

LONG TERM FINANCIAL PLAN FY2022/23-FY2031/32

Objective

The objective of the Long Term Financial Plan (LTFP) is to express in financial terms the activities Council proposes to undertake over the short, medium, and long term, provide a sound basis for strategic decision making and a framework that guides the future strategies and actions of Council.

Specific objectives of the plan are to:

- Reflect the financial position based on the current service levels
- Provide a financial plan that can predict cost and predict future outcomes
- Reflect the impact of current service levels on our financial sustainability
- Provide some scenario analysis and their impact on our financial sustainability
- Guide our future operational plan and Council ability to invest in new services

This LTFP aligns with the policy of Council to remain financially sustainable and to renew infrastructure based on Council's Asset Management Plan. Council renewal will be planned based on overall condition, asset characteristics and service criticality.

The LTFP addresses funding issues, increased maintenance costs, increased depreciation from fair value revaluations, contributions to new assets along with developer contributions and any major upgrades of facilities.

1. Financial Sustainability

This section will cover areas that impact Council's financial sustainability.

Financial Sustainability is a key challenge facing local government due to several contributing factors including increased demand for services beyond those traditionally provided, cost shifting from other levels of government, ageing infrastructure and constraints on revenue growth.

The LTFP is a forecast for future years based on the information available at the time. This plan may be updated as an internal document as information changes occur.

This document is important in forecasting the net working funds (unrestricted cash) to ensure it remains positive and has a buffer sufficient to fund a large organisation and manage unforeseen risks and events. Also, to predict if Council needs to increase Rates above IPART rate peg to sustain all services.

2. Growth

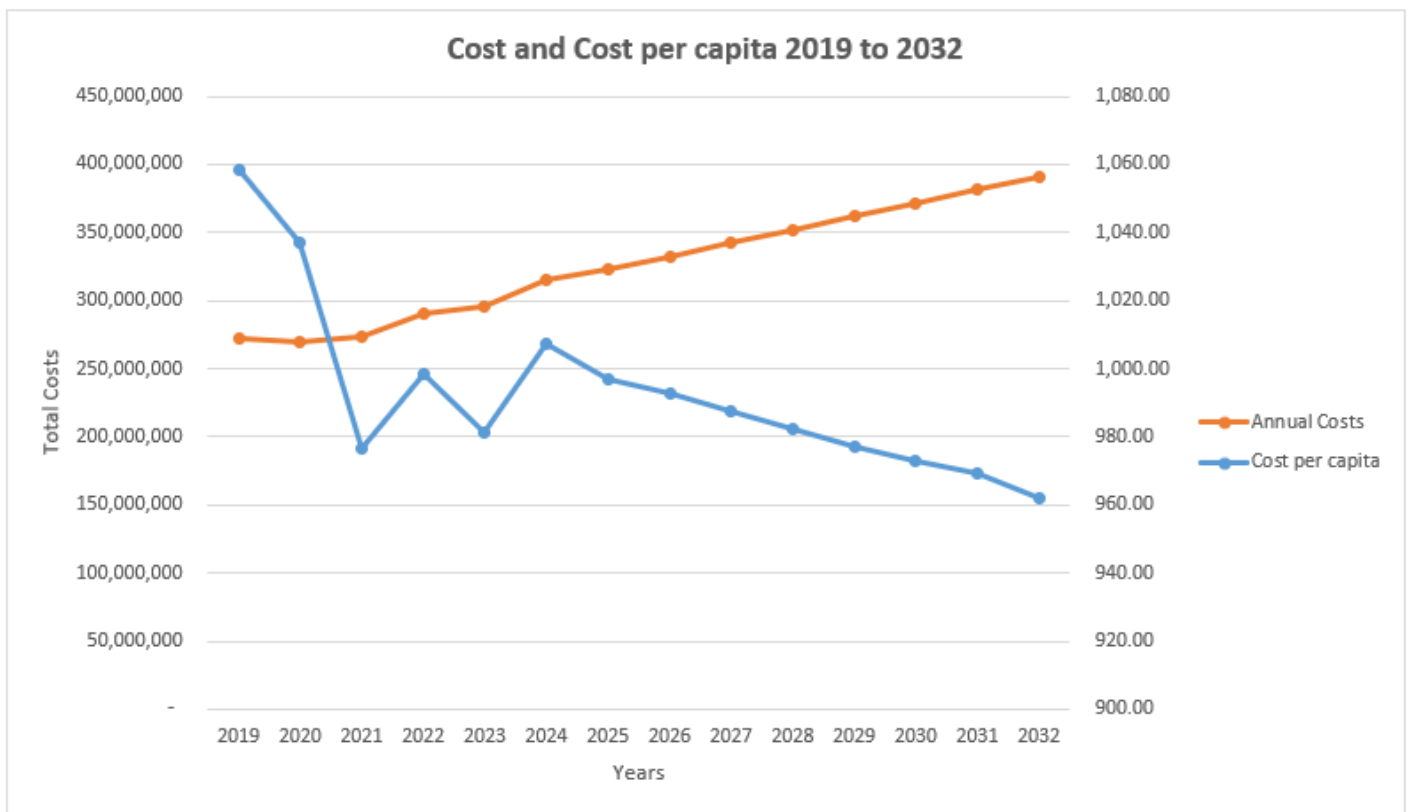
Over the 10 years plan the population is predicted to increase from 279,000 to 394,868 being an average increase of 3.66% per annum. The impact of population expansion is that Council will be affected due to increase demand for additional services and extension to the existing services such as:

- Cleaning and waste removal
- Footpath, Roads, Stormwater assets construction and renewal
- Recreational Facilities

- Community Centres
- Open space and Sporting complexes
- Aquatic Centres
- Public Domain Upgrades
- Art and Culture Facilities
- Libraries
- Events and Festivals

The provision of the new services often requires initial significant capital spending. The capital needs are mainly being met by developers contributions and grants, but the operational costs to service these facilities will need to be funded from council operating revenues.

Addressing these factors, the council costs trends are below in the graph. As such we are maintaining a cost trend line that is decreasing in real terms per capita. There is a fluctuating in the first three years of budget and LTFP, this is mostly due to change in costs due to service reviews, opening of new facilities and other operating one-off projects. The Total Costs include all operating expenses from the continuing operations, such as employee costs, materials, and services, borrowing costs, depreciation, amortisation, and other expenses.



3. Infrastructure Renewals, Backlog and Asset Optimisation

The issue of the condition of Infrastructure in local government has been identified as a major priority.

A measure of condition is the amount of infrastructure backlog which occurs due to a shortfall in infrastructure renewal as assets depreciate.

Council approach to asset conditions management is as follows:

- Asset management plans prioritise renewal based on condition and are linked to the LTFP.
- Council seeks to have a fully funded capital program, where the source of funding is identified and secured for both capital renewal and new capital works.
- Council aims to maintain its asset base, by renewing ageing infrastructure and by ensuring working capital is set aside for those works.

4. Financial Assumptions

4.1 Economic Indicators.

Below is information on macro-economic factors informing assumptions in the LTFP.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032
	Forecast ID								
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Dwelling Growth	118,772	123,602	128,433	133,404	138,376	143,347	148,319	153,290	159,575
Dwelling Growth %	4.24%	4.07%	3.91%	3.87%	3.73%	3.59%	3.47%	3.35%	4.10%
Population Change	312,529	323,549	334,568	346,400	358,232	370,064	381,896	393,728	405,927
Population Change %	3.65%	3.53%	3.41%	3.54%	7.07%	3.30%	3.20%	3.10%	3.10%

The growth assumptions of the LGA are from forecast.ID. The Dwellings growth and population growth are key drivers to increase Rates Income and Services. The developers contributions are planned to provide new assets including Parks, Community centres, pools, and redevelopment of town centres.

This LTFP has balanced the increases in rates income will be offset by the increase in cost to service the new facilities and assets.

4.2 Revenue Assumptions

The following outlines Council assumptions for Revenue with a commentary to explain the assumptions.

4.2.1 Rates and Special Rate Income

From the financial year 2022/23 Council has applied the new IPART rate peg methodology for calculating rate increases. IPART's rate peg formula is below:

$$\text{Rate peg} = \text{change in LGCI} - \text{productivity factor} + \text{other adjustments} + \text{population factor}$$

The components of the rate peg for FY2022/23 are made up of:

- The change in the local government cost index to June 2021 of 0.9%.
- A productivity factor of 0.0% because the ABS indices used for the LGCI incorporate improvements in labour and capital productivity.
- A downward adjustment of 0.2% to remove the additional revenue that was included in the FY2021-22 rate peg to meet the costs of the 2021 local government elections.
- A population factor for each council (net of any supplementary valuations percentage or zero).

The Local Government Index for FY2022/23 for the City of Parramatta was set as 0.7% by IPART. Compared to the five-year average (2018-2022) annual cost increase of 3.4% for the City of Parramatta, the current rate peg is insufficient to cover year to year inflationary increases. Council may choose to seek rates variation approval from IPART in the future to cover operating deficits resulting from inflationary pressures.

That population growth factor is taken from forecast.ID.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032
Rates	Rates								
Rate Cap	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Avg Growth rate	2.12%	2.03%	1.95%	1.94%	1.86%	1.80%	1.73%	1.68%	2.05%
Ordinary rates	2.82%	2.73%	2.65%	2.64%	2.56%	2.50%	2.43%	2.38%	2.75%

4.2.2 Annual Charges

The fees are mainly related to Stormwater fees and Domestic Waste Fees.

