Council Ordinary Meeting 21 October 2021



This updated Long Term Financial Plan 2021-2031 was adopted by Council at its Ordinary Meeting held XXXX, following consideration of comments or submissions received from public exhibition and consultation with the community.

Page | 1

## Table of Contents Rates Harmonisation .......5 ......7 Asset Ownership, Management and Renewal......7 External Factors 8 Interest Rates .......8 Baseline Scenario - Primary Financial Reports ......9 Assumptions 14 Grant Programs 18 Indicators 19

# **Updated Long-Term Financial Plan October 2021**

Council's current Long-Term Financial Plan (LTFP) has been reviewed to inform the community engagement around the potential introduction of a Special Rate Variation (SRV) from 2022/23. The updated LTFP is provided for public exhibition to assist the community in their understanding of matters relevant to long-term financial sustainability.

The Integrated Planning & Reporting (IP&R) documents were adopted by Council in June 2021. Council is currently preparing its new Community Strategic Plan, Resourcing Strategy, Delivery Program and Operational Plan for adoption by the newly elected Council for the next IP&R cycle beginning 2022/23. Specifically, Council's Delivery Program expired at the end of 2020/21, but due to the delayed Council election is currently being relied on for service delivery. The Delivery Plan is not being updated at this stage as it needs to be informed by the Community Strategic Plan. The Long-Term Financial Plan forms part of the Resourcing Strategy and is required to be updated prior to a possible application for a Special Rate Variation (SRV) to IPART.

### Introduction

The Long-Term Financial Plan (LTFP) is a planning and decision-making tool that shows the long-term financial impacts of Council's decisions based on a set of assumptions. It is a requirement under the Integrated Planning and Reporting (IP&R) framework for NSW Local Government. Snowy Valleys Council's LTFP is an important and central part of Council's strategic planning process that spans a rolling 10-year period and is a document that is intended to remain flexible. The LTFP is reviewed and updated at least annually.

The three key elements of the LTFP correspond to Council's primary financial reporting documents, namely the income statement, the statement of financial position and the statement of cash flows. The income statement (or profit and loss statement) details Council's operating revenue and expenditure associated with ongoing activities with a focus on the operating result which shows whether Council is spending more or less than it earns. The statement of financial position (or balance sheet) details changes in Council's assets and liabilities. The statement of cash flows details where Council plans to generate and spend its cash in operating (ongoing) activities and capital programs (renewals, upgrades and new assets).

The key focus of this updated LTFP is Council's general fund which includes all activities except for water supply and wastewater businesses, which are accounted for separately under National Competition Policy requirements. The LTFP has been updated in October 2021 specifically to address the consequences of a potential introduction of an SRV. A baseline scenario is provided and an SRV scenario outlines the changes that will be achieved from the baseline scenario if an SRV is introduced.

Council's Water Supply and Wastewater Funds are included for information, but these have not been updated from the previously adopted LTFP (Council 17 June 2021).

### 1. Key Financial Sustainability Objectives

Council recognises that the principles of sound financial management in the NSW Local Government Act (chapter 3, section 8B) emphasise two key elements:

 Responsible and sustainable spending (aligning general revenue and expenses and achieving a small operating surplus); and

Page | 3

 Responsible and sustainable infrastructure investment (adequate provision in maintenance and renewal).

Assumptions informing the SRV scenario for the general fund have been developed with the primary aim of achieving an operating surplus in the long-term.

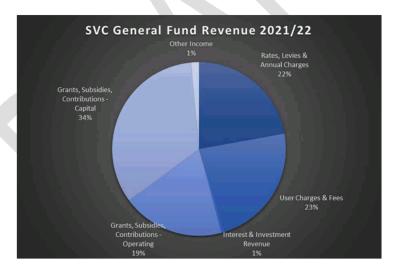
Council also ensures it provides sufficient funding for renewal of existing assets based on an analysis of renewal requirements as set out in its Service Management Plans. Because its assets are in good condition, Council proposes to keep its renewal program stable, but may revise this forecast following a needs analysis in consultation with users.

In addition to the above, Council aims to maintain sufficient cash, manage its debtors, maintain its debt within acceptable limits and to keep the typical residential bill for water and wastewater services as low as possible and stable over the long term. Initial modelling has been undertaken to assess the need for changes.

# 2. Key Items of Operating Revenue and Expenditure

This section is unchanged from the previously adopted LTFP. The annual budget 2021/22 will be reviewed quarterly and presented to Council in the Quarterly Budget Reviews.

