369
Other Assets	586	0	0	0	0	0	0	0	0	0	0
Total Current Assets	15,573	15,033	15,174	15,360	14,234	13,318	12,326	11,506	10,578	9,812	9,066
Non-Current Assets											
Infrastructure, property, plant & Equipment	488,796	493,733	498,510	503,471	508,745	514,108	519,898	525,886	532,352	538,985	545,970
Investment Property	600	600	600	600	600	600	600	600	600	600	600
Other Non-Current Assets	250	125	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	489,646	494,458	499,110	504,071	509,345	514,708	520,498	526,486	532,952	539,585	546,570
LIABILITIES											
Current Liabilities											
Payables	3,635	1,552	1,420	1,442	1,476	1,493	1,535	1,558	1,604	1,629	1,666
Borrowings	62	62	62	62	62	62	9	0	0	0	0
Provisions	1,893	1,855	1,818	1,782	1,746	1,711	1,677	1,644	1,611	1,579	1,547
Total Current Liabilities	5,590	3,470	3,300	3,286	3,284	3,266	3,221	3,201	3,215	3,207	3,213
Non-Current Liabilities											
Borrowings	319	257	195	133	71	9	0	0	0	0	0
Provisions	12,901	13,223	13,554	13,893	14,240	14,596	14,961	15,335	15,718	16,111	16,514
Total Non-Current Liabilities	13,220	13,480	13,749	14,026	14,311	14,605	14,961	15,335	15,718	16,111	16,514
Net Assets	486,410	492,540	497,236	502,119	505,984	510,155	514,642	519,455	524,597	530,079	535,909
EQUITY											
Retained Earnings	196,666	195,553	192,824	190,097	186,161	182,336	178,628	175,041	171,573	168,229	165,013
Revaluation Reserve	289,744	296,987	304,412	312,022	319,823	327,818	336,014	344,414	353,025	361,850	370,896
Total Equity	486,410	492,540	497,236	502,119	505,984	510,155	514,642	519,455	524,598	530,079	535,910

GENERAL FUND - Base Case Scenario with SRV

CASHFLOW STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Cash flows from Operating Activities											
Receipts:											
Rates and Annual Charges	10,851	11,198	11,485	11,778	12,073	12,374	12,684	13,001	13,326	13,659	14,000
User charges and fees	4,586	4,732	4,850	4,971	5,095	5,223	5,353	5,487	5,624	5,765	5,909
Investment and interest revenue received	150	151	153	154	158	162	166	170	174	178	183
Grants and Contributions	36,794	12,492	10,639	10,778	9,699	9,942	10,191	10,445	10,706	10,974	11,248
Other	3,572	4,177	1,915	1,775	1,805	1,848	1,873	1,926	1,956	2,013	2,047
Payments:											
Employee benefits and on-costs	9,323	9,372	9,413	9,646	9,887	10,134	10,387	10,647	10,913	11,186	11,466
Materials and Contracts	10,959	11,538	9,539	9,702	9,932	10,200	10,428	10,711	10,954	11,252	11,521
Borrowing Costs	24	25	22	20	16	12	6	0	0	0	0
Other	743	761	781	800	820	841	862	883	905	928	951
Net cash provided (or used in) operating activities	34,905	11,054	9,288	9,289	8,175	8,363	8,584	8,787	9,015	9,223	9,451
Cash flows from investing activities											
Payments:											
Purchase of infrastr, property, plant & equipment	34,739	10,976	9,112	9,069	9,268	9,246	9,597	9,638	9,974	10,022	10,230
Net cash provided (or used in) investing activities	(34,739)	(10,976)	(9,112)	(9,069)	(9,268)	(9,246)	(9,597)	(9,638)	(9,974)	(10,022)	(10,230)
Cash flow from financing activities											
Receipts:											
Proceeds from borrowing and advances	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of borrowings and advances	62	62	62	62	62	62	9	0	0	0	0
Net cash flow provided (or used in) financing activities	(62)	(62)	(62)	(62)	(62)	(62)	(9)	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	104	17	114	157	(1,155)	(945)	(1,023)	(851)	(959)	(799)	(780)
Plus: Cash and cash equivalents and investments - beginning of year	13,816	13,920	13,937	14,051	14,209	13,053	12,108	11,086	10,234	9,275	8,477
Cash and cash equivalents and investments - end of the year	13,920	13,937	14,051	14,209	13,053	12,108	11,086	10,234	9,275	8,477	7,697

WATER FUND - Base Case Scenario with SRV

INCOME STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Income from Continuing Operations											
Revenue:											
Rates and Annual Charges	2,334	2,335	2,336	2,337	2,395	2,455	2,517	2,580	2,644	2,710	2,778
User Charges and Fees	1,244	1,428	1,624	1,833	1,879	1,926	1,974	2,023	2,074	2,126	2,179
Interest and Investment Revenue	156	86	56	56	58	59	61	62	64	65	67
Other Revenues	0	0	0	0	0	0	0	0	0	0	0
Grants and Contributions - Operating	0	0	0	0	0	0	0	0	0	0	0
Grants and Contributions - Capital	4,715	15	332	15	0	0	0	0	0	0	0
Total Income from Continuing Operations	8,449	3,864	4,349	4,241	4,332	4,440	4,551	4,665	4,782	4,901	5,024
Expenses from Continuing Operations											
Employee Benefits and on-costs	935	958	982	1,007	1,032	1,057	1,084	1,111	1,139	1,167	1,196
Borrowing Costs	642	626	601	580	561	536	511	488	454	438	419
Materials and Contracts	969	950	936	922	945	969	993	1,018	1,043	1,069	1,096
Depreciation and Amortisation	1,339	1,523	1,561	1,600	1,611	1,623	1,634	1,645	1,657	1,668	1,680
Other Expenses	0	0	0	0	0	0	0	0	0	0	0
Total Expenses from Continuing Operations	3,886	4,057	4,080	4,109	4,149	4,184	4,222	4,262	4,293	4,343	4,391
Net Operating Result for the Year	4,564	(193)	269	132	183	256	330	403	489	559	633
Net Operating Result before Grants and Contributions provided for Capital Purposes	(151)	(208)	(63)	117	183	256	330	403	489	559	633

