

# CAMPBELLTOWN

## Long-Term Financial Plan 2023-33

# 2032

Resourcing Strategy to the  
Delivery Program 2022-26

A vibrant public exhibition at a park. The scene is filled with people, including children and adults, walking along a path. Large, colorful canopies in shades of green and purple provide shade. In the background, there are playground structures and trees with autumn foliage. The overall atmosphere is bright and festive.

**PUBLIC  
EXHIBITION**



**Council acknowledges the traditional custodians of the land, the Dharawal people and their unique and spiritual connections to the land. We also respectfully acknowledge Elders past and present for the role they continue to play in guiding future generations.**

**This Long-Term Financial Plan has been developed to meet all requirements outlined in the Integrated Planning & Reporting: Guidelines for Local Government in NSW September 2021 (available at <https://www.olg.nsw.gov.au>)**

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# Executive Summary

Our Long-Term Financial Plan is a 10-year rolling plan outlining how our Delivery Program and Operational Plan will be resourced and funded to deliver our commitments for the next four years and beyond.

## How to Read this Plan

This Plan has been structured around three parts.

1. **Background Information** about the Integrated Planning and Reporting framework, how the Long-Term Financial Plan was developed, and our approach to monitoring progress against this plan.
2. **Detailed information** on the Long-Term Financial Plan, including our planning assumptions, revenue and expenditure forecasts, as well as sensitivity, risk, and financial modelling for the next 10-years.
3. **Long-Term Financial Plan** details our planning assumptions, revenue and expenditure forecasts, as well as sensitivity, risk and financial modelling for the next 10-years.

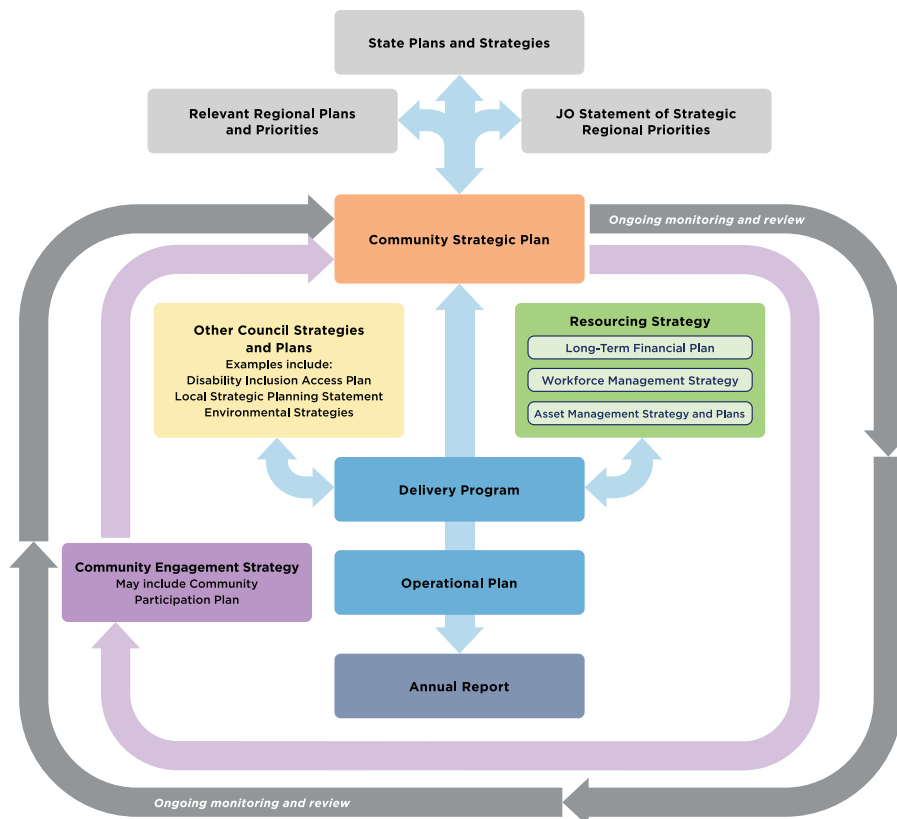
# Part 1: Background Information

## Framework for Integrated Planning and Reporting

All councils in NSW are required to operate within an Integrated Planning and Reporting (IP&R) framework. The IP&R framework guides how each Council develops, documents, and reports on their strategic plans under the *Local Government Act 1993*.

The IP&R framework requires each Council to develop and implement a Community Strategic Plan (CSP) on behalf of the community. As shown in the IP&R diagram below, the CSP is the highest level plan prepared by a Council. The aim of the CSP is to capture the community's long-term plan for the future, which includes:

- The community's vision: e.g., their aspirations for the future of Campbelltown;
- The outcomes the community wants to see achieved;
- High-level strategies to achieve these outcomes and vision.



The Integrated Planning & Reporting Framework – Office of Local Government 2021

The CSP is supported by other strategies and plans developed by Council under the IP&R framework:

- **Delivery Program.** This is developed by a Council in response to the CSP. The Delivery Program outlines the specific activities (projects and programs) that Council will undertake during its elected term to address the CSP.
- The Delivery Program is supported by the **Resourcing Strategy.** These plans show how the Council will leverage its available resources to implement the Delivery Program. The Resourcing Strategy includes the **Long-Term Financial Plan, Workforce Management Plan and Asset Management Policy, Strategy and Plans.**
- **The Operational Plan** is a sub-plan of the Delivery Program. The Operational Plan outlines the annual activities that will be undertaken as part of the Delivery Program, alongside the annual budget.
- **Reports.** Councils prepare a number of reports (e.g., Annual Reports) that capture the progress against the CSP outcomes as well as monitoring the delivery of key activities in its Delivery Program and Operational Plan.

## Development and Review of the Long-Term Financial Plan

This plan was developed to inform decision-making during the finalisation of the Community Strategic Plan and to ensure that we can provide the resources necessary to deliver our commitments detailed within the Delivery Program and Operational Plan.

It will be publically exhibited on 19 April to 17 May 2023 and considered by Council on 27 June 2023.

We will update this plan annually during the development of the Operational Plan, as well as review it in detail every 4 years during the review of the Community Strategic Plan.

## Monitoring Performance against the Long-Term Financial Plan

We will provide regular reports to our community to ensure ongoing transparency and accountability for our financial sustainability and the commitments made within this plan.

- **Quarterly Budget Review Statements** where we will provide a summary of our financial position against the original and last revised budget of the Operational Plan and make budgetary adjustments, if necessary.
- **Annual Financial Statements** where we will present our operating results and financial position for the year.

Our reports can be found on our website via [campbelltown.nsw.gov.au/CouncilandCouncillors/FinancialInformation](http://campbelltown.nsw.gov.au/CouncilandCouncillors/FinancialInformation)

## Part 2: About Campbelltown

### Our City

The City of Campbelltown is located in the outer south-western suburbs of Sydney, situated 55km from the Sydney Central Business District (CBD). The Campbelltown Local Government Area is bounded by Liverpool LGA to the north, Sutherland Shire to the east, Wollondilly Shire to the south and Camden LGA to the west. Campbelltown comprises 31,200 hectares of land including 1,189 hectares of protected national park. We have a major role to play as part of one of the fastest growing regions in Australia, the capital of the Macarthur region and within Greater Sydney.

