



# 10 Year Long Term Financial Plan

2024 - 2034

Eurobodalla  
Shire Council

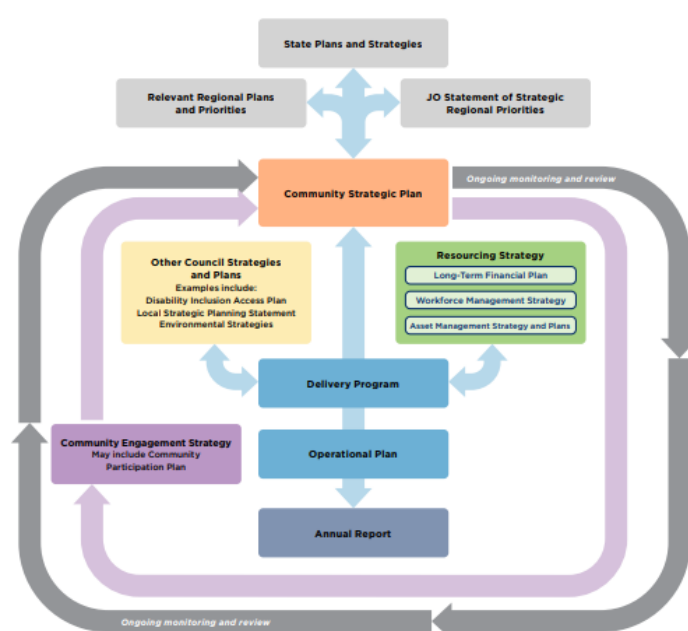
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## INTEGRATED PLANNING AND REPORTING FRAMEWORK

The Integrated Planning and Reporting (IP&R) Framework consists of a Community Strategic Plan (CSP), a four-year Delivery Program (DP) and one-year Operational Plan (OP) or budget. These are accompanied by a Resourcing Strategy for the provision of resources required to implement the strategies established by the CSP (*Local Government Act NSW 1993, s403*). The Resourcing Strategy outlines the financial, asset, and personnel resources that council will utilise to implement the CSP strategies over the next 10 years. The Resourcing Strategy consists of three documents: The Long-Term Financial Plan (LTFP), the Workforce Management Strategy and the Asset Management Strategy and Plans. The LTFP serves as an important tool in Council's strategic planning process and focuses on matters identified in the CSP that are the responsibility of Council.



To ensure Council has reflected the community aspirations, extensive community engagement has been undertaken to develop Council's CSP, DP and OP. The Council adoption timing for these plans is as follows:

- Community Strategic Plan (CSP) 2022-2042 was adopted by Council at the meeting held 12 April 2022.
- Delivery Program (DP) 2022-2026, Operational Plan (OP) 2024-2025 and Long-Term Financial Plan (LTFP) 2024-34 will be placed on public exhibition on 1 May 2024 for a period of four weeks.
- The Asset Management Strategy and Plans and Workforce Management Strategy are required as part of the Resourcing Strategy 2022-2032 were adopted by Council at the meeting held on 28 June 2022.

# PURPOSE

The purpose of the LTFP is to provide a guide for future action, it is not to provide details of an individual program of works or services. It is a tool to assess the community's aspirations and goals against financial realities and will inform decision making during the development and revision of its DP and OP. The LTFP is an evolving document that is reviewed annually, responding to changes to the community's expectations and external influences, as more information comes to hand and as decisions are made. This plan covers a 10-year time span, from 2024-2025 to 2034-2035.

The LTFP includes:

- Overview
- Key underlying assumptions
- Council's projected financial statements
- Performance monitoring
- Sensitivity analysis



## OVERVIEW

Council's overall operations are presented as the consolidated entity, however, its services can be divided into five separate businesses for financial purposes. The five separate are businesses, general, waste, environmental, sewer and water. Separate rates are raised to fund general, environmental, waste, sewer and water services. Each business has a number of different considerations, for example, general fund rates are subject to rate pegging, whilst water and sewer seek a stable pricing path and any surpluses are restricted in these funds. For financial reporting purposes the general, waste and environment businesses are combined as the general fund.

Council's general rate (residential, business and farmland) is subject to rate pegging, where the NSW Independent Pricing and Regulatory Tribunal (IPART) determines the maximum percentage amount by which a council may increase its general income for the year. Under the *Local Government Act 1993*, councils are able to seek additional increases in general income beyond the annual rate peg by applying to IPART for a special rate variation (SRV). There is no SRV request considered in this plan.

Balancing the community's needs and expectations for service delivery and mix, while maintaining its infrastructure is a key challenge for the general operations of Council. Often, the costs of maintaining and renewing infrastructure, as well as providing services, increase more each year than a council's income. Council has planned to continue to undertake major capital projects including the Moruya Co-Located Emergency Services Precinct, Batemans Bay Coastal Headlands Walking Trail, Moruya Housing Infrastructure and Southern Water Supply Storage. Whilst significant grant funding was received for the construction of these assets, Council needs to fund the ongoing maintenance and renewal.

This year Council implemented a Finance Strategy which outlines 12 key actions to achieve and maintain the financial resilience of Council. A copy of the Finance Strategy is available on Councils website. [Eurobodalla Shire Council – Finance Strategy \(nsw.gov.au\)](https://www.eurobodalla.nsw.gov.au) See below snapshot of the key actions in the Finance Strategy.

#	Action	Summary
1	Cash Reserves	A review of existing internal and external cash reserves.
2	Property Strategy	A review of current property holdings comparing future service and revenue potential with short term divestment opportunities.
3	Budget Reset 2023	Council wide 'reset' of the 2024 Operational Plan Budget targeting 10% ongoing cash savings.
4	Borrowings	A review of existing loans by value, time remaining, purpose and eligibility for payout.
5	Capital Program Review	A review of the capital works program for the next four years.
6	Major Projects Governance	Establishment of a project management function.
7	Procurement Training & Framework	Targeted training in procurement and contract management.
8	Bay Pavilions Sustainability Plan	Develop and implement a Sustainability Plan for the Bay Pavilions.
9	Grants Strategy	A review of the current approach to grants and advocacy.
10	Processes	Assess if any administrative or other processes are being duplicated.
11	Financial Transparency	Improved financial reporting and community engagement.
12	Risk Framework	Develop a risk management framework.

The previous years LTFP estimated operating deficits across the general fund for the life of the plan and operating deficits for the consolidated entity for the first five years. It was acknowledged that ongoing financial deficits are not financially sustainable. A 'Budget Reset' was undertaken in mid-2023 with the intention of understanding why and where Council is spending more than it is receiving, and furthermore, identifying where there is opportunity to reduce costs and/or increase income.