WATER FUND - Base Case Scenario with SRV

BALANCE SHEET		Budget	Projected Years									
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
		Year Ending '000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
ASSETS												
Current Assets												
	Cash and Cash Equivalents	3,056	2,850	2,395	1,897	1,692	1,504	1,336	1,187	1,058	1,256	1,491
	Receivables	311	357	406	458	470	481	493	506	518	531	545
	Other Assets	0	0	0	0	0	0	0	0	0	0	0
	Total Current Assets	3,367	3,207	2,801	2,356	2,161	1,986	1,829	1,693	1,577	1,787	2,036
Non-Current Assets												
	Infrastructure, property, plant & Equipment	97,254	97,978	99,203	100,329	101,265	102,252	103,290	104,395	105,357	106,436	107,552
	Investment Property	0	0	0	0	0	0	0	0	0	0	0
	Other Non-Current Assets	0	0	0	0	0	0	0	0	0	0	0
	Total Non-Current Assets	97,254	97,978	99,203	100,329	101,265	102,252	103,290	104,395	105,357	106,436	107,552
LIABILITIES												
Current Liabilities												
	Payables	38	38	38	38	38	38	38	38	38	38	38
	Borrowings	224	348	369	389	414	439	462	496	331	351	365
	Provisions	0	0	0	0	0	0	0	0	0	0	0
	Total Current Liabilities	262	386	407	427	452	477	500	534	369	389	403
Non-Current Liabilities												
	Borrowings	10,239	10,015	9,667	9,297	8,908	8,495	8,056	7,594	7,098	6,767	6,416
	Provisions	0	0	0	0	0	0	0	0	0	0	0
	Total Non-Current Liabilities	10,239	10,015	9,667	9,297	8,908	8,495	8,056	7,594	7,098	6,767	6,416
	Net Assets	90,120	90,783	91,930	92,961	94,066	95,266	96,565	97,960	99,467	101,067	102,769
EQUITY												
	Retained Earnings	55,882	55,689	55,957	56,090	56,273	56,529	56,858	57,261	57,750	58,309	58,941
	Revaluation Reserve	34,238	35,094	35,972	36,871	37,793	38,738	39,706	40,699	41,716	42,759	43,828
	Total Equity	90,120	90,783	91,929	92,961	94,066	95,266	96,564	97,960	99,466	101,068	102,769

WATER FUND - Base Case Scenario with SRV

CASHFLOW STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Cash flows from Operating Activities											
Receipts:											
Rates and Annual Charges	2,307	2,289	2,287	2,285	2,384	2,444	2,505	2,567	2,631	2,697	2,765
User charges and fees	1,244	1,428	1,624	1,833	1,879	1,926	1,974	2,023	2,074	2,126	2,179
Investment and interest revenue received	156	86	56	56	58	59	61	62	64	65	67
Grants and Contributions	4,715	15	332	15	0	0	0	0	0	0	0
Other	884	220	285	279	264	272	280	288	297	278	284
Payments:											
Employee benefits and on-costs	935	958	982	1,007	1,032	1,057	1,084	1,111	1,139	1,167	1,196
Materials and Contracts	1,057	1,035	1,020	1,005	1,030	1,056	1,082	1,109	1,137	1,165	1,195
Borrowing Costs	642	626	601	580	561	536	511	488	454	438	419
Other	0	0	0	0	0	0	0	0	0	0	0
Net cash provided (or used in) operating activities	6,672	1,418	1,982	1,876	1,962	2,051	2,142	2,232	2,337	2,396	2,485
Cash flows from investing activities											
Payments:											
Purchase of infrastr, property, plant & equipment	9,420	1,275	2,068	1,985	1,754	1,800	1,849	1,885	2,134	1,848	1,885
Net cash provided (or used in) investing activities	(9,420)	(1,275)	(2,068)	(1,985)	(1,754)	(1,800)	(1,849)	(1,885)	(2,134)	(1,848)	(1,885)
Cash flow from financing activities											
Receipts:											
Proceeds from borrowing and advances	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of borrowings and advances	224	348	369	389	414	439	462	496	331	351	365
Net cash flow provided (or used in) financing activities	(224)	(348)	(369)	(389)	(414)	(439)	(462)	(496)	(331)	(351)	(365)
Net increase/(decrease) in cash and cash equivalents	(2,972)	(206)	(455)	(497)	(206)	(187)	(168)	(149)	(129)	197	235
Plus: Cash and cash equivalents and investments - beginning of year	6,028	3,056	2,850	2,395	1,897	1,692	1,504	1,336	1,187	1,058	1,256
Cash and cash equivalents and investments - end of the year	3,056	2,850	2,395	1,897	1,692	1,504	1,336	1,187	1,058	1,256	1,491