Campbelltown is a diverse and growing community of over 175,000 people. This is expected to grow to almost 250,000 by 2036. Rich in experience and culture, we come from a wide range of backgrounds. Today, one third of our residents were born overseas and 62% of people living in Campbelltown have parents who were born overseas.

### Our Council

Our organisational mission is to lead the delivery of the community's vision for Campbelltown through:

- Balanced service provision that meets community needs.
- Uniting and inspiring a sense of possibility.
- Proactively advocating for our place and community.
- Responsibly managing the growth.

Our organisation is led by the General Manager who is supported by an Executive Team responsible for five directorates. Our 15 Councillors, elected by the community, drive accountability for the delivery of the community's vision and our commitments made within our strategic plans.

Our workforce of over 1,000 staff deliver 37 essential services, which can be broadly summarised into the 10 service areas below:

- Arts and culture
- City planning and amenities
- Community, events and education
- Environmental protection
- Governance and administration
- Health, safety and regulation
- Investment, tourism and growth
- Roads, parking and transport
- Parks and recreation
- Waste and recycling

Whilst Council's largest asset by way of value are roads and road related assets, our total asset portfolio consists of over 260,000 individual items with a value of \$2.7b. Our portfolio includes categories such as buildings, public space assets, swimming pools, library books, roads and road related, plant and equipment, community and operational land and drainage systems.

### Our Future Plans

The confirmation by the NSW Government of the Campbelltown/Macarthur CBD as one of Sydney's Strategic Centres is a major economic boost for the City. To ensure Campbelltown maximises the opportunities that the projected growth will deliver in terms of prosperity for the City of Campbelltown, the enhancement of residents' access to new jobs, better facilities and improved services. Council will need to respond and adapt to the challenge of rolling out its own services, and operating its own facilities more cost effectively and with an improved focus on customer service and satisfaction.

Council will be looking towards strengthening its already strong partnerships with State and Federal government agencies to assist with the development of critical infrastructure and ensure that the City's next phase of growth and development will deliver the right outcomes for our City.

### Our Challenges

Campbelltown is poised to lead the next decade of growth in the Macarthur region as it cements itself as a regional hub and cultural heartland. Along with population growth and significant housing development, infrastructure projects and investment will shape the expansion of our city.

As with most NSW councils, Campbelltown faces a challenge in funding ongoing operations and adequately maintaining its community assets. The growth in the cost of labour and materials, increasing demand for affordable services and cost shifting from other levels of government, combined with a legislated cap in revenue generated from rates and developer contributions, have created a difficult financial environment.

We will continue to focus on operational efficiency and growing our revenue base in order to provide sustainable services and appropriate infrastructure for our growing city.

## Part 3:

# Long-Term Financial Plan

The Long-Term Financial Plan (LTFP) is an integral part of Council's strategic planning cycle. This enables long-term community aspirations and goals to be tested against financial realities.

The plan is a decision making and problem solving tool. The financial objectives, performance measures and strategies that Council has adopted in meeting financial sustainability challenges over the 2022-32 period are presented in this document.

It is not intended that the plan be inflexible - it is a reasonable guide for future action based on current information. The modelling that occurs as part of the plan will provide an opportunity for Council to identify financial issues at an earlier stage, and gauge the effects of these issues in the short to long-term.

The plan does not indicate what services or projects should be allocated funds; rather, it addresses areas that impact on Council's ability to fund services and capital programs.

Due to the length of the planning horizon, the plan becomes more general in future years. For example, the 10th year of a 10 year plan does not include specific detail, however, does show likely trends based on accepted assumptions.

The 2022-23 adopted budget and 2021-22 Financial Statements form the base years for the Long-Term Financial Plan.

## Assumptions

### Key Assumptions

There are a number of assumptions that are used in order to project the long-term financial results. These assumptions are outlined in detail throughout this section, however, the key assumptions are outlined below:

- Future determinations of the rate peg are forecast to be up to 2% however, this may vary depending on the recommendation of the Independent Pricing and Regulatory Tribunal (IPART) from year to year
- Service levels are largely maintained throughout the plan
- Population growth is estimated to continue to increase at 3.0% per annum

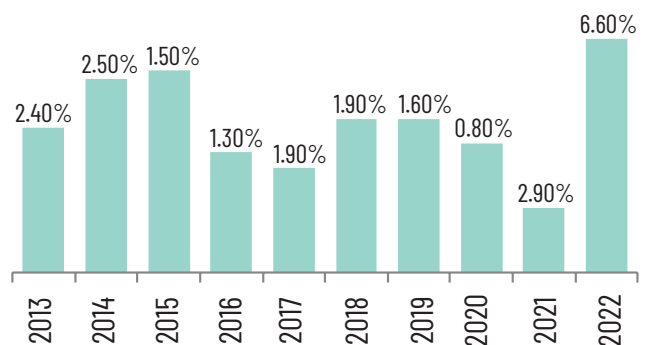
- The Consumer Price Index (CPI) is averaged at rate of 2.5% per annum over the 10 year period, however is estimated at 6.4% in 2023-24.
- In general, future expenses and revenues have been calculated to reflect forecasts for the CPI
- Increases in revenue from user charges have been maintained using a combination of the CPI and the IPART Local Government Cost Index with utilisation rates remaining steady
- Salary and wage increases are estimated to be on average up to 2.8% per annum including turnover
- New borrowings are restricted to ensure the Debt Service Ratio remains less than 10%.
- Strategic capital expenditure will be considered suitable for funding from internal or external loans in line with intergenerational equity considerations.

### Inflation

CPI is a measure of the change in price of a 'basket' of goods and services. The Reserve Bank has a policy to maintain an inflation rate between its annual target of 2 - 3%. Therefore where appropriate, this plan uses a mid-range forecast of a 2.5% annual inflation rate.

In preparation of the LTFP however, careful consideration was given to yearly movements in actual costs witnessed over the previous seven year period. From this data, both the historical average annual growth rate and the seven year compounded growth were calculated. These values were contrasted against the forecast inflation rate and where there was a material difference, preference was given towards the historical growth rates.

Historical Yearly Inflation Rates





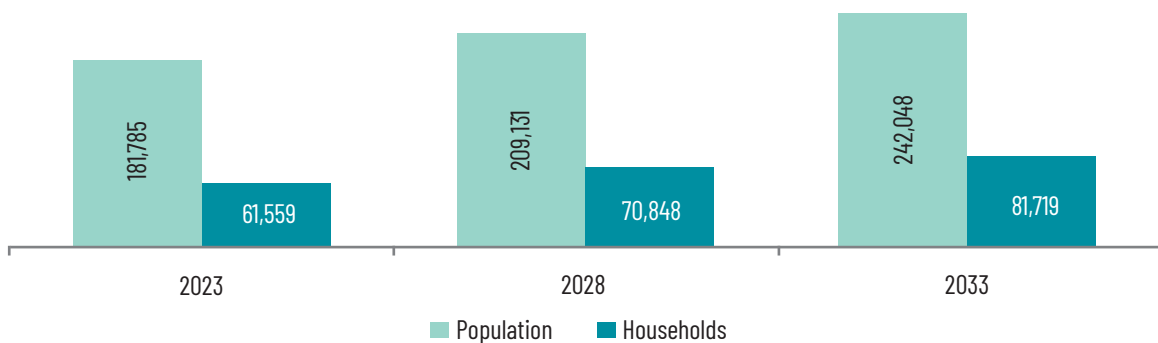
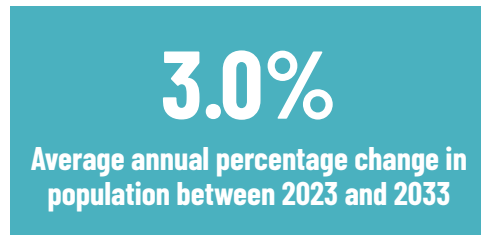
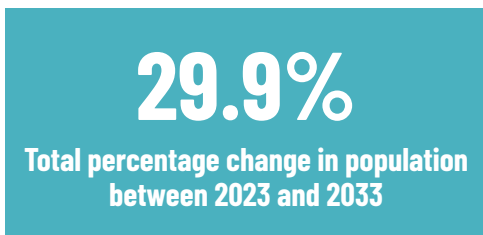
## Population

