

LONG TERM FINANCIAL PLAN FY2023/24- FY2032/33

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

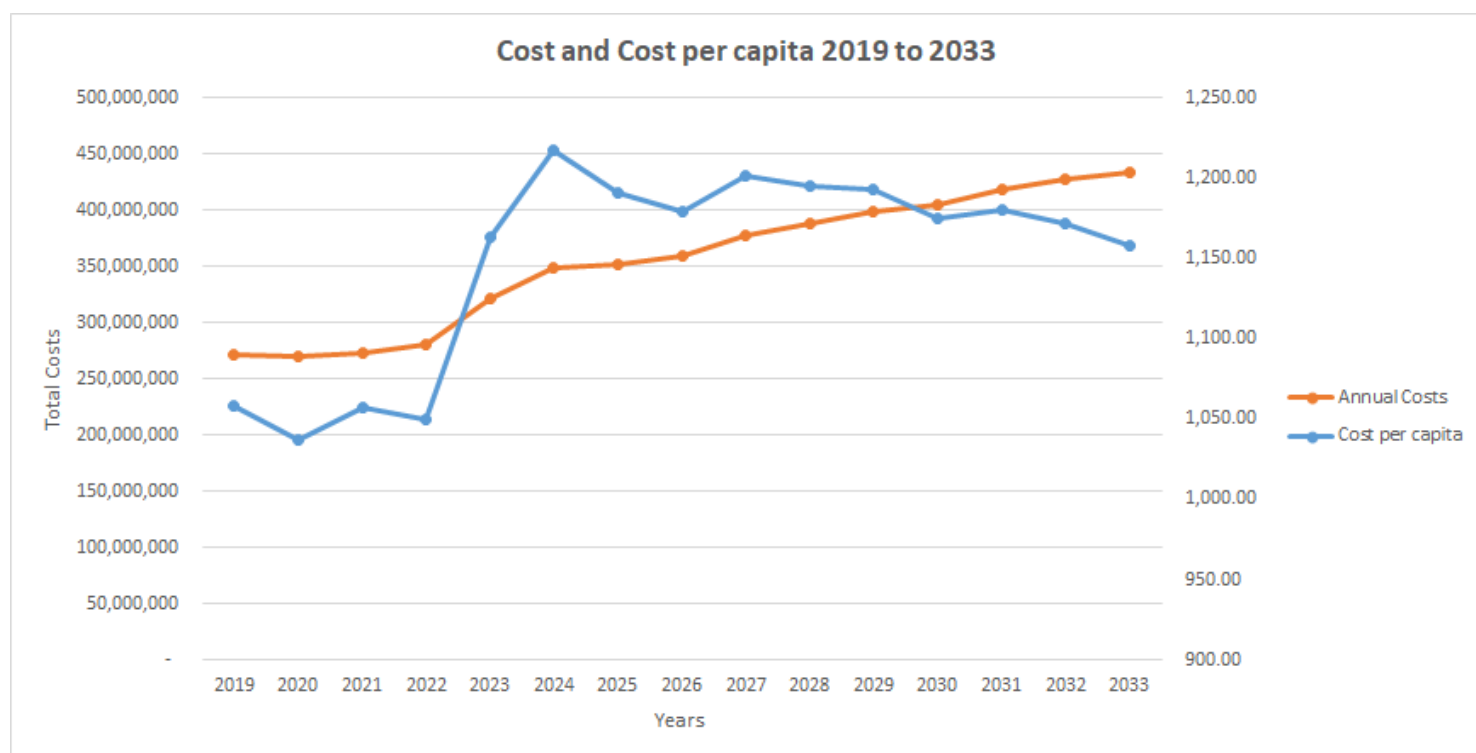
Over the 10 years plan the population is predicted to increase from 286,007 to 374,962 being an average increase of 3.08% per annum. The impact of population expansion is that Council will be affected due to increase demand for additional services and extension to the existing services such as:

- 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 steep fluctuation in the depreciation amount from the fourth financial year of budget and LTFP, this is mainly due to anticipated completion of WestInvest projects by the end of FY2026/27. 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	2032-2033
	Forecast ID									
CPI	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Dwelling Growth	116,253	119,494	122,735	127,334	131,934	136,533	141,133	145,732	151,707	157,927
Dwelling Growth %	2.87%	2.79%	2.71%	3.75%	3.61%	3.49%	3.37%	3.26%	4.10%	4.10%
Population Change	286,007	295,280	304,552	314,487	324,421	334,356	344,290	354,225	364,446	374,962
Population Change %	3.35%	3.24%	3.14%	3.26%	6.52%	3.06%	2.97%	2.89%	2.89%	2.89%

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 with 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

For the financial year 2023/24 Council has applied the 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 FY2023/24 are made up of:

- The change in the local government cost index to June 2022 of 3.5%.
- A productivity factor of 0.0% because the ABS indices used for the LGCI incorporate improvements in labour and capital productivity.
- An adjustment of 0.2% for the increase in superannuation guarantee payments from 9.5% in 2020-21 to 10.0% in 2021-22.
- A population factor for each council (net of any supplementary valuations percentage or zero).

The Local Government Index for FY2023/24 for the City of Parramatta was set as 3.7% by IPART. Compared to the last 12 months avg CPI inflation of 6.8%, the initial rate peg seems to be on the lower side, however council is going to undertake cost efficiency measures to deliver projects and manage services within the IPART approved rate peg.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032	2032-2033
Rates	Rates									
Rate Cap	3.70%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Ordinary rates	3.70%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

4.2.2 Annual Charges

The fees are mainly related to Domestic Waste Management charges.

The Local Government Act 1993 (Act) requires that Domestic Waste Management Charges must reflect the actual cost of providing those services. Sec 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 4% mainly due to population growth.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032	2032-2033
	Domestic Waste Management Charges									
Rate Cap	3.70%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Annual Charges	3.70%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

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% in FY2023/24 and then by 4% on average in the outer years across the board.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032	2032-2033
	User Fee and Charges - statutory									
CPI	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
User Fees	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032	2032-2033
	User Fee and Charges - discretionary									
CPI	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
User Fees	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

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 3.3%. There is an uptick expected due to rebound in domestic, global shares and fixed bonds. Long-dated deposits were locked in before the RBA's rate cuts as well as the FRNs locked in at attractive margins.

