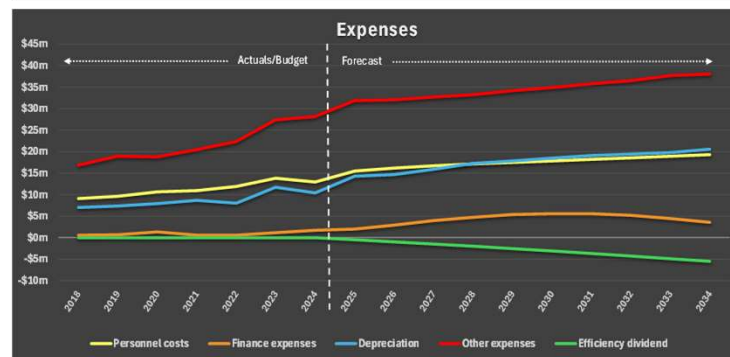
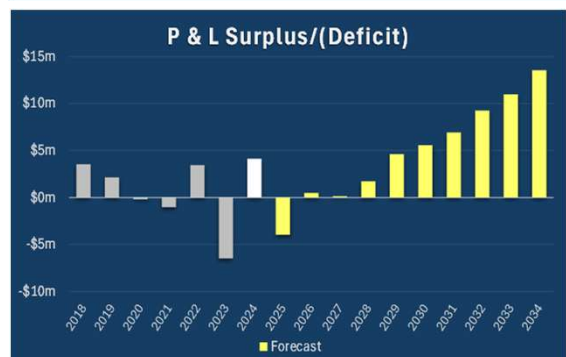
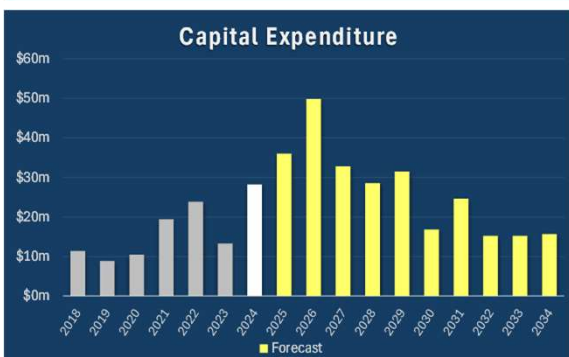
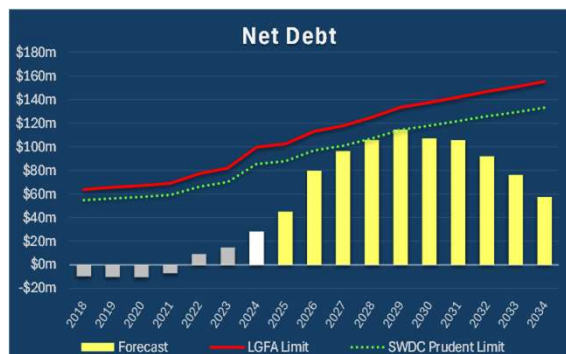
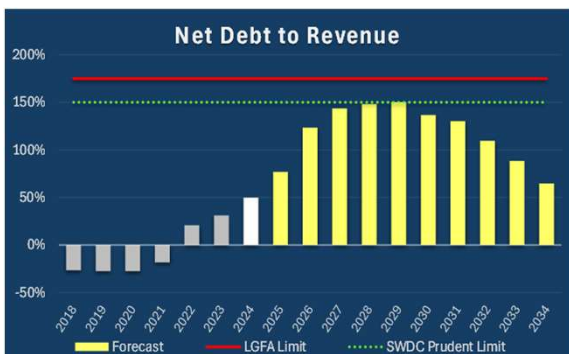
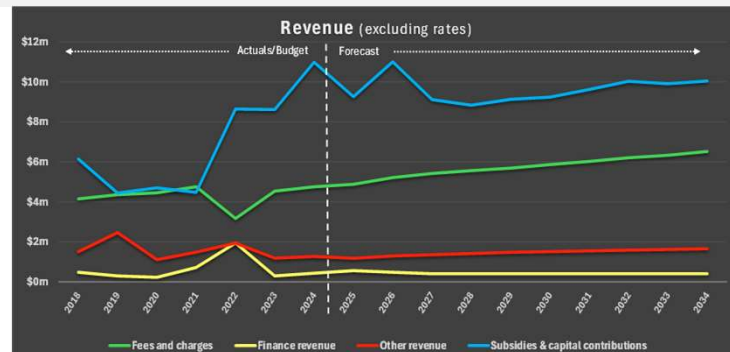
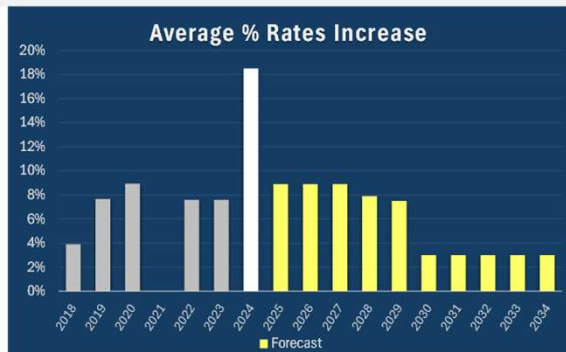
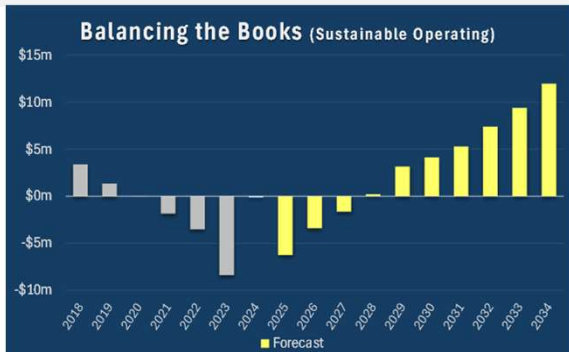