The Local Government Act 1993 (Act) requires that Domestic Waste Management Charges must reflect the actual cost of providing those services. S 504(3) of Act stipulates charges cannot exceed the reasonable costs to the council providing the service. The average annual increase in Domestic Waste Management Charges over the 10 year period of the plan is 3.6% mainly due to population growth.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032
	Stormwater and Domestic Waste Fees								
Rate Cap	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Dwelling Growth %	3.18%	3.05%	2.93%	2.90%	2.79%	2.69%	2.60%	2.51%	3.07%
Annual Charges	3.88%	3.75%	3.63%	3.60%	3.49%	3.39%	3.30%	3.21%	3.77%

4.2.3 User Fees and Charges

The LTFP assumes that Statutory Fees and Charges will increase by CPI but will also change because of increased volume and the value of construction costs. Discretionary Fees and Charges are assumed to increase by 5% on average across the board.

	User Fee and Charges - statutory								
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
User Fees	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032
	User Fee and Charges - discretionary								
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Target increases in fees	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
User Fees	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

The calculation of User Fees and Charges may be affected by the strategic review of pricing methods, particularly for the new facilities, with a goal to ensure all charges align to the cost of delivering the service and the community subsidy policy. All Fees and Charges are designed to be fair and affordable and not pass on any unnecessary burden to residents.

4.2.4 Interest and Investment

The current assumptions are based on the advice provided by independent advisers Imperium markets and set below for each type of financial investment held by the Council, which assumes the weighted average return on these investments of 2.3%.

Type	Projected rate
Cash	0.75%
CFS Global	4.00%
NSW Treasury Corporation (long- term)	8.00%
FRNs, Bonds, TDs	2.00%

4.2.5 Operating Grants and Contributions

Councils operating grants consist of the Federal Assistance Grants - 45%, RMS grants - 7%, Roads to Recovery grant - 6%, Roads restoration contributions - 5%, Library - 3% and other grants and contributions. All grants received are subject to indexation, and the Council have assumed all grants will continue.

4.2.6 Capital Grants and Contributions

Council capital grants consists of capital grants received from State and federal Government and s7.11 and s7.12 Developer Contributions. We rely upon the previous year's collection and add CPI to generate the Income. This is low risk to our financial position as this income is excluded from profit and are restricted categories within our net working capital.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032
	Capital Grants and Contributions								
Historical average (5Y)	51,628	52,919	54,242	55,598	56,988	58,413	59,873	61,370	62,904
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Capital grants and contributi	52,919	54,242	55,598	56,988	58,413	59,873	61,370	62,904	64,477

4.2.7 Other Revenues

Council's Other Revenue will increase due to income normalisation from Paid Parking, 5/7 PS facility operation, Riverside theatre, Social and Cultural Services, in addition to increases from CPI.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032
	Other revenue								
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other revenue	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

4.3 Expense Assumptions

The following outlines Council assumptions for Expenses with a commentary to explain the assumptions.

4.3.1 Wages and Salary

The Local government award 2020 will run to June 2023 and the base CPI increase was applied for 2024 and onwards. In addition to CPI, the following we take into considerations:

- The industry premium is an additional allowance for local government sector above the CPI based on historic EBA increases.
- Skills steps are reward for achieving higher skills.
- Superannuation starts at 10.5% and then increases based on current Federal Budget.
- New Service growth relates to cost for increasing head count to operate 5PS and Parramatta Aquatic and Leisure Centre, as part of large-scale expansion of community assets.
- Service review savings in the first two years.

Below is a calculation of assumptions for Salaries and Wages.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032
	Employee benefits and on-costs								
LG Award	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
FG bill -Super increase	0.50%	0.50%	0.50%	0.50%					
Employee benefits and on-costs	3.00%	3.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%

4.3.2 Borrowing Costs

The Council's interest expense on the existing loans declines with the full repayment of loans in 2025. The interest calculated per the repayment schedule is included in the Income statement for the years from 2022/23 to 2024/25

4.3.3 Material and Contracts and Other expenses

The increase in materials and contracts and other expenses for the additional costs of opening Parramatta Aquatic and Leisure Centre are offset by the savings program undertaken by Council. The further increase is set at the CPI level with the adjustment for LG premium and population increase.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032
	Material and Contracts and Other expenses								
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Local Gov Cost premium	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Population increase * 20%	0.73%	0.71%	0.68%	0.71%	1.41%	0.66%	0.64%	0.62%	0.62%
Contract Costs	3.73%	3.71%	3.68%	3.71%	4.41%	3.66%	3.64%	3.62%	3.62%

5. LTFP scenarios and relationship between LTFP and Asset Management Strategy

The LTFP responds to and informs the management of assets and other resources. City of Parramatta Council has a portfolio of infrastructure assets with a written down value of \$3 billion (\$3.66 gross carrying value). Council's current combined infrastructure backlog is estimated to be \$14.4 million or at a backlog ratio of 0.5%. The combined backlog ratio of 0.5% is considered to be below the industry benchmark of 2%. This has been revised down significantly from previous years largely due to the condition audits of Council's Stormwater assets conducted in 2019/20. In previous years, Council's stormwater assets contained a significant number of condition 5 assets.

The growth forecast highlights the need for additional infrastructure assets and for existing assets to be managed differently to accommodate the additional demand. Council will continue to work to identify stakeholder needs and expectations. In consideration of stakeholder expectations, the Integrated Planning and Reporting cycle provides an opportunity for community, stakeholder, Councillors and internal staff consultation to occur. The Asset Management Strategy discusses both the community engagement undertaken to date and what we have planned for the future.

The LTFP financial statements have been based on the three general scenarios outlined in the Asset Management Strategy. Scenario 1 includes three sub scenarios, a), b) and c), which maintain the same Asset Management Plan but include different rates income assumptions.

Scenario 1a) – Continue providing a level of service driven by existing budget allocation – the current balanced Asset Management Plan and the LTFP.

This scenario results in an overall deterioration of the average asset portfolio and results in a deficit in Net operating results starting from 2023/24, and a decrease in unrestricted cash from year to year. The Council does not meet the Operating performance ratio; the benchmark set by OLG is greater than zero per cent. With this scenario, the Operating performance ratio will remain under the OLG benchmark with the average for ten years (0.5%). The unrestricted current ratio is under OLG benchmark 1.5, with the average (0.9) for ten years. The unrestricted current ratio is specific to local government and represents Council's ability to meet its short-term obligations as they fall due.

Scenario 1b) – Continue providing a level of service driven by existing budget allocation – the current balanced Asset Management Plan and the additional income from a permanent Additional Special Variation (ASV) of 1.8% from 2023, which has been approved by Council and submitted to IPART.

This scenario results in an overall deterioration of the average asset portfolio. However, it brings the net operating results to a balanced position. The Operating performance ratio will stay within the OLG benchmark >0%, with average over ten years of 0.5%. For ten years, the unrestricted current ratio average (0.6) is closer to the OLG benchmark than scenario 1a results.

Scenario 1c) – Continue providing a level of service driven by existing budget allocation – the current balanced Asset Management Plan and the additional income from a permanent Additional Special Variation of 1.8% for 2023 and a Special Rates Variation of 2.5% from 2024. This scenario results in an overall deterioration of the average asset portfolio. However, it brings the net operating results to a balanced position and increases the Council's unrestricted reserves, which can be spent on additional maintenance of the assets. The Operating performance ratio will stay within the OLG benchmark >0%, with average over ten years of 1.6%. The unrestricted current ratio average is 0.07 for ten years; this is closer to the OLG benchmark than scenario 1a and 1b results.

Scenario 2 – Allocate funding to maintain the Council's current level of service into the future – represented by the 10-year Resourcing Strategy – while maintaining the current asset portfolio at conditions 2 and 3 over the next 10 years and additional revenue from a SRV of 5% from 2022/23.

Scenario 3 – Allocate funding to meet the desired levels of service agreed with the community and additional revenue from a SRV of 5% from 2022/23.

Scenario 3 adjusts funding levels based on risk management and levels of service (i.e. eliminating assets in poor and very poor condition and increasing the number of condition 1, 2 and 3 assets) to achieve the minimum acceptable conditions ascertained through community feedback. This scenario also forecasts the increase in maintenance and operating costs in delivering the draft Developer Contribution Plan which is currently in development. Additional revenue from a Special Rates variation of 5% is added to the model.

Summary

Adoption of scenarios 1a, 2 and 3 will lead to an operating deficit in the outer years of the LTFFP. Especially for Scenarios 2 and 3, Council will need to find an additional source of revenue to maintain assets at the required condition or maintain assets delivered under the new Development plans. The deficit is substantial under Scenarios 2 and 3, and these scenarios are not financially sustainable for Council to undertake.

Scenarios 1b and 1c will provide sufficient funds to maintain the level of service driven by the existing budget and assume that an ASV and a SRV are both approved by Council and IPART.

By focusing on critical areas and setting improvement targets for each of them over the period of the Resourcing Strategy and Delivery Program, Council aims to improve the financial health of the organization to a desirable level that can be sustained in the long term.

APPENDIX 1 - Scenario 1a): Continue to provide a level of service driven by existing budget allocation - the current balanced Asset Management Plan and LTFP.