This year's LTFP was developed with a clear focus on 'living within our means' and whilst the overall position of Council has improved there are still a number of challenges, both ongoing and new, that impact Council's business-as-usual operations. These include;

- Limited income generation by Council's operating under current IPART rate pegging methodology
- Increased costs and inflationary pressures which means Council's delivery of services has become more expensive
- Resourcing constraints including staff retention, market salary relativity, and contractor availability
- Significant events including multiple natural disasters, COVID-19, and fire and flood events changed the way businesses interact, impacted procurement chains, and led to an increased focus on rebuild and resilience
- Large capital works programs alongside vast grant funded works
- Unfavourable budgeted operating performance of the Bay Pavilions and
- Cost shifting by State and Federal Government

Councils are vulnerable to the impacts of inflation and a volatile economy both domestically and internationally. In 2024, nine New South Wales Councils applied for a special rate variation signalling many Councils continue to struggle financially to provide deliverables to their community. Maintaining fiscal flexibility will be an important focus for council in the immediate and long term future.

The general fund is projected to run an operating deficit before taking into account capital grants and contributions which reduce over the duration of the LTFP. This is based on a service mix and level as described in the current Delivery Program and Operational Plan. Any future request for additional services, or increase to the service levels budgeted for, will need to be fully funded, or a change in services required.

While Council's general fund is in an operating deficit before capital, Council's financial reserves are adequate to meet its upcoming obligations. It must be remembered that an operating deficit before capital in the general fund does not consider funds already held in reserves, and is impacted by the timing of operating grants, as well as including depreciation which is a significant non-cash expense.

In assessing Council's financial reserves, it needs to ensure it manages its money, including cash and investments, and the income (including grants) expected to be collected in the short term to then be able to meet its upcoming obligations. This is referred to as liquidity. Council's liquidity position is measured by the unrestricted current ratio, and remains both positive and above the benchmark set by the Office of Local Government for the duration of the LTFP.

It is important to consider the level of unrestricted cash, which is the cash and investments held by Council, which are not bound by legislation or Council resolution to be used for a specific purpose. As shown in the consolidated cash flow statement (page 19), Council's unrestricted cash is at an adequate level and increasing over the duration of the LTFP.

Council's water and sewer operations have the financial flexibility to maintain a sound financial position as they have separate charges and user fees to recover the cost of their capital base as well as recurrent operating costs of service provision. Key considerations for these operations focus on ensuring a stable pricing path for ratepayers and meeting the Regulatory and Assurance Framework for Local Water Utilities issued by the Department of Planning and Environment. Council's 30 year Integrated Water Cycle Management Strategy has informed the development of the water and sewer fund budgets.

The Councils water and sewer funds are in a satisfactory financial position. There are large capital works planned during this LTFP cycle including the Southern Water Storage Facility, the Southern Water Treatment Plant, and the renewal of several existing sewerage treatment plants, which impact the forecast period results. The fund balances remain adequate throughout the LTFP period.

From a consolidated perspective, an operating deficit before capital is forecasted over the first five years, moving into a surplus position in year six of the LTFP. Cash balances remain positive and adequate throughout.



# ASSUMPTIONS

In planning for the financial year 2024-2025 and beyond, several key assumptions have been made to help forecast revenue, expenditures, and overall financial health.

The following assumptions have been used in the modelling contained in the LTFP.

**Service Level** - The service mix and level of service is assumed to be maintained over the planning period as outlined in the current CSP 2022-2042 adopted on 12 April 2022. Level of service means that each service assists in achieving the CSP outcomes with measures to track and report on progress in achieving each activity allocated to that service. In late 2023 council undertook a 'budget reset' which identified opportunities for modifications to service levels. These modifications are outlined in the OP and have been assumed for the life of this plan.

**Rates and Annual Charges** - The indexation factor applied is based on guidance provided by IPART which is based on the Local Government Price Index and informs the rate peg. The guidance is a 2.5% increase for future years beyond the 2024-2025 rate peg of 5.5% (including 0.6% growth allowance), which is what has been used in the LTFP.

The general fund assumes 5.5% (including 0.6% growth) for 2024-2025, and 2.5% thereafter over the LTFP period. Historically the IPART Rate Peg has been 2.6% in 2020-2021, 2.0% in 2021-2022, 1.7% in 2022-2023 and 4.3% in 2023-2024.

Water annual charges increased by 4.0% and sewer annual charges by 4.63% and the outer years in line with the recently updated Integrated Water Cycle Management Strategy.

**User Fees and Other** - Assumes 2.5% for 2024-2025 and outer years.

**Investment Revenue** - Investment revenue is based on the estimate of the returns expected on Council's investment portfolio, primarily being term deposits in accordance with the Minister's investment order, and Council's Investment Policy. Underlying factors are conservative estimated interest rates and cash balances throughout the 10-year plan.

**Operating Grants and Contributions** - A conservative approach is taken, as only known grant funds are included.

**Capital Grants and Contributions** - A conservative approach is taken, including known or reasonably anticipated funding in the 10-year period.

**Net Gain on Disposal of Assets** - Disposal of plant and investments are assumed to be for nil gain as they are assets that meet operational needs and are not of a commercial nature. The modelling assumes no write-off of the remaining book value of renewed infrastructure assets.

**Interest Expense** - Borrowings are utilised to finance Council's infrastructure programs and enable the benefits and costs of long-life assets to be shared equitably between current and future generations of ratepayers. This is commonly termed 'intergenerational equity'. Borrowings are assumed to attract an average interest rate of 6.0% over the 10 years. It is assumed no new borrowings in the general fund for the life of the plan.

**Depreciation** - Depreciation is estimated based on current infrastructure and the projected asset expenditure in the future and is calculated using the straight-line basis over the estimated useful life of the asset. Modelling assumes 'like for like' replacement of assets when they have reached the end of their useful lives.

**Employee Costs** - Salary and wages costs are estimated based on Council's approved organisational chart and applicable rates of pay per the Local Government Award. Increases are set at 3.5% for 2024-2025, 3.0% for 2025-2026 and 2.5% indexation for the remaining duration of the plan.

**Materials, Contracts and Other Costs** – Assumes 2.5% indexation. Some maintenance programs are adjusted for growth in the relevant asset class.

# PERFORMANCE MONITORING

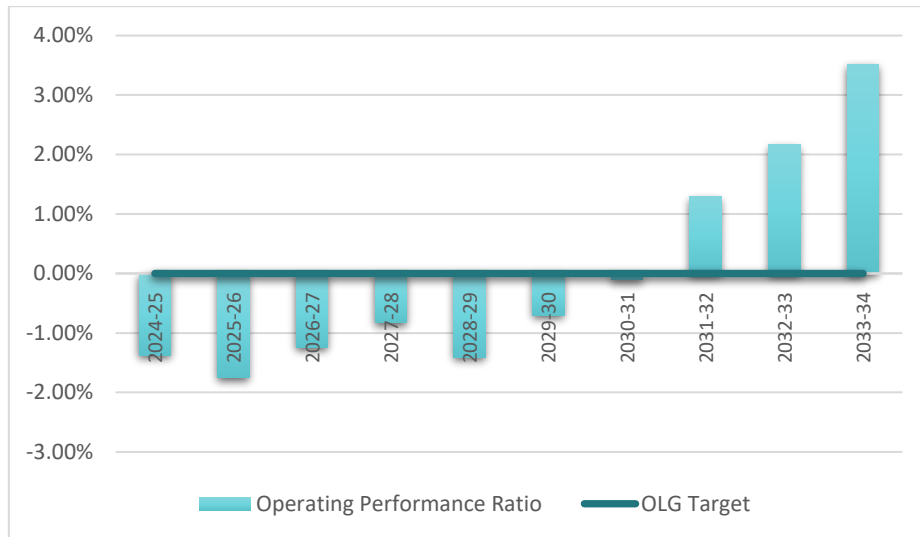
Performance will be monitored in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting Guideline Note 13 – Statement of Performance Measures, as prescribed by the Office of Local Government. These metrics apply to Council’s consolidated entity.