FINANCIAL STRATEGY MODEL INFORMATION

PROPOSED LONG TERM PLAN BUDGET

\$000's	LTP year 1 2025	LTP year 2 2026	LTP year 3 2027	LTP year 4 2028	LTP year 5 2029	LTP year 6 2030	LTP year 7 2031	LTP year 8 2032	LTP year 9 2033	LTP year 10 2034
Rates % increase (average to existing ratepayers)	8.9%	8.9%	8.9%	7.9%	7.5%	3.0%	3.0%	3.0%	3.0%	3.0%
Revenue										
Rates revenue	44,191	48,254	52,690	57,006	61,448	63,465	65,555	67,714	69,945	72,248
less Rates to SWDC properties	(947)	(1,029)	(1,121)	(1,210)	(1,300)	(1,339)	(1,379)	(1,421)	(1,463)	(1,507)
Forecast Growth in the Rating Base	120	130	142	155	168	181	187	193	199	206
Total Rates	43,363	47,355	51,711	55,952	60,316	62,306	64,362	66,486	68,680	70,947
Development and financial contributions	690	705	722	739	755	771	787	803	819	834
Subsidies and grants - capital	3,997	5,843	3,856	3,453	3,540	3,602	3,886	4,160	3,972	4,037
Subsidies and grants - operating	4,569	4,451	4,533	4,640	4,833	4,863	4,944	5,067	5,115	5,172
Fees and charges	4,877	5,210	5,421	5,560	5,685	5,861	6,020	6,206	6,327	6,516
Finance revenue	560	480	400	400	400	400	400	400	400	400
Other revenue	1,172	1,290	1,353	1,412	1,477	1,510	1,543	1,584	1,618	1,654
Total Revenue	59,229	65,335	67,996	72,154	77,006	79,314	81,942	84,706	86,932	89,561
Expenditure										
Personnel costs	15,482	16,193	16,721	17,162	17,505	17,855	18,212	18,577	18,948	19,327
Finance expenses	2,006	2,923	3,993	4,732	5,378	5,586	5,587	5,194	4,441	3,559
Depreciation	14,291	14,657	15,900	17,286	17,841	18,486	19,101	19,454	19,771	20,568
Other expenses	31,883	32,044	32,718	33,237	34,188	34,894	35,792	36,493	37,702	38,039
Efficiency dividend	(474)	(960)	(1,469)	(1,987)	(2,536)	(3,089)	(3,673)	(4,259)	(4,908)	(5,488)
Total Expenditure	63,188	64,857	67,863	70,431	72,376	73,732	75,019	75,460	75,954	76,005
Net Surplus/(Deficit)	(3,959)	478	133	1,724	4,629	5,581	6,923	9,246	10,978	13,555
Balancing the Books (Sustainable Operating)										
Remove capital revenue										
Development and financial contributions	(690)	(705)	(722)	(739)	(755)	(771)	(787)	(803)	(819)	(834)
add back Interest on development contribution debt	75	100	100	100	100	100	100	100	100	100
Capital subsidies and grants	(3,997)	(5,843)	(3,856)	(3,453)	(3,540)	(3,602)	(3,886)	(4,160)	(3,972)	(4,037)
add back Capital Subsidies on Roading Renewals	2,301	2,557	2,699	2,565	2,722	2,821	2,923	3,012	3,095	3,183
Balancing the Books surplus/(deficit)	(6,270)	(3,414)	(1,646)	197	3,156	4,129	5,273	7,395	9,383	11,966
Net Debt										
Net surplus/(deficit)	(3,959)	478	133	1,724	4,629	5,581	6,923	9,246	10,978	13,555
add back Depreciation	14,291	14,657	15,900	17,286	17,841	18,486	19,101	19,454	19,771	20,568
plus Asset sales or other one-off receipts	8,965	-	-	193	197	201	206	210	214	218
less Capital expenditure (gross ex vested)	(36,023)	(49,838)	(32,843)	(28,552)	(31,473)	(16,860)	(24,623)	(15,214)	(15,256)	(15,661)
Net Debt (increase)/decrease	(16,726)	(34,703)	(16,810)	(9,349)	(8,806)	7,409	1,607	13,696	15,707	18,680
Cash and Investments										
LGFA Borrower Notes	1,525	2,375	2,750	3,000	3,225	3,025	2,975	2,625	2,225	1,750
Other Cash and Liquid Investments	15,300	13,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300
Total Cash and Investments	16,825	15,675	14,050	14,300	14,525	14,325	14,275	13,925	13,525	13,050
Debt										
Opening Debt	52,859	61,810	95,363	110,548	120,148	129,179	121,570	119,913	105,867	89,760
Cash & Investments Movement	(7,775)	(1,150)	(1,625)	250	225	(200)	(50)	(350)	(400)	(475)
Debt Movement	16,726	34,703	16,810	9,349	8,806	(7,409)	(1,607)	(13,696)	(15,707)	(18,680)
Closing Debt	61,810	95,363	110,548	120,148	129,179	121,570	119,913	105,867	89,760	70,604
Net Debt	44,985	79,688	96,498	105,848	114,654	107,245	105,638	91,942	76,235	57,554
Revenue (excluding development and financial contibutions)	58,539	64,629	67,274	71,416	76,251	78,543	81,155	83,903	86,113	88,726
Net Debt to Revenue	77%	123%	143%	148%	150%	137%	130%	110%	89%	65%