Income Statement

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Revenue from continuing operations										
Ordinary Rates	160,740	163,376	166,040	168,734	173,180	177,619	182,053	186,485	190,915	196,166
Additional Special Variation (ASV)	0	0	0	0	0	0	0	0	0	0
Special Rates	0	0	0	0	0	0	0	0	0	0
Rates	160,740	163,376	166,040	168,734	173,180	177,619	182,053	186,485	190,915	196,166
Annual Charges	47,663	49,512	51,369	53,234	55,152	57,080	59,017	60,966	62,925	65,300
Rates and Annual Charges	208,403	212,888	217,409	221,968	228,333	234,699	241,071	247,450	253,841	261,466
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions provided for operating purposes	23,391	23,976	24,575	25,190	25,820	26,465	27,127	27,805	28,500	29,212
Grants and contributions provided for capital purposes	60,626	52,919	54,242	55,598	56,988	58,413	59,873	61,370	62,904	64,477
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0
Gain in share in joint venture	500	513	513	513	513	513	513	513	513	513
Total revenues from continuing operations	356,546	365,440	375,167	384,751	396,323	408,084	420,045	432,217	444,611	458,461
Expenses from continuing operations										
Employee benefits and on-costs	136,764	147,280	150,737	155,259	159,917	163,915	168,013	172,213	176,519	180,932
Materials and contracts	60,947	62,788	64,555	66,931	69,413	72,477	75,130	77,864	80,683	83,603
Borrowing costs	425	85	16	0	0	0	0	0	0	0
Depreciation, amortisation and impairment	49,652	53,476	54,813	56,183	57,588	59,027	60,503	62,016	63,566	65,155
Other expenses	47,357	50,451	51,643	52,934	54,257	55,613	57,004	58,429	59,890	59,890
Loss on Asset Sale	0	0	0	0	0	0	0	0	0	0
Internal expenses	777	800	824	849	875	896	919	942	965	989
Total expenses from continuing operations	295,921	314,881	322,588	332,156	342,049	351,929	361,569	371,464	381,622	390,569
Operating result from continuing operations	60,626	50,559	52,579	52,595	54,274	56,155	58,477	60,753	62,989	67,892
Net operating result for the year before grants and contributions provided for capital purposes	-1	-2,360	-1,663	-3,003	-2,714	-2,258	-1,396	-616	85	3,416
Base scenario includes the Service review Savings amounts										
	2,200	3,207	1,953							

Statement of Financial Position

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
ASSETS										
Current assets										
Cash and cash equivalents	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Investments	164,065	52,780	20,203	68,547	121,182	175,670	232,451	291,479	352,713	418,818
Receivables	16,991	17,823	18,285	18,758	19,364	19,979	20,602	21,235	21,878	22,618
Inventories	117	121	118	119	119	119	119	119	119	119
Other	2,366	2,683	2,472	2,507	2,554	2,511	2,524	2,529	2,521	2,525
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	233,539	123,406	91,078	139,930	193,219	248,278	305,696	365,363	427,231	494,079
Non-current assets										
Receivables	1,189	1,248	1,280	1,313	1,355	1,399	1,442	1,486	1,531	1,583
Investments	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524
Infrastructure property, plant & equipment	3,348,914	3,520,302	3,599,739	3,607,083	3,610,282	3,614,991	3,619,655	3,624,441	3,629,358	3,633,993
Right of use of Assets	81	(0)	0	0	0	0	0	0	0	0
Investments accounted for using equity method	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Total non-current assets	3,617,309	3,788,673	3,868,143	3,875,520	3,878,762	3,883,513	3,888,222	3,893,052	3,898,013	3,902,700
Total assets	3,850,847	3,912,080	3,959,221	4,015,450	4,071,981	4,131,791	4,193,917	4,258,414	4,325,244	4,396,780
LIABILITIES										
Current liabilities										
Payables	41,478	48,932	38,848	36,808	36,652	37,834	38,948	40,093	41,269	42,182
Contract Liabilities										
Borrowings	2,003	827	0	0	0	0	0	0	0	0
Lease Liability	51	0	0	0	0	0	0	0	0	0
Provisions	42,166	43,220	44,300	45,408	46,543	47,707	48,899	50,122	51,375	52,659
Total current liabilities	85,698	92,980	83,149	82,216	83,195	85,540	87,847	90,215	92,644	94,842
Non-current liabilities										
Payables	316	316	316	316	316	316	316	316	316	316
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	37,939	42,158	46,551	51,119	52,397	53,707	55,049	56,426	57,836	59,282
Total non-current liabilities	39,083	42,474	46,867	51,435	52,713	54,023	55,365	56,742	58,152	59,598
Total liabilities	124,780	135,454	130,016	133,651	135,908	139,563	143,213	146,956	150,797	154,440
Net assets	3,726,067	3,776,626	3,829,205	3,881,800	3,936,074	3,992,228	4,050,705	4,111,458	4,174,448	4,242,340
EQUITY										
Retained earnings	3,373,373	3,423,932	3,476,511	3,529,106	3,583,380	3,639,534	3,698,011	3,758,764	3,821,754	3,889,646
Reserves	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694
Total equity	3,726,067	3,776,626	3,829,205	3,881,800	3,936,074	3,992,228	4,050,705	4,111,458	4,174,448	4,242,340

Statement of Cash Flows

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Cash flows from operating activities										
<i>Receipts:</i>										
Rates and annual charges	208,403	212,888	217,409	221,968	228,333	234,699	241,071	247,450	253,841	261,466
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,841
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions	84,017	76,895	78,817	80,788	82,808	84,878	87,000	89,175	91,404	93,689
Bonds, deposits and retention received										
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
<i>Payments:</i>										
Employee benefits and on-costs	(133,612)	(144,010)	(147,399)	(151,855)	(159,917)	(163,915)	(168,013)	(172,213)	(176,519)	(180,932)
Materials and contracts	(60,947)	(62,788)	(64,555)	(66,931)	(69,413)	(72,477)	(75,130)	(77,864)	(80,683)	(83,603)
Borrowing costs	(425)	(85)	(16)	0	0	0	0	0	0	0
Bonds, deposits and retention refunded										
Other expenses	(47,357)	(50,451)	(51,643)	(52,934)	(54,257)	(55,613)	(57,004)	(58,429)	(59,890)	(59,890)
Net cash provided (or used in) operating activities	113,706	107,593	111,042	112,519	112,224	115,566	119,386	123,198	127,008	133,524
Cash flows from investing activities										
<i>Receipts:</i>										
Sale of investments	12,076	111,284	32,578	0	0	0	0	0	0	0
Sale of fixed assets	98,399	0	0	0	0	0	0	0	0	0
Contributions received from joint ventures and associates										
<i>Payments:</i>										
Purchase of investments	0	0	0	(48,345)	(52,635)	(54,488)	(56,781)	(59,028)	(61,234)	(66,106)
Purchase of fixed assets	(210,755)	(212,977)	(142,793)	(64,174)	(59,588)	(61,078)	(62,605)	(64,170)	(65,775)	(67,419)
Net cash provided by (or used in) investing activities	(100,280)	(101,692)	(110,215)	(112,519)	(112,224)	(115,566)	(119,386)	(123,198)	(127,008)	(133,524)
Cash flows from financing activities										
<i>Receipts:</i>										
Borrowings and advances										
Other										
<i>Payments:</i>										
Borrowings and advances	(9,663)	(2,003)	(827)	0	0	0	0	0	0	0
Lease liabilities	(3,763)	(3,898)	0	0	0	0	0	0	0	0
Other										
Net cash provided by (or used in) financing activities	(13,426)	(5,901)	(827)	0	0	0	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Cash and cash equivalents at beginning of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Cash and cash equivalents at end of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

Performance Measures

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	Benchmark
	2022/23 Budget	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast	2031/32 Forecast	
Operating performance ratio	-0.2%	-0.9%	-0.7%	-1.1%	-1.0%	-0.8%	-0.5%	-0.3%	-0.1%	0.7%	> 0%
Own source operating revenue ratio	72%	77%	79%	79%	79%	79%	79%	79%	79%	79%	> 60%
Unrestricted current ratio	4.8	0.7	(0.7)	(1.2)	(1.2)	(1.1)	(1.1)	(1.0)	(1.0)	(1.0)	> 1.5
Debt service cover ratio	5	24	62	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2
Rates, annual charges, interest and extra charges outstanding percentage	8%	8%	8%	8%	8%	9%	9%	9%	9%	9%	< 5%
Cash expense cover ratio	7.46m	3.9m	2.86m	4.18m	5.45m	6.75m	8.04m	9.31m	10.57m	11.92m	> 3 m