A key driver in the level of services Council is required to deliver over the next 10 years is the size of the resident population and number of households within the Local Government Authority (LGA). In the 2016 Census, there were 161,998 people in the Campbelltown LGA. However the Census count is not considered the official population of an area due to limitations in the data collected. It is an official count of all people and dwellings in Australia on Census night, and collects details of age, sex, religion, education and other characteristics of the population. The next Census (conducted on 10 August 2021) is due to be released in mid 2023.

To provide a more relevant population figure the Australian Bureau of Statistics also produces "Estimated Resident Population" (ERP) numbers for each area. It is updated between Censuses - quarterly for state and national figures, and annually for local government areas. The ERP is based on the usual residence population and includes

adjustments for Census undercount, Australian residents who were temporarily overseas on Census night, and backdates the population to 30 June. Each year's updates take into account births, deaths and both internal and overseas migration. The LTFP is modelled on the ERP figures however also references Planning NSW data projections and known development activity as detailed in the new dwelling forecasts.

These growth projections are estimates and are affected by changes in market conditions. The increase in development does provide an additional income stream, however in most cases, this is absorbed by additional maintenance requirements that are created by the provision of additional infrastructure, facilities and open space.



## Revenue Assumptions

### Rates

For the 2023-24 budget, Council has applied the rate peg limit as set by IPART of 4.1%. The LTFP has maintained a conservative approach for all subsequent years and has applied a general rates increase of 2% to be in line with the Local Government Cost Index developed by IPART. Invariably, rate pegging increases have been less than the actual increases in costs faced by Council. Despite these constraints, and with the cost of materials and provision of services increasing above the Consumer Price Index (CPI), Council maintains a sound financial position through continuous efficiency gains and productivity improvements. The Special Rate Variation received in the 2014-15 financial year has strengthened Council's long-term financial position and provides a means to renew and revitalise the city's assets and ultimately address Council's asset maintenance and renewal backlog.

### Domestic waste management

The Domestic Waste Management Charge will increase by 9.6% from the current charge of \$417.76 per annum to \$457.86 in 2023-24. Projected increases for future years have been based on up to 5% per annum, however, will reflect the costs of providing the service on a yearly basis. This charge is calculated using cost recovery methodology.

### Operating grants

Where an agreement is enforceable and contains sufficiently specific performance obligations, the Australian Accounting Standards require councils to recognise income as and when performance obligations are satisfied.

Where these conditions are not met, councils are required to recognise income upon receipt. In this instance, this accounting treatment includes grants that councils receive in advance, irrespective of annual expenditure of those grants, which may be in future years. This has an effect of distorting the Income Statement between years. However, the net budget impact is zero between various financial years. In broad terms, all other recurrent operating grants in future years are generally projected to increase less than CPI.

### Operating contributions

There are only relatively minor allocations budgeted to be received from community groups and sporting clubs as their contribution towards projects in future years. Subsidies received from Local Infrastructure Renewal Scheme borrowings are also allocated to this category.

## Interest

Interest on investments is assessed on a conservative basis. Interest income only makes up around 2% of total revenue so changes in this area will only marginally affect Council's LTFP. The net positive yields on cash investments along with a reduction in portfolio balance due to the funding of major capital works are factored into income with a return that is less than 3% per annum.

### User charges

In accordance with Council's Revenue Pricing Policy, wherever it is reasonably possible to do so, a 'user pays' approach to reviewing fees and charges will be applied. The approach is to ensure that applicable fees and charges are reviewed beyond just CPI movements and are in line with the cost of providing that service.

### Statutory fees

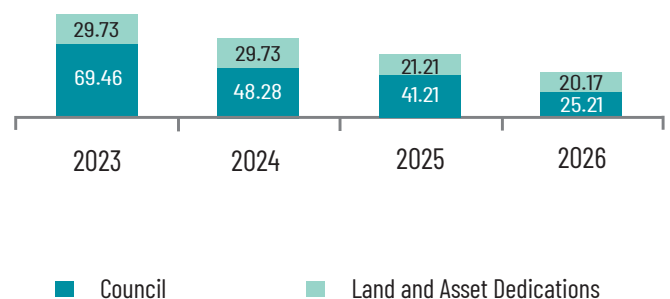
While Council has discretion over the level of fees and charges in general, there are a variety of fees that are prescribed by the State Government. These statutory fees typically increase on a periodic basis rather than annually. The trend over the future years is therefore flatter than user charges income however as many of these fees arise through development functions there is fluctuations experienced that reflect housing market activity. The majority of statutory fees have been modelled to increase by up to 2.5% over the next 10 years.

## Expenditure Assumptions

### Major Planned Expenditure

Over the next 10 years, Council will invest and foster approximately \$554m on a range of capital projects and assets across the City. This includes the substantial renewal of Campbelltown's existing assets, as well as the development of new services, facilities and infrastructure networks.

### 4 Year Capital Expenditure Program \$M



As well as these major projects, investigations/works are underway for the following potential projects:

- Campbelltown Arts Centre Expansion
- Gordon Fetterplace Aquatic Centre Upgrades
- Dharawal Nature Playspace
- Campbelltown Health and Education Precinct Connectivity, Wayfinding and Identity Project
- Multipurpose Community Facilities Hub
- Minto Multicultural Community Centre Enhancement
- Railway Parade Bridge Upgrade, Glenfield
- Ingleburn Town Centre Transformation Project

## Employee Costs

Employee costs includes wages and salaries and other associated costs such as superannuation and workers compensation. Increases in labour and on-costs are composed of several elements. These include changes to employee numbers, salary system increments, Local Government Award increments and additional costs associated with position reclassifications.

The employee costs for 2023-24 and forward budgets have been adjusted to take into account anticipated Local Government Award wage movements and salary system skills progression.

The plan reflects annualised gross wage increases up to 2.0% over the life of the plan. Any plans for changes to employee numbers or reclassifications will be required to be part of the Workforce Management Plan with supported funding.

The 2023-24 Operational Plan will support the existing organisational structure that will meet a new set of priorities in strengthening our organisation to deal with future challenges and the growth of our city.

In 2009-10, the Local Government Superannuation Defined Benefits Scheme doubled the normal contribution rate required to be paid by Council in order to sustain the viability of the fund due to the Global Financial Crisis (GFC). The increased payments will continue for several years and have added approximately \$238,100 per year to operational costs.

## Materials and Contracts

Materials expenses have been adjusted in line with an inflation factor on average at 2.5%. Contracts expenses have been adjusted with a growth factor of up to 2.6% to match historical trends.