SEWER FUND - Base Case Scenario with SRV

INCOME STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Income from Continuing Operations											
Revenue:											
Rates and Annual Charges	1,406	1,441	1,478	1,516	1,554	1,593	1,633	1,673	1,715	1,758	1,802
User Charges and Fees	175	179	184	189	193	198	203	208	213	219	224
Interest and Investment Revenue	251	151	101	101	104	106	109	112	114	117	120
Other Revenues	0	0	0	0	0	0	0	0	0	0	0
Grants and Contributions - Operating	0	0	0	0	0	0	0	0	0	0	0
Grants and Contributions - Capital	4,844	4,844	25	25	0	0	0	0	0	0	0
Total Income from Continuing Operations	6,675	6,616	1,788	1,831	1,851	1,897	1,944	1,993	2,043	2,094	2,146
Expenses from Continuing Operations											
Employee Benefits and on-costs	310	318	326	334	342	351	360	368	378	387	397
Borrowing Costs	0	0	0	0	0	0	0	0	0	0	0
Materials and Contracts	570	607	644	682	699	716	734	753	771	791	810
Depreciation and Amortisation	575	589	649	710	715	720	725	730	735	740	746
Other Expenses	0	0	0	0	0	0	0	0	0	0	0
Total Expenses from Continuing Operations	1,455	1,514	1,619	1,726	1,756	1,787	1,819	1,851	1,884	1,918	1,953
Net Operating Result for the Year	5,221	5,102	169	105	95	110	126	142	158	176	193
Net Operating Result before Grants and Contributions provided for Capital Purposes	377	258	144	80	95	110	126	142	158	176	193

SEWER FUND - Base Case Scenario with SRV

BALANCE SHEET		Projected Years										
		Budget										
		Year Ending	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
ASSETS												
Current Assets												
	Cash and Cash Equivalents	6,194	4,379	4,121	3,817	3,876	3,936	3,997	4,060	4,125	4,191	4,259
	Receivables	44	45	46	47	48	50	51	52	53	55	56
	Other Assets	0	0	0	0	0	0	0	0	0	0	0
	Total Current Assets	6,238	4,424	4,167	3,864	3,924	3,985	4,048	4,112	4,178	4,246	4,315
Non-Current Assets												
	Infrastructure, property, plant & Equipment	37,074	44,607	45,668	46,725	47,425	48,157	48,919	49,713	50,540	51,403	52,299
	Investment Property	0	0	0	0	0	0	0	0	0	0	0
	Other Non-Current Assets	0	0	0	0	0	0	0	0	0	0	0
	Total Non-Current Assets	37,074	44,607	45,668	46,725	47,425	48,157	48,919	49,713	50,540	51,403	52,299
LIABILITIES												
Current Liabilities												
	Payables	0	0	0	0	0	0	0	0	0	0	0
	Borrowings	0	0	0	0	0	0	0	0	0	0	0
	Provisions	0	0	0	0	0	0	0	0	0	0	0
	Total Current Liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-Current Liabilities												
	Borrowings	0	0	0	0	0	0	0	0	0	0	0
	Provisions	0	0	0	0	0	0	0	0	0	0	0
	Total Non-Current Liabilities	0	0	0	0	0	0	0	0	0	0	0
	Net Assets	43,312	49,031	49,835	50,589	51,349	52,142	52,966	53,825	54,718	55,648	56,613
EQUITY												
	Retained Earnings	18,582	23,683	23,853	23,957	24,052	24,162	24,287	24,429	24,587	24,763	24,956
	Revaluation Reserve	24,730	25,348	25,982	26,632	27,297	27,980	28,679	29,396	30,131	30,885	31,657
	Total Equity	43,312	49,032	49,835	50,589	51,349	52,142	52,967	53,825	54,719	55,648	56,613

SEWER FUND - Base Case Scenario with SRV

CASHFLOW STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Cash flows from Operating Activities											
Receipts:											
Rates and Annual Charges	1,397	1,440	1,477	1,515	1,553	1,592	1,631	1,672	1,714	1,757	1,801
User charges and fees	175	179	184	189	193	198	203	208	213	219	224
Investment and interest revenue received	251	151	101	101	104	106	109	112	114	117	120
Grants and Contributions	4,844	4,844	25	25	0	0	0	0	0	0	0
Other	796	730	155	162	130	134	137	140	144	148	151
Payments:											
Employee benefits and on-costs	310	318	326	334	342	351	360	368	378	387	397
Materials and Contracts	621	662	702	743	762	781	800	820	841	862	883
Borrowing Costs	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Net cash provided (or used in) operating activities	6,531	6,365	914	914	876	898	920	943	967	991	1,016
Cash flows from investing activities											
Payments:											
Purchase of infrastr, property, plant & equipment	9,019	8,180	1,172	1,218	818	838	859	880	902	925	948
Net cash provided (or used in) investing activities	(9,019)	(8,180)	(1,172)	(1,218)	(818)	(838)	(859)	(880)	(902)	(925)	(948)
Cash flow from financing activities											
Receipts:											
Proceeds from borrowing and advances	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of borrowings and advances	0	0	0	0	0	0	0	0	0	0	0
Net cash flow provided (or used in) financing activities	0	0	0	0	0	0	0	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	(2,488)	(1,815)	(258)	(304)	59	60	61	63	65	66	68
Plus: Cash and cash equivalents and investments - beginning of year	8,682	6,194	4,379	4,121	3,817	3,876	3,936	3,997	4,060	4,125	4,191
Cash and cash equivalents and investments - end of the year	6,194	4,379	4,121	3,817	3,876	3,936	3,997	4,060	4,125	4,191	4,259

APPENDIX C:

Scenario 1 – unsuccessful SRV application



CONSOLIDATED - Scenario 1 – unsuccessful SRV application

INCOME STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Income from Continuing Operations											
Revenue:											
Rates and Annual Charges	13,616	13,900	14,190	14,488	14,851	15,222	15,602	15,992	16,392	16,802	17,222
User Charges and Fees	5,705	6,029	6,341	6,667	6,834	7,005	7,180	7,360	7,544	7,732	7,925
Interest and Investment Revenue	557	388	310	311	319	327	335	344	352	361	370
Other Revenues	479	491	503	515	528	542	555	569	583	598	613
Grants and Contributions - Operating	13,681	9,090	9,274	9,463	9,699	9,942	10,191	10,445	10,706	10,974	11,248
Grants and Contributions - Capital	32,672	8,261	1,722	1,355	0	0	0	0	0	0	0
Total Income from Continuing Operations	66,710	38,159	32,341	32,800	32,232	33,037	33,863	34,710	35,578	36,467	37,379
Expenses from Continuing Operations											
Employee Benefits and on-costs	10,568	10,648	10,721	10,986	11,261	11,542	11,831	12,127	12,430	12,740	13,059
Borrowing Costs	666	650	623	600	577	548	517	488	454	438	419
Materials and Contracts	13,227	10,060	10,198	10,527	10,790	11,060	11,336	11,620	11,910	12,208	12,513
Depreciation and Amortisation	13,134	13,347	13,423	13,500	13,570	13,640	13,710	13,781	13,853	13,925	13,997
Other Expenses	694	712	729	748	766	786	805	825	846	867	889
Total Expenses from Continuing Operations	38,289	35,417	35,694	36,361	36,964	37,575	38,199	38,841	39,493	40,178	40,877
Net Operating Result for the Year	28,421	2,741	(3,354)	(3,560)	(4,732)	(4,538)	(4,336)	(4,131)	(3,915)	(3,711)	(3,498)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(4,251)	(5,519)	(5,076)	(4,915)	(4,732)	(4,538)	(4,336)	(4,131)	(3,915)	(3,711)	(3,498)

CONSOLIDATED - Scenario 1 – unsuccessful SRV application

BALANCE SHEET		Projected Years										
		Budget										
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Year Ending	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	
ASSETS												
Current Assets												
Cash and Cash Equivalents	23,245	21,238	20,630	19,972	18,655	17,567	16,422	15,470	14,430	13,879	13,385	
Receivables	1,346	1,420	1,496	1,575	1,614	1,655	1,696	1,739	1,782	1,827	1,872	
Other Assets	586	0	0	0	0	0	0	0	0	0	0	
Total Current Assets	25,177	22,658	22,126	21,547	20,269	19,222	18,119	17,208	16,212	15,705	15,257	
Non-Current Assets												
Infrastructure, property, plant & Equipment	621,988	634,131	640,140	646,227	652,077	658,095	664,617	671,431	678,609	686,098	694,005	
Investment Property	600	600	600	600	600	600	600	600	600	600	600	
Other Non-Current Assets	250	125	0	0	0	0	0	0	0	0	0	
Total Non-Current Assets	622,838	634,856	640,740	646,827	652,677	658,695	665,217	672,031	679,209	686,698	694,605	
LIABILITIES												
Current Liabilities												
Payables	3,583	1,499	1,364	1,383	1,415	1,430	1,470	1,489	1,533	1,555	1,590	
Borrowings	286	410	431	451	476	501	471	496	331	351	365	
Provisions	1,893	1,855	1,818	1,782	1,746	1,711	1,677	1,644	1,611	1,579	1,547	
Total Current Liabilities	5,762	3,765	3,613	3,616	3,637	3,642	3,617	3,629	3,475	3,484	3,502	
Non-Current Liabilities												
Borrowings	10,558	10,272	9,862	9,430	8,979	8,504	8,056	7,594	7,098	6,767	6,416	
Provisions	12,901	13,223	13,554	13,893	14,240	14,596	14,961	15,335	15,718	16,111	16,514	
Total Non-Current Liabilities	23,459	23,495	23,415	23,323	23,219	23,099	23,016	22,929	22,817	22,878	22,930	
Net Assets	618,794	630,254	635,836	641,435	646,090	651,175	656,702	662,681	669,129	676,041	683,430	
EQUITY												
Retained Earnings	270,082	272,823	269,470	265,909	261,177	256,639	252,304	248,172	244,258	240,547	237,049	
Revaluation Reserve	348,712	357,430	366,366	375,525	384,913	394,536	404,399	414,509	424,872	435,494	446,381	
Total Equity	618,794	630,253	635,837	641,435	646,090	651,176	656,703	662,681	669,130	676,041	683,430	