Unrestricted Cash

	Budget	Forecast	Forecast	Forecast	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing
	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance
TOTAL Cash + Investments	475,589	364,304	331,727	380,071	432,706	487,194	543,975	603,003	664,237	730,342
External Reserves										
Developer Contributions	70,394	60,574	56,233	53,993	56,799	59,182	61,649	64,199	66,831	69,545
Specific Purpose Unexpended Grants	27,960	45,363	73,682	109,903	146,988	186,642	228,211	271,761	317,359	365,059
Domestic Waste Management	38,909	49,258	59,887	70,794	82,027	94,060	106,685	119,920	133,781	148,285
Museum of Applied Arts & Sciences Agreement	32,419	33,185	-	-	-	-	-	-	-	-
Stormwater levy	1,084	880	660	412	221	83	3	36	71	107
Special rates	2,140	1,080	812	531	250	0	-	-	-	-
Total External Reserves	172,907	190,340	191,275	235,633	286,285	339,967	396,547	455,916	518,043	582,996
Internal reserves										
Property and significant assets reserve	221,976	89,797	89,366	87,008	86,185	85,363	84,527	83,671	82,790	81,875
Employees leave entitlement	6,401	6,552	6,685	6,803	6,922	7,048	7,177	7,308	7,441	7,576
Urgent ward works	753	264	269	274	278	283	289	294	299	305
Parking Meters	257	1,569	2,433	3,347	4,313	5,371	6,507	7,724	9,023	10,408
Reserve CBD Infrastructure Reserve	0	0	0	0	0	0	0	1	1	1
Restricted interest										
Total Internal Reserves	229,388	98,182	98,754	97,432	97,699	98,066	98,501	98,998	99,554	100,165
Total Restricted Cash	402,295	288,522	290,028	333,065	383,984	438,034	495,048	554,913	617,597	683,161
TOTAL Unrestricted Cash - WORKING CAPITAL	73,294	75,783	41,698	47,006	48,723	49,161	48,927	48,090	46,640	47,181

APPENDIX 2 - Scenario 1b): Continue providing a level of service driven by existing budget allocation – the current balanced Asset Management Plan, LTFP and the additional income from a permanent ASV of 1.8% from FY2022/23.

Income Statement

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Revenue from continuing operations										
Ordinary Rates	160,740	163,376	166,040	168,734	173,180	177,619	182,053	186,485	190,915	196,166
Additional Special Variation (ASV)	2,842	2,959	3,081	3,207	3,337	3,470	3,608	3,749	3,894	4,044
Special Rates Variation (SRV)	0									
Rates	163,583	166,335	169,122	171,941	176,517	181,090	185,661	190,234	194,810	200,209
Annual Charges	47,663	49,512	51,369	53,234	55,152	57,080	59,017	60,966	62,925	65,300
Rates and Annual Charges	211,246	215,847	220,491	225,175	231,670	238,170	244,678	251,199	257,735	265,510
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions provided for operating purposes	23,391	23,976	24,575	25,190	25,820	26,465	27,127	27,805	28,500	29,212
Grants and contributions provided for capital purposes	60,626	52,919	54,242	55,598	56,988	58,413	59,873	61,370	62,904	64,477
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0
Gain in share in joint venture	500	513	513	513	513	513	513	513	513	513
Total revenues from continuing operations	359,389	368,399	378,248	387,958	399,660	411,554	423,653	435,966	448,506	462,505
Expenses from continuing operations										
Employee benefits and on-costs	136,764	147,280	150,737	155,259	159,917	163,915	168,013	172,213	176,519	180,932
Materials and contracts	60,947	62,788	64,555	66,931	69,413	72,477	75,130	77,864	80,683	83,603
Borrowing costs	425	85	16	0	0	0	0	0	0	0
Depreciation, amortisation and impairment	49,652	53,476	54,813	56,183	57,588	59,027	60,503	62,016	63,566	65,155
Other expenses	47,357	50,451	51,643	52,934	54,257	55,613	57,004	58,429	59,890	59,890
Loss on Asset Sale	0	0	0	0	0	0	0	0	0	0
Internal expenses	777	800	824	849	875	896	919	942	965	989
Total expenses from continuing operations	295,921	314,881	322,588	332,156	342,049	351,929	361,569	371,464	381,622	390,569
Operating result from continuing operations	63,468	53,518	55,660	55,802	57,611	59,625	62,084	64,502	66,883	71,936
Net operating result for the year before grants and contributions provided for capital purposes	2,842	599	1,418	204	623	1,212	2,211	3,132	3,979	7,459
Base scenario includes the Service review Savings amounts										
	2,200	3,207	1,953							

Statement of Financial Position

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
ASSETS										
Current assets										
Cash and cash equivalents	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Investments	166,907	61,068	31,571	83,123	139,095	197,053	257,442	320,218	385,346	455,496
Receivables	17,190	18,030	18,501	18,982	19,598	20,222	20,855	21,498	22,151	22,901
Inventories	117	121	118	119	119	119	119	119	119	119
Other	2,366	2,683	2,472	2,507	2,554	2,511	2,524	2,529	2,521	2,525
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	236,580	131,901	102,662	154,730	211,366	269,904	330,939	394,364	460,137	531,040
Non-current assets										
Receivables	1,203	1,262	1,295	1,329	1,372	1,416	1,460	1,505	1,551	1,603
Investments	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524
Infrastructure property, plant & equipment	3,348,986	3,517,506	3,597,307	3,604,642	3,607,831	3,612,530	3,617,184	3,621,960	3,626,865	3,631,489
Right of use of Assets	81	(0)	0	0	0	0	0	0	0	0
Investments accounted for using equity method	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Total non-current assets	3,617,395	3,785,892	3,865,726	3,873,095	3,876,327	3,881,069	3,885,768	3,890,588	3,895,539	3,900,216
Total assets	3,853,975	3,917,793	3,968,388	4,027,825	4,087,693	4,150,973	4,216,707	4,284,953	4,355,677	4,431,256
LIABILITIES										
Current liabilities										
Payables	41,478	48,560	38,848	36,808	36,652	37,834	38,948	40,093	41,269	42,182
Contract Liabilities										
Borrowings	2,003	827	0	0	0	0	0	0	0	0
Lease Liability	51	0	0	0	0	0	0	0	0	0
Provisions	42,166	43,220	44,300	45,408	46,543	47,707	48,899	50,122	51,375	52,659
Total current liabilities	85,698	92,607	83,149	82,216	83,195	85,540	87,847	90,215	92,644	94,842
Non-current liabilities										
Payables	316	316	316	316	316	316	316	316	316	316
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	37,939	42,158	46,551	51,119	52,397	53,707	55,049	56,426	57,836	59,282
Total non-current liabilities	39,083	42,474	46,867	51,435	52,713	54,023	55,365	56,742	58,152	59,598
Total liabilities	124,780	135,081	130,016	133,651	135,908	139,563	143,213	146,956	150,797	154,440
Net assets	3,729,195	3,782,712	3,838,373	3,894,175	3,951,785	4,011,410	4,073,494	4,137,997	4,204,880	4,276,816
EQUITY										
Retained earnings	3,376,501	3,430,018	3,485,679	3,541,481	3,599,091	3,658,716	3,720,800	3,785,303	3,852,186	3,924,122
Reserves	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694
Total equity	3,729,195	3,782,712	3,838,373	3,894,175	3,951,785	4,011,410	4,073,494	4,137,997	4,204,880	4,276,816

Statement of Cash Flows

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Cash flows from operating activities										
<i>Receipts:</i>										
Rates and annual charges	211,246	215,847	220,491	225,175	231,670	238,170	244,678	251,199	257,735	265,510
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions	84,017	76,895	78,817	80,788	82,808	84,878	87,000	89,175	91,404	93,689
Bonds, deposits and retention received										
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
<i>Payments:</i>										
Employee benefits and on-costs	(133,612)	(144,010)	(147,399)	(151,855)	(159,917)	(163,915)	(168,013)	(172,213)	(176,519)	(180,932)
Materials and contracts	(60,947)	(62,788)	(64,555)	(66,931)	(69,413)	(72,477)	(75,130)	(77,864)	(80,683)	(83,603)
Borrowing costs	(425)	(85)	(16)	0	0	0	0	0	0	0
Bonds, deposits and retention refunded										
Other expenses	(47,357)	(50,451)	(51,643)	(52,934)	(54,257)	(55,613)	(57,004)	(58,429)	(59,890)	(59,890)
Net cash provided (or used in) operating activities	116,549	110,552	114,123	115,726	115,560	119,036	122,993	126,947	130,902	137,568
Cash flows from investing activities										
<i>Receipts:</i>										
Sale of investments	9,233	105,839	29,497	0	0	0	0	0	0	0
Sale of fixed assets	98,399	0	0	0	0	0	0	0	0	0
Contributions received from joint ventures and associates										
<i>Payments:</i>										
Purchase of investments	0	0	0	(51,552)	(55,972)	(57,958)	(60,388)	(62,777)	(65,128)	(70,149)
Purchase of fixed assets	(210,755)	(210,491)	(142,793)	(64,174)	(59,588)	(61,078)	(62,605)	(64,170)	(65,775)	(67,419)
Net cash provided by (or used in) investing activities	(103,123)	(104,651)	(113,296)	(115,726)	(115,560)	(119,036)	(122,993)	(126,947)	(130,902)	(137,568)
Cash flows from financing activities										
<i>Receipts:</i>										
Borrowings and advances										
Other										
<i>Payments:</i>										
Borrowings and advances	(9,663)	(2,003)	(827)	0	0	0	0	0	0	0
Lease liabilities	(3,763)	(3,898)	0	0	0	0	0	0	0	0
Other										
Net cash provided by (or used in) financing activities	(13,426)	(5,901)	(827)	0	0	0	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Cash and cash equivalents at beginning of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Cash and cash equivalents at end of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