Type	Projected rate
Cash	3.75%
CFS Global	4.00%
NSW Treasury Corporation (long-term)	5.00%
TDs	3.25%
FRNs	4.50%
Bonds	1.07%

4.2.5 Operating Grants and Contributions

Councils operating grants consist of the Federal Assistance Grants - 45%, RMS grants - 5%, 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.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2031	2031-2032	2032-2033
	Operating Grants and Contributions									
CPI	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Operating Grants & Contributions	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

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. The council has been successful in securing \$199m of grants from WestInvest. 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	2032-2033
	Capital Grants and Contributions									
Capital grants and contributions	60,626	125,346	94,867	91,247	26,886	26,709	26,739	26,769	26,800	26,833
Capital grants and contributions	60,626	125,346	94,867	91,247	26,886	26,709	26,739	26,769	26,800	26,833

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	2032-2033
	Other revenue									
CPI	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Other revenue	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

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 has now been formally endorsed by the parties and approved by the Industrial Relations Commission of New South Wales (IRC), for an EBA increase of 4.5% for FY2023. The award agreement goes to 3.5% for FY2024 plus a 0.5% lumpsum of employees' annual salary system rate of pay or \$1000, whichever is greater. Similarly, the award for FY2025 goes to 3% plus a 0.5% lumpsum of employees' annual salary system rate of pay or \$1000, whichever is greater. To cover for all these award agreements, the council has taken an EBA of 4.5% for FY2023/24 and 4% thereafter for the outer years. Following were the other factors taken into considerations:

- Aligned to the latest Organisational structure and annual award movements.
- Skills steps are reward for achieving higher skills.
- Superannuation Contribution starts at 11.0% and then increases based on current Federal Budget guidelines.
- Superannuation for Councillors started from FY22-23.
- New Service growth relates to cost for increasing head count to operate PHIVE and Parramatta Aquatic Centre, as part of large-scale expansion of community assets.

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	2032-2033
	Employee benefits and on-costs									
LG Award (Estimates)	4.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
FG bill -Super increase	0.50%	0.50%	0.50%	0.50%						
Other on-costs	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Employee benefits and on-costs	5.50%	5.00%	5.00%	5.00%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%

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 Centre are offset by the completion of other programs undertaken by Council. Future year increases are 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	2032-2033
	Material and Contracts and Other expenses									
CPI	5.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Local Gov Cost premuim	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Population increase * 20%	0.67%	0.65%	0.63%	0.65%	1.30%	0.61%	0.59%	0.58%	0.58%	0.58%
Contract Costs	6.17%	4.15%	4.13%	4.15%	4.80%	4.11%	4.09%	4.08%	4.08%	4.08%

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 \$2.2 billion (\$2.9 billion gross carrying value). Council's current combined infrastructure backlog is estimated to be \$15.8 million or at a backlog ratio of 0.7%, which 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 one general scenario outlined in the Asset Management Strategy. The scenario includes four sub scenarios, a), b), c), and d), which maintain the same Asset Management Plan but include different rates income assumptions This scenario results in an overall deterioration of the average asset portfolio.

Summary

Adoption of scenarios 1b, 1c and 1d will lead to an operating deficit in the first six years of the LTFP. Under all these three scenarios, 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 these scenarios and these scenarios are not financially sustainable for Council to undertake.

Scenarios 1a will provide sufficient funds to maintain the level of service driven by the existing budget and assume that IPART approved rate peg of 3.7% is also approved by the Council.

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 1a – Continue to provide the level of service driven by existing budget allocation – the current balanced Asset Management Plan, along with Rate Peg of 3.7% as approved by IPART.

Income Statement										
	BASE YEAR	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from continuing operations										
Ordinary Rates	170,920	175,476	180,785	186,254	191,888	197,692	203,670	209,828	216,172	222,707
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	170,920	175,476	180,785	186,254	191,888	197,692	203,670	209,828	216,172	222,707
Annual Charges	49,693	51,654	53,693	55,812	58,016	60,306	62,687	65,163	67,736	70,412
Rates and Annual Charges	220,614	227,130	234,478	242,067	249,904	257,998	266,357	274,991	283,909	293,119
User charges and fees	42,962	45,899	48,811	50,777	52,823	54,951	57,164	59,467	61,863	64,355
Interest and investment revenue	19,910	20,394	20,987	21,821	22,687	23,588	24,526	25,500	26,513	27,567
Grants and contributions provided for operating purposes	24,412	18,713	19,303	19,944	20,615	21,311	22,033	22,781	23,558	24,364
Grants and contributions provided for capital purposes	125,346	94,867	91,247	26,886	26,709	26,739	26,769	26,800	26,833	26,866
Other revenues	21,890	21,428	22,166	22,869	23,820	24,595	25,623	26,696	28,628	27,350
Internal Revenue	15,073	15,347	15,793	16,079	16,550	17,035	17,535	18,049	18,579	19,125
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0
Gain in share in joint venture	500	520	541	562	585	608	633	658	684	712
Total revenues from continuing operations	470,706	444,299	453,325	401,005	413,693	426,824	440,639	454,944	470,567	483,458
Expenses from continuing operations										
Employee benefits and on-costs	147,487	153,857	159,036	164,481	169,375	173,654	174,906	182,449	184,944	188,871
Materials and contracts	71,657	69,550	71,340	74,776	77,245	80,075	82,723	85,759	89,692	89,782
Borrowing costs	109	0	0	0	0	0	0	0	0	0
Depreciation, amortisation and impairment	58,497	57,388	57,516	65,349	65,488	65,973	66,462	66,961	67,467	67,980
Other expenses	49,974	51,039	50,700	52,449	54,121	57,306	57,786	59,792	61,267	63,398
Loss on Asset Sale	5,834	3,946	3,968	3,991	4,015	4,039	4,065	4,091	4,118	4,146
Internal expenses	14,658	15,128	15,585	16,054	16,540	17,040	17,555	18,087	18,508	19,067
Total expenses from continuing operations	348,217	350,908	358,145	377,100	386,784	398,088	403,498	417,138	425,996	433,244
Operating result from continuing operations										
	122,489	93,391	95,180	23,905	26,909	28,737	37,142	37,806	44,571	50,214
Net Underlying operating result before capital grants & contributions and loss/gain on asset sale										
	2,563	2,251	7,693	985	4,204	6,042	14,458	15,133	21,785	27,435