**OPERATING PERFORMANCE RATIO** - Total continuing operating revenue excluding capital grants and contributions less operating expenses.

Total continuing operating revenue excluding capital grants and contributions

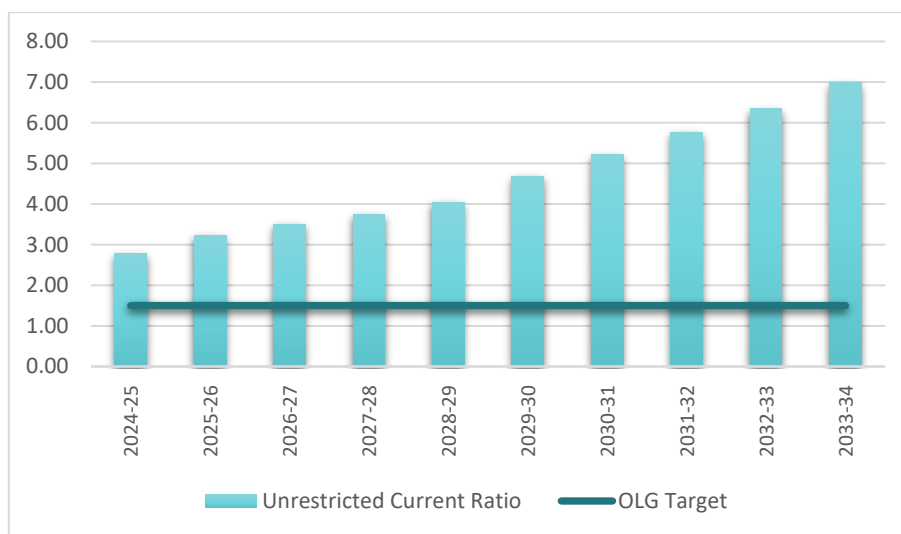
- Indicates Council’s achievement of containing operating expenditure within operating revenue and indicates Council’s capacity to meet ongoing operating expenditure requirements.
- Benchmark: greater than or equal to 0 (zero)



**UNRESTRICTED CURRENT RATIO** - Current assets less all external restrictions

Current liabilities less specific purpose liabilities

- Provides an indication of Council’s ability to meet its short-term financial commitments.
- Benchmark: greater than or equal to 1.5x

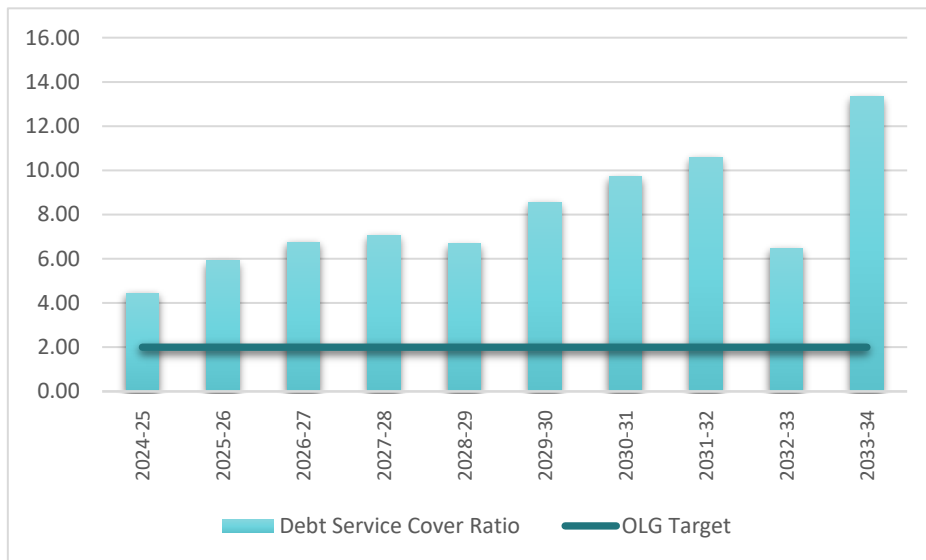


**DEBT SERVICE COVER RATIO** - Operating result before capital excluding interest and depreciation/impairment/amortisation.

Principal repayments plus borrowing costs

- Indicates the available cash to service Council’s debts, including interest, principal and lease repayments.

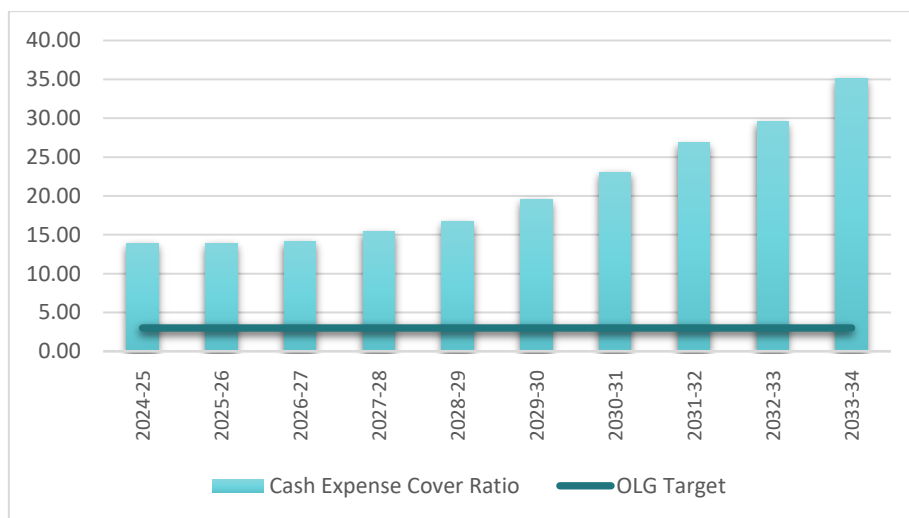
Benchmark: greater than or equal to 2x



**CASH EXPENSE COVER RATIO** - Current year’s cash and cash equivalents plus term deposits

Payments from cash flow of operating and financing activities

- Indicates the number of months Council can continue paying for its immediate expenses without additional cash inflow.
- Benchmark: greater than or equal to 3 months



# SCENARIO ANALYSIS

A scenario analysis predicts the financial impact of a deliberate policy decision made by Council. The following scenarios relate to the general business operations only, the other businesses are assumed to remain the same in both scenarios.