## Depreciation

Depreciation estimates have been based on the projected capital expenditure program contained within the plan. The forward budget also takes into account the estimates of periodic revaluations of infrastructure assets and is directly impacted by the Asset Management Plan. This brings to account the impact of rising replacement costs of assets. The recognition of such assets and any capital expenditure on new assets will increase the depreciation costs. This will further impact on Council's operating results, however, will not affect the annual budget considerations as depreciation is a non-cash item. Council's depreciation methodology utilises long and medium depreciation rates for infrastructure assets.

## Borrowing Costs

Borrowing costs represents the interest paid on borrowings. There are no future external borrowings factored into this Plan, rather an internal borrowing strategy for \$2.50m in the first year reducing by \$250k per year to fund recurrent capital expenditure. This will reduce the external borrowing costs paid per annum, being debt free by 2024-25. This strategy will increase Council's capacity to borrow externally through the State Borrowing Facility for major stand-alone capital projects and support intergenerational equity principals.

## Other Expenses

Other expenses incorporate items such as insurance, telecommunication and utility charges. The plan includes a default CPI increase of up to 2.5% for the majority of items however this rate is adjusted where an analysis of historical growth rates materially differs.

## Challenges

### COVID 19 Implications

At the time of writing the LTFP, Council's operations are returning to normal pre Covid 19 levels however is impacted by a noticeable general increase in operating expenses.

## Financial Position

### Financial Sustainability

For councils to meet the service and infrastructure needs of their communities, they need to be financially sustainable. The NSW Treasury Corporation (TCorp) defined a financially sustainable council as one that, over the long-term, is able to generate sufficient funds to provide the level and scope of services and infrastructure, agreed with its community through the Integrated Planning and Reporting process.

In considering the issue of financial sustainability, TCorp and the Office of Local Government (OLG) have established what they consider to be a concise definition, that being:

A local government will be financially sustainable over the long-term when it is able to generate sufficient funds to provide the levels of service and infrastructure agreed with its community

### Financial Ratios

It is important that Council regularly assesses its financial performance and position against the projections contained in the LTFP. As part of this process Council needs to determine what factors it will monitor on a regular basis. It is proposed that these factors include the following:

- Sustainability - That Council can generate sufficient funds over the long-term to provide the agreed level and scope of services and infrastructure for communities as identified through the Integrated Planning and Reporting process. The future sustainable management of Campbelltown's infrastructure assets is critical for the development and overall wellbeing of the community.

- Effective Infrastructure and Service Management - That Council can maximise the return on resources and minimise unnecessary burden on the community and business, while working strategically to leverage economies of scale and meet the needs of communities as identified in the Integrated Planning and Reporting process.
- Liquidity - Liquidity is a key factor in the viability of any organisation, regardless of whether it is in the commercial or government sectors. The ability to meet short term funding requirements and obligations is equally relevant to a Council as it is to any business. Council monitors the short term funding requirements daily and produces cash flow estimates on both a short term and long-term basis. This monitoring and forecasting informs Council's investment strategies and decisions to ensure that adequate liquidity is maintained. Council will also, as part of the reserves strategy, continue to provide for adequate levels of reserves to fund less predictable outlays, such as major employee leave entitlement payments.

The cash and expense coverage ratio tests the unlikely situation where Council will no longer receive any additional cash inflow and how many months it will be able to continue to meet its immediate expenses.

	Ratio	What does it measure?	Benchmark
<b>Sustainability</b>	Operating Performance Ratio	Council's achievement in containing operating expenditure within operating revenue	> or equal to break-even (0%)
	Own Source Operating Revenue Ratio	fiscal flexibility and the degree of reliance on external funding sources such as grants and contributions	>60%
	Building and Infrastructure Asset Renewal Ratio <sup>1</sup>	Assess the rate at which these assets are being renewed against the rate at which they are depreciating	>100%
<b>Effective Infrastructure and Service Management</b>	Infrastructure Backlog Ratio	Indicates the proportion of backlog against the total value of Council's infrastructure assets	<2%
	Asset Maintenance Ratio	Reflects the actual asset maintenance expenditure relative to the required asset maintenance	100%
	Debt Service Ratio	Assesses the impact of loan principal and interest repayments on discretionary revenue	Between 0% and 10%
<b>Liquidity</b>	Unrestricted Current Ratio	Assesses the ability to meet short term obligations as they fall	>1.5%
	Cash and Expense Coverage Ratio	Indicates the number of months Council can continue paying for its immediate expenses without additional cash inflow	≥ 3 months

Refer to key financial indicators section of the document for more information.

<sup>1</sup>This ratio uses depreciation as the denominator and ignores the calculated renewal funding requirement under lifecycle costing of an asset as modelled in Council's Asset Management Plans. However, this ratio is used by the Local Government Code of Accounting Practice and is also a Fit for the Future measure, hence why it has been published as part of this plan.

## Sensitivity Analysis and Risk Management

In preparing this LTFP, it was necessary for Council to make a number of assumptions about the future. Under the Office of Local Government’s Planning and Reporting Guidelines for Local Government in NSW, Council is required to identify the planning assumptions and the risks of those assumptions (sensitivity analysis) to financial estimates in the LTFP.

The following tables identify significant forecasting assumptions, describe the risk in making such an assumption, rate the level of risk, give reason for the risk rating and explain how that level of risk may affect financial estimates in the plan.

Many of the planning assumptions will come from the Community Strategic Planning process, others will be derived from general financial planning practices.

Category	Assumption	Risk	Level of risk	Reason for level of risk, and impact on Long-Term Financial Plan
<b>Population</b>	Planning for activities, and thus the likely cost of providing those activities, considers that the population of Campbelltown will increase at the rate forecast by Council’s growth model. That model predicts the population of Campbelltown to reach 231,530 by 2031	That population growth is higher than projected, and Council will need to provide additional unplanned services and infrastructure though will yield additional rates	Low	Population projections are based on a standard set of demographic assumptions inclusive of additional growth. Population projections are not expected to rapidly change, therefore the level of risk is low and little financial impact is expected
		That population growth is lower than projected, and Council will be required to support excess levels of infrastructure and service delivery based on growth happening outside of the LGA which provides no rates yield	Low	

Category	Assumption	Risk	Level of risk	Reason for level of risk, and impact on Long -Term Financial Plan
<b>Growth</b>	Council levies rates on property owners to fund community services and the costs of infrastructure in the city. The total projected revenue from rates is dependent on the forecast growth in the number of residential, business, farmland and mining properties. This forecast is based on Council's growth model, modified for short to medium term economic conditions and depends on the demands of the market	Should growth in the number of properties vary considerably from forecasts, there is a possibility that revenue collected from rates will be too much or too little to fund Council's services and capital program	Moderate	Growth projections are based on a standard set of demographic assumptions inclusive of additional growth. Growth projections are not expected to change quickly, however the timing of that growth and its impact on Council's revenue will affect the funds available for service provision in this Long-Term Financial Plan
		If the timing of growth differs significantly from forecast, this will impact on Council's cash flows and may necessitate changes to planned borrowings for capital purposes	Moderate	
<b>Economic environment</b>	Council has prepared this Long-Term Financial Plan on the basis that current predictions on the rate of growth in world market conditions will remain low over the medium to short term.	The current market conditions significantly decline impacting on cost of borrowing, returns on investments and cost of foreign currency transactions.	Low	Projections built into this Long-Term Financial Plan factor in Council paying all external borrowings by 2025. Council manages the risk in the interim by borrowing long-term and fixing the interest rate. The income derived from investments comprises around 2% of total revenue so changes in this amount is not likely to materially impact on Council's financial viability. It should also be noted that Council does not engage in transactions expressed in foreign currencies and is therefore not directly subject to foreign currency risk.