CONSOLIDATED - Scenario 1 – unsuccessful SRV application

CASHFLOW STATEMENT Year Ending	Budget	Projected Years										
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	
Cash flows from Operating Activities												
Receipts:												
Rates and Annual Charges	13,557	13,826	14,115	14,409	14,811	15,182	15,561	15,950	16,349	16,758	17,176	
User charges and fees	6,005	6,339	6,658	6,993	7,167	7,347	7,530	7,718	7,911	8,109	8,312	
Investment and interest revenue received	557	388	310	311	319	327	335	344	352	361	370	
Grants and Contributions	46,353	17,351	10,996	10,818	9,699	9,942	10,191	10,445	10,706	10,974	11,248	
Other	5,253	5,031	2,256	2,115	2,095	2,148	2,181	2,243	2,283	2,321	2,362	
Payments:												
Employee benefits and on-costs	10,568	10,648	10,721	10,986	11,261	11,542	11,831	12,127	12,430	12,740	13,059	
Materials and Contracts	12,734	13,237	11,263	11,453	11,727	12,039	12,313	12,644	12,935	13,283	13,602	
Borrowing Costs	666	650	623	600	577	548	517	488	454	438	419	
Other	743	761	781	800	820	841	862	883	905	928	951	
Net cash provided (or used in) operating activities	47,015	17,637	10,948	10,807	9,708	9,975	10,276	10,559	10,879	11,135	11,439	
Cash flows from investing activities												
Payments:												
Purchase of infrastr, property, plant & equipment	52,009	19,234	11,124	11,014	10,550	10,562	10,950	11,015	11,586	11,335	11,567	
Net cash provided (or used in) investing activities	(52,009)	(19,234)	(11,124)	(11,014)	(10,550)	(10,562)	(10,950)	(11,015)	(11,586)	(11,335)	(11,567)	
Cash flow from financing activities												
Receipts:												
Proceeds from borrowing and advances	0	0	0	0	0	0	0	0	0	0	0	
Payments:												
Repayment of borrowings and advances	286	410	431	451	476	501	471	496	331	351	365	
Net cash flow provided (or used in) financing activities	(286)	(410)	(431)	(451)	(476)	(501)	(471)	(496)	(331)	(351)	(365)	
Net increase/(decrease) in cash and cash equivalents	(5,281)	(2,007)	(608)	(658)	(1,318)	(1,087)	(1,145)	(952)	(1,039)	(551)	(494)	
Plus: Cash and cash equivalents and investments - beginning of year	28,526	23,245	21,238	20,630	19,972	18,655	17,567	16,422	15,470	14,430	13,879	
Cash and cash equivalents and investments - end of the year	23,245	21,238	20,630	19,972	18,654	17,567	16,422	15,470	14,431	13,879	13,385	

GENERAL FUND - Scenario 1 – unsuccessful SRV application

INCOME STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Income from Continuing Operations											
Revenue:											
Rates and Annual Charges	9,876	10,123	10,376	10,635	10,901	11,174	11,453	11,740	12,033	12,334	12,642
User Charges and Fees	4,286	4,422	4,533	4,646	4,762	4,881	5,003	5,128	5,256	5,388	5,523
Interest and Investment Revenue	150	151	153	154	158	162	166	170	174	178	183
Other Revenues	479	491	503	515	528	542	555	569	583	598	613
Grants and Contributions - Operating	13,681	9,090	9,274	9,463	9,699	9,942	10,191	10,445	10,706	10,974	11,248
Grants and Contributions - Capital	23,113	3,402	1,365	1,315	0	0	0	0	0	0	0
Total Income from Continuing Operations	51,585	27,679	26,203	26,729	26,049	26,700	27,368	28,052	28,753	29,472	30,209
Expenses from Continuing Operations											
Employee Benefits and on-costs	9,323	9,372	9,413	9,646	9,887	10,134	10,387	10,647	10,913	11,186	11,466
Borrowing Costs	24	25	22	20	16	12	6	0	0	0	0
Materials and Contracts	11,687	8,503	8,618	8,923	9,146	9,375	9,609	9,849	10,096	10,348	10,607
Depreciation and Amortisation	11,220	11,235	11,213	11,190	11,243	11,297	11,351	11,406	11,460	11,516	11,571
Other Expenses	694	712	729	748	766	786	805	825	846	867	889
Total Expenses from Continuing Operations	32,948	29,846	29,995	30,526	31,059	31,603	32,159	32,727	33,315	33,917	34,532
Net Operating Result for the Year	18,637	(2,167)	(3,792)	(3,798)	(5,010)	(4,903)	(4,791)	(4,676)	(4,562)	(4,445)	(4,324)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(4,476)	(5,569)	(5,157)	(5,113)	(5,010)	(4,903)	(4,791)	(4,676)	(4,562)	(4,445)	(4,324)

GENERAL FUND - Scenario 1 – unsuccessful SRV application

BALANCE SHEET Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
ASSETS											
Current Assets											
Cash and Cash Equivalents	13,995	14,009	14,114	14,258	13,088	12,127	11,089	10,222	9,247	8,432	7,635
Receivables	991	1,018	1,044	1,070	1,096	1,124	1,152	1,181	1,210	1,241	1,272
Other Assets	586	0	0	0	0	0	0	0	0	0	0
Total Current Assets	15,573	15,027	15,158	15,327	14,184	13,251	12,241	11,403	10,457	9,672	8,907
Non-Current Assets											
Infrastructure, property, plant & Equipment	487,660	491,546	495,269	499,172	503,387	507,686	512,408	517,323	522,711	528,260	534,154
Investment Property	600	600	600	600	600	600	600	600	600	600	600
Other Non-Current Assets	250	125	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	488,510	492,271	495,869	499,772	503,987	508,286	513,008	517,923	523,311	528,860	534,754
LIABILITIES											
Current Liabilities											
Payables	3,545	1,461	1,326	1,345	1,377	1,392	1,432	1,451	1,495	1,517	1,552
Borrowings	62	62	62	62	62	62	9	0	0	0	0
Provisions	1,893	1,855	1,818	1,782	1,746	1,711	1,677	1,644	1,611	1,579	1,547
Total Current Liabilities	5,501	3,378	3,206	3,190	3,185	3,165	3,118	3,095	3,106	3,096	3,099
Non-Current Liabilities											
Borrowings	319	257	195	133	71	9	0	0	0	0	0
Provisions	12,901	13,223	13,554	13,893	14,240	14,596	14,961	15,335	15,718	16,111	16,514
Total Non-Current Liabilities	13,220	13,480	13,749	14,026	14,311	14,605	14,961	15,335	15,718	16,111	16,514
Net Assets	485,363	490,439	494,072	497,884	500,675	503,767	507,171	510,896	514,944	519,326	524,048
EQUITY											
Retained Earnings	195,619	193,451	189,660	185,862	180,852	175,949	171,158	166,482	161,920	157,475	153,151
Revaluation Reserve	289,744	296,987	304,412	312,022	319,823	327,818	336,014	344,414	353,025	361,850	370,896
Total Equity	485,363	490,439	494,072	497,884	500,675	503,767	507,172	510,896	514,945	519,325	524,048