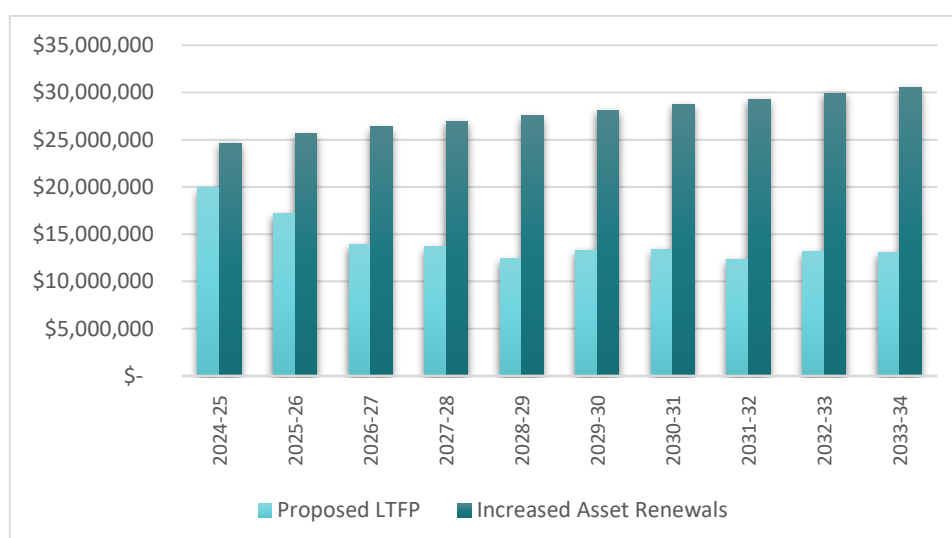
## Scenario – Increased Asset Renewals

Under IPR Guidelines, due regard must be given to promoting the financial sustainability of the council by ensuring that adequate funding of infrastructure maintenance and renewal. The current industry benchmark for building and infrastructure asset renewals is 100% i.e. expenditure on renewal of infrastructure should equate to depreciation. From a general fund perspective this ratio of renewal to depreciation has been on average 80% over the past five years. Renewal is defined as the replacement of existing assets (as opposed to new assets) to equivalent capacity or performance capacity. Depreciation measures the annual consumption of the service potential of the assets. Prudent asset management would dictate that on average the rate of renewal should equal the rate by which assets are depreciating.

This scenario promotes spending on infrastructure renewals for the following benefits:

- Maximise service potential of the assets to the community
- Addressing safety risks
- Reducing long-term maintenance costs

Adequate funding within Council’s existing internal cash reserves or grants would be required to meet the shortfall in funding for increased renewal expenditure as demonstrated in the below graph.



# SENSITIVITY ANALYSIS

A sensitivity analysis predicts the financial impact of movements in external factors outside of Council's control.

## Sensitivity – Interest Rate Movements

This year in an effort to combat inflation the Reserve Bank of Australia (RBA) have intermittently increased rates to the current rate of 4.35%. Future projections in this plan have assumed that rates will level out after the 2025 financial year. Interest rates can be volatile and are outside of Council's control. Movements in interest rates impact both Council's revenue (interest income) and expenses (borrowing costs) Council's cash reserves are invested mostly in low-risk term deposits, following the adopted Investment Policy. An increase to interest rates will increase Council's investment income with almost immediate impact because the portfolio consists of multiple short-term deposits which mature and are re-invested on an ongoing rolling basis. Council's loans are fixed interest, which means only new loans will be impacted by an increase to interest rates. Higher interest rates mean a higher expense for the new loans. The sensitivity analysis used for this LTFP models the impacts of a 25% increase to interest rates above the base assumptions, and a 50% increase above the base assumptions. The effect of these increases are shown below.

### 25% Increase to interest rates above the base assumptions

	Borrowing Rates		Investment Rates	
	Base	25% Inc	Base	25% Inc
1 yr average	6.00%	7.50%	4.05%	5.06%
5 yr average	6.00%	7.50%	3.44%	4.30%
10 yr average	6.00%	7.50%	3.21%	4.01%

Interest Rate Sensitivity (25% Inc) (\$'000)	1 Yr	5 Yr	10 Yr
Increased Investment Income (Cumulative)	1,310	6,093	16,994
Increased Borrowing Costs (Cumulative)	0	(195)	(1,158)
<b>Net Impact to Operating Result and Cash</b>	<b>1,310</b>	<b>5,898</b>	<b>15,836</b>

\*\*1 yr - assuming no changes to current year borrowing assumptions

### 50% Increase to interest rates above the base assumptions

	Borrowing Rates		Investment Rates	
	Base	50% Inc	Base	50% Inc
1 yr average	6.00%	9.00%	4.05%	6.07%
5 yr average	6.00%	9.00%	3.44%	5.16%
10 yr average	6.00%	9.00%	3.21%	4.81%

Interest Rate Sensitivity (50% Inc) (\$'000)	1 Yr	5 Yr	10 Yr
Increased Investment Income (Cumulative)	2,620	12,187	33,987
Increased Borrowing Costs (Cumulative)	0	(392)	(2,344)
<b>Net Impact to Operating Result and Cash</b>	<b>2,620</b>	<b>11,794</b>	<b>31,643</b>

\*\*1 yr - assuming no changes to current year borrowing assumptions

## Sensitivity – Wages growth

Salary growth is largely subject to the NSW Local Government Award. In 2023, the Local Government (State) Award rates of pay were increased by 4.5% with the new rate applying from 1 July 2023. The award covers three years of remuneration rates.

This plan has assumed a 3.5% increase in 2025, a 3.0% increase in 2026 and 2.5% in 2027 which is an 10.85% cumulative increase over the period of the award. The remaining years assume 2.5% award rate increases.

The following tables outline the effect on the operating result if the award increases after 2026 are 5.0% or 10.0% (as opposed to 2.5%)

### 5% Award increase to rates of pay

Award Increase Rate Sensitivity 5% Inc (\$'000)	1 Yr	5 Yr	10 Yr
Increased Employee Costs (Cumulative)	0	3,814	10,194

### 10% Award increase to rates of pay

Award Increase Rate Sensitivity 10% Inc (\$'000)	1 Yr	5 Yr	10 Yr
Increased Employee Costs (Cumulative)	0	23,161	39,966



## PROJECTED FINANCIAL STATEMENTS

**INCOME STATEMENT** - The Income statement, also known as the profit and loss statement, primarily focuses on Council's revenues and expenses.

**BALANCE SHEET** - The balance sheet, also known as the statement of financial position, reports Council's assets, liabilities and equity. It provides a snapshot of what Council owns and owes as at the date of the report.

**CASH FLOW STATEMENT** - The cash flow statement, also known as statement of cash flows, show the source of cash and helps monitor incoming and outgoing money.

The following pages show each of the projected financial statements for the consolidated council entity and general fund.