The following charts summarise the key areas of revenue and expenditure associated with operational programs in Council's 2021/22 budget for the **General Fund**:



Council expects to receive 45% of its revenue from rates, levies, annual charges and user charges and fees. 53% of revenue is expected to result from operational and capital grants, which for 2021/22 includes \$9.9M grant from Softwoods and \$9.5 in bushfire recovery / economic stimulus funding. The remaining 2% of revenue are from investment returns and other income streams.

10.6 Attachment 1 Page 187

Page | 4



Council expenditure on employee benefits is expected to comprise 37% of total expenditure. Materials, contracts, and other expenses that are used in direct inputs to operations will make up 41% and depreciation 22%. Interest payments on outstanding loans are below 1% of total expenditure.

## 3. Rates Harmonisation

Council approved the structure of its harmonised rates across its local government area after extensive community consultation. From the financial year 2021/22 Council levies general rates within four rating categories, residential, business, farmland, and mining. Details are available in the Revenue Policy and on Council's website.

## 4. Special Rate Variation

A Special Rate Variation (SRV) applied to residential and business land in the former Tumut Shire and expired on 30 June 2020. To date no additional SRV has been imposed. However, it is evident that Council is unable to continue to provide services at current levels, maintain and renew its infrastructure and continue to replace ageing community assets within the currently available revenues without posting ongoing operational deficits.

The SRV scenario (second below) includes a proposed new and permanent SRV from 2022/23 onwards to allow Council to:

- maintain current service levels,
- fund ongoing maintenance,
- fund renewal of infrastructure assets.
- increase capacity to renew deteriorating assets,
- · ensure and improve financial sustainability,
- deliver key priorities in the Community Strategic Plan and Delivery Program, and
- reduce reliance on external grant funding for asset renewals.

The SRV scenario includes a compounded SRV of 32.25% including the IPART rate peg introduced in two steps of 15% over two years. Each step is made up of the IPART prescribed 2.5% rate peg plus 12.5% additional increase in the financial years 2022/23 and

Page | 5

2023/24. The baseline scenario has been forecast without an SRV. Council believes that an SRV is unavoidable unless service levels are considerably reduced across the Council area.

Between July and September 2021 Council undertook extensive community engagement around a potential SRV to establish community understanding and willingness to accept an SRV to allow Council to return to a sustainable operating model. A report outlining this engagement and the feedback received is presented to Council at its ordinary meeting on 21 October 2021. A further phase of community engagement will be undertaken following this meeting to allow Council to make an informed decision prior to Council's submission to the Independent Pricing & Regulatory Tribunal (IPART).

### 5. Baseline Scenario

The assumptions that inform the baseline scenario are detailed below. The baseline scenario extrapolates from the 2021/22 operational budget. The primary financial reports for the scenario follow the discussion of assumptions. It is important to remember that the LTFP is subject to uncertainties and change including changes due to uncontrollable events such as legislative changes, natural disasters, and economic shocks.

### Rates and User Fees & Charges

Rates, Fees and Charges increase in line with assumed CPI. However, in the future Council utilities charges may change at a different rate depending on service level plans and infrastructure needs.

Commercial works revenue is included in fees & charges revenue, albeit at a reduced level from year 3 due to ongoing uncertainty over commercial works contracts.

### Grants and other External Funding

Operational grant funding is assumed to remain at current levels. Council will pursue funding with a preference for operational funding. Any new and upgrade proposals to service levels and asset infrastructure are reviewed prior to funding submission and recommendations are based on whole-of-life costing, community benefit and affordability in the long-term. Financially unsustainable projects will not be pursued.

### **Employee Costs and Organisational Structure**

Council's organisational structure budget reflects all current positions. It is based on the restructured administration that was put in place in November 2019. Further organisational structure reviews are expected and will have an impact on future planning.

Employee costs make up 37% of consolidated Council ongoing expenses. The overall salaries and wages budget is \$17.9M for the financial year 2021/22. Cost decreases resulted from a recent restructure and from a shift in accounting for some employees (primarily those working in the Infrastructure Works division) from operational activities to capital activities, particularly grant-funded construction projects. Cost increases result from mandated wage increases under the Local Government Award and staff moving through the Award structure. Historically, award increases have been higher than CPI and the allowable increase in rates revenue under the rating peg. Statutory increase in superannuation contributions come into effect during the next 5 years.

### Materials & Contracts and Other Inputs

Materials and contracts make up 28% and other operational inputs 12% of Council ongoing expenses. These costs are assumed to increase in line with CPI.

Page | 6

### Population Growth Projections

Overall population growth is forecast to be less than 1%. Due to the minor forecast, the LTFP has been prepared based on a no-net population change basis.