Statement of Financial Position										
	BASE YEAR	3Y PLAN	3Y PLAN	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'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	105,595	13,545	6,726	45,847	89,931	133,064	191,617	247,074	308,559	374,797
Receivables	11,861	12,286	12,748	13,178	13,623	14,083	14,558	15,051	15,560	16,086
Inventories	116	112	114	114	113	113	113	113	113	113
Other	2,395	2,088	2,211	2,231	2,176	2,206	2,204	2,196	2,202	2,201
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	169,966	78,030	71,798	111,369	155,843	199,466	258,493	314,433	376,435	443,198
Non-current assets										
Receivables	830	860	892	922	954	986	1,019	1,054	1,089	1,126
Investments	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195
Infrastructure property, plant & equipment	3,539,230	3,723,747	3,832,724	3,797,605	3,782,589	3,771,696	3,751,321	3,737,291	3,723,466	3,709,998
Right of use of Assets	638	0	0	0	0	0	0	0	0	0
Investments accounted for using equity method	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807
Total non-current assets	3,805,701	3,989,609	4,098,619	4,063,530	4,048,545	4,037,684	4,017,342	4,003,347	3,989,557	3,976,126
Total assets	3,975,667	4,067,639	4,170,417	4,174,899	4,204,388	4,237,150	4,275,835	4,317,780	4,365,992	4,419,324
LIABILITIES										
Current liabilities										
Payables	61,100	55,370	57,636	36,152	36,620	38,479	37,803	39,666	40,975	41,702
Contract Liabilities										
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	32,423	33,234	34,065	34,916	35,789	36,684	37,601	38,541	39,505	40,492
Total current liabilities	94,351	88,604	91,701	71,069	72,409	75,163	75,404	78,207	80,479	82,195
Non-current liabilities										
Payables	48	48	48	48	48	48	48	48	48	48
Borrowings	0	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	39,556	43,884	48,385	49,595	50,835	52,105	53,408	54,743	56,112	57,515
Total non-current liabilities	39,604	43,932	48,433	49,643	50,883	52,153	53,456	54,791	56,160	57,563
Total liabilities	133,955	132,536	140,134	120,711	123,291	127,316	128,860	132,998	136,639	139,757
Net assets										
	3,841,712	3,935,103	4,030,283	4,054,188	4,081,097	4,109,834	4,146,976	4,184,782	4,229,353	4,279,566
EQUITY										
Retained earnings	3,534,338	3,627,730	3,722,910	3,746,815	3,773,724	3,802,461	3,839,603	3,877,408	3,921,979	3,972,193
Reserves	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373
Total equity	3,841,711	3,935,103	4,030,283	4,054,188	4,081,097	4,109,834	4,146,976	4,184,781	4,229,352	4,279,566

Statement of Cash Flows										
Year	BASE YEAR 2023/24 LTFP \$'000	3Y PLAN 2024/25 LTFP \$'000	3Y PLAN 2025/26 LTFP \$'000	LTFP 2026/27 LTFP \$'000	LTFP 2027/28 LTFP \$'000	LTFP 2028/29 LTFP \$'000	LTFP 2029/30 LTFP \$'000	LTFP 2030/31 LTFP \$'000	LTFP 2031/32 LTFP \$'000	LTFP 2032/33 LTFP \$'000
Cash flows from operating activities										
<i>Receipts:</i>										
Rates and annual charges	220,614	227,130	234,478	242,067	249,904	257,998	266,357	274,991	283,909	293,119
User charges and fees	42,962	45,899	48,811	50,777	52,823	54,951	57,164	59,467	61,863	64,355
Interest and investment revenue	19,910	20,394	20,987	21,821	22,687	23,588	24,526	25,500	26,513	27,567
Grants and contributions	149,758	113,579	110,550	46,830	47,324	48,049	48,802	49,582	50,391	51,230
Bonds, deposits and retention received										
Other revenues	21,890	21,428	22,166	22,869	23,820	24,595	25,623	26,696	28,628	27,350
<i>Payments:</i>										
Employee benefits and on-costs	(144,216)	(150,519)	(155,632)	(164,481)	(169,375)	(173,654)	(174,906)	(182,449)	(184,944)	(188,871)
Materials and contracts	(71,657)	(69,550)	(71,340)	(74,776)	(77,245)	(80,075)	(82,723)	(85,759)	(89,692)	(89,782)
Borrowing costs	(109)	0	0	0	0	0	0	0	0	0
Bonds, deposits and retention refunded										
Other expenses	(49,974)	(51,039)	(50,700)	(52,449)	(54,121)	(57,306)	(57,786)	(59,792)	(61,267)	(63,398)
Net cash provided (or used in) operating activities	189,176	157,324	159,320	92,657	95,816	98,146	107,056	108,237	115,400	121,570
Cash flows from investing activities										
<i>Receipts:</i>										
Sale of investments	101,938	92,050	6,819	0	0	0	0	0	0	0
Sale of fixed assets	0	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	(39,121)	(44,085)	(43,133)	(58,553)	(55,457)	(61,486)	(66,238)
Purchase of fixed assets	(285,703)	(248,547)	(166,139)	(53,536)	(51,732)	(55,013)	(48,503)	(52,780)	(53,915)	(55,332)
Net cash provided by (or used in) investing activities	(183,765)	(156,496)	(159,320)	(92,657)	(95,816)	(98,146)	(107,056)	(108,237)	(115,400)	(121,570)
Cash flows from financing activities										
<i>Receipts:</i>										
Borrowings and advances										
Other										
<i>Payments:</i>										
Borrowings and advances	(2,003)	(827)	0	0	0	0	0	0	0	0
Lease liabilities	(3,408)	0	0	0	0	0	0	0	0	0
Other										
Net cash provided by (or used in) financing activities	(5,412)	(827)	0	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 2023/24 LTFP	3Y PLAN 2024/25 LTFP	3Y PLAN 2025/26 LTFP	LTFP 2026/27 LTFP	LTFP 2027/28 LTFP	LTFP 2028/29 LTFP	LTFP 2029/30 LTFP	LTFP 2030/31 LTFP	LTFP 2031/32 LTFP	LTFP 2032/33 LTFP	Benchmark
Operating performance ratio	0.7%	0.6%	2.0%	0.1%	0.9%	1.4%	3.3%	3.4%	4.8%	5.9%	> 0%
Own source operating revenue ratio	74%	69%	74%	75%	88%	88%	88%	88%	88%	88%	> 60%
Unrestricted current ratio	1.8	0.9	0.8	1.6	2.2	2.7	3.4	4.0	4.7	5.4	> 1.5
Debt service cover ratio	31	76	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2
Rates, annual charges, interest and extra charges outstanding percentage	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	< 5%
Cash expense cover ratio	5.31m	2.59m	2.35m	3.28m	4.33m	5.27m	6.64m	7.7m	8.95m	10.3m	> 3 m

APPENDIX 1b - Continue providing a level of service driven by existing budget allocation – the current balanced Asset Management Plan, along with Rate peg of 2%.