Performance Measures

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	Benchmark
	2022/23 Budget	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast	2031/32 Forecast	
Operating performance ratio	0.8%	0.0%	0.3%	-0.1%	0.0%	0.2%	0.5%	0.7%	0.9%	1.7%	> 0%
Own source operating revenue ratio	72%	77%	79%	79%	79%	79%	79%	79%	79%	79%	> 60%
Unrestricted current ratio	4.8	0.7	(0.6)	(1.1)	(1.0)	(0.9)	(0.8)	(0.7)	(0.7)	(0.6)	> 1.5
Debt service cover ratio	5	26	66	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2
Rates, annual charges, interest and extra charges outstanding percentage	8%	8%	8%	8%	8%	8%	9%	9%	9%	9%	< 5%
Cash expense cover ratio	7.55m	4.15m	3.2m	4.59m	5.94m	7.32m	8.69m	10.04m	11.37m	12.8m	> 3 m

Unrestricted Cash

Year	Budget	Forecast	Forecast	Forecast	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Closing Balance	2023/24 Closing Balance	2024/25 Closing Balance	2025/26 Closing Balance	2026/27 Closing Balance	2027/28 Closing Balance	2028/29 Closing Balance	2029/30 Closing Balance	2030/31 Closing Balance	2031/32 Closing Balance
TOTAL Cash + Investments	478,431	372,592	343,095	394,647	450,619	508,577	568,966	631,742	696,870	767,020
External Reserves										
Developer Contributions	70,394	60,574	56,233	53,993	56,799	59,182	61,649	64,199	66,831	69,545
Specific Purpose Unexpended Grants	27,960	45,363	73,682	109,903	146,988	186,642	228,211	271,761	317,359	365,059
Domestic Waste Management	38,909	49,258	59,887	70,794	82,027	94,060	106,685	119,920	133,781	148,285
Museum of Applied Arts & Sciences Agreement	32,419	33,185	-	-	-	-	-	-	-	-
Stormwater levy	1,084	880	660	412	221	83	3	36	71	107
Special rates	2,140	1,080	812	531	250	0	-	-	-	-
Total External Reserves	172,907	190,340	191,275	235,633	286,285	339,967	396,547	455,916	518,043	582,996
Internal reserves										
Property and significant assets reserve	221,976	89,797	89,366	87,008	86,185	85,363	84,527	83,671	82,790	81,875
Employees leave entitlement	6,401	6,552	6,685	6,803	6,922	7,048	7,177	7,308	7,441	7,576
Urgent ward works	257	264	269	274	278	283	289	294	299	305
Parking Meters	753	1,569	2,433	3,347	4,313	5,371	6,507	7,724	9,023	10,408
Reserve CBD Infrastructure Reserve	0	0	0	0	0	0	0	1	1	1
Restricted interest										
Total Internal Reserves	229,388	98,182	98,754	97,432	97,699	98,066	98,501	98,998	99,554	100,165
Total Restricted Cash	402,295	288,522	290,028	333,065	383,984	438,034	495,048	554,913	617,597	683,161
TOTAL Unrestricted Cash - WORKING CAPITAL	76,137	84,070	53,067	61,582	66,636	70,544	73,917	76,829	79,274	83,858

APPENDIX 3 - Scenario 1c): Continue providing a level of service driven by existing budget allocation – the current balanced Asset Management Plan, LTFP and the additional income from a permanent ASV of 1.8% from FY2022/23 and a SRV of 2.5% from FY2023/24

Income Statement

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Revenue from continuing operations										
Ordinary Rates	160,740	163,376	166,040	168,734	173,180	177,619	182,053	186,485	190,915	196,166
Additional Special Variation (ASV)	2,842	2,959	3,081	3,207	3,337	3,470	3,608	3,749	3,894	4,044
Special Rates Variation (SRV)	0	4,084	4,151	4,218	4,330	4,440	4,551	4,662	4,773	4,904
Rates	163,583	170,420	173,273	176,159	180,847	185,530	190,212	194,896	199,583	205,113
Annual Charges	47,663	49,512	51,369	53,234	55,152	57,080	59,017	60,968	62,925	65,300
Rates and Annual Charges	211,246	219,932	224,642	229,393	235,999	242,610	249,230	255,861	262,508	270,414
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions provided for operating purposes	23,391	23,976	24,575	25,190	25,820	26,465	27,127	27,805	28,500	29,212
Grants and contributions provided for capital purposes	60,626	52,919	54,242	55,598	56,988	58,413	59,873	61,370	62,904	64,477
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0
Gain in share in joint venture	500	513	513	513	513	513	513	513	513	513
Total revenues from continuing operations	359,389	372,483	382,399	392,177	403,989	415,995	428,204	440,628	453,279	467,409
Expenses from continuing operations										
Employee benefits and on-costs	136,764	147,280	150,737	155,259	159,917	163,915	168,013	172,213	176,519	180,932
Materials and contracts	60,947	62,788	64,555	66,331	69,413	72,477	75,130	77,864	80,683	83,603
Borrowing costs	425	85	16	0	0	0	0	0	0	0
Depreciation, amortisation and impairment	49,652	53,476	54,813	56,183	57,588	59,027	60,503	62,016	63,566	65,155
Other expenses	47,357	50,451	51,643	52,934	54,257	55,613	57,004	58,429	59,890	59,890
Loss on Asset Sale	0	0	0	0	0	0	0	0	0	0
Internal expenses	777	800	824	849	875	896	919	942	965	989
Total expenses from continuing operations	295,921	314,881	322,588	332,156	342,049	351,929	361,569	371,464	381,622	390,569
Operating result from continuing operations	63,468	57,602	59,811	60,020	61,940	64,065	66,635	69,164	71,656	76,840
Net operating result for the year before grants and contributions provided for capital purposes	2,842	4,683	5,569	4,422	4,952	5,653	6,762	7,795	8,752	12,363
Base scenario includes the Service review Savings amounts										
	2,200	3,207	1,953							

Statement of Financial Position

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
ASSETS										
Current assets										
Cash and cash equivalents	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Investments	166,907	62,666	37,321	93,091	153,392	215,791	280,731	348,170	418,070	493,124
Receivables	17,190	18,316	18,791	19,277	19,901	20,533	21,173	21,824	22,485	23,244
Inventories	117	121	118	119	119	119	119	119	119	119
Other	2,366	2,683	2,472	2,507	2,554	2,511	2,524	2,529	2,521	2,525
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	236,580	133,785	108,702	164,994	225,966	288,953	354,547	422,642	493,195	569,011
Non-current assets										
Receivables	1,203	1,282	1,315	1,349	1,393	1,437	1,482	1,528	1,574	1,627
Investments	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524
Infrastructure property, plant & equipment	3,348,986	3,520,059	3,599,482	3,606,812	3,609,993	3,614,683	3,619,329	3,624,096	3,628,993	3,633,608
Right of use of Assets	81	(0)	0	0	0	0	0	0	0	0
Investments accounted for using equity method	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Total non-current assets	3,617,395	3,788,465	3,867,922	3,875,285	3,878,510	3,883,244	3,887,935	3,892,748	3,897,691	3,902,359
Total assets	3,853,975	3,922,251	3,976,624	4,040,279	4,104,476	4,172,197	4,242,482	4,315,390	4,390,887	4,471,370
LIABILITIES										
Current liabilities										
Payables	41,478	48,932	38,848	36,808	36,652	37,834	38,948	40,093	41,269	42,182
Contract Liabilities										
Borrowings	2,003	827	0	0	0	0	0	0	0	0
Lease Liability	51	0	0	0	0	0	0	0	0	0
Provisions	42,166	43,220	44,300	45,408	46,543	47,707	48,899	50,122	51,375	52,659
Total current liabilities	85,698	92,980	83,149	82,216	83,195	85,540	87,847	90,215	92,644	94,842
Non-current liabilities										
Payables	316	316	316	316	316	316	316	316	316	316
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	37,939	42,158	46,551	51,119	52,397	53,707	55,049	56,426	57,836	59,282
Total non-current liabilities	39,083	42,474	46,867	51,435	52,713	54,023	55,365	56,742	58,152	59,598
Total liabilities	124,780	135,454	130,016	133,651	135,908	139,563	143,213	146,956	150,797	154,440
Net assets	3,729,195	3,786,797	3,846,608	3,906,628	3,968,569	4,032,634	4,099,269	4,168,434	4,240,090	4,316,930
EQUITY										
Retained earnings	3,376,501	3,434,103	3,493,914	3,553,934	3,615,875	3,679,940	3,746,575	3,815,740	3,887,396	3,964,236
Reserves	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694
Total equity	3,729,195	3,786,797	3,846,608	3,906,628	3,968,569	4,032,634	4,099,269	4,168,434	4,240,090	4,316,930