### Indexation

Base indexation of assumed CPI of 2% has been used except for employee expenses to which an assumed index of 2.5% has been applied.

### Asset Ownership, Management and Renewal

Council is seeking to maximise the useful life of all assets and aims to achieve this by adequately funding maintenance and renewals. Council continues to manage assets in accordance with its adopted Asset Management Plans within budget constraints. Council owned/controlled assets receive priority spending and Council will continue to review circumstances that have an impact on strategy, including condition assessment protocols, determining remaining asset lives and service levels.

The forecast expenditure is insufficient to meet the cost of predicted asset renewals risking declining levels of asset conditions leading to more costly replacements, reductions in service levels and a backlog of renewals. Council is fully utilising the revenue from Roads to Recovery and other State and Commonwealth grants to fund renewals and maintenance activities. A key assumption in the LTFP is that capital works are at least partially linked to external grant funding. Council may need to identify additional income sources and/or reduce the service levels provided should the level of grant funding decrease in future years,

### Depreciation

Depreciation makes up 22% of consolidated Council operating expenses. By the end of the 10-year forecast period, depreciation is expected to rise to 24%. The forecast assumes no significant valuation movements that would affect the current charges and the method for applying useful lives. There is potential to reduce depreciation by disposing of underutilised assets, and such a move will need to be considered in consultation with users.

Council's stormwater drainage assets were being revalued in the financial year 2020/21. This did not result in a change to depreciation expenses.

### Service Levels

Council is currently undertaking a comprehensive service level review and preparing new and updated Service Management Plans (SMP). Corporate overhead costs and, where applicable, identified direct costs will be recovered from all services, capital projects and commercial works to avoid cross-subsidisation of services.

All services are being evaluated for community benefit, delivery costs, full-cost recovery, community service obligations and alternative delivery options. In engagement with the community, Council will identify services the private sector may be better placed to efficiently deliver and low-value services for reduction, divesting and rationalisation. Services that promise highest value to the community and are financially sustainable will be prioritised and those services that draw excessively on Council resources will be considered for reduction. Maintenance management systems and plans are aligned with preferred service levels and funding opportunities.

### **Natural Disasters**

The LTFP assumes that Natural Disaster impacts on public infrastructure will be funded from State / Commonwealth natural disaster arrangements. However, the recent bushfire crisis has shown that in the case of a major disaster, these funding arrangements are inadequate to cover all costs to Council and result in cash flow management issues. No allowance has been made for future disaster events, however, if Council achieves its financial sustainability goals, it will be much better placed to respond should a major disaster affect the area. The

Page | 7

baseline scenario leaves no room for this. Disaster funding is not received for Water and Wastewater Infrastructure, Public Open Space and Recreational Facilities, damage to which must be funded from available reserves or be covered under insurance arrangements.

### **External Factors**

In the past few years financial assistance grants have been partially prepaid. While this has a negative effect (reduction in income) on the operating budget of the following year, the fact that it has occurred on a regular basis has resulted in minimal impact against forecast income. All scenarios assume that all grant funding will be received during the financial year it has been allocated.

#### Interest Rates

Due to the ongoing economic uncertainty a conservative approach has been taken for the initial two years. For the following years, a slightly higher return has been assumed.

### **External Borrowings**

Council currently holds several external loans against water, wastewater, caravan park and building assets. At this stage only one future loan is forecast within the LTFP (Water Fund). Loans will be considered in future where required and beneficial to Council's cash flow management.

### **Implications**

The baseline scenario shows an operating deficit after capital grants for all 10 years. The importance of the implications of an ongoing operating deficit forecast in this scenario cannot be overstated. Over the next 10 years the general fund cumulative deficit \$40 million and the consolidated cumulative deficit reaches \$35 million. General fund cash holdings reduce by \$16 million, to well below the level of cash required for ongoing operations. It will also result in deteriorating infrastructure assets due to the inability to fund required renewals. This scenario fails to meet the key principle of financial sustainability to achieve a balanced result.

Council's sustainability cannot be maintained if grant funding reduces. Over the longer term, as assets which are currently in good condition deteriorate, Council will need to increase its investment in replacements and to do so, it will need to draw on its operating income and its reserves unless additional grant funding can be sourced. The baseline scenario shows no room to achieve this.

Without taking measures to increase revenue and decrease expenditure, Council will not be able to afford the provision of the level of services and infrastructure it currently provides to the community. Such a course of action will also fail to meet the key principle of financial sustainability regarding intergenerational equity where Council is unable to maintain its infrastructure assets as required.