Income Statement										
Year	BASE YEAR 2023/24 LTFP \$'000	3Y PLAN 2024/25 LTFP \$'000	3Y PLAN 2025/26 LTFP \$'000	LTFP 2026/27 LTFP \$'000	LTFP 2027/28 LTFP \$'000	LTFP 2028/29 LTFP \$'000	LTFP 2029/30 LTFP \$'000	LTFP 2030/31 LTFP \$'000	LTFP 2031/32 LTFP \$'000	LTFP 2032/33 LTFP \$'000
Revenue from continuing operations										
Ordinary Rates	167,053	172,064	177,226	182,543	188,019	193,660	199,470	205,454	211,617	217,966
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	167,053	172,064	177,226	182,543	188,019	193,660	199,470	205,454	211,617	217,966
Annual Charges	49,629	51,588	53,625	55,742	57,943	60,232	62,610	65,084	67,655	70,328
Rates and Annual Charges	216,681	223,652	230,851	238,285	245,962	253,891	262,080	270,537	279,272	288,294
User charges and fees	42,962	45,899	48,811	50,777	52,823	54,951	57,164	59,467	61,863	64,355
Interest and investment revenue	19,910	20,394	20,987	21,821	22,687	23,588	24,526	25,500	26,513	27,567
Grants and contributions provided for operating purposes	24,412	18,713	19,303	19,944	20,615	21,311	22,033	22,781	23,558	24,364
Grants and contributions provided for capital purposes	125,346	94,867	91,247	26,886	26,709	26,739	26,769	26,800	26,833	26,866
Other revenues	21,890	21,428	22,166	22,869	23,820	24,595	25,623	26,696	28,628	27,350
Internal Revenue	15,073	15,347	15,793	16,079	16,550	17,035	17,535	18,049	18,579	19,125
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0
Gain in share in joint venture	500	520	541	562	585	608	633	658	684	712
Total revenues from continuing operations	466,774	440,821	449,698	397,223	409,752	422,718	436,362	450,490	465,931	478,632
Expenses from continuing operations										
Employee benefits and on-costs	147,487	153,857	159,036	164,481	169,375	173,654	174,906	182,449	184,944	188,871
Materials and contracts	71,657	69,550	71,340	74,776	77,245	80,075	82,723	85,759	89,692	89,782
Borrowing costs	109	0	0	0	0	0	0	0	0	0
Depreciation, amortisation and impairment	58,497	57,388	57,516	65,349	65,488	65,973	66,462	66,961	67,467	67,980
Other expenses	49,974	51,039	50,700	52,449	54,121	57,306	57,786	59,792	61,267	63,398
Loss on Asset Sale	5,834	3,946	3,968	3,991	4,015	4,039	4,065	4,091	4,118	4,146
Internal expenses	14,658	15,128	15,585	16,054	16,540	17,040	17,555	18,087	18,508	19,067
Total expenses from continuing operations	348,217	350,908	358,145	377,100	386,784	398,088	403,498	417,138	425,996	433,244
Operating result from continuing operations	118,556	89,913	91,553	20,123	22,968	24,631	32,864	33,352	39,935	45,388
Net Underlying operating result before capital grants & contributions and loss/gain on asset sale	-1,369	-1,227	4,066	-2,797	263	1,936	10,180	10,680	17,149	22,610

Statement of Financial Position										
Year	BASE YEAR 2023/24 LTFP \$'000	3Y PLAN 2024/25 LTFP \$'000	3Y PLAN 2025/26 LTFP \$'000	LTFP 2026/27 LTFP \$'000	LTFP 2027/28 LTFP \$'000	LTFP 2028/29 LTFP \$'000	LTFP 2029/30 LTFP \$'000	LTFP 2030/31 LTFP \$'000	LTFP 2031/32 LTFP \$'000	LTFP 2032/33 LTFP \$'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	101,662	56,134	45,688	81,027	121,170	160,197	214,472	265,475	322,325	383,737
Receivables	11,684	12,130	12,585	13,008	13,445	13,898	14,366	14,850	15,351	15,869
Inventories	116	112	114	114	113	113	113	113	113	113
Other	2,395	2,088	2,211	2,231	2,176	2,206	2,204	2,196	2,202	2,201
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	165,857	120,463	110,597	146,380	186,905	226,414	281,156	332,635	389,991	451,921
Non-current assets										
Receivables	818	849	881	911	941	973	1,006	1,040	1,075	1,111
Investments	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195
Infrastructure property, plant & equipment	3,539,419	3,673,914	3,782,898	3,747,787	3,732,779	3,721,894	3,701,527	3,687,505	3,673,689	3,660,230
Right of use of Assets	638	0	0	0	0	0	0	0	0	0
Investments accounted for using equity method	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807
Total non-current assets	3,805,877	3,939,765	4,048,781	4,013,700	3,998,722	3,987,869	3,967,535	3,953,547	3,939,766	3,926,343
Total assets	3,971,734	4,060,228	4,159,378	4,160,080	4,185,628	4,214,283	4,248,691	4,286,181	4,329,757	4,378,263
LIABILITIES										
Current liabilities										
Payables	61,100	55,370	57,636	36,152	36,620	38,479	37,803	39,666	40,975	41,702
Contract Liabilities										
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	32,423	33,234	34,065	34,916	35,789	36,684	37,601	38,541	39,505	40,492
Total current liabilities	94,351	88,604	91,701	71,069	72,409	75,163	75,404	78,207	80,479	82,195
Non-current liabilities										
Payables	48	48	48	48	48	48	48	48	48	48
Borrowings	0	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	39,556	43,884	48,385	49,595	50,835	52,105	53,408	54,743	56,112	57,515
Total non-current liabilities	39,604	43,932	48,433	49,643	50,883	52,153	53,456	54,791	56,160	57,563
Total liabilities	133,955	132,536	140,134	120,711	123,291	127,316	128,860	132,998	136,639	139,757
Net assets	3,837,779	3,927,692	4,019,245	4,039,368	4,062,336	4,086,967	4,119,831	4,153,183	4,193,118	4,238,506
EQUITY										
Retained earnings	3,530,406	3,620,319	3,711,872	3,731,995	3,754,963	3,779,594	3,812,458	3,845,810	3,885,745	3,931,133
Reserves	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373
Total equity	3,837,779	3,927,692	4,019,245	4,039,368	4,062,336	4,086,967	4,119,831	4,153,183	4,193,118	4,238,506

