

Table 1

Long Term Financial Plan

INCOME STATEMENT

	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033
\$'000's	Actual	Revised Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Operating Income											
Rates & annual charges	31,515	33,341	34,759	36,238	37,780	39,388	41,064	42,811	44,633	46,532	48,512
Rates	24,620	25,806	26,916	28,073	29,281	30,540	31,853	33,223	34,651	36,141	37,695
Waste	6,895	7,534	7,843	8,165	8,499	8,848	9,211	9,588	9,982	10,391	10,817
Statutory Charges	105	152	157	162	167	172	178	183	189	195	201
User charges & fees	801	781	805	830	856	882	910	938	967	997	1,028
Interest & investment revenue	1,598	1,671	1,540	1,578	1,587	1,582	1,642	1,720	1,843	1,387	1,543
Other revenues	100	16	16	17	17	18	18	19	20	20	21
Grants & contributions for operating purposes	4,387	1,326	3,742	3,858	3,978	4,101	4,228	4,359	4,494	4,634	4,777
TOTAL INCOME	38,506	37,287	41,020	42,683	44,384	46,143	48,040	50,030	52,145	53,764	56,081
Operating Expenditure											
Employee benefits & costs	9,802	12,207	12,573	12,951	13,274	13,606	13,946	14,295	14,652	15,019	15,394
Borrowing costs	33	179	284	339	318	301	288	275	261	248	235
Elected Member Allowances	324	428	441	455	469	484	499	514	530	547	564
Elected Member Expenses	46	40	41	42	44	45	46	48	49	51	52
Materials, contracts and other expenses	22,059	21,681	22,250	22,939	23,650	24,484	25,139	25,919	26,722	27,654	28,408
Depreciation, amortisation & Impairment	10,519	11,270	11,761	12,067	12,400	12,713	13,038	13,333	13,602	13,878	14,153
TOTAL EXPENDITURE	42,783	45,805	47,351	48,793	50,156	51,632	52,957	54,383	55,818	57,396	58,806
BUDGETED OPERATING SURPLUS/DEFICIT	(4,277)	(8,518)	(6,331)	(6,110)	(5,771)	(5,490)	(4,917)	(4,353)	(3,673)	(3,632)	(2,725)
Add: Amounts received specifically for new or upgraded assets	9,914	9,499	5,373	1,232	2,840	2,840	2,840	1,840	750	750	750
Add: Developers Contribution	136	200	200	200	200	200	200	200	200	200	200
Add: Physical resources received free of charge (non-cash)	6,824	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Add: Revaluations	100	58	59	59	60	60	61	62	62	63	63
Add: Net Sale / (Loss) of Assets	(228)	299	120	120	120	120	120	120	120	120	120
BUDGET SURPLUS / (DEFICIT)	12,469	4,537	2,421	(1,499)	448	731	1,304	869	459	501	1,408
TOTAL COMPREHENSIVE INCOME / (LOSS)	12,469	4,537	2,421	(1,499)	448	731	1,304	869	459	501	1,408
Add: Depreciation	10,519	11,270	11,761	12,067	12,400	12,713	13,038	13,333	13,602	13,878	14,153
Add: Other non-cash	625	(58)	(59)	(59)	(60)	(60)	(61)	(62)	(62)	(63)	(63)
Less: Resources free of charge	6,824	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Less: Capital Expenditure	17,306	26,971	10,322	7,872	8,963	8,178	8,640	7,365	6,372	6,507	6,507
Add: Borrowings (Loans advances)	-	5,000	1,000	1,500	-	-	-	-	-	-	-
Less: Loan Repayments	241	517	535	589	601	335	339	344	348	353	359
Add: Transfer from reserves	4,032	9,738	700	-	-	-	-	-	-	-	-
NET CASH BUDGET SURPLUS/(DEFICIT)	3,274	(1)	1,966	547	225	1,870	2,302	3,431	4,278	4,455	5,632