## Baseline Scenario – Primary Financial Reports

Following are the reports for Council's General Fund, Water Supply Fund and Wastewater Fund and a consolidated model incorporating all three.



Page | 9

| Reser set owned and drugen  1. 15.0 1.00 1.00 1.00 1.00 1.00 1.00 1.   |   | Base Case  | 2021    | 2022      | 2023     | 2024     | 2025    | 2026     | 2027     | 2028    | 2029     | 2030    | 2031    |
|--|---|--|---------|-----------|----------|----------|---------|----------|----------|---------|----------|---------|---------|
| No.   Part   P   | No.   Process and Accommon   1,100   1,207   1,106   1,107   1,109   1,107   1,109   1,107   1,109   1,107   1,109  |  |         |           |          |          |         |          |          |         |          |         |         |
| Interest and instructure removal months of the information of the info   | Interest and restations removal  Proportion of the second   | Rates and annual charges   | 9,581   | 9,757     | 9,997    | 10,243   | 10,448  | 10,657   | 10,870   | 11,088  | 11,310   | 11,536  | 11,76   |
| Descriptions of contributions - Operating   255   256   257   257   258   257   258  | The restance of the first power of the service of t  | Jser charges and fees  | 13,205  | 12,927    | 13,186   | 13,450   | 13,719  | 13,993   | 14,273   | 14,558  | 14,849   | 15,146  | 15,44   |
| Earnes and contributions—Capital  19.353 19.707 27.02 1.704 1.705  | Trans and controlucions—copusal (a) 1.255   |  |         |           |          |          |         |          |          |         |          |         | 45      |
| increase and control-increases. Capital of 1959   1959   1970   1   | increase and control c  |  |         |           |          |          | .,,     |          |          |         |          |         | 4,94    |
| The gas from the displaced of seasons   68   1   | The gas from the disposal of salests  |  |         |           |          |          |         |          |          |         |          |         |         |
| Treat income continuing apperations  | The and income will be come of the come of  |  |         | 17,875    | 7,710    | 1,744    | 1,779   | 1,814    | 1,851    | 1,888   | 1,926    | 1,964   | 2,00    |
| Treatment contensing apprenium (Pagement in Control   | Treat Power Comment (19,115) 33,7% (19,129) 31,864 (12,11) 43,055 (13,88) 43,725 (13,584 (14,525) 44,534 (14,525) 44,535 (14,524) 44,535 (14,5  |  | (6)     | - :       |          |          |         | - :      |          |         |          |         |         |
| Expension from continuing operations  (2) 1,527 14,537 14,657 10,051 15,59 15,27 12,22 15,22 17,2  17,   | Temples from continuing operations  (2) 1,322   13,527   14,625   15,059   15,159   15,227   12,221   16,627   17,022   | onare of interest in joint ventures                                |         |           |          |          |         |          |          |         |          | -       |         |
| Treplayme hereiffs and concess  19.50   19.50   14.237   4.255   1.005   1.254   1.253   1.252   1.627   1.754   1.255    19.50   10.50   10.50   10.50   1.005   1.00   | Exemply and concents and concents    15.50   18.50   1  | Total Income   | 63,115  | 55,791    | 46,839   | 41,684   | 42,218  | 43,045   | 43,889   | 44,752  | 45,634   | 46,535  | 47,45   |
| Second content   | Secretary   Secr  |  |         |           |          |          |         |          |          |         |          |         |         |
| Namerius and centrestes  21,725   9,144   9,327   9,344   1,725   9,050   1,023   1,034   1,035   1,054   1,056   1,056   1,054   1,146   1,14   | Namerica and contractes   |  |         |           |          |          |         |          |          |         |          |         |         |
| Depresention and amentration on the finding and amentration on the finding and amentration on the finding and assets 1 2.00  | Depressions and amentication on all angular programment   |  |         |           |          |          |         |          |          |         |          |         |         |
| mparament   1  | magamented   1  |  |         |           |          |          |         |          |          |         |          |         |         |
| These regimens   | 2006   2,000   2,00   |  | 6,131   | 0,769     | 9,724    | 10,104   | 10,566  | 10,390   | 10,605   | 11,024  | 11,244   | 11,409  | 11,0    |