Statement of Cash Flows										
Year	BASE YEAR 2023/24 LTFP \$'000	3Y PLAN 2024/25 LTFP \$'000	3Y PLAN 2025/26 LTFP \$'000	LTFP 2026/27 LTFP \$'000	LTFP 2027/28 LTFP \$'000	LTFP 2028/29 LTFP \$'000	LTFP 2029/30 LTFP \$'000	LTFP 2030/31 LTFP \$'000	LTFP 2031/32 LTFP \$'000	LTFP 2032/33 LTFP \$'000
Cash flows from operating activities										
Receipts:										
Rates and annual charges	216,681	223,652	230,851	238,285	245,962	253,891	262,080	270,537	279,272	288,294
User charges and fees	42,962	45,899	48,811	50,777	52,823	54,951	57,164	59,467	61,863	64,355
Interest and investment revenue	19,910	20,394	20,987	21,821	22,687	23,588	24,526	25,500	26,513	27,567
Grants and contributions	149,758	113,579	110,550	46,830	47,324	48,049	48,802	49,582	50,391	51,230
Bonds, deposits and retention received										
Other revenues	21,890	21,428	22,166	22,869	23,820	24,595	25,623	26,696	28,628	27,350
Payments:										
Employee benefits and on-costs	(144,216)	(150,519)	(155,632)	(164,481)	(169,375)	(173,654)	(174,906)	(182,449)	(184,944)	(188,871)
Materials and contracts	(71,657)	(69,550)	(71,340)	(74,776)	(77,245)	(80,075)	(82,723)	(85,759)	(89,692)	(89,782)
Borrowing costs	(109)	0	0	0	0	0	0	0	0	0
Bonds, deposits and retention refunded										
Other expenses	(49,974)	(51,039)	(50,700)	(52,449)	(54,121)	(57,306)	(57,786)	(59,792)	(61,267)	(63,398)
Net cash provided (or used in) operating activities	185,244	153,846	155,692	88,876	91,875	94,039	102,779	103,783	110,764	116,745
Cash flows from investing activities										
Receipts:										
Sale of investments	105,870	95,528	10,446	0	0	0	0	0	0	0
Sale of fixed assets	0	0	0	0	0	0	0	0	0	0
Contributions received from joint ventures and associates										
Payments:										
Purchase of investments	0	0	0	(35,339)	(40,143)	(39,027)	(54,275)	(51,003)	(56,849)	(61,413)
Purchase of fixed assets	(285,703)	(248,547)	(166,139)	(53,536)	(51,732)	(55,013)	(48,503)	(52,780)	(53,915)	(55,332)
Net cash provided by (or used in) investing activities	(179,833)	(153,018)	(155,692)	(88,876)	(91,875)	(94,039)	(102,779)	(103,783)	(110,764)	(116,745)
Cash flows from financing activities										
Receipts:										
Borrowings and advances										
Other										
Payments:										
Borrowings and advances	(2,003)	(827)	0	0	0	0	0	0	0	0
Lease liabilities	(3,408)	0	0	0	0	0	0	0	0	0
Other										
Net cash provided by (or used in) financing activities	(5,412)	(827)	0	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 2023/24 LTFP	3Y PLAN 2024/25 LTFP	3Y PLAN 2025/26 LTFP	LTFP 2026/27 LTFP	LTFP 2027/28 LTFP	LTFP 2028/29 LTFP	LTFP 2029/30 LTFP	LTFP 2030/31 LTFP	LTFP 2031/32 LTFP	LTFP 2032/33 LTFP	Benchmark
Operating performance ratio	-0.4%	-0.4%	1.0%	-0.9%	-0.1%	0.3%	2.3%	2.4%	3.8%	4.9%	> 0%
Own source operating revenue ratio	74%	68%	74%	75%	87%	88%	88%	88%	88%	88%	> 60%
Unrestricted current ratio	1.8	1.4	1.2	2.1	2.6	3.0	3.7	4.3	4.8	5.5	> 1.5
Debt service cover ratio	30	72	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2
Rates, annual charges, interest and extra charges outstanding percentage	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	< 5%
Cash expense cover ratio	5.2m	3.82m	3.44m	4.22m	5.14m	5.95m	7.21m	8.14m	9.27m	10.5m	> 3 m

APPENDIX 1c - Continue providing a level of service driven by existing budget allocation – the current balanced Asset Management Plan, along with the rate peg of 1%.

Income Statement										
Year	BASE YEAR 2023/24 LTFP \$'000	3Y PLAN 2024/25 LTFP \$'000	3Y PLAN 2025/26 LTFP \$'000	LTFP 2026/27 LTFP \$'000	LTFP 2027/28 LTFP \$'000	LTFP 2028/29 LTFP \$'000	LTFP 2029/30 LTFP \$'000	LTFP 2030/31 LTFP \$'000	LTFP 2031/32 LTFP \$'000	LTFP 2032/33 LTFP \$'000
Revenue from continuing operations										
Ordinary Rates	165,415	170,377	175,489	180,753	186,176	191,761	197,514	203,439	209,543	215,829
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	165,415	170,377	175,489	180,753	186,176	191,761	197,514	203,439	209,543	215,829
Annual Charges	49,607	51,566	53,602	55,718	57,919	60,207	62,585	65,057	67,628	70,300
Rates and Annual Charges	215,022	221,943	229,090	236,472	244,095	251,968	260,099	268,497	277,170	286,129
User charges and fees	42,962	45,899	48,811	50,777	52,823	54,951	57,164	59,467	61,863	64,355
Interest and investment revenue	19,910	20,394	20,987	21,821	22,687	23,588	24,526	25,500	26,513	27,567
Grants and contributions provided for operating purposes	24,412	18,713	19,303	19,944	20,615	21,311	22,033	22,781	23,558	24,364
Grants and contributions provided for capital purposes	125,346	94,867	91,247	26,886	26,709	26,739	26,769	26,800	26,833	26,866
Other revenues	21,890	21,428	22,166	22,869	23,820	24,595	25,623	26,696	28,628	27,350
Internal revenue	15,073	15,347	15,793	16,079	16,550	17,035	17,535	18,049	18,579	19,125
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0
Gain in share in joint venture	500	520	541	562	585	608	633	658	684	712
Total revenues from continuing operations	465,115	439,112	447,938	395,410	407,884	420,795	434,381	448,449	463,829	476,467
Expenses from continuing operations										
Employee benefits and on-costs	147,487	153,857	159,036	164,481	169,375	173,654	174,906	182,449	184,944	188,871
Materials and contracts	71,657	69,550	71,340	74,776	77,245	80,075	82,723	85,759	89,692	89,782
Borrowing costs	109	0	0	0	0	0	0	0	0	0
Depreciation, amortisation and impairment	58,497	57,388	57,516	65,349	65,488	65,973	66,462	66,961	67,467	67,980
Other expenses	49,974	51,039	50,700	52,449	54,121	57,306	57,786	59,792	61,267	63,398
Loss on Asset Sale	5,834	3,946	3,968	3,991	4,015	4,039	4,065	4,091	4,118	4,146
Internal expenses	14,658	15,128	15,585	16,054	16,540	17,040	17,555	18,087	18,508	19,067
Total expenses from continuing operations	348,217	350,908	358,145	377,100	386,784	398,088	403,498	417,138	425,996	433,244
Operating result from continuing operations	116,897	88,204	89,793	18,310	21,101	22,707	30,883	31,311	37,833	43,223
Net Underlying operating result before capital grants & contributions and loss/gain on asset sale	-3,029	-2,937	2,306	-4,610	-1,604	12	8,199	8,639	15,047	20,445