Statement of Cash Flows

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Cash flows from operating activities										
<i>Receipts:</i>										
Rates and annual charges	211,246	219,932	224,642	229,393	235,999	242,610	249,230	255,861	262,508	270,414
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions	84,017	76,895	78,817	80,788	82,808	84,878	87,000	89,175	91,404	93,689
Bonds, deposits and retention received										
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
<i>Payments:</i>										
Employee benefits and on-costs	(133,612)	(144,010)	(147,399)	(151,855)	(159,917)	(163,915)	(168,013)	(172,213)	(176,519)	(180,932)
Materials and contracts	(60,947)	(62,788)	(64,555)	(66,931)	(69,413)	(72,477)	(75,130)	(77,864)	(80,683)	(83,603)
Borrowing costs	(425)	(85)	(16)	0	0	0	0	0	0	0
Bonds, deposits and retention refunded	(47,357)	(50,451)	(51,643)	(52,934)	(54,257)	(55,613)	(57,004)	(58,429)	(59,890)	(59,890)
Other expenses										
Net cash provided (or used in) operating activities	116,549	114,637	118,274	119,944	119,890	123,477	127,545	131,609	135,675	142,472
Cash flows from investing activities										
<i>Receipts:</i>										
Sale of investments	9,233	104,241	25,346	0	0	0	0	0	0	0
Sale of fixed assets	98,399	0	0	0	0	0	0	0	0	0
Contributions received from joint ventures and associates										
<i>Payments:</i>										
Purchase of investments	0	0	0	(55,770)	(60,302)	(62,399)	(64,940)	(67,439)	(69,901)	(75,053)
Purchase of fixed assets	(210,755)	(212,977)	(142,793)	(64,174)	(59,588)	(61,078)	(62,805)	(64,170)	(65,775)	(67,419)
Net cash provided by (or used in) investing activities	(103,123)	(108,736)	(117,447)	(119,944)	(119,890)	(123,477)	(127,545)	(131,609)	(135,675)	(142,472)
Cash flows from financing activities										
<i>Receipts:</i>										
Borrowings and advances										
Other										
<i>Payments:</i>										
Borrowings and advances	(9,663)	(2,003)	(827)	0	0	0	0	0	0	0
Lease liabilities	(3,763)	(3,898)	0	0	0	0	0	0	0	0
Other										
Net cash provided by (or used in) financing activities	(13,426)	(5,901)	(827)	0	0	0	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Cash and cash equivalents at beginning of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Cash and cash equivalents at end of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

Performance Measures

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	Benchmark
	2022/23 Budget	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast	2031/32 Forecast	
Operating performance ratio	0.8%	1.3%	1.5%	1.2%	1.3%	1.4%	1.7%	1.9%	2.1%	2.9%	> 0%
Own source operating revenue ratio	72%	77%	79%	79%	79%	79%	79%	79%	79%	80%	> 60%
Unrestricted current ratio	4.8	0.7	(0.6)	(1.0)	(0.9)	(0.7)	(0.6)	(0.5)	(0.4)	(0.3)	> 1.5
Debt service cover ratio	5	28	71	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2
Rates, annual charges, interest and extra charges outstanding percentage	8%	8%	8%	8%	8%	8%	8%	9%	9%	9%	< 5%
Cash expense cover ratio	7.55m	4.2m	3.37m	4.88m	6.33m	7.82m	9.29m	10.75m	12.18m	13.71m	> 3 m

Unrestricted Cash

Year	Budget	Forecast	Forecast	Forecast	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Closing Balance	2023/24 Closing Balance	2024/25 Closing Balance	2025/26 Closing Balance	2026/27 Closing Balance	2027/28 Closing Balance	2028/29 Closing Balance	2029/30 Closing Balance	2030/31 Closing Balance	2031/32 Closing Balance
TOTAL Cash + Investments	478,431	374,190	348,845	404,615	464,916	527,315	592,255	659,694	729,594	804,648
External Reserves										
Developer Contributions	70,394	60,574	56,233	53,993	56,799	59,182	61,649	64,199	66,831	69,545
Specific Purpose Unexpended Grants	27,960	45,363	73,682	109,903	146,988	186,642	228,211	271,761	317,359	365,059
Domestic Waste Management	38,909	49,258	59,887	70,794	82,027	94,060	106,685	119,920	133,781	148,285
Museum of Applied Arts & Sciences Agreement	32,419	33,185	-	-	-	-	-	-	-	-
Stormwater levy	1,084	880	660	412	221	83	3	36	71	107
Special rates	2,140	1,080	812	531	250	0	-	-	-	-
Total External Reserves	172,907	190,340	191,275	235,633	286,285	339,967	396,547	455,916	518,043	582,996
Internal reserves										
Property and significant assets reserve	221,976	89,797	89,366	87,008	86,185	85,363	84,527	83,671	82,790	81,875
Employees leave entitlement	6,401	6,552	6,685	6,803	6,922	7,048	7,177	7,308	7,441	7,576
Urgent ward works	257	264	269	274	278	283	289	294	299	305
Parking Meters	753	1,569	2,433	3,347	4,313	5,371	6,507	7,724	9,023	10,408
Reserve CBD Infrastructure Reserve	0	0	0	0	0	0	0	1	1	1
Restricted interest										
Total Internal Reserves	229,388	98,182	98,754	97,432	97,699	98,066	98,501	98,998	99,554	100,165
Total Restricted Cash	402,295	288,522	290,028	333,065	383,984	438,034	495,048	554,913	617,597	683,161
TOTAL Unrestricted Cash - WORKING CAPITAL	76,137	85,668	58,816	71,550	80,933	89,281	97,206	104,780	111,998	121,487

Appendix 4 - Scenario 2 – Allocate funding to maintain Council's current level of service into the future – represented by the 10-year Resourcing Strategy – while maintaining the current asset portfolio at conditions 2 and 3 over the next 10 years and additional revenue from a SRV of 5% from FY2023/24.

Income Statement

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Revenue from continuing operations										
Ordinary Rates	160,740	163,376	166,040	168,734	173,180	177,619	182,053	186,485	190,915	196,166
Special Rates	0	8,169	8,302	8,437	8,659	8,881	9,103	9,324	9,546	9,808
Rates	160,740	171,545	174,342	177,170	181,839	186,500	191,156	195,809	200,461	205,974
Annual Charges	47,663	49,512	51,369	53,234	55,152	57,080	59,017	60,966	62,925	65,300
Rates and Annual Charges	208,403	221,057	225,711	230,405	236,992	243,580	250,174	256,775	263,386	271,274
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions provided for operating purposes	23,391	23,976	24,575	25,190	25,820	26,465	27,127	27,805	28,500	29,212
Grants and contributions provided for capital purposes	60,626	52,919	54,242	55,598	56,988	58,413	59,873	61,370	62,904	64,477
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0
Gain in share in joint venture	500	513	513	513	513	513	513	513	513	513
Total revenues from continuing operations	356,546	373,609	383,469	393,188	404,982	416,965	429,148	441,541	454,157	468,269
Expenses from continuing operations										
Employee benefits and on-costs	136,764	147,280	150,737	155,259	159,917	163,915	168,013	172,213	176,519	180,932
Materials and contracts	60,947	62,788	73,271	86,046	98,659	112,245	123,166	136,177	145,949	162,441
Borrowing costs	425	85	16	0	0	0	0	0	0	0
Depreciation, amortisation and impairment	49,652	53,476	54,813	56,183	57,588	59,027	60,503	62,016	63,566	65,155
Other expenses	47,357	50,451	51,643	52,934	54,257	55,613	57,004	58,429	59,890	59,890
Loss on Asset Sale	0	0	0	0	0	0	0	0	0	0
Internal expenses	777	800	824	849	875	896	919	942	965	989
Total expenses from continuing operations	295,921	314,881	331,303	351,271	371,295	391,698	409,605	429,776	446,889	469,407
Operating result from continuing operations	60,626	58,728	52,165	41,916	33,687	25,267	19,543	11,765	7,269	(1,137)
Net operating result for the year before grants and contributions provided for capital purposes	-1	5,809	-2,077	-13,682	-23,301	-33,145	-40,330	-49,605	-55,635	-65,614
Base scenario includes the Service review Savings amounts	2,200	3,207	1,953							

Statement of Financial Position

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
ASSETS										
Current assets										
Cash and cash equivalents	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Investments	164,065	60,949	27,958	65,624	97,672	121,272	139,119	149,159	154,672	151,748
Receivables	16,991	18,394	18,866	19,348	19,970	20,600	21,240	21,888	22,546	23,304
Inventories	117	121	118	119	119	119	119	119	119	119
Other	2,366	2,683	2,472	2,507	2,554	2,511	2,524	2,529	2,521	2,525
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	233,539	132,147	99,414	137,597	170,315	194,502	213,001	223,696	229,859	227,696
Non-current assets										
Receivables	1,189	1,288	1,321	1,354	1,398	1,442	1,487	1,532	1,578	1,631
Investments	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524
Infrastructure property, plant & equipment	3,349,199	3,519,975	3,600,709	3,610,559	3,615,768	3,622,564	3,628,866	3,635,690	3,641,981	3,649,311
Right of use of Assets	81	(0)	0	0	0	0	0	0	0	0
Investments accounted for using equity method	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Total non-current assets	3,617,594	3,788,387	3,869,154	3,879,038	3,884,290	3,891,130	3,897,477	3,904,347	3,910,683	3,918,066
Total assets	3,851,132	3,920,534	3,968,568	4,016,635	4,054,605	4,085,632	4,110,478	4,128,042	4,140,542	4,145,762
LIABILITIES										
Current liabilities										
Payables	41,478	48,932	40,156	40,631	42,501	45,787	48,555	51,755	54,323	57,950
Contract Liabilities										
Borrowings	2,003	827	0	0	0	0	0	0	0	0
Lease Liability	51	0	0	0	0	0	0	0	0	0
Provisions	42,166	43,220	44,300	45,408	46,543	47,707	48,899	50,122	51,375	52,659
Total current liabilities	85,698	92,980	84,456	86,039	89,044	93,494	97,454	101,877	105,698	110,609
Non-current liabilities										
Payables	316	316	316	316	316	316	316	316	316	316
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	37,939	42,158	46,551	51,119	52,397	53,707	55,049	56,426	57,836	59,282
Total non-current liabilities	39,083	42,474	46,867	51,435	52,713	54,023	55,365	56,742	58,152	59,598
Total liabilities	124,780	135,454	131,323	137,474	141,757	147,517	152,820	158,619	163,850	170,207
Net assets	3,726,352	3,785,080	3,837,245	3,879,161	3,912,848	3,938,115	3,957,658	3,969,424	3,976,692	3,975,555
EQUITY										
Retained earnings	3,373,658	3,432,386	3,484,551	3,526,467	3,560,154	3,585,421	3,604,964	3,616,730	3,623,998	3,622,861
Reserves	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694
Total equity	3,726,352	3,785,080	3,837,245	3,879,161	3,912,848	3,938,115	3,957,658	3,969,424	3,976,692	3,975,555