Table 3

Long Term Financial Plan

STATEMENT OF CASH FLOWS

\$ '000	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033
	Actual	Revised Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash Flows from Operating Activities											
Receipts:											
Rates & annual charges	31,301	33,578	34,510	35,975	37,503	39,096	40,757	42,488	44,292	46,173	48,135
User charges & fees	986	933	962	992	1,023	1,055	1,087	1,121	1,156	1,192	1,228
Investment & interest revenue received	535	1,671	1,540	1,578	1,587	1,582	1,642	1,720	1,843	1,387	1,543
Grants & contributions	4,654	1,326	3,742	3,858	3,978	4,101	4,228	4,359	4,494	4,634	4,777
Other	106	16	16	17	17	18	18	19	20	20	21
Payments:											
Employee benefits & costs	(9,977)	(12,114)	(12,478)	(12,852)	(13,190)	(13,520)	(13,858)	(14,204)	(14,559)	(14,923)	(15,296)
Materials, contracts & other expenses	(22,855)	(30,876)	(22,724)	(23,428)	(24,155)	(25,003)	(25,675)	(26,471)	(27,292)	(28,241)	(29,013)
Finance Payments	(33)	(179)	(284)	(339)	(318)	(301)	(288)	(275)	(261)	(248)	(235)
NET CASH PROVIDED (OR USED IN) OPERATING ACTIVITIES	4,717	(5,646)	5,284	5,801	6,445	7,027	7,912	8,757	9,692	9,993	11,159
Cash Flows from Investing Activities											
Receipts:											
Sale of investment securities	300	-	-	-	279	-	-	-	-	-	-
Amounts specifically for new or upgraded assets	2,824	21,058	5,373	1,232	2,840	2,840	2,840	1,840	750	750	750
Payments:											
Purchase of investment securities	4,005	(4,474)	(801)	(71)	-	(1,354)	(1,773)	(2,888)	(3,721)	(3,882)	(5,043)
Purchase of infrastructure, property, plant & equipment	(16,852)	(26,971)	(10,322)	(7,872)	(8,963)	(8,178)	(8,640)	(7,365)	(6,372)	(6,507)	(6,507)
NET CASH PROVIDED (OR USED IN) INVESTING ACTIVITIES	(9,723)	(10,388)	(5,749)	(6,711)	(5,844)	(6,692)	(7,573)	(8,413)	(9,343)	(9,640)	(10,800)
Cash Flows from Financing Activities											
Receipts:											
Proceeds from borrowings & advances	-	5,000	1,000	1,500	-	-	-	-	-	-	-
Payments:											
Repayment of borrowings & advances	(241)	373	(535)	(589)	(601)	(335)	(339)	(344)	(348)	(353)	(359)
NET CASH PROVIDED (OR USED IN) FINANCING ACTIVITIES	(241)	5,373	465	911	(601)	(335)	(339)	(344)	(348)	(353)	(359)
plus: CASH & CASH EQUIVALENTS - beginning of year	19,907	14,660	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(5,247)	(10,660)	-	-	-	-	-	-	-	-	-
Total Cash at Bank	14,660	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
plus: INVESTMENTS ON HAND - beginning of year	18,513	14,508	18,982	19,783	19,853	19,574	20,929	22,701	25,589	29,311	33,193
NET INCREASE/(DECREASE) IN INVESTMENTS ON HAND	(4,005)	4,474	801	71	(279)	1,354	1,773	2,888	3,721	3,882	5,043
Total Investments on Hand	14,508	18,982	19,783	19,853	19,574	20,929	22,701	25,589	29,311	33,193	38,236
TOTAL CASH & CASH EQUIVALENTS & INVESTMENTS - end of year	29,168	22,982	23,783	23,853	23,574	24,929	26,701	29,589	33,311	37,193	42,236
NET INCREASE/(DECREASE) IN CASH, CASH EQUIVALENTS & INVESTMENTS	(9,552)	(6,186)	801	71	(279)	1,354	1,773	2,888	3,721	3,882	5,043

Table 4

Long Term Financial Plan

Financial Ratios

FINANCIAL RATIOS	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033
	Actual	Revised Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Operating Ratio											
<i>This ratio measures Council's ability to contain operating expenditure within operating revenue</i>	16%	8%	14%	15%	16%	16%	18%	18%	20%	20%	21%
Benchmark - Greater than 0%	<i>(operating revenue excl. capital grants and contributions - operating expenses) / operating revenue excluding capital grants and contributions</i>										
Cash Expense Cover Ratio											
<i>This ratio indicates the number of months Council can continue paying for its immediate expenses without additional cash inflow</i>	10.86	8.03	8.08	7.87	7.56	7.75	8.08	8.71	9.53	10.31	11.41
Benchmark - Greater than 3.0 months	<i>(current year's cash and cash equivalents / (total expenses - depreciation - interest costs) * 12</i>										
Current Ratio											
<i>This ratio represents Council's ability to meet debt payments as they fall due. It should be noted that Council's externally restricted assets will not be available as operating funds and as such can significantly impact Council's ability to meet its liabilities</i>	2.23	13.10	12.98	12.78	14.16	14.61	15.24	16.34	17.75	19.16	21.00
Benchmark - Greater than 1.5	<i>current assets / current liabilities</i>										
Own Revenue											
<i>This ratio measures the level of Council's fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council's financial flexibility improves the higher the level of its own source revenue</i>	89%	96%	91%	91%	91%	91%	91%	91%	91%	91%	91%
Benchmark - Greater than 60% < 75%	<i>Total income less Grants/total income</i>										
Debt Service Cover Ratio											
<i>This ratio measures the availability of cash to service debt including interest, principal, and lease payments</i>	22.33	4.10	6.54	6.70	10.63	11.76	13.32	14.85	16.57	17.29	19.47
Benchmark - Greater than 2.0	<i>operating result before interest and depreciation (EBITDA) / principal repayments + borrowing interest costs</i>										
Interest Cover Ratio											
<i>This ratio indicates the extent to which Council can service its interest bearing debt and take on additional borrowings. It measures the burden of the current interest expense upon Council's operating cash</i>	190.15	16.33	20.13	18.59	21.83	25.03	29.24	33.71	38.97	42.25	49.59
Benchmark - Greater than 4.0	<i>operating result before interest and depreciation (EBITDA) / interest expense</i>										
Asset Sustainability Ratio											
<i>This ratio indicates the extent to which Council is replacing its existing asset base with capital renewals of existing assets</i>	160%	239%	88%	65%	72%	64%	66%	55%	47%	47%	46%