Category	Assumption	Risk	Level of risk	Reason for level of risk, and impact on Long -Term Financial Plan
<b>Environmental change</b>	This Long-Term Financial Plan is prepared on the assumption that environmental change (i.e. climate change) will not have a direct significant impact on the environment of Campbelltown within the 10 year Long-Term Financial Plan	Environmental change accelerates	Low	Should environmental impacts significantly change such that the environment and economy of Campbelltown is greatly affected in the next 10 years, the activities and services outlined in the Long-Term Financial Plan will fundamentally change. These changes would be reflected in an amended Long-Term Financial Plan
<b>Legislative change</b>	Council will continue to operate within the same general legislative environment and with the same authority as it does at the time this Long-Term Financial Plan is published.	Should the Local Government legislative environment change, the services and functions Council plans to provide over the 10 year period could change	Moderate	At the time of adopting this Long-Term Financial Plan, Council is unable to determine how potential significant legislative change might impact its operations or quantify the potential financial impact.
<b>Statutory fees</b>	Based on historical trends, statutory fees are assumed to increase by an average of 2.75% per year	That statutory fees increase by less than the assumed rate	Low	Statutory fees make up slightly less than 3% of Council's revenue base and as such identified a low level of financial impact
<b>Service levels</b>	Service levels largely remain the same throughout the Long-Term Financial Plan	Requirement of service levels to increase	Moderate	The provision of current service levels requires 100% of current income streams. Any increase in service levels requires sourcing of new/increased income streams or the reduction of another service level to offset. The Billabong Parklands forecast operational costs have been factored into this model from FY23 onwards.



Category	Assumption	Risk	Level of risk	Reason for level of risk, and impact on Long -Term Financial Plan
<b>Rating base</b>	The projected percentage increase in rates is in accordance with the estimated annual determination by the Independent Pricing and Regulatory Tribunal under delegation by the Minister for Local Government. The rate peg determination for 2023-24 is 4.1%. The increases in rates for years from 1 July 2024 include the assumption that the annual determination will be 2%-3%. This will generate additional income of approximately \$2m each year.	The Ministerial rate determination is less than 2%	High	Variations between the forecast and the actual rate peg by every 0.5% would result in an average shortfall of \$500k per annum
	Redevelopment of Housing NSW estates will occur outside predicted timeframes	The redevelopment occurs at an increased pace than anticipated	Moderate	Any redevelopment of an estate with Housing NSW properties will impact the plan during the demolition and rebuilding phase due to vacant land being exempt from rates. Once rebuilt, the properties will be rateable again. Market forces will determine the speed at which the development occurs and as such, it is anticipated to extend beyond the 10 year period reflected in this Long-Term Financial Plan
	Development of the plan assumes that the current level of rate exemptions remain constant	The scope for increased entitlement to exemptions	High	Community Housing Providers that meet the Public Benevolent Institution criteria may be exempt from paying land rates to local councils. The impact on Council's revenue could potentially be up to \$5m dependent upon applicants meeting appropriate criteria

Category	Assumption	Risk	Level of risk	Reason for level of risk, and impact on Long -Term Financial Plan
<b>Domestic waste management</b>	The plan assumes the Domestic Waste Charge will increase on average by 5% per year due to possible significant increases to the Domestic Waste Disposal contract	On renewal of the disposal or collection contracts, contractor prices increase greater than 5%	Low	The Domestic Waste Charge is calculated based on pure cost recovery of service provision. Therefore an increase in the contractors cost will be directly offset by an increase in the annual charge. The impact on residents of a 5% increase is approximately \$20 per year per assessment
<b>Council policy</b>	There will be no significant changes to Council policy as summarised in this Long-Term Financial Plan	New legislation is enacted that requires a significant policy response from Council	Low	Dealing with changes in legislation is part of normal Council operations, however impact on resources will be assessed and will increase the exposure to further resource requirements
		Election of a new Council with different objectives from current Council	Moderate	Any proposed significant change to Council policy would be assessed in terms of impact on Council's financial position
<b>Financial assistance grants</b>	The Long-Term Financial Plan assumes Council's financial assistance grant will experience no growth.	Changes to amount of grant or variation to assessment criteria equating to a reduction in Council's allocation	Moderate	Every 1% the Financial Assistance Grant movement is below target equates to around \$100k. Council is not informed of their Financial Assistance Grant allocation until approximately August of the same financial year. Council is not informed of allocations beyond the one year period however have been advised metro Councils may see decreases in coming years due to a redistribution review to Regional and Rural Councils.
<b>Inflation</b>	The price level changes projected will occur. In developing this Long-Term Financial Plan, Council has based inflation projections at an average 2.5% per annum	Inflation is higher or lower than anticipated	Low	Inflation is affected by external economic factors
		Inflation on costs will not be offset by inflation on revenues	Moderate	Any inflationary increase in Council's costs that is not offset by efficiency gains or revenue increases is likely to impact service levels and works programmed

Category	Assumption	Risk	Level of risk	Reason for level of risk, and impact on Long-Term Financial Plan
<b>Borrowing costs</b>	Interest on debt is known and calculated according to the fixed rate contract. Council assumes no further Local Infrastructure Renewal Scheme rounds to be available. Council has proposed to borrow internally from reserves and meet repayments incorporating an interest rate subject to market lending conditions and Council's financial position.	Interest rates will vary from those projected	Low	Relates to projected new external debt at anticipated new interest rates. Existing borrowings are fixed term interest rates and as such, interest expense and repayments are known. If the actual interest rates are higher than the assumed rate, it should be noted it will be hedged by increased interest on investments and property rental revenue. As Council proposes to borrow internally for recurrent capital works without new external borrowings forecast interest rate fluctuations will not impact this Plan.
<b>Return on investments</b>	Interest on investments is calculated at around 3% on average for the life of this plan.	Interest rates will vary from those projected	Moderate	Rates used are based on detailed analysis. If actual interest rates are lower than the assumed rate, expenditure priorities would be re-evaluated or alternative funding mechanisms utilised. Council is looking for opportunities for diversification including increasing returns from commercial property investments in order to mitigate the reliance on interest on financial instrument investments.
<b>Asset revaluations</b>	The impact of asset revaluations on carrying values and depreciation will occur as projected	Revaluations will materially differ from those projected, thereby changing projected carrying values of the assets and depreciation expense	Moderate	Variations in values is expected to remain consistent subject to fluctuations in market conditions.
<b>Asset life</b>	Useful life of assets is as recorded in the asset management plans or based on professional advice. The useful life of assets grouped by asset class	Assets wear out earlier than estimated or asset lives are changed due to revisions of the asset management plans or new advice	Moderate	Capital renewal could be brought forward in the event of early expiration of assets, but depreciation expense and financing costs would increase