Statement of Cash Flows

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Cash flows from operating activities										
<i>Receipts:</i>										
Rates and annual charges	208,403	221,057	225,711	230,405	236,992	243,580	250,174	256,775	263,386	271,274
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions	84,017	76,895	78,817	80,788	82,808	84,878	87,000	89,175	91,404	93,689
Bonds, deposits and retention received										
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
<i>Payments:</i>										
Employee benefits and on-costs	(133,612)	(144,010)	(147,399)	(151,855)	(159,917)	(163,915)	(168,013)	(172,213)	(176,519)	(180,932)
Materials and contracts	(60,947)	(62,788)	(73,271)	(86,046)	(98,659)	(112,245)	(123,166)	(136,177)	(145,949)	(162,441)
Borrowing costs	(425)	(85)	(16)	0	0	0	0	0	0	0
Bonds, deposits and retention refunded										
Other expenses	(47,357)	(50,451)	(51,643)	(52,934)	(54,257)	(55,613)	(57,004)	(58,429)	(59,890)	(59,890)
Net cash provided (or used in) operating activities	113,706	115,762	110,628	101,841	91,636	84,679	80,452	74,210	71,288	64,495
Cash flows from investing activities										
<i>Receipts:</i>										
Sale of investments	12,076	103,115	32,992	0	0	0	0	0	0	2,924
Sale of fixed assets	98,399	0	0	0	0	0	0	0	0	0
Contributions received from joint ventures and associates										
<i>Payments:</i>										
Purchase of investments	0	0	0	(37,666)	(32,048)	(23,600)	(17,847)	(10,040)	(5,513)	0
Purchase of fixed assets	(210,755)	(212,977)	(142,793)	(64,174)	(59,588)	(61,078)	(62,605)	(64,170)	(65,775)	(67,419)
Net cash provided by (or used in) investing activities	(100,280)	(109,861)	(109,801)	(101,841)	(91,636)	(84,679)	(80,452)	(74,210)	(71,288)	(64,495)
Cash flows from financing activities										
<i>Receipts:</i>										
Borrowings and advances										
Other										
<i>Payments:</i>										
Borrowings and advances	(9,663)	(2,003)	(827)	0	0	0	0	0	0	0
Lease liabilities	(3,763)	(3,898)	0	0	0	0	0	0	0	0
Other										
Net cash provided by (or used in) financing activities	(13,426)	(5,901)	(827)	0	0	0	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Cash and cash equivalents at beginning of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Cash and cash equivalents at end of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

Performance Measures

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	Benchmark
	2022/23 Budget	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast	2031/32 Forecast	
Operating performance ratio	-0.2%	1.7%	-0.8%	-4.2%	-6.9%	-9.4%	-11.1%	-13.2%	-14.4%	-16.4%	> 0%
Own source operating revenue ratio	72%	77%	79%	79%	79%	79%	79%	79%	80%	80%	> 60%
Unrestricted current ratio	4.8	0.7	(0.6)	(1.1)	(1.1)	(1.3)	(1.6)	(1.9)	(2.3)	(2.7)	> 1.5
Debt service cover ratio	5	28	62	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2
Rates, annual charges, interest and extra charges outstanding percentage	8%	8%	8%	8%	8%	8%	8%	9%	9%	9%	< 5%
Cash expense cover ratio	7.46m	4.15m	2.99m	3.82m	4.35m	4.66m	4.84m	4.81m	4.72m	4.42m	> 3 months

Unrestricted Cash

Year	Budget	Forecast	Forecast	Forecast	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Closing Balance	2023/24 Closing Balance	2024/25 Closing Balance	2025/26 Closing Balance	2026/27 Closing Balance	2027/28 Closing Balance	2028/29 Closing Balance	2029/30 Closing Balance	2030/31 Closing Balance	2031/32 Closing Balance
TOTAL Cash + Investments	475,589	372,473	339,482	377,148	409,196	432,796	450,643	460,683	466,196	463,272
External Reserves										
Developer Contributions	70,394	60,574	56,233	53,993	56,799	59,182	61,649	64,199	66,831	69,545
Specific Purpose Unexpended Grants	27,960	45,363	73,682	109,903	146,988	186,642	228,211	271,761	317,359	365,059
Domestic Waste Management	38,909	49,258	59,887	70,794	82,027	94,060	106,685	119,920	133,781	148,285
Museum of Applied Arts & Sciences Agreement	32,419	33,185	-	-	-	-	-	-	-	-
Stormwater levy	1,084	880	660	412	221	83	3	36	71	107
Special rates	2,140	1,080	812	531	250	0	-	-	-	-
Special rates - new	2,107	2,107	2,107	0	0	0	0	0	0	0
Total External Reserves	172,907	192,447	193,381	235,633	286,285	339,967	396,548	455,916	518,043	582,996
Internal reserves										
Property and significant assets reserve	221,976	89,797	89,366	87,008	86,185	85,363	84,527	83,671	82,790	81,875
Employees leave entitlement	6,401	6,552	6,685	6,803	6,922	7,048	7,177	7,308	7,441	7,576
Urgent ward works	257	264	269	274	278	283	289	294	299	305
Parking Meters	753	1,569	2,433	3,347	4,313	5,371	6,507	7,724	9,023	10,408
Reserve CBD Infrastructure Reserve	0	0	0	0	0	0	0	1	1	1
Restricted interest										
Total Internal Reserves	229,388	98,182	98,754	97,432	97,699	98,066	98,501	98,998	99,554	100,165
Total Restricted Cash	402,295	290,629	292,135	333,065	383,984	438,034	495,049	554,914	617,597	683,161
TOTAL Unrestricted Cash - WORKING CAPITAL	73,294	81,845	47,346	44,083	25,212	(5,238)	(44,405)	(94,230)	(151,401)	(219,889)

Appendix 5 - Scenario 3 – Allocate funding to meet the desired levels of service agreed with the community plus a permanent SRV of 5% from FY2023/24.

Income Statement

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Revenue from continuing operations										
Ordinary Rates	160,740	163,376	166,040	168,734	173,180	177,619	182,053	186,485	190,915	196,166
Special Rates	0	8,169	8,302	8,437	8,659	8,881	9,103	9,324	9,546	9,808
Rates	160,740	171,545	174,342	177,170	181,839	186,500	191,156	195,809	200,461	205,974
Annual Charges	47,663	49,512	51,369	53,234	55,152	57,080	59,017	60,966	62,925	65,300
Rates and Annual Charges	208,403	221,057	225,711	230,405	236,992	243,580	250,174	256,775	263,386	271,274
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions provided for operating purposes	23,391	23,976	24,575	25,190	25,820	26,465	27,127	27,805	28,500	29,212
Grants and contributions provided for capital purposes	60,626	52,919	54,242	55,598	56,988	58,413	59,873	61,370	62,904	64,477
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0
Gain in share in joint venture	500	513	513	513	513	513	513	513	513	513
Total revenues from continuing operations	356,546	373,609	383,469	393,188	404,982	416,965	429,148	441,541	454,157	468,269
Expenses from continuing operations										
Employee benefits and on-costs	136,764	147,280	150,737	155,259	159,917	163,915	168,013	172,213	176,519	180,932
Materials and contracts	60,947	75,052	102,952	146,253	195,576	251,004	312,523	380,207	454,066	879,892
Borrowing costs	425	85	16	0	0	0	0	0	0	0
Depreciation, amortisation and impairment	49,652	53,476	54,813	56,183	57,588	59,027	60,503	62,016	63,566	65,155
Other expenses	47,357	50,451	51,643	52,934	54,257	55,613	57,004	58,429	59,890	59,890
Loss on Asset Sale	0	0	0	0	0	0	0	0	0	0
Internal expenses	777	800	824	849	875	896	919	942	965	989
Total expenses from continuing operations	295,921	327,145	360,985	411,478	468,213	530,456	598,962	673,807	755,006	1,186,858
Operating result from continuing operations	60,626	46,464	22,484	(18,290)	(63,231)	(113,492)	(169,814)	(232,265)	(300,849)	(718,588)
Net operating result for the year before grants and contributions provided for capital purposes	-1	-6,455	-31,758	-73,888	-120,219	-171,904	-229,687	-293,635	-363,753	-783,065

Base scenario includes the Service review Savings amounts

2,200	3,207	1,953
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Statement of Financial Position