## INCOME STATEMENT – CONSOLIDATED

### Income Statement - Consolidated Fund

	2022-23 Actuals	24PJRB at QTR2 QBRS	2024-25 25PJEX	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>Revenue</b>												
Rates & Annual Charges	71,775	74,539	78,962	81,920	84,923	87,747	90,390	93,047	95,778	98,584	101,468	104,433
User Charges & Fees	44,485	40,888	41,758	43,272	44,646	46,030	47,422	48,855	50,014	51,202	52,419	53,729
Other Income	2,438	2,710	2,758	2,827	2,898	2,970	3,045	3,121	3,199	3,279	3,361	3,445
Investment Revenues	5,568	5,949	5,390	4,724	4,696	4,922	5,429	6,065	7,084	9,068	10,626	11,651
Operating Grants & contributions	32,463	27,255	18,053	17,738	18,070	18,478	18,895	19,324	19,762	20,211	20,671	21,142
Capital Grants & Contributions	67,853	69,675	57,516	16,147	10,616	9,949	12,913	10,388	7,728	7,901	7,839	7,461
<b>Total Revenue</b>	<b>224,582</b>	<b>221,017</b>	<b>204,437</b>	<b>166,628</b>	<b>165,849</b>	<b>170,096</b>	<b>178,094</b>	<b>180,800</b>	<b>183,565</b>	<b>190,245</b>	<b>196,384</b>	<b>201,861</b>
<b>Less Expenses</b>												
Profit/Loss on Disposal of Assets	5,336	-	800	816	832	849	866	883	901	919	937	956
Employee costs	48,313	50,374	51,241	52,261	53,561	54,648	56,014	57,573	59,012	60,487	61,999	63,549
Interest	2,756	2,835	2,556	2,317	2,074	2,260	2,802	2,562	2,371	2,172	1,984	1,823
Depreciation	41,824	44,925	46,853	51,327	53,231	55,586	58,050	59,729	61,589	62,960	64,153	65,069
Other Costs (incl materials & contracts)	55,872	55,716	48,288	47,212	48,290	48,980	50,643	51,747	53,041	54,367	56,323	57,119
<b>Total Expenses</b>	<b>154,101</b>	<b>153,850</b>	<b>149,739</b>	<b>153,932</b>	<b>157,988</b>	<b>162,323</b>	<b>168,376</b>	<b>172,494</b>	<b>176,913</b>	<b>180,905</b>	<b>185,396</b>	<b>188,517</b>
<b>Net Operating Result for the Year</b>	<b>70,481</b>	<b>67,166</b>	<b>54,699</b>	<b>12,695</b>	<b>7,861</b>	<b>7,772</b>	<b>9,719</b>	<b>8,306</b>	<b>6,652</b>	<b>9,340</b>	<b>10,988</b>	<b>13,344</b>
<b>Net Operating Result Before Grants and Contributions provided for Capital Purposes</b>	<b>2,628</b>	<b>(2,509)</b>	<b>(2,817)</b>	<b>(3,452)</b>	<b>(2,755)</b>	<b>(2,177)</b>	<b>(3,195)</b>	<b>(2,082)</b>	<b>(1,076)</b>	<b>1,439</b>	<b>3,148</b>	<b>5,883</b>

## BALANCE SHEET – CONSOLIDATED

Balance Sheet - Consolidated Fund												
	2022-23 Actuals	24PJRB at QTR2 QBR5	2024-25 25PJEX	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>Assets</b>												
<b>Current Assets</b>												
Cash & cash equivalents	25,146	(23,682)	(31,514)	(34,181)	(29,475)	(15,961)	1,633	30,239	68,896	112,268	158,980	210,714
Investments	159,010	159,010	159,010	159,010	159,010	159,010	159,010	159,010	159,010	159,010	159,010	159,010
Receivables - Current	27,475	27,464	27,456	27,456	27,456	27,456	27,456	27,456	27,456	27,456	27,456	27,456
Inventories	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871
Contract Assets	13,245	13,245	13,245	13,245	13,245	13,245	13,245	13,245	13,245	13,245	13,245	13,245
Other - Current	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038
<b>Total Current Assets</b>	<b>227,785</b>	<b>178,946</b>	<b>171,106</b>	<b>168,439</b>	<b>173,145</b>	<b>186,659</b>	<b>204,253</b>	<b>232,859</b>	<b>271,516</b>	<b>314,888</b>	<b>361,600</b>	<b>413,334</b>
<b>Non-Current Assets</b>												
Receivables - Non-current	5	-	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,960,015	2,069,281	2,125,408	2,134,446	2,138,763	2,140,276	2,126,450	2,101,564	2,065,367	2,027,130	1,987,567	1,945,474
Right of Use Assets	366	366	366	366	366	366	366	366	366	366	366	366
<b>Total Non-Current Assets</b>	<b>1,960,386</b>	<b>2,069,647</b>	<b>2,125,774</b>	<b>2,134,812</b>	<b>2,139,129</b>	<b>2,140,642</b>	<b>2,126,816</b>	<b>2,101,930</b>	<b>2,065,733</b>	<b>2,027,496</b>	<b>1,987,933</b>	<b>1,945,840</b>
<b>TOTAL ASSETS</b>	<b>2,188,171</b>	<b>2,248,593</b>	<b>2,296,880</b>	<b>2,303,251</b>	<b>2,312,274</b>	<b>2,327,301</b>	<b>2,331,069</b>	<b>2,334,789</b>	<b>2,337,249</b>	<b>2,342,383</b>	<b>2,349,532</b>	<b>2,359,174</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Lease Liabilities - Current	76	76	76	76	76	76	76	76	76	76	76	76
Payables - Current	21,368	21,368	21,368	21,368	21,368	21,368	21,368	21,368	21,368	21,368	21,368	21,368
Contract Liabilities	14,912	14,912	14,912	14,912	14,912	14,912	14,912	14,912	14,912	14,912	14,912	14,912
Borrowings - Current	7,525	7,525	8,102	6,325	5,838	5,745	5,951	4,586	4,192	4,206	8,876	3,702
Employee Benefit Provisions - Current	12,438	12,438	12,438	12,438	12,438	12,438	12,438	12,438	12,438	12,438	12,438	12,438
Provisions - Current	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>56,319</b>	<b>56,319</b>	<b>56,896</b>	<b>55,119</b>	<b>54,632</b>	<b>54,539</b>	<b>54,745</b>	<b>53,380</b>	<b>52,986</b>	<b>53,000</b>	<b>57,670</b>	<b>52,496</b>
<b>Non-Current Liabilities</b>												
Lease Liabilities - Non-current	420	420	420	420	420	420	420	420	420	420	420	420
Borrowings - Non-current	63,225	56,481	49,492	44,944	46,594	53,941	47,784	44,563	40,766	36,547	28,036	29,508
Employee Benefit Provisions - Non-current	440	440	440	440	440	440	440	440	440	440	440	440
Provisions - Non-current	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162
<b>Total Non-Current Liabilities</b>	<b>66,247</b>	<b>59,503</b>	<b>52,514</b>	<b>47,966</b>	<b>49,616</b>	<b>56,963</b>	<b>50,806</b>	<b>47,585</b>	<b>43,788</b>	<b>39,569</b>	<b>31,058</b>	<b>32,530</b>
<b>TOTAL LIABILITIES</b>	<b>122,566</b>	<b>115,822</b>	<b>109,410</b>	<b>103,085</b>	<b>104,248</b>	<b>111,502</b>	<b>105,551</b>	<b>100,965</b>	<b>96,774</b>	<b>92,568</b>	<b>88,729</b>	<b>85,026</b>
<b>Net Assets</b>	<b>2,065,605</b>	<b>2,132,771</b>	<b>2,187,470</b>	<b>2,200,165</b>	<b>2,208,027</b>	<b>2,215,799</b>	<b>2,225,518</b>	<b>2,233,824</b>	<b>2,240,475</b>	<b>2,249,815</b>	<b>2,260,803</b>	<b>2,274,147</b>
<b>EQUITY</b>												
Retained Earnings	1,056,262	1,123,428	1,178,127	1,190,822	1,198,684	1,206,456	1,216,175	1,224,481	1,231,132	1,240,472	1,251,460	1,264,804
Revaluation Reserves	1,009,343	1,009,343	1,009,343	1,009,343	1,009,343	1,009,343	1,009,343	1,009,343	1,009,343	1,009,343	1,009,343	1,009,343
<b>Total Equity</b>	<b>2,065,605</b>	<b>2,132,771</b>	<b>2,187,470</b>	<b>2,200,165</b>	<b>2,208,027</b>	<b>2,215,799</b>	<b>2,225,518</b>	<b>2,233,824</b>	<b>2,240,475</b>	<b>2,249,815</b>	<b>2,260,803</b>	<b>2,274,147</b>