GENERAL FUND - Scenario 1 – unsuccessful SRV application

CASHFLOW STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Cash flows from Operating Activities											
Receipts:											
Rates and Annual Charges	9,854	10,096	10,351	10,609	10,875	11,146	11,425	11,711	12,003	12,304	12,611
User charges and fees	4,586	4,732	4,850	4,971	5,095	5,223	5,353	5,487	5,624	5,765	5,909
Investment and interest revenue received	150	151	153	154	158	162	166	170	174	178	183
Grants and Contributions	36,794	12,492	10,639	10,778	9,699	9,942	10,191	10,445	10,706	10,974	11,248
Other	3,573	4,081	1,816	1,674	1,701	1,742	1,764	1,814	1,842	1,896	1,926
Payments:											
Employee benefits and on-costs	9,323	9,372	9,413	9,646	9,887	10,134	10,387	10,647	10,913	11,186	11,466
Materials and Contracts	11,056	11,540	9,541	9,705	9,935	10,202	10,431	10,714	10,957	11,255	11,524
Borrowing Costs	24	25	22	20	16	12	6	0	0	0	0
Other	743	761	781	800	820	841	862	883	905	928	951
Net cash provided (or used in) operating activities	33,812	9,854	8,052	8,016	6,870	7,026	7,213	7,383	7,575	7,748	7,937
Cash flows from investing activities											
Payments:											
Purchase of infrastr, property, plant & equipment	33,570	9,778	7,884	7,811	7,978	7,924	8,242	8,249	8,550	8,563	8,734
Net cash provided (or used in) investing activities	(33,570)	(9,778)	(7,884)	(7,811)	(7,978)	(7,924)	(8,242)	(8,249)	(8,550)	(8,563)	(8,734)
Cash flow from financing activities											
Receipts:											
Proceeds from borrowing and advances	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of borrowings and advances	62	62	62	62	62	62	9	0	0	0	0
Net cash flow provided (or used in) financing activities	(62)	(62)	(62)	(62)	(62)	(62)	(9)	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	179	14	106	143	(1,170)	(960)	(1,038)	(867)	(975)	(815)	(797)
Plus: Cash and cash equivalents and investments - beginning of year	13,816	13,995	14,009	14,114	14,258	13,088	12,127	11,089	10,222	9,247	8,432
Cash and cash equivalents and investments - end of the year	13,995	14,009	14,114	14,257	13,087	12,128	11,090	10,223	9,248	8,432	7,635

The background features a stylized landscape composed of thick, dark grey lines. A large, rounded mountain peak is positioned at the top center. Below it, a line representing a valley floor slopes downwards from left to right. On the right side of this slope, a simple silhouette of a tree with a rounded canopy and a short trunk is visible. The overall aesthetic is minimalist and graphic.

APPENDIX D:

Scenario 2 – Towards Sustainability

CONSOLIDATED FUND - Scenario 2 – Towards Sustainability

INCOME STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Income from Continuing Operations											
Revenue:											
Rates and Annual Charges	14,688	15,004	15,327	15,659	16,051	16,452	16,863	17,285	17,717	18,160	18,614
User Charges and Fees	5,705	6,073	6,386	6,714	6,882	7,054	7,230	7,411	7,596	7,786	7,981
Interest and Investment Revenue	557	388	310	311	319	327	335	344	352	361	370
Other Revenues	479	1,891	703	615	531	544	558	572	586	601	616
Grants and Contributions - Operating	13,681	9,390	9,574	9,763	10,007	10,257	10,514	10,776	11,046	11,322	11,605
Grants and Contributions - Capital	32,672	8,261	2,422	1,855	350	350	350	350	350	350	350
Total Income from Continuing Operations	67,782	41,007	34,723	34,918	34,139	34,984	35,850	36,737	37,647	38,579	39,535
Expenses from Continuing Operations											
Employee Benefits and on-costs	10,568	10,648	10,674	10,938	11,211	11,492	11,779	12,073	12,375	12,685	13,002
Borrowing Costs	666	650	623	600	577	548	517	488	454	438	419
Materials and Contracts	13,227	10,316	10,320	10,642	10,909	11,181	11,461	11,747	12,041	12,342	12,651
Depreciation and Amortisation	13,159	12,787	12,785	12,887	12,977	13,068	13,159	13,251	13,344	13,437	13,531
Other Expenses	694	712	729	748	766	786	805	825	846	867	889
Total Expenses from Continuing Operations	38,314	35,113	35,131	35,815	36,440	37,074	37,721	38,385	39,060	39,769	40,491
Net Operating Result for the Year	29,468	5,894	(408)	(897)	(2,301)	(2,090)	(1,871)	(1,648)	(1,413)	(1,189)	(956)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(3,203)	(2,367)	(2,830)	(2,752)	(2,651)	(2,440)	(2,221)	(1,998)	(1,763)	(1,539)	(1,306)