Category	Assumption	Risk	Level of risk	Reason for level of risk, and impact on Long-Term Financial Plan
<b>Depreciation and amortisation</b>	Assumes maintenance of existing arrangements for the purchase and sale of assets. Directly impacted by Council's Asset Management Strategy and the impact of any revaluation in asset classes. This Plan forecasts depreciation based on a straight line methodology for long and medium life infrastructure assets.	Methodology does not realise the anticipated result	Moderate	Council does not fund depreciation and amortisation of assets. As such, the changes in depreciation will not impact Council's budget, however, will be reflected on Council's income statement and will also impact the Operating Performance Ratio, Building and Infrastructure Asset Renewal Ratio and Real Operating Expenditure per capita result.
<b>Contract rates</b>	Re-tendering of major contracts will not result in significant cost increases other than those that are comparable with the rate of inflation	There is a significant variation in price from re-tendering contracts	Moderate	Council would review the scope of work planned to meet the budget restrictions
	The plan has factored in a 5% increase in disposal charges for Domestic Waste collected	There is a significant variation to the current contract or a new contract is negotiated	Moderate	The Domestic Waste Charge is calculated based on pure cost recovery of service provision. Therefore an increase in the contractors cost will be directly offset by an increase in the annual charge. The impact on residents of a 1% increase is approximately \$4 per year per assessment
<b>Capital works</b>	Actual costs will vary from estimates, due to higher input prices or delivery delays, resulting in budget shortfalls	Asset renewal and replacement budgets have been prepared on the basis that future the rate peg of 2% is determined by the Minister and all current sources of funding remain available	Moderate	Council is confident in the planning work undertaken on capital projects, but recognises external economic factors may impact on the costs and delivery timeframes for capital works

Category	Assumption	Risk	Level of risk	Reason for level of risk, and impact on Long-Term Financial Plan
<b>Superannuation</b>	In 2013 the Federal Government announced changes that will gradually increase the Superannuation Guarantee Levy from 9% to 12%. This Plan reflects the proposed increases onto the future years with the Yr1 rate at 11%.	That employee costs increase more than projected	Moderate	As Council is a service provider, employee costs are a large portion of operating expenses. A 2.5% increase in employee costs is estimated to increase superannuation costs by \$150k
<b>Energy-utilities</b>	The plan assumes an energy increase of 4% per year. This accounts for price and usage based increases offset by sustainability projects savings and is in line with the seven year historical growth rate.	That utility costs increase more than projected	Moderate	An increase of 1% above forecasts would increase utility costs by less than \$30k
<b>Cost shifting</b>	The issue of cost shifting has, in recent years, been of significant concern to councils in NSW and all over Australia. In the most recent published report by Local Government NSW Council estimates the total cost shifting for Council to be \$8.1m.	That new or increased services and functions are transferred to Local Government responsibility	Moderate	Governments continue to transfer responsibilities and the associated costs for the provision of services to Local Government, this will have negative implications for Campbelltown's long-term financial outlook. Cost shifting absorbs around 5% of Council's operational income.
<b>Employee costs</b>	The staffing and organisation structure remains constant	Changes to levels of service	Moderate	As Council is a service provider, employee costs are a large portion of operating expenses. Forecasting assumptions used are based on expected Local Government Award variations and performance based increases. An increase of 1% above forecasts would increase 2023-24 employee costs by circa \$800k (equivalent to less than 1% of rates)

## Scenario 1

# Key Financial Indicators

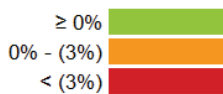
## Sustainability

### Indicator #1 - Operating performance measure

#### Indicator Title: Operating Performance Ratio

Indicator Definition: Net continuing operating result (excluding capital grants and contributions) / Total continuing operating revenue (excluding capital grants and contributions)

Benchmark:



Year ended	June 2024	June 2025	June 2026	June 2027	June 2028	June 2029	June 2030	June 2031	June 2032	June 2033
	(0.46%)	(1.43%)	(0.03%)	0.99%	1.00%	1.01%	1.02%	1.04%	1.06%	1.08%
	Orange	Orange	Orange	Green	Green	Green	Green	Green	Green	Green

#### Operating Performance Measure Explained

Measures a Council's ability to contain operating expenditure within operating revenue.

A ratio of less than negative 3% is undesirable (Red) between 0% and negative 3% is fair (Orange) greater than or equal to 0% (break even) is good (Green)

#### Commentary

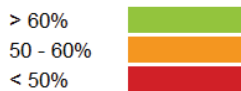
It is important to note that this indicator is heavily impacted by depreciation and the split of capital works v operational expense that is dispersed during any one year. Depreciation is an accounting measure of the estimated reduction in asset value over time. Rather than the basic calculation of depreciation, Council funds the total asset renewal and maintenance required according to detailed lifecycle modelling of each individual asset and in alignment with Council's Asset Management Plans. Council's short term sustainability is better reflected by reference to the Unrestricted Current Ratio and Own Source Revenue Ratio. Council's longer term sustainability can also be supported by the improved infrastructure backlog ratio.

### Indicator #2 - Own Source Revenue

#### Indicator Title: Own Source Revenue Ratio

Indicator Definition: Total continuing operating revenue (excluding all grants and contributions) / Total continuing operating revenue

Benchmark:



Year ended	June 2024	June 2025	June 2026	June 2027	June 2028	June 2029	June 2030	June 2031	June 2032	June 2033
	65.22%	63.55%	63.66%	65.52%	78.79%	79.13%	81.57%	81.85%	82.13%	82.41%
	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green

#### Own Source Revenue Measure Explained

This ratio measures fiscal flexibility and robustness. It is the degree of reliance on external funding sources such as operating grants and contributions. A Council's financial flexibility improves the higher the level of its own source revenue. It also gives Council a greater ability to manage external challenges that arise.

#### Commentary

Council forecasts to exceed the benchmark for Own Source Revenue in the long-term. This displays Council's ability to control operating performance and support financial sustainability.


Council's performance in this ratio is heavily impacted by developer contributions that are excluded as own source revenue and are significant in value.











## Indicator #3 - Cash Liquidity Position after accounting for external reserves

**Indicator Title:** Unrestricted Current Ratio

**Indicator Definition:** Current Assets less Externally Restricted Current Assets / Current Liabilities less Specific Purpose Current Liabilities



**Benchmark:**

Greater than 2:1	
Between 1:1 and 2:1	
Less than 1:1	

Year ended	June	June	June	June	June	June	June	June	June	June
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	5.42	6.20	6.51	7.23	7.95	8.64	9.32	9.95	10.55	11.14
										

### Cash Liquidity Position Measure Explained

Shows Council's ability to meet debt payments as they fall due.

A ratio of less than one is undesirable  between one and two is fair  and greater than two is good 




Council's forecasted cash liquidity position will remain above two over the next 10 years. This is mainly due to Council's strong internal reserves.












## Indicator #4 - Borrowing and Debt Servicing

**Indicator Title:** Debt Service Ratio

**Indicator Definition:** Cost of debt service (interest expense and principal repayments) / Total continuing operating revenue (excluding capital grants and contributions)




**Benchmark:**

> 0% - 10%	
10% - 20%	
> 20%	

Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
June	June	June	June	June	June	June	June	June	June	June
2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2033
0.66%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
										

### Debt Service Ratio Measure Explained

This measure reflects the percentage of annual revenue required to meet annual loan repayments. Prudent debt usage can also assist in smoothing funding costs and promoting intergenerational equity.

A ratio of greater than 20% is undesirable  Between 10% and 20% is fair  and less than 10% is good 

### Commentary

Council's ability to service its debt is excellent.