# CASH FLOW STATEMENT – CONSOLIDATED

## Cash Flow Statement - Consolidated Fund

	2022-23 Actuals	24PJRB at QTR2 QBRs	2024-25 25PJEX	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>Cash Flows from Operating Activities</b>												
<b>Receipts</b>												
Rates & Annual Charges	71,432	74,539	78,962	81,920	84,923	87,747	90,390	93,047	95,778	98,584	101,468	104,433
User Charges & Fees	38,161	40,888	41,758	43,272	44,646	46,030	47,422	48,855	50,014	51,202	52,419	53,729
Other Income	3,831	2,710	2,758	2,827	2,898	2,970	3,045	3,121	3,199	3,279	3,361	3,445
Investment Revenues	3,935	5,949	5,390	4,724	4,696	4,922	5,429	6,065	7,084	9,068	10,626	11,651
Operating Grants & contributions	32,463	27,255	18,053	17,738	18,070	18,478	18,895	19,324	19,762	20,211	20,671	21,142
Capital Grants & Contributions	66,044	69,675	57,516	16,147	10,616	9,949	12,913	10,388	7,728	7,901	7,839	7,461
<b>Payments</b>												
Employee costs	(47,343)	(50,374)	(51,241)	(52,261)	(53,561)	(54,648)	(56,014)	(57,573)	(59,012)	(60,487)	(61,999)	(63,549)
Interest	(2,505)	(2,835)	(2,556)	(2,317)	(2,074)	(2,260)	(2,802)	(2,562)	(2,371)	(2,172)	(1,984)	(1,823)
Other Costs (incl materials & contracts)	(67,360)	(55,716)	(48,288)	(47,212)	(48,290)	(48,980)	(50,643)	(51,747)	(53,041)	(54,367)	(56,323)	(57,119)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>98,658</b>	<b>112,092</b>	<b>102,352</b>	<b>64,838</b>	<b>61,925</b>	<b>64,207</b>	<b>68,635</b>	<b>68,918</b>	<b>69,141</b>	<b>73,219</b>	<b>76,078</b>	<b>79,369</b>
<b>Cash Flows from Investing Activities</b>												
<b>Investing Fund Flows</b>												
Asset & Investment Sales	3,214	1,212	883	621	616	981	571	851	782	321	666	373
Deferred Debtor Repayments	8	16	8	-	-	-	-	-	-	-	-	-
Purchase of Assets	(90,299)	(155,404)	(104,663)	(61,802)	(58,996)	(58,929)	(45,661)	(36,577)	(27,075)	(25,963)	(26,193)	(24,305)
Redemption of Term Deposits	42,990	-	-	-	-	-	-	-	-	-	-	-
Acquisition of Term Deposits	(70,000)	-	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(114,087)</b>	<b>(154,176)</b>	<b>(103,772)</b>	<b>(61,181)</b>	<b>(58,381)</b>	<b>(57,948)</b>	<b>(45,090)</b>	<b>(35,725)</b>	<b>(26,293)</b>	<b>(25,642)</b>	<b>(25,527)</b>	<b>(23,932)</b>
<b>Cash Flows from Financing Activities</b>												
Proceeds from Borrowings	11,339	781	1,691	(0)	7,000	13,000	(0)	(0)	(0)	(0)	5,037	(0)
Repayments of Borrowings	(7,699)	(7,525)	(8,102)	(6,325)	(5,838)	(5,745)	(5,951)	(4,586)	(4,192)	(4,206)	(8,876)	(3,702)
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>3,640</b>	<b>(6,744)</b>	<b>(6,412)</b>	<b>(6,325)</b>	<b>1,162</b>	<b>7,255</b>	<b>(5,951)</b>	<b>(4,586)</b>	<b>(4,192)</b>	<b>(4,206)</b>	<b>(3,839)</b>	<b>(3,702)</b>
<b>Net Increase/(Decrease) in Cash, Cash Equivalents &amp; Investments</b>	<b>(11,789)</b>	<b>(48,828)</b>	<b>(7,832)</b>	<b>(2,668)</b>	<b>4,707</b>	<b>13,514</b>	<b>17,594</b>	<b>28,607</b>	<b>38,656</b>	<b>43,372</b>	<b>46,712</b>	<b>51,735</b>
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>195,945</b>	<b>184,156</b>	<b>135,328</b>	<b>127,496</b>	<b>124,829</b>	<b>129,535</b>	<b>143,049</b>	<b>160,643</b>	<b>189,249</b>	<b>227,906</b>	<b>271,278</b>	<b>317,990</b>
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>184,156</b>	<b>135,328</b>	<b>127,496</b>	<b>124,829</b>	<b>129,535</b>	<b>143,049</b>	<b>160,643</b>	<b>189,249</b>	<b>227,906</b>	<b>271,278</b>	<b>317,990</b>	<b>369,724</b>
<b>Representing:</b>												
External Restrictions	88,534	76,865	70,414	64,673	68,961	77,011	86,328	96,769	104,868	114,167	122,468	132,513
Internal Restrictions	37,278	37,062	32,840	31,450	30,079	29,617	28,356	28,207	28,069	27,944	27,415	27,936
Unrestricted Cash - General Fund	6,388	6,589	8,644	15,169	20,760	25,944	32,814	40,429	49,088	59,585	70,669	82,614
Restricted Cash - Sewer Fund	20,970	10,538	13,909	8,087	4,999	4,122	12,418	21,631	33,018	45,601	60,453	76,551
Restricted Cash - Water Fund	30,986	4,274	1,688	5,449	4,737	6,356	727	2,214	12,862	23,982	36,984	50,111
	<b>184,156</b>	<b>135,328</b>	<b>127,496</b>	<b>124,829</b>	<b>129,535</b>	<b>143,049</b>	<b>160,643</b>	<b>189,249</b>	<b>227,906</b>	<b>271,278</b>	<b>317,990</b>	<b>369,724</b>