CONSOLIDATED FUND - Scenario 2 – Towards Sustainability

BALANCE SHEET Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
ASSETS											
Current Assets											
Cash and Cash Equivalents	23,170	22,651	23,223	23,458	22,794	22,367	21,891	21,615	21,260	21,401	21,610
Receivables	1,421	1,500	1,578	1,660	1,702	1,744	1,788	1,833	1,878	1,925	1,974
Other Assets	586	0	0	0	0	0	0	0	0	0	0
Total Current Assets	25,178	24,152	24,801	25,118	24,496	24,111	23,679	23,447	23,139	23,327	23,583
Non-Current Assets											
Infrastructure, property, plant & Equipment	623,124	636,950	644,713	652,570	660,199	668,006	676,325	684,946	693,941	703,260	713,008
Investment Property	600	600	600	600	600	600	600	600	600	600	600
Other Non-Current Assets	250	125	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	623,974	637,675	645,313	653,170	660,799	668,606	676,925	685,546	694,541	703,860	713,608
LIABILITIES											
Current Liabilities											
Payables	3,673	1,612	1,468	1,488	1,522	1,541	1,583	1,607	1,653	1,679	1,715
Borrowings	286	410	431	451	476	501	471	496	331	351	365
Provisions	1,893	1,855	1,818	1,782	1,746	1,711	1,677	1,644	1,611	1,579	1,547
Total Current Liabilities	5,852	3,878	3,717	3,721	3,745	3,753	3,730	3,747	3,595	3,608	3,627
Non-Current Liabilities											
Borrowings	10,558	10,272	9,862	9,430	8,979	8,504	8,056	7,594	7,098	6,767	6,416
Provisions	12,901	13,223	13,554	13,893	14,240	14,596	14,961	15,335	15,718	16,111	16,514
Total Non-Current Liabilities	23,459	23,495	23,415	23,323	23,219	23,099	23,016	22,929	22,817	22,878	22,930
Net Assets	619,841	634,453	642,981	651,245	658,331	665,865	673,857	682,317	691,269	700,701	710,633
EQUITY											
Retained Earnings	271,129	277,023	276,615	275,718	273,418	271,328	269,457	267,809	266,397	265,207	264,252
Revaluation Reserve	348,712	357,430	366,366	375,525	384,913	394,536	404,399	414,509	424,872	435,494	446,381
Total Equity	619,842	634,453	642,982	651,244	658,331	665,865	673,857	682,318	691,269	700,701	710,633

CONSOLIDATED FUND - Scenario 2 – Towards Sustainability

CASHFLOW STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Cash flows from Operating Activities											
Receipts:											
Rates and Annual Charges	14,555	14,925	15,249	15,577	16,009	16,409	16,820	17,240	17,671	18,113	18,566
User charges and fees	6,005	6,386	6,707	7,042	7,218	7,399	7,584	7,773	7,968	8,167	8,371
Investment and interest revenue received	557	388	310	311	319	327	335	344	352	361	370
Grants and Contributions	46,353	17,651	11,996	11,618	10,357	10,607	10,864	11,126	11,396	11,672	11,955
Other	5,252	6,851	2,902	2,651	2,536	2,591	2,627	2,692	2,735	2,776	2,821
Payments:											
Employee benefits and on-costs	10,568	10,648	10,674	10,938	11,211	11,492	11,779	12,073	12,375	12,685	13,002
Materials and Contracts	12,637	13,491	11,406	11,577	11,853	12,168	12,446	12,780	13,074	13,425	13,748
Borrowing Costs	666	650	623	600	577	548	517	488	454	438	419
Other	743	761	781	800	820	841	862	883	905	928	951
Net cash provided (or used in) operating activities	48,108	20,650	13,682	13,285	11,979	12,285	12,626	12,951	13,314	13,614	13,963
Cash flows from investing activities											
Payments:											
Purchase of infrastr, property, plant & equipment	53,178	20,759	12,678	12,599	12,167	12,211	12,632	12,731	13,337	13,122	13,390
Net cash provided (or used in) investing activities	(53,178)	(20,759)	(12,678)	(12,599)	(12,167)	(12,211)	(12,632)	(12,731)	(13,337)	(13,122)	(13,390)
Cash flow from financing activities											
Receipts:											
Proceeds from borrowing and advances	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of borrowings and advances	286	410	431	451	476	501	471	496	331	351	365
Net cash flow provided (or used in) financing activities	(286)	(410)	(431)	(451)	(476)	(501)	(471)	(496)	(331)	(351)	(365)
Net increase/(decrease) in cash and cash equivalents	(5,356)	(519)	572	235	(664)	(427)	(476)	(276)	(354)	141	208
Plus: Cash and cash equivalents and investments - beginning of year	28,526	23,170	22,651	23,223	23,458	22,794	22,367	21,891	21,615	21,260	21,401
Cash and cash equivalents and investments - end of the year	23,170	22,652	23,223	23,458	22,794	22,367	21,891	21,615	21,260	21,401	21,610

GENERAL FUND - Scenario 2 – Towards Sustainability

INCOME STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Income from Continuing Operations											
Revenue:											
Rates and Annual Charges	10,948	11,227	11,513	11,806	12,101	12,404	12,714	13,032	13,358	13,692	14,034
User Charges and Fees	4,286	4,466	4,578	4,692	4,810	4,930	5,053	5,180	5,309	5,442	5,578
Interest and Investment Revenue	150	151	153	154	158	162	166	170	174	178	183
Other Revenues	479	1,891	703	615	531	544	558	572	586	601	616
Grants and Contributions - Operating	13,681	9,390	9,574	9,763	10,007	10,257	10,514	10,776	11,046	11,322	11,605
Grants and Contributions - Capital	23,113	3,402	2,065	1,815	350	350	350	350	350	350	350
Total Income from Continuing Operations	52,657	30,528	28,586	28,846	27,957	28,647	29,354	30,079	30,822	31,584	32,365
Expenses from Continuing Operations											
Employee Benefits and on-costs	9,323	9,372	9,366	9,597	9,837	10,083	10,335	10,594	10,859	11,130	11,408
Borrowing Costs	24	25	22	20	16	12	6	0	0	0	0
Materials and Contracts	11,687	8,759	8,740	9,039	9,265	9,496	9,734	9,977	10,226	10,482	10,744
Depreciation and Amortisation	11,245	10,675	10,575	10,576	10,650	10,725	10,800	10,876	10,952	11,028	11,106
Other Expenses	694	712	729	748	766	786	805	825	846	867	889
Total Expenses from Continuing Operations	32,973	29,542	29,432	29,980	30,535	31,102	31,680	32,272	32,883	33,508	34,147
Net Operating Result for the Year	19,684	985	(846)	(1,134)	(2,578)	(2,455)	(2,326)	(2,192)	(2,060)	(1,923)	(1,782)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(3,429)	(2,417)	(2,911)	(2,949)	(2,928)	(2,805)	(2,676)	(2,542)	(2,410)	(2,273)	(2,132)