Statement of Financial Position										
Year	BASE YEAR 2023/24 LTFP \$'000	3Y PLAN 2024/25 LTFP \$'000	3Y PLAN 2025/26 LTFP \$'000	LTFP 2026/27 LTFP \$'000	LTFP 2027/28 LTFP \$'000	LTFP 2028/29 LTFP \$'000	LTFP 2029/30 LTFP \$'000	LTFP 2030/31 LTFP \$'000	LTFP 2031/32 LTFP \$'000	LTFP 2032/33 LTFP \$'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	50,003	2,766	40,559	74,086	112,361	149,464	201,759	250,721	305,468	364,716
Receivables	11,609	12,053	12,506	12,926	13,361	13,811	14,277	14,758	15,256	15,772
Inventories	116	112	114	114	113	113	113	113	113	113
Other	2,395	2,088	2,211	2,231	2,176	2,206	2,204	2,196	2,202	2,201
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	114,123	67,018	105,389	139,356	178,012	215,595	268,353	317,788	373,040	432,802
Non-current assets										
Receivables	813	844	875	905	935	967	999	1,033	1,068	1,104
Investments	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195
Infrastructure property, plant & equipment	3,589,499	3,723,996	3,782,983	3,747,874	3,732,869	3,721,987	3,701,622	3,687,603	3,673,790	3,660,334
Right of use of Assets	638	0	0	0	0	0	0	0	0	0
Investments accounted for using equity method	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807
Total non-current assets	3,855,952	3,989,841	4,048,861	4,013,781	3,998,807	3,987,956	3,967,624	3,953,638	3,939,860	3,926,440
Total assets	3,970,075	4,056,859	4,154,250	4,153,138	4,176,818	4,203,551	4,235,977	4,271,426	4,312,900	4,359,242
LIABILITIES										
Current liabilities										
Payables	61,100	55,370	57,636	36,152	36,620	38,479	37,803	39,666	40,975	41,702
Contract Liabilities										
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	32,423	33,234	34,065	34,916	35,789	36,684	37,601	38,541	39,505	40,492
Total current liabilities	94,351	88,604	91,701	71,069	72,409	75,163	75,404	78,207	80,479	82,195
Non-current liabilities										
Payables	48	48	48	48	48	48	48	48	48	48
Borrowings	0	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	39,556	43,884	48,385	49,595	50,835	52,105	53,408	54,743	56,112	57,515
Total non-current liabilities	39,604	43,932	48,433	49,643	50,883	52,153	53,456	54,791	56,160	57,563
Total liabilities	133,955	132,536	140,134	120,711	123,291	127,316	128,860	132,998	136,639	139,757
Net assets	3,836,120	3,924,324	4,014,116	4,032,426	4,053,527	4,076,234	4,107,117	4,138,428	4,176,261	4,219,484
EQUITY										
Retained earnings	3,528,747	3,616,951	3,706,744	3,725,053	3,746,154	3,768,861	3,799,744	3,831,055	3,868,888	3,912,111
Reserves	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373
Total equity	3,836,120	3,924,324	4,014,117	4,032,426	4,053,527	4,076,234	4,107,117	4,138,428	4,176,261	4,219,484

Statement of Cash Flows										
Year	BASE YEAR 2023/24 LTFF \$'000	3Y PLAN 2024/25 LTFF \$'000	3Y PLAN 2025/26 LTFF \$'000	LTFF 2026/27 LTFF \$'000	LTFF 2027/28 LTFF \$'000	LTFF 2028/29 LTFF \$'000	LTFF 2029/30 LTFF \$'000	LTFF 2030/31 LTFF \$'000	LTFF 2031/32 LTFF \$'000	LTFF 2032/33 LTFF \$'000
Cash flows from operating activities										
Receipts:										
Rates and annual charges	215,022	221,943	229,090	236,472	244,095	251,968	260,099	268,497	277,170	286,129
User charges and fees	42,962	45,899	48,811	50,777	52,823	54,951	57,164	59,467	61,863	64,355
Interest and investment revenue	19,910	20,394	20,987	21,821	22,687	23,588	24,526	25,500	26,513	27,567
Grants and contributions	149,758	113,579	110,550	46,830	47,324	48,049	48,802	49,582	50,391	51,230
Bonds, deposits and retention received										
Other revenues	21,890	21,428	22,166	22,869	23,820	24,595	25,623	26,696	28,628	27,350
Payments:										
Employee benefits and on-costs	(144,216)	(150,519)	(155,632)	(164,481)	(169,375)	(173,654)	(174,906)	(182,449)	(184,944)	(188,871)
Materials and contracts	(71,657)	(69,550)	(71,340)	(74,776)	(77,245)	(80,075)	(82,723)	(85,759)	(89,692)	(89,782)
Borrowing costs	(109)	0	0	0	0	0	0	0	0	0
Bonds, deposits and retention refunded										
Other expenses	(49,974)	(51,039)	(50,700)	(52,449)	(54,121)	(57,306)	(57,786)	(59,792)	(61,267)	(63,398)
Net cash provided (or used in) operating activities	183,585	152,137	153,932	87,062	90,008	92,116	100,798	101,742	108,662	114,580
Cash flows from investing activities										
Receipts:										
Sale of investments	107,530	97,237	12,207	0	0	0	0	0	0	0
Sale of fixed assets	0	0	0	0	0	0	0	0	0	0
Contributions received from joint ventures and associates										
Payments:										
Purchase of investments	0	0	0	(33,526)	(38,276)	(37,103)	(52,294)	(48,962)	(54,747)	(59,248)
Purchase of fixed assets	(285,703)	(248,547)	(166,139)	(53,536)	(51,732)	(55,013)	(48,503)	(52,780)	(53,915)	(55,332)
Net cash provided by (or used in) investing activities	(178,173)	(151,309)	(153,932)	(87,062)	(90,008)	(92,116)	(100,798)	(101,742)	(108,662)	(114,580)
Cash flows from financing activities										
Receipts:										
Borrowings and advances										
Other										
Payments:										
Borrowings and advances	(2,003)	(827)	0	0	0	0	0	0	0	0
Lease liabilities	(3,408)	0	0	0	0	0	0	0	0	0
Other										
Net cash provided by (or used in) financing activities	(5,412)	(827)	0	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 2023/24 LTFF	3Y PLAN 2024/25 LTFF	3Y PLAN 2025/26 LTFF	LTFF 2026/27 LTFF	LTFF 2027/28 LTFF	LTFF 2028/29 LTFF	LTFF 2029/30 LTFF	LTFF 2030/31 LTFF	LTFF 2031/32 LTFF	LTFF 2032/33 LTFF	Benchmark
Operating performance ratio	-0.9%	-0.9%	0.6%	-1.4%	-0.6%	-0.2%	1.9%	1.9%	3.3%	4.4%	> 0%
Own source operating revenue ratio	74%	68%	73%	75%	87%	88%	88%	88%	88%	88%	> 60%
Unrestricted current ratio	1.2	0.8	1.1	2.0	2.5	2.9	3.6	4.1	4.6	5.3	> 1.5
Debt service cover ratio	29	70	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2
Rates, annual charges, interest and extra charges outstanding percentage	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	< 5%
Cash expense cover ratio	3.69m	2.29m	3.3m	4.04m	4.91m	5.68m	6.89m	7.79m	8.88m	10.07m	> 3 m