## INCOME STATEMENT – GENERAL

### Income Statement - General Fund (excluding Environment & Waste)

	2022-23 Actuals	24PJRB at QTR2 QBRs	2024-25 25PJEX	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>Revenue</b>												
Rates & Annual Charges	32,514	33,252	35,232	36,251	37,292	38,360	39,456	40,580	41,733	42,916	44,128	45,372
User Charges & Fees	19,030	22,348	22,622	23,648	24,539	25,435	26,336	27,242	27,861	28,495	29,144	29,873
Other Income	7,793	2,650	2,758	2,827	2,898	2,970	3,045	3,121	3,199	3,279	3,361	3,445
Investment Revenues	2,347	3,176	3,303	2,561	2,638	2,842	3,105	3,433	3,845	4,305	4,834	5,375
Operating Grants & contributions	29,659	25,463	17,080	16,982	17,366	17,759	18,162	18,574	18,997	19,430	19,874	20,328
Capital Grants & Contributions	35,217	33,887	16,700	11,944	6,309	2,842	2,869	2,920	2,973	3,028	2,844	2,340
<b>Total Revenue</b>	<b>126,561</b>	<b>120,775</b>	<b>97,695</b>	<b>94,214</b>	<b>91,042</b>	<b>90,210</b>	<b>92,972</b>	<b>95,870</b>	<b>98,608</b>	<b>101,451</b>	<b>104,185</b>	<b>106,733</b>
<b>Less Expenses</b>												
Profit/Loss on Disposal of Assets	4,202	-	-	-	-	-	-	-	-	-	-	-
Employee costs	37,273	38,811	39,422	40,044	41,039	41,813	42,859	43,930	45,028	46,154	47,308	48,490
Interest	1,460	1,230	1,055	933	796	666	548	440	374	313	255	203
Depreciation	24,672	26,748	28,231	30,072	31,260	32,415	33,846	34,990	35,906	36,754	37,343	37,738
Other Costs (incl materials & contracts)	30,695	28,470	20,614	19,794	20,256	20,294	21,287	21,321	21,854	22,400	23,496	23,534
<b>Total Expenses</b>	<b>98,302</b>	<b>95,259</b>	<b>89,322</b>	<b>90,843</b>	<b>93,351</b>	<b>95,188</b>	<b>98,539</b>	<b>100,681</b>	<b>103,162</b>	<b>105,621</b>	<b>108,402</b>	<b>109,966</b>
<b>Net Operating Result for the Year</b>	<b>28,259</b>	<b>25,516</b>	<b>8,373</b>	<b>3,371</b>	<b>(2,308)</b>	<b>(4,979)</b>	<b>(5,567)</b>	<b>(4,811)</b>	<b>(4,554)</b>	<b>(4,170)</b>	<b>(4,217)</b>	<b>(3,233)</b>
<b>Net Operating Result Before Grants and Contributions provided for Capital Purposes</b>	<b>(6,957)</b>	<b>(8,371)</b>	<b>(8,327)</b>	<b>(8,574)</b>	<b>(8,617)</b>	<b>(7,821)</b>	<b>(8,436)</b>	<b>(7,731)</b>	<b>(7,527)</b>	<b>(7,197)</b>	<b>(7,061)</b>	<b>(5,573)</b>

## BALANCE SHEET – GENERAL

### Balance Sheet - General Fund (excluding Environment & Waste)

	2022-23 Actuals	24PJRB at QTR2 QBRS	2024-25 25PJEX	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>Assets</b>												
<b>Current Assets</b>												
Cash & cash equivalents	25,146	22,622	13,256	15,510	21,326	28,818	38,167	49,948	63,083	78,207	93,660	111,236
Investments	53,212	53,212	53,212	53,212	53,212	53,212	53,212	53,212	53,212	53,212	53,212	53,212
Receivables - Current	22,082	22,072	22,064	22,064	22,064	22,064	22,064	22,064	22,064	22,064	22,064	22,064
Inventories	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871
Contract Assets	1,773	1,773	1,773	1,773	1,773	1,773	1,773	1,773	1,773	1,773	1,773	1,773
Other - Current	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>105,113</b>	<b>102,578</b>	<b>93,204</b>	<b>95,458</b>	<b>101,275</b>	<b>108,767</b>	<b>118,116</b>	<b>129,896</b>	<b>143,031</b>	<b>158,155</b>	<b>173,608</b>	<b>191,185</b>
<b>Non-Current Assets</b>												
Receivables - Non-current	5	-	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,320,786	1,344,450	1,358,093	1,355,218	1,343,525	1,327,629	1,309,361	1,290,735	1,271,464	1,250,636	1,229,571	1,207,387
Right of Use Assets	366	366	366	366	366	366	366	366	366	366	366	366
<b>Total Non-Current Assets</b>	<b>1,321,157</b>	<b>1,344,816</b>	<b>1,358,459</b>	<b>1,355,584</b>	<b>1,343,891</b>	<b>1,327,995</b>	<b>1,309,727</b>	<b>1,291,101</b>	<b>1,271,830</b>	<b>1,251,002</b>	<b>1,229,937</b>	<b>1,207,753</b>
<b>TOTAL ASSETS</b>	<b>1,426,270</b>	<b>1,447,394</b>	<b>1,451,663</b>	<b>1,451,043</b>	<b>1,445,165</b>	<b>1,436,761</b>	<b>1,427,843</b>	<b>1,420,997</b>	<b>1,414,861</b>	<b>1,409,157</b>	<b>1,403,545</b>	<b>1,398,937</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Lease Liabilities - Current	76	76	76	76	76	76	76	76	76	76	76	76
Payables - Current	10,782	10,782	10,782	10,782	10,782	10,782	10,782	10,782	10,782	10,782	10,782	10,782
Contract Liabilities	13,792	13,792	13,792	13,792	13,792	13,792	13,792	13,792	13,792	13,792	13,792	13,792
Borrowings - Current	5,173	5,173	5,795	3,991	3,569	3,425	3,351	2,035	1,582	1,534	1,395	1,374
Employee Benefit Provisions - Current	12,439	12,439	12,439	12,439	12,439	12,439	12,439	12,439	12,439	12,439	12,439	12,439
<b>Total Current Liabilities</b>	<b>42,262</b>	<b>42,262</b>	<b>42,884</b>	<b>41,080</b>	<b>40,658</b>	<b>40,514</b>	<b>40,441</b>	<b>39,124</b>	<b>38,671</b>	<b>38,624</b>	<b>38,484</b>	<b>38,464</b>
<b>Non-Current Liabilities</b>												
Lease Liabilities - Non-current	420	420	420	420	420	420	420	420	420	420	420	420
Borrowings - Non-current	31,391	26,999	22,272	20,086	16,938	13,657	10,379	9,661	8,532	7,045	5,790	4,436
Employee Benefit Provisions - Non-current	440	440	440	440	440	440	440	440	440	440	440	440
<b>Total Non-Current Liabilities</b>	<b>32,250</b>	<b>27,858</b>	<b>23,131</b>	<b>20,945</b>	<b>17,798</b>	<b>14,517</b>	<b>11,239</b>	<b>10,520</b>	<b>9,391</b>	<b>7,905</b>	<b>6,649</b>	<b>5,296</b>
<b>TOTAL LIABILITIES</b>	<b>74,512</b>	<b>70,121</b>	<b>66,016</b>	<b>62,025</b>	<b>58,456</b>	<b>55,031</b>	<b>51,680</b>	<b>49,644</b>	<b>48,062</b>	<b>46,528</b>	<b>45,133</b>	<b>43,759</b>
<b>Net Assets</b>	<b>1,351,758</b>	<b>1,377,273</b>	<b>1,385,647</b>	<b>1,389,018</b>	<b>1,386,709</b>	<b>1,381,730</b>	<b>1,376,163</b>	<b>1,371,353</b>	<b>1,366,798</b>	<b>1,362,629</b>	<b>1,358,411</b>	<b>1,355,178</b>
<b>EQUITY</b>												
Retained Earnings	657,434	682,949	691,323	694,694	692,385	687,406	681,839	677,028	672,474	668,305	664,087	660,854
Revaluation Reserves	694,324	694,324	694,324	694,324	694,324	694,324	694,324	694,324	694,324	694,324	694,324	694,324
<b>Total Equity</b>	<b>1,351,758</b>	<b>1,377,273</b>	<b>1,385,647</b>	<b>1,389,018</b>	<b>1,386,709</b>	<b>1,381,730</b>	<b>1,376,163</b>	<b>1,371,353</b>	<b>1,366,798</b>	<b>1,362,629</b>	<b>1,358,411</b>	<b>1,355,178</b>