## Indicator #5 - Cash Expense Coverage

**Indicator Title:** Cash Expense Cover Ratio

**Indicator Definition:** (Current year's cash and cash equivalents + term deposits / Payments from cash flow of operating and financing activities)\*12

**Benchmark:**

≥ 3 Months   
 < 3 months 

Year ended	June 2024	June 2025	June 2026	June 2027	June 2028	June 2029	June 2030	June 2031	June 2032	June 2033
	14.8	16.0	16.8	18.1	19.5	20.8	22.0	23.2	24.3	25.3
										

### Building and Asset Renewal Expenditure Measure Explained

This ratio compares the proportion spent on infrastructure asset renewals and the asset's deterioration in terms of depreciation.

A ratio of less than 100% is undesirable  while a ratio of 100% or greater is desirable 

### Commentary



This liquidity ratio indicates the number of months Council can continue paying for its immediate expenses without additional cash inflow.











## Indicator #6 - Building and Asset Renewal

**Indicator Title:** Building and Asset Renewal Ratio

**Indicator Definition:** Asset renewals (building and infrastructure) / Depreciation, amortisation and impairment (building and infrastructure)

**Benchmark:**

≥ 100%   
 Less than 100% 

Year ended	June 2024	June 2025	June 2026	June 2027	June 2028	June 2029	June 2030	June 2031	June 2032	June 2033
	109.74%	79.25%	80.16%	80.59%	79.86%	79.19%	78.58%	80.53%	80.00%	79.53%
										

### Building and Asset Renewal Expenditure Measure Explained

This ratio compares the proportion spent on infrastructure asset renewals and the asset's deterioration in terms of depreciation.

A ratio of less than 100% is undesirable  while a ratio of 100% or greater is desirable 

### Commentary

This ratio also uses the accounting measure of depreciation as the required spend on renewing Council's assets per annum. Depreciation is an accounting measure and does not reflect any condition ratings and at best only reflects a residual value. Council undertakes much more complex modelling using current condition assessments of assets to determine actual funding required over the life of each individual asset. Council is currently funding 100% of renewal requirements in strict accordance with the Asset Management Plans. This will result in complete elimination of the infrastructure renewal backlog within a 10 year period. It is also important to note Campbelltown City Council received a 'Strong' Infrastructure Management Assessment rating by the Office of Local Government in the 'Local Government Infrastructure Audit' June 2013.

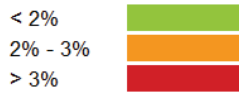


## Indicator #7 - Infrastructure Backlog

**Indicator Title:** Infrastructure Backlog Ratio

**Indicator Definition:** Estimated cost to bring assets to a satisfactory condition / Total (WDV) of infrastructure, buildings, other structures, depreciable land, and improvement assets

**Benchmark:**



Year ended June 2024	Year ended June 2025	Year ended June 2026	Year ended June 2027	Year ended June 2028	Year ended June 2029	Year ended June 2030	Year ended June 2031	Year ended June 2032	Year ended June 2033
0.58%	0.29%	0.26%	0.24%	0.28%	0.40%	0.58%	0.41%	0.28%	0.23%
<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>

### Infrastructure Backlog Measure Explained

The infrastructure backlog ratio indicates the proportion of backlog against the total value of Council's infrastructure assets. It is a measure of the extent to which asset renewal is required to maintain or improve service delivery in a sustainable way. This measures how Council is managing infrastructure which is so critical to effective community sustainability.

A ratio of greater than 3% is undesirable ■ Between 2% and 3% is fair ■ and less than 2% is good ■

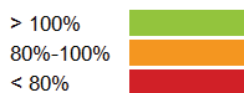
### Commentary

In 2014-15 Council implemented a long-term asset renewal strategy funded by a special rate variation and loan borrowings. The success of this funding strategy is reflected within this ratio that directly addresses Council's infrastructure backlog and provides adequate funding on an annual basis to support the required asset maintenance and renewals. As a result, Council's Infrastructure backlog is projected to be eliminated within the 10 year period.

## Indicator #8 - Asset Maintenance

**Indicator Title:** Asset Maintenance Ratio

**Indicator Definition:** Actual asset maintenance / Required asset maintenance



Year ended June 2024	Year ended June 2025	Year ended June 2026	Year ended June 2027	Year ended June 2028	Year ended June 2029	Year ended June 2030	Year ended June 2031	Year ended June 2032	Year ended June 2033
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>	<span style="color: green;">■</span>

**Benchmark:**

### Asset Maintenance Measure Explained

The asset maintenance ratio reflects the actual asset maintenance expenditure relative to the required asset maintenance. The ratio provides a measure of the rate of asset degradation (or renewal) and therefore has a role in informing asset renewal and capital works planning.

A ratio of less than 80% is undesirable ■ Between 80% and 100% is fair ■ and greater than 100% is good ■

### Commentary

In 2014-15 Council implemented a long-term asset renewal strategy funded by a special rate variation and loan borrowings. This success of this funding strategy is reflected within this ratio that directly addresses Council's annual required maintenance and provides adequate funding to ensure appropriate condition of assets is maintained.

## Scenario Modelling

This LTFP presents long-term projections based on various assumptions. As it is difficult to accurately predict all future trends, alternative scenarios have been modelled to help provide an indication of Council's future financial position under a variety of circumstances. The statements of all scenarios are presented in this plan however only the ratios for the base scenario have been presented.

## Base Scenario

The base scenario forms the basis of Council's LTFP. It is based on a range of assumptions which are considered most likely to occur over the next 10 years based on an assessment of current economic conditions and historical trends. Whilst this scenario does not represent a pessimistic view of future trends, it does encompass a degree of conservatism in modelled growth rates in expenditure and revenue.

# Financial Statements

## Income Statement – Base Model

	Year Ended									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)
<b>Income from continuing operations</b>										
Rates and Annual Charges	135,615	142,347	148,842	155,641	160,067	164,625	169,319	174,154	179,134	184,264
User Charges and Fees	16,906	17,818	18,662	19,355	19,830	20,322	20,829	21,353	21,894	22,451
Grants and contributions for operation purposes	33,001	25,374	25,559	25,812	26,162	26,518	26,883	27,255	27,635	28,022
Capital Grants, Subsidies & Contributions	60,355	79,690	83,333	78,742	28,828	28,914	21,969	22,057	22,146	22,236
Interest and Investment Revenue	5,107	5,619	5,432	5,396	5,454	5,513	5,573	5,634	5,696	5,758
Rental Income	9,369	9,602	9,847	10,094	10,598	11,128	11,685	12,269	12,882	13,526
Net Gain from Disposal of Assets	0	0	0	0	0	0	0	0	0	0
Other Revenues	8,081	7,756	7,981	8,175	8,375	8,579	8,788	9,003	9,223	9,448
<b>Total income from continuing operations</b>	<b>268,433</b>	<b>288,207</b>	<b>299,656</b>	<b>303,215</b>	<b>259,313</b>	<b>265,599</b>	<b>265,045</b>	<b>271,724</b>	<b>278,609</b>	<b>285,706</b>
<b>Expenses from continuing operations</b>										
Employee Costs	91,670	94,492	97,360	99,860	102,357	104,915	107,538	110,227	112,983	115,807
Materials and Contracts	43,141	43,130	44,220	45,465	46,562	47,685	48,837	50,016	51,225	52,464
Borrowing Costs	75	23	0	0	0	0	0	0	0	0
Depreciation	31,808	32,284	32,766	33,256	34,005	34,771	35,555	36,358	37,180	38,020
Other Expenses	42,339	41,566	42,039	43,659	45,261	46,930	48,667	50,477	52,362	54,326
<b>Total Operating Expenses</b>	<b>209,033</b>	<b>211,494</b>	<b>216,385</b>	<b>222,240</b>	<b>228,184</b>	<b>234,301</b>	<b>240,597</b>	<b>247,078</b>	<b>253,749</b>	<b>260,617</b>
<b>Operating result from continuing operations</b>	<b>59,401</b>	<b>76,713</b>	<b>83,271</b>	<b>80,975</b>	<b>31,129</b>	<b>31,298</b>	<b>24,448</b>	<b>24,647</b>	<b>24,860</b>	<b>25,089</b>
<b>Net operating result for the year before grants and contributions provided for capital purposes</b>	<b>(955)</b>	<b>(2,977)</b>	<b>(62)</b>	<b>2,233</b>	<b>2,301</b>	<b>2,384</b>	<b>2,480</b>	<b>2,590</b>	<b>2,714</b>	<b>2,852</b>