GENERAL FUND - Scenario 2 – Towards Sustainability

BALANCE SHEET Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
ASSETS											
Current Assets											
Cash and Cash Equivalents	13,920	15,422	16,707	17,743	17,227	16,927	16,558	16,367	16,077	15,955	15,860
Receivables	1,066	1,099	1,126	1,155	1,184	1,213	1,244	1,275	1,307	1,339	1,373
Other Assets	586	0	0	0	0	0	0	0	0	0	0
Total Current Assets	15,573	16,521	17,833	18,898	18,411	18,141	17,802	17,642	17,384	17,294	17,232
Non-Current Assets											
Infrastructure, property, plant & Equipment	488,796	494,365	499,843	505,516	511,509	517,597	524,116	530,838	538,043	545,422	553,157
Investment Property	600	600	600	600	600	600	600	600	600	600	600
Other Non-Current Assets	250	125	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	489,646	495,090	500,443	506,116	512,109	518,197	524,716	531,438	538,643	546,022	553,757
LIABILITIES											
Current Liabilities											
Payables	3,635	1,574	1,430	1,451	1,485	1,503	1,546	1,568	1,615	1,640	1,677
Borrowings	62	62	62	62	62	62	9	0	0	0	0
Provisions	1,893	1,855	1,818	1,782	1,746	1,711	1,677	1,644	1,611	1,579	1,547
Total Current Liabilities	5,590	3,491	3,310	3,295	3,294	3,276	3,232	3,212	3,226	3,218	3,224
Non-Current Liabilities											
Borrowings	319	257	195	133	71	9	0	0	0	0	0
Provisions	12,901	13,223	13,554	13,893	14,240	14,596	14,961	15,335	15,718	16,111	16,514
Total Non-Current Liabilities	13,220	13,480	13,749	14,026	14,311	14,605	14,961	15,335	15,718	16,111	16,514
Net Assets	486,410	494,639	501,217	507,693	512,915	518,456	524,325	530,534	537,083	543,986	551,251
EQUITY											
Retained Earnings	196,666	197,651	196,805	195,671	193,093	190,638	188,312	186,119	184,059	182,136	180,354
Revaluation Reserve	289,744	296,987	304,412	312,022	319,823	327,818	336,014	344,414	353,025	361,850	370,896
Total Equity	486,410	494,639	501,217	507,693	512,916	518,456	524,326	530,533	537,084	543,986	551,251

GENERAL FUND - Scenario 2 – Towards Sustainability

CASHFLOW STATEMENT Year Ending	Budget	Projected Years									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Cash flows from Operating Activities											
Receipts:											
Rates and Annual Charges	10,851	11,195	11,485	11,778	12,072	12,374	12,684	13,001	13,326	13,659	14,000
User charges and fees	4,586	4,779	4,898	5,021	5,146	5,275	5,407	5,542	5,681	5,823	5,968
Investment and interest revenue received	150	151	153	154	158	162	166	170	174	178	183
Grants and Contributions	36,794	12,792	11,639	11,578	10,357	10,607	10,864	11,126	11,396	11,672	11,955
Other	3,572	5,901	2,462	2,210	2,142	2,185	2,210	2,263	2,294	2,351	2,385
Payments:											
Employee benefits and on-costs	9,323	9,372	9,366	9,597	9,837	10,083	10,335	10,594	10,859	11,130	11,408
Materials and Contracts	10,959	11,794	9,683	9,828	10,061	10,332	10,563	10,850	11,096	11,398	11,670
Borrowing Costs	24	25	22	20	16	12	6	0	0	0	0
Other	743	761	781	800	820	841	862	883	905	928	951
Net cash provided (or used in) operating activities	34,905	12,867	10,786	10,495	9,141	9,336	9,564	9,775	10,010	10,227	10,462
Cash flows from investing activities											
Payments:											
Purchase of infrastr, property, plant & equipment	34,739	11,303	9,439	9,396	9,595	9,573	9,924	9,965	10,301	10,349	10,557
Net cash provided (or used in) investing activities	(34,739)	(11,303)	(9,439)	(9,396)	(9,595)	(9,573)	(9,924)	(9,965)	(10,301)	(10,349)	(10,557)
Cash flow from financing activities											
Receipts:											
Proceeds from borrowing and advances	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of borrowings and advances	62	62	62	62	62	62	9	0	0	0	0
Net cash flow provided (or used in) financing activities	(62)	(62)	(62)	(62)	(62)	(62)	(9)	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	104	1,502	1,285	1,036	(516)	(299)	(370)	(190)	(290)	(122)	(95)
Plus: Cash and cash equivalents and investments - beginning of year	13,816	13,920	15,422	16,707	17,743	17,227	16,927	16,558	16,367	16,077	15,955
Cash and cash equivalents and investments - end of the year	13,920	15,422	16,707	17,743	17,227	16,927	16,558	16,368	16,077	15,955	15,860

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