# CASH FLOW STATEMENT – GENERAL

## Cash Flow Statement - General Fund (excluding Environment & Waste)

	2022-23 Actuals	24PJRB at QTR2 QBRS	2024-25 25PJEX	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>Cash Flows from Operating Activities</b>												
<b>Receipts</b>												
Rates & Annual Charges	32,172	33,252	35,232	36,251	37,292	38,360	39,456	40,580	41,733	42,916	44,128	45,372
User Charges & Fees	18,075	22,348	22,622	23,648	24,539	25,435	26,336	27,242	27,861	28,495	29,144	29,873
Other Income	3,815	2,650	2,758	2,827	2,898	2,970	3,045	3,121	3,199	3,279	3,361	3,445
Investment Revenues	715	3,176	3,303	2,561	2,638	2,842	3,105	3,433	3,845	4,305	4,834	5,375
Operating Grants & contributions	29,661	25,463	17,080	16,982	17,366	17,759	18,162	18,574	18,997	19,430	19,874	20,328
Capital Grants & Contributions	33,410	33,887	16,700	11,944	6,309	2,842	2,869	2,920	2,973	3,028	2,844	2,340
<b>Payments</b>												
Employee costs	(36,301)	(38,811)	(39,422)	(40,044)	(41,039)	(41,813)	(42,859)	(43,930)	(45,028)	(46,154)	(47,308)	(48,490)
Interest	(1,209)	(1,230)	(1,055)	(933)	(796)	(666)	(548)	(440)	(374)	(313)	(255)	(203)
Other Costs (incl materials & contracts)	(42,181)	(28,470)	(20,614)	(19,794)	(20,256)	(20,294)	(21,287)	(21,321)	(21,854)	(22,400)	(23,496)	(23,534)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>38,157</b>	<b>52,264</b>	<b>36,605</b>	<b>33,443</b>	<b>28,952</b>	<b>27,437</b>	<b>28,279</b>	<b>30,179</b>	<b>31,352</b>	<b>32,584</b>	<b>33,125</b>	<b>34,505</b>
<b>Cash Flows from Investing Activities</b>												
<b>Investing Fund Flows</b>												
Asset & Investment Sales	3,031	884	881	544	497	741	459	640	479	216	409	259
Deferred Debtor Repayments	8	16	8	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Purchase of Assets	(31,751)	(51,297)	(42,755)	(27,742)	(20,064)	(17,261)	(16,037)	(17,004)	(17,114)	(16,142)	(16,686)	(15,813)
Redemption of Term Deposits	42,990	-	-	-	-	-	-	-	-	-	-	-
Acquisition of Term Deposits	(70,000)	-	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(55,722)</b>	<b>(50,396)</b>	<b>(41,866)</b>	<b>(27,198)</b>	<b>(19,566)</b>	<b>(16,520)</b>	<b>(15,578)</b>	<b>(16,364)</b>	<b>(16,635)</b>	<b>(15,926)</b>	<b>(16,278)</b>	<b>(15,554)</b>
<b>Cash Flows from Financing Activities</b>												
Proceeds from Borrowings	654	781	1,691	-	-	-	-	-	-	-	-	-
Repayments of Borrowings	(5,108)	(5,173)	(5,795)	(3,991)	(3,569)	(3,425)	(3,351)	(2,035)	(1,582)	(1,534)	(1,395)	(1,374)
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(4,454)</b>	<b>(4,392)</b>	<b>(4,105)</b>	<b>(3,991)</b>	<b>(3,569)</b>	<b>(3,425)</b>	<b>(3,351)</b>	<b>(2,035)</b>	<b>(1,582)</b>	<b>(1,534)</b>	<b>(1,395)</b>	<b>(1,374)</b>
<b>Net Increase/(Decrease) in Cash, Cash Equivalents &amp; Investments</b>	<b>(22,020)</b>	<b>(2,524)</b>	<b>(9,366)</b>	<b>2,254</b>	<b>5,816</b>	<b>7,492</b>	<b>9,349</b>	<b>11,780</b>	<b>13,135</b>	<b>15,124</b>	<b>15,453</b>	<b>17,577</b>
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>102,731</b>	<b>80,711</b>	<b>78,187</b>	<b>68,821</b>	<b>71,075</b>	<b>76,891</b>	<b>84,383</b>	<b>93,732</b>	<b>105,513</b>	<b>118,648</b>	<b>133,772</b>	<b>149,225</b>
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>80,711</b>	<b>78,187</b>	<b>68,821</b>	<b>71,075</b>	<b>76,891</b>	<b>84,383</b>	<b>93,732</b>	<b>105,513</b>	<b>118,648</b>	<b>133,772</b>	<b>149,225</b>	<b>166,801</b>
<b>Representing:</b>												
External Restrictions	37,045	34,624	24,606	21,909	23,698	26,672	30,627	35,168	40,021	45,024	50,185	55,571
Internal Restrictions	37,278	37,062	35,830	34,440	33,068	32,607	31,346	31,196	31,059	30,933	30,405	30,925
Unrestricted Cash - General Fund	6,388	6,500	8,384	14,726	20,125	25,104	31,759	39,148	47,568	57,814	68,635	80,304
	<b>80,711</b>	<b>78,187</b>	<b>68,821</b>	<b>71,075</b>	<b>76,891</b>	<b>84,383</b>	<b>93,732</b>	<b>105,513</b>	<b>118,648</b>	<b>133,772</b>	<b>149,225</b>	<b>166,801</b>