# Balance Sheet – Base Model

	Year Ended											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	
<b>Current Assets</b>												
Cash and Investments	220,629	241,051	256,356	285,361	314,990	345,213	376,038	406,562	437,696	469,449		
Receivables	15,589	16,112	16,633	17,172	17,622	18,085	18,560	19,049	19,550	20,065		
Inventories	471	483	495	507	520	533	546	560	574	588		
Other	-	-	-	-	-	-	-	-	-	-		
<b>Total Current Assets</b>	236,689	257,646	273,484	303,040	333,132	363,831	395,145	426,170	457,820	490,102		
<b>Non-Current Assets</b>												
Receivables	-	-	-	-	-	-	-	-	-	-		
Inventories	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920		
Infrastructure, Property, Plant and Equipment	2,774,613	2,841,123	2,920,793	2,984,509	2,997,831	3,010,765	3,016,286	3,022,347	3,028,051	3,033,405		
Investments	-	-	-	-	-	-	-	-	-	-		
<b>Total Non-Current Assets</b>	2,777,533	2,844,043	2,923,713	2,987,429	3,000,751	3,013,685	3,019,206	3,025,267	3,030,971	3,036,325		
<b>Total Assets</b>	3,014,221	3,101,689	3,197,197	3,290,469	3,333,883	3,377,516	3,414,351	3,451,437	3,488,790	3,526,427		
<b>Current Liabilities</b>												
Payables	15,099	15,096	15,477	15,913	16,297	16,690	17,093	17,506	17,929	18,362		
Provisions	21,849	22,396	22,956	23,529	24,118	24,721	25,339	25,972	26,621	27,287		
Borrowings	1,015	-	-	-	-	-	-	-	-	-		
Contract Liabilities												
<b>Total Current Liabilities</b>	37,964	37,491	38,432	39,442	40,414	41,410	42,431	43,478	44,550	45,649		
<b>Non-Current Liabilities</b>												

# Balance Sheet – Base Model cont.

	Year Ended										
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)
<b>Current Assets</b>											
Creditors	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846
Provisions	745	745	745	745	745	745	745	745	745	745	745
Borrowings	-	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591
<b>Total Liabilities</b>	41,555	41,082	42,023	43,033	44,005	45,001	46,022	47,069	48,141	49,240	
<b>Net Assets</b>	2,972,667	3,060,607	3,155,173	3,247,436	3,289,877	3,332,514	3,368,329	3,404,368	3,440,649	3,477,187	
<b>Equity</b>											
Accumulated Surplus	1,246,479	1,313,123	1,391,885	1,454,669	1,467,036	1,478,992	1,483,511	1,488,543	1,493,193	1,497,468	
Asset Revaluation Reserve	1,726,188	1,747,483	1,763,289	1,792,766	1,822,841	1,853,522	1,884,818	1,915,825	1,947,456	1,979,719	
<b>Total Equity</b>	2,972,667	3,060,607	3,155,173	3,247,436	3,289,877	3,332,514	3,368,329	3,404,368	3,440,649	3,477,187	

# Statement of Cash Flows – Base Model

	Year Ended										
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)	\$(,000)
<b>Cash Flows from Operating Activities</b>											
- Receipts	208,078	208,517	216,323	224,473	230,485	236,685	243,077	249,667	256,463	263,469	
- Adjustments - Receivables	(1,684)	(535)	(532)	(551)	(463)	(476)	(489)	(502)	(515)	(529)	
- Payments	(177,225)	(179,210)	(183,619)	(188,984)	(194,179)	(199,530)	(205,042)	(210,720)	(216,570)	(222,597)	
- Adjustments - Payables	9,836	542	941	1,010	972	996	1,021	1,046	1,072	1,099	
<b>Net Cash provided by/(used in) Operating Activities</b>	<b>39,005</b>	<b>29,314</b>	<b>33,113</b>	<b>35,947</b>	<b>36,815</b>	<b>37,675</b>	<b>38,568</b>	<b>39,492</b>	<b>40,450</b>	<b>41,442</b>	
<b>Cash Flows from Investing Activities</b>											
Receipts - Capital Grants/Subsidies/Contributions/ Sale of Asset	41,947	69,707	74,457	69,857	19,969	20,082	20,196	20,312	20,429	20,547	
Receipts - Sale of Investments	0	0	0	0	0	0	0	0	0	0	
Payments - Purchase of Investments	0	0	0	0	0	0	0	0	0	0	
Payments - CapEx on Renewal/Replacement of Assets	(66,400)	(77,584)	(92,265)	(76,800)	(27,155)	(27,534)	(27,938)	(29,280)	(29,745)	(30,237)	
<b>Net Cash Used in Investing Activities</b>	<b>(24,453)</b>	<b>(7,877)</b>	<b>(17,808)</b>	<b>(6,943)</b>	<b>(7,186)</b>	<b>(7,452)</b>	<b>(7,742)</b>	<b>(8,968)</b>	<b>(9,316)</b>	<b>(9,689)</b>	
<b>Cash Flows from Financing Activities</b>											
Receipts - Borrowings	0	0	0	0	0	0	0	0	0	0	
Payments - Principal Repayments	(1,304)	(1,015)	0	0	0	0	0	0	0	0	
<b>Net Cash Used in Financing Activities</b>	<b>(1,304)</b>	<b>(1,015)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Increase/(Decrease) in cash assets held</b>	<b>13,249</b>	<b>20,422</b>	<b>15,306</b>	<b>29,004</b>	<b>29,629</b>	<b>30,223</b>	<b>30,825</b>	<b>30,524</b>	<b>31,134</b>	<b>31,753</b>	
<b>Cash and cash equivalents at beginning of reporting period</b>	<b>207,380</b>	<b>220,629</b>	<b>241,051</b>	<b>256,356</b>	<b>285,361</b>	<b>314,990</b>	<b>345,213</b>	<b>376,038</b>	<b>406,562</b>	<b>437,696</b>	
<b>Cash, cash equivalents and investments at end of reporting period</b>	<b>220,629</b>	<b>241,051</b>	<b>256,356</b>	<b>285,361</b>	<b>314,990</b>	<b>345,213</b>	<b>376,038</b>	<b>406,562</b>	<b>437,696</b>	<b>469,449</b>	