Appendix 1d - Allocate funding to maintain Council's current level of service into the future – represented by the 10-year Resourcing Strategy – but without any rate peg in FY23/24.

Income Statement											
	BASE YEAR	3Y PLAN	3Y PLAN	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF
Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	
	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from continuing operations											
Ordinary Rates	163,777	168,690	173,751	178,964	184,333	189,863	195,558	201,425	207,468	213,692	
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	163,777	168,690	173,751	178,964	184,333	189,863	195,558	201,425	207,468	213,692	
Annual Charges	49,586	51,544	53,579	55,695	57,895	60,182	62,559	65,031	67,600	70,272	
Rates and Annual Charges	213,363	220,234	227,330	234,659	242,227	250,044	258,118	266,456	275,068	283,964	
User charges and fees	42,962	45,899	48,811	50,777	52,823	54,951	57,164	59,467	61,863	64,355	
Interest and investment revenue	19,910	20,394	20,987	21,821	22,687	23,588	24,526	25,500	26,513	27,567	
Grants and contributions provided for operating purposes	24,412	18,713	19,303	19,944	20,615	21,311	22,033	22,781	23,558	24,364	
Grants and contributions provided for capital purposes	125,346	94,867	91,247	26,886	26,709	26,739	26,769	26,800	26,833	26,866	
Other revenues	21,890	21,428	22,166	22,869	23,820	24,595	25,623	26,696	28,628	27,350	
Internal revenues	15,073	15,347	15,793	16,079	16,550	17,035	17,535	18,049	18,579	19,125	
Gain on disposal of assets	0	0	0	0	0	0	0	0	0	0	
Gain in share in joint venture	500	520	541	562	585	608	633	658	684	712	
Total revenues from continuing operations	463,455	437,403	446,177	393,597	406,017	418,871	432,399	446,409	461,727	474,302	
Expenses from continuing operations											
Employee benefits and on-costs	147,487	153,857	159,036	164,481	169,375	173,654	174,906	182,449	184,944	188,871	
Materials and contracts	71,657	69,550	71,340	74,776	77,245	80,075	82,723	85,759	89,692	89,782	
Borrowing costs	109	0	0	0	0	0	0	0	0	0	
Depreciation, amortisation and impairment	58,497	57,388	57,516	65,349	65,488	65,973	66,462	66,961	67,467	67,980	
Other expenses	49,974	51,039	50,700	52,449	54,121	57,306	57,786	59,792	61,267	63,398	
Loss on Asset Sale	5,834	3,946	3,968	3,991	4,015	4,039	4,065	4,091	4,118	4,146	
Internal expenses	14,658	15,128	15,585	16,054	16,540	17,040	17,555	18,087	18,508	19,067	
Total expenses from continuing operations	348,217	350,908	358,145	377,100	386,784	398,088	403,498	417,138	425,996	433,244	
Operating result from continuing operations											
	115,238	86,495	88,032	16,497	19,233	20,783	28,902	29,271	35,731	41,058	
Net Underlying operating result before capital grants & contributions and loss/gain on asset sale											
	-4,688	-4,646	545	-6,423	-3,472	-1,911	6,218	6,598	12,945	18,280	

Statement of Financial Position										
	BASE YEAR	3Y PLAN	3Y PLAN	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF
Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF	LTFF
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'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	48,344	9,398	15,431	47,144	83,552	118,732	169,045	215,966	268,612	325,694
Receivables	11,535	11,976	12,426	12,845	13,277	13,725	14,188	14,667	15,162	15,674
Inventories	116	112	114	114	113	113	113	113	113	113
Other	2,395	2,088	2,211	2,231	2,176	2,206	2,204	2,196	2,202	2,201
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0
Total current assets	112,389	73,573	80,181	112,333	149,119	184,776	235,550	282,942	336,089	393,683
Non-current assets										
Receivables	807	838	870	899	929	961	993	1,027	1,061	1,097
Investments	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195	262,195
Infrastructure property, plant & equipment	3,589,579	3,714,079	3,803,068	3,767,962	3,752,959	3,742,079	3,721,718	3,707,702	3,693,892	3,680,438
Right of use of Assets	638	0	0	0	0	0	0	0	0	0
Investments accounted for using equity method	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807	2,807
Total non-current assets	3,856,027	3,979,919	4,068,940	4,033,863	4,018,891	4,008,041	3,987,713	3,973,731	3,959,955	3,946,537
Total assets	3,968,416	4,053,492	4,149,122	4,146,197	4,168,009	4,192,817	4,223,263	4,256,673	4,296,044	4,340,220
LIABILITIES										
Current liabilities										
Payables	61,100	55,370	57,636	36,152	36,620	38,479	37,803	39,666	40,975	41,702
Contract Liabilities										
Borrowings	827	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	32,423	33,234	34,065	34,916	35,789	36,684	37,601	38,541	39,505	40,492
Total current liabilities	94,351	88,604	91,701	71,069	72,409	75,163	75,404	78,207	80,479	82,195
Non-current liabilities										
Payables	48	48	48	48	48	48	48	48	48	48
Borrowings	0	0	0	0	0	0	0	0	0	0
Lease Liability	0	0	0	0	0	0	0	0	0	0
Provisions	39,556	43,884	48,385	49,595	50,835	52,105	53,408	54,743	56,112	57,515
Total non-current liabilities	39,604	43,932	48,433	49,643	50,883	52,153	53,456	54,791	56,160	57,563
Total liabilities	133,955	132,536	140,134	120,711	123,291	127,316	128,860	132,998	136,639	139,757
Net assets	3,834,461	3,920,956	4,008,988	4,025,485	4,044,718	4,065,501	4,094,404	4,123,674	4,159,405	4,200,463
EQUITY										
Retained earnings	3,527,088	3,613,583	3,701,615	3,718,112	3,737,345	3,758,128	3,787,030	3,816,301	3,852,032	3,893,090
Reserves	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373	307,373
Total equity	3,834,461	3,920,956	4,008,988	4,025,485	4,044,718	4,065,501	4,094,403	4,123,674	4,159,405	4,200,463