FINANCIAL STRATEGY MODEL INFORMATION PROPOSED LONG TERM PLAN BUDGET GRAPHS



FINANCIAL STRATEGY MODEL INFORMATION

PROPOSED LONG TERM PLAN VARIABLES & ASSUMPTIONS

	LTP year 1 2025	LTP year 2 2026	LTP year 3 2027	LTP year 4 2028	LTP year 5 2029	LTP year 6 2030	LTP year 7 2031	LTP year 8 2032	LTP year 9 2033	LTP year 10 2034
Rates % increases to apply										
Total rates	8.9%	8.9%	8.9%	7.9%	7.5%	3.0%	3.0%	3.0%	3.0%	3.0%
Total rates (cumulative)	8.9%	18.6%	29.1%	39.3%	49.8%	54.3%	58.9%	63.7%	68.6%	73.7%
Growth in the rating base	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Inflation										
Operating - general	2.9%	2.2%	2.3%	2.3%	2.2%	2.1%	2.0%	2.0%	1.9%	1.9%
Operating - personnel	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Capital	3.0%	2.2%	2.4%	2.3%	2.2%	2.1%	2.1%	2.0%	2.0%	1.9%
Operating - general (cumulative)	2.9%	5.2%	7.6%	10.1%	12.5%	14.8%	17.1%	19.5%	21.7%	24.1%
Operating - personnel (cumulative)	0.0%	2.0%	4.0%	6.1%	8.2%	10.4%	12.6%	14.9%	17.2%	19.5%
Capital (cumulative)	3.0%	5.3%	7.8%	10.3%	12.7%	15.1%	17.5%	19.8%	22.2%	24.5%
Interest										
Interest on debt	4.15%	4.20%	4.25%	4.45%	4.65%	4.80%	5.00%	5.00%	5.00%	5.00%
Return on investments	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
LGFA borrower notes										
LGFA borrower notes (% of LGFA debt)	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Policy targets										
Debt to revenue - LGFA limit	175%	175%	175%	175%	175%	175%	175%	175%	175%	175%
Debt to revenue - policy targeted maximum	150%	150%	150%	150%	150%	150%	150%	150%	150%	150%
Efficiency dividend										
Efficiency dividend	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Efficiency dividend (compounding)	1.00%	2.01%	3.03%	4.06%	5.10%	6.15%	7.21%	8.29%	9.37%	10.46%