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
ASSETS										
Current assets										
Cash and cash equivalents	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Investments	164,065	48,686	(13,987)	(36,528)	(101,397)	(216,555)	(388,065)	(622,056)	(924,660)	(1,645,035)
Receivables	16,991	18,394	18,866	19,348	19,970	20,600	21,240	21,888	22,546	23,304
Inventories	117	121	118	119	119	119	119	119	119	119
Other	2,366	2,683	2,472	2,507	2,554	2,511	2,524	2,529	2,521	2,525
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	233,539	119,884	57,469	35,446	(28,754)	(143,326)	(314,183)	(547,520)	(849,474)	(1,569,088)
Non-current assets										
Receivables	1,189	1,288	1,321	1,354	1,398	1,442	1,487	1,532	1,578	1,631
Investments	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524	261,524
Infrastructure property, plant & equipment	3,349,199	3,521,815	3,605,162	3,622,601	3,635,151	3,650,316	3,666,737	3,684,497	3,703,604	3,792,801
Right of use of Assets	81	(0)	0	0	0	0	0	0	0	0
Investments accounted for using equity method	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Total non-current assets	3,617,594	3,790,226	3,873,606	3,891,079	3,903,673	3,918,882	3,935,348	3,953,153	3,972,307	4,061,556
Total assets	3,851,132	3,910,110	3,931,075	3,926,525	3,874,920	3,775,556	3,621,165	3,405,633	3,122,833	2,492,469
LIABILITIES										
Current liabilities										
Payables	41,478	50,772	44,608	52,672	61,884	73,539	86,426	100,561	115,946	201,440
Contract Liabilities										
Borrowings	2,003	827	0	0	0	0	0	0	0	0
Lease Liability	51	0	0	0	0	0	0	0	0	0
Provisions	42,166	43,220	44,300	45,408	46,543	47,707	48,899	50,122	51,375	52,659
Total current liabilities	85,698	94,819	88,908	98,080	108,427	121,246	135,326	150,683	167,321	254,099
Non-current liabilities										
Payables	316	316	316	316	316	316	316	316	316	316
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	37,939	42,158	46,551	51,119	52,397	53,707	55,049	56,426	57,836	59,282
Total non-current liabilities	39,083	42,474	46,867	51,435	52,713	54,023	55,365	56,742	58,152	59,598
Total liabilities	124,780	137,293	135,775	149,515	161,140	175,269	190,691	207,425	225,473	313,698
Net assets	3,726,352	3,772,816	3,795,300	3,777,010	3,713,779	3,600,288	3,430,473	3,198,208	2,897,359	2,178,771
EQUITY										
Retained earnings	3,373,658	3,420,122	3,442,606	3,424,316	3,361,085	3,247,594	3,077,779	2,845,514	2,544,665	1,826,077
Reserves	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694	352,694
Total equity	3,726,352	3,772,816	3,795,300	3,777,010	3,713,779	3,600,288	3,430,473	3,198,208	2,897,359	2,178,771

Statement of Cash Flows

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Budget \$'000	2023/24 Forecast \$'000	2024/25 Forecast \$'000	2025/26 Forecast \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000	2030/31 Forecast \$'000	2031/32 Forecast \$'000
Cash flows from operating activities										
<i>Receipts:</i>										
Rates and annual charges	208,403	221,057	225,711	230,405	236,992	243,580	250,174	256,775	263,386	271,274
User charges and fees	34,325	41,721	43,807	45,998	48,297	50,712	53,248	55,910	58,706	61,641
Interest and investment revenue	8,581	8,795	9,015	9,241	9,472	9,708	9,951	10,200	10,455	10,716
Grants and contributions	84,017	76,895	78,817	80,788	82,808	84,878	87,000	89,175	91,404	93,689
Bonds, deposits and retention received										
Other revenues	20,720	24,628	25,605	26,245	26,901	27,574	28,263	28,970	29,694	30,436
<i>Payments:</i>										
Employee benefits and on-costs	(133,612)	(144,010)	(147,399)	(151,855)	(159,917)	(163,915)	(168,013)	(172,213)	(176,519)	(180,932)
Materials and contracts	(60,947)	(75,052)	(102,952)	(146,253)	(195,576)	(251,004)	(312,523)	(380,207)	(454,066)	(879,892)
Borrowing costs	(425)	(85)	(16)	0	0	0	0	0	0	0
Bonds, deposits and retention refunded										
Other expenses	(47,357)	(50,451)	(51,643)	(52,934)	(54,257)	(55,613)	(57,004)	(58,429)	(59,890)	(59,890)
Net cash provided (or used in) operating activities	113,706	103,498	80,947	41,634	(5,281)	(54,080)	(108,905)	(169,820)	(236,830)	(652,956)
Cash flows from investing activities										
<i>Receipts:</i>										
Sale of investments	12,076	115,379	62,673	22,541	64,869	115,158	171,510	233,991	302,604	720,375
Sale of fixed assets	98,399	0	0	0	0	0	0	0	0	0
Contributions received from joint ventures and associates										
<i>Payments:</i>										
Purchase of investments	0	0	0	0	0	0	0	0	0	0
Purchase of fixed assets	(210,755)	(212,977)	(142,793)	(64,174)	(59,588)	(61,078)	(62,605)	(64,170)	(65,775)	(67,419)
Net cash provided by (or used in) investing activities	(100,280)	(97,597)	(80,120)	(41,634)	5,281	54,080	108,905	169,820	236,830	652,956
Cash flows from financing activities										
<i>Receipts:</i>										
Borrowings and advances										
Other										
<i>Payments:</i>										
Borrowings and advances	(9,663)	(2,003)	(827)	0	0	0	0	0	0	0
Lease liabilities	(3,763)	(3,898)	0	0	0	0	0	0	0	0
Other										
Net cash provided by (or used in) financing activities	(13,426)	(5,901)	(827)	0	0	0	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	0	(0)	0	0	(0)	0	0	(0)	(0)	0
Cash and cash equivalents at beginning of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Cash and cash equivalents at end of reporting period	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

Performance Measures

Year	BASE YEAR	3Y PLAN	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	Benchmark
	2022/23 Budget	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast	2031/32 Forecast	
Operating performance ratio	0%	-2%	-10%	-22%	-35%	-48%	-62%	-77%	-93%	-194%	> 0%
Own source operating revenue ratio	72%	77%	79%	79%	79%	79%	79%	79%	80%	80%	> 60%
Unrestricted current ratio	4.8	0.7	(0.8)	(1.5)	(2.0)	(2.9)	(4.0)	(5.3)	(6.7)	(8.2)	>1.5
Debt service cover ratio	5	22	27	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2
Rates, annual charges, interest and extra charges outstanding percentage	8%	8%	8%	8%	8%	8%	8%	9%	9%	9%	< 5%
Cash expense cover ratio	7.46m	3.61m	1.62m	0.9m	-0.47m	-2.31m	-4.51m	-6.96m	-9.58m	-10.91m	> 3 months

Unrestricted Cash

Year	Budget	Forecast	Forecast	Forecast	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	2022/23 Closing Balance	2023/24 Closing Balance	2024/25 Closing Balance	2025/26 Closing Balance	2026/27 Closing Balance	2027/28 Closing Balance	2028/29 Closing Balance	2029/30 Closing Balance	2030/31 Closing Balance	2031/32 Closing Balance
TOTAL Cash + Investments	475,589	360,210	297,537	274,996	210,127	94,969	(76,541)	(310,532)	(613,136)	(1,333,511)
External Reserves										
Developer Contributions	70,394	60,574	56,233	53,993	56,799	59,182	61,649	64,199	66,831	69,545
Specific Purpose Unexpended Grants	27,960	45,363	73,682	109,903	146,988	186,642	228,211	271,761	317,359	365,059
Domestic Waste Management	38,909	49,258	59,887	70,794	82,027	94,600	106,685	119,920	133,781	148,285
Museum of Applied Arts & Sciences Agreement	32,419	33,185	-	-	-	-	-	-	-	-
Stormwater levy	1,084	880	660	412	221	83	3	36	71	107
Special rates	2,140	1,080	812	531	250	0	-	-	-	-
Special rates - Scenario 2	-	-	-	-	-	-	-	-	-	-
Total External Reserves	175,047	191,419	192,087	236,164	286,534	339,968	396,547	455,916	518,043	582,996
Internal reserves										
Property and significant assets reserve	221,976	89,797	89,366	87,008	86,185	85,363	84,527	83,671	82,790	81,875
Employees leave entitlement	6,401	6,552	6,685	6,803	6,922	7,048	7,177	7,308	7,441	7,576
Urgent ward works	257	264	269	274	278	283	289	294	299	305
Parking Meters	753	1,569	2,433	3,347	4,313	5,371	6,507	7,724	9,023	10,408
Reserve CBD Infrastructure Reserve	0	0	0	0	0	0	0	1	1	1
Restricted interest										
Total Internal Reserves	229,388	98,182	98,754	97,432	97,699	98,066	98,501	98,998	99,554	100,165
Total Restricted Cash	404,435	289,601	290,841	333,596	384,233	438,034	495,048	554,913	617,597	683,161
TOTAL Unrestricted Cash - WORKING CAPITAL	71,154	70,608	6,696	(58,599)	(174,106)	(343,065)	(571,590)	(865,445)	(1,230,733)	(2,016,672)