Statement of Cash Flows											
Year	BASE YEAR 2023/24 LTFF \$'000	3Y PLAN 2024/25 LTFF \$'000	3Y PLAN 2025/26 LTFF \$'000	LTFF 2026/27 LTFF \$'000	LTFF 2027/28 LTFF \$'000	LTFF 2028/29 LTFF \$'000	LTFF 2029/30 LTFF \$'000	LTFF 2030/31 LTFF \$'000	LTFF 2031/32 LTFF \$'000	LTFF 2032/33 LTFF \$'000	
Cash flows from operating activities											
<i>Receipts:</i>											
Rates and annual charges	213,363	220,234	227,330	234,659	242,227	250,044	258,118	266,456	275,068	283,964	
User charges and fees	42,962	45,899	48,811	50,777	52,823	54,951	57,164	59,467	61,863	64,355	
Interest and investment revenue	19,910	20,394	20,987	21,821	22,687	23,588	24,526	25,500	26,513	27,567	
Grants and contributions	149,758	113,579	110,550	46,830	47,324	48,049	48,802	49,582	50,391	51,230	
Bonds, deposits and retention received											
Other revenues	21,890	21,428	22,166	22,869	23,820	24,595	25,623	26,696	28,628	27,350	
<i>Payments:</i>											
Employee benefits and on-costs	(144,216)	(150,519)	(155,632)	(164,481)	(169,375)	(173,654)	(174,906)	(182,449)	(184,944)	(188,871)	
Materials and contracts	(71,657)	(69,550)	(71,340)	(74,776)	(77,245)	(80,075)	(82,723)	(85,759)	(89,692)	(89,782)	
Borrowing costs	(109)	0	0	0	0	0	0	0	0	0	
Bonds, deposits and retention refunded											
Other expenses	(49,974)	(51,039)	(50,700)	(52,449)	(54,121)	(57,306)	(57,786)	(59,792)	(61,267)	(63,398)	
Net cash provided (or used in) operating activities	181,926	150,428	152,172	85,249	88,140	90,192	98,817	99,701	106,560	112,415	
Cash flows from investing activities											
<i>Receipts:</i>											
Sale of investments	109,189	98,946	13,967	0	0	0	0	0	0	0	
Sale of fixed assets	0	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	(31,713)	(36,408)	(35,179)	(50,313)	(46,922)	(52,645)	(57,083)	
Purchase of fixed assets	(285,703)	(248,547)	(166,139)	(53,536)	(51,732)	(55,013)	(48,503)	(52,780)	(53,915)	(55,332)	
Net cash provided by (or used in) investing activities	(176,514)	(149,600)	(152,172)	(85,249)	(88,140)	(90,192)	(98,817)	(99,701)	(106,560)	(112,415)	
Cash flows from financing activities											
<i>Receipts:</i>											
Borrowings and advances											
Other											
<i>Payments:</i>											
Borrowings and advances	(2,003)	(827)	0	0	0	0	0	0	0	0	
Lease liabilities	(3,408)	0	0	0	0	0	0	0	0	0	
Other											
Net cash provided by (or used in) financing activities	(5,412)	(827)	0	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 2023/24 LTFF	3Y PLAN 2024/25 LTFF	3Y PLAN 2025/26 LTFF	LTFF 2026/27 LTFF	LTFF 2027/28 LTFF	LTFF 2028/29 LTFF	LTFF 2029/30 LTFF	LTFF 2030/31 LTFF	LTFF 2031/32 LTFF	LTFF 2032/33 LTFF	Benchmark	
Operating performance ratio	-1.4%	-1.4%	0.1%	-1.9%	-1.1%	-0.6%	1.4%	1.4%	2.8%	3.9%	> 0%	
Own source operating revenue ratio	74%	68%	73%	75%	87%	88%	88%	88%	88%	88%	> 60%	
Unrestricted current ratio	1.2	0.8	0.9	1.6	2.1	2.5	3.1	3.6	4.2	4.8	> 1.5	
Debt service cover ratio	28	68	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	> 2	
Rates, annual charges, interest and extra charges outstanding percentage	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	< 5%	
Cash expense cover ratio	3.65m	2.48m	2.59m	3.32m	4.16m	4.91m	6.08m	6.97m	8.02m	9.18m	> 3 m	

Appendix 2: Rate Pegging Scenarios Comparison - 10 Years Cumulative Impact

\$'millions	Base Year	3Y Plan	3Y Plan	3Y Plan	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	Notional Loss
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	10 Year	10 Year
	Budget	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
Rates & Annual Charges Revenue												
No Rate Regging	\$213.4	\$220.2	\$227.3	\$234.7	\$242.2	\$250.0	\$258.1	\$266.5	\$275.1	\$284.0	\$2,471.5	(\$79.1)
1% Rate Pegging	\$215.0	\$221.9	\$229.1	\$236.5	\$244.1	\$252.0	\$260.1	\$268.5	\$277.2	\$286.1	\$2,490.5	(\$60.1)
2% Rate Pegging	\$216.7	\$223.7	\$230.9	\$238.3	\$246.0	\$253.9	\$262.1	\$270.5	\$279.3	\$288.3	\$2,509.5	(\$41.1)
3.7% Rate Pegging	\$220.6	\$227.1	\$234.5	\$242.1	\$249.9	\$258.0	\$266.4	\$275.0	\$283.9	\$293.1	\$2,550.6	\$0.0
Underlying Operating Result												
No Rate Regging	(\$4.7)	(\$5.4)	(\$0.2)	(\$7.2)	(\$4.3)	(\$2.7)	\$5.4	\$5.8	\$12.1	\$17.4	\$16.3	(\$79.1)
1% Rate Pegging	(\$3.0)	(\$3.7)	\$1.6	(\$5.4)	(\$2.4)	(\$0.8)	\$7.4	\$7.8	\$14.2	\$19.6	\$35.3	(\$60.1)
2% Rate Pegging	(\$1.4)	(\$2.0)	\$3.3	(\$3.6)	(\$0.5)	\$1.1	\$9.4	\$9.8	\$16.3	\$21.7	\$54.3	(\$41.1)
3.7% Rate Pegging	\$2.6	\$1.5	\$7.0	\$0.2	\$3.4	\$5.2	\$13.7	\$14.3	\$20.9	\$26.6	\$95.4	\$0.0