| Treat from the disposal of auents  Total Expenses  \$5,000  \$5, | Treat for some the disposal of auests  Salpos 39,697 41,272 42,226 43,338 44,272 45,227 45,227 46,220 42,222 42,22 46,220 47,220 41,222 46,220 47,220  |  | 165     | 7,613     | 7,765    | 7,921    | 8,079   | 8.241    | 8,406    | 8,574   | 8.745    | 8,920   | 9.0     |
| International Position - General Fund  | tier Operating Result  5,055 16,133 5,567 (242) (1,139) (1,227) (1,385) (1,685) (1,687) (1,487  |  | 2,284   |           |          |          |         |          |          | -       | -        | -       |         |
| International Position - General Fund  | tier Operating Result  5,055 16,133 5,567 (242) (1,139) (1,227) (1,385) (1,685) (1,687) (1,487  | Total Expenses   | 58,060  | 39,657    | 41,272   | 42,426   | 43,338  | 44,272   | 45,227   | 46,203  | 47,202   | 48,222  | 49,20   |
| iet generating result before grants and entributions provided for capital proposes (9,289) (1,742) (2,143) (2,489) (2,899) (3,042) (3,189) (3,339) (3,893) (3,693) (3,   | iet generating result before growth and omenthishorine provided for capital proposes  |  |         |           |          | (747)    | 44.4300 |          | 44 3340  |         |          |         |         |
| Statement of Financial Position - General Fund   Provided   Prov   | Statement of Financial Position - General Fundament   Commission   C  | vet Operating Result   | 5,055   | 16,133    | 5,567    | (74Z)    | (1,120) | (1,227)  | (1,338)  | (1,451) | (1,567)  | (1,687) | (1,80   |
| Statement of Financial Position - General Fund  Blass Case    2021   2022   2023   2023   2023   2024   2023   2026   2023   2020   202   | Statement of Financial Position - General Fund  Statement of Financial Position - General Fund  Statement of Financial Position - General Fund  Statement Case    2021   2022   2023   2024   2025   2027   2028   2029   2030   2030   |  | (5,289) | (1,742)   | (2,143)  | (2,486)  | (2,899) | (3,042)  | (3,189)  | (3,339) | (3,493)  | (3,651) | (3,81   |
| Comment sections   | Comment sections  |  |         |           | (0,215)  | (4).00)  | (epro)  | (2)0 12) | (-)      | (4,5-4) | (0)      | (-)     | (-)     |
| Content seasons (  | Content seasons ( ) 13.075 33.342 33.242 33.047 18.018 18.075 17.987 17.918 17.916 17.956 17.58 17.687 18.018 19.075 19.075 17.018 17.916 17.956 17.58 17.01  |  |         |           | 2000     | 2024     | 2025    | 2022     |          | 2011    | 2011     | 2014    | 200     |
| Cast and maintenamente  11,055   33.42   33.42   33.47   31.45   31.75   31.78   31.75   31.76   37.76   37.96   | Cast and membraneries  11.055   33.42   33.42   33.47   31.45   31.75   17.86   77.76   |  | 2021    | 2022      | 2023     | 2024     | 2025    | 2026     | 2027     | 2028    | 2029     | 2030    | 2031    |
| mentanters 92 137 140 143 146 140 152 155 156 161 1 3 160 160 170 170 170 170 170 170 170 170 170 17   | mentantemes  92 137 140 143 146 149 1512 151 151 151 151 161 171 151 151 151 151 151 151 151 151 15   | Cash and investments   |         |           |          |          |         |          |          |         |          |         | 17,5    |
| Section   Sect   | Section   Sect  |  |         |           |          |          |         |          |          |         |          |         |         |
| Securitaria property part and equipment   5,000   5,   | Section   Sect  |  |         |           |          |          |         |          |          |         |          |         | 3       |
| Securitaria property part and equipment   5,000   5,   | Section   Sect  | Total current assets   | 25.109  | 41.470    | 41.541   | 27.490   | 27.254  | 27.078   | 26.959   | 26 962  | 26.996   | 27.095  | 27.2    |
| meatmented 5,000 5   | metermentes 5,000   |  | 23,203  | 42,470    | 42,542   | 27,490   | 87,834  | 27,070   | 24,333   | 20,500  | 20,550   | 27,000  | 27,0    |
| Necesionals  | Interioristics  |  | 5,000   | 5.000     | 5.000    | 5.000    | 5.000   | 5.000    | 5.000    | 5,000   | 5.000    | 5.000   | 5,0     |
| Infrastructure, property, part and equipment  \$42,516 \$77,295 \$96,897 \$22,858 \$37,206 \$51,997 \$66,322 \$81,000 \$69,999 \$71,1143 \$78,6 intergrise laciats  of control references \$46,642 \$1.0 \$1.0 \$1.0 \$1.0 \$1.0 \$1.0 \$1.0 \$1.0   | Infrastructure, property, part ent on equipment infrastructure, property  |  | 11      | 12        | 13       | 13       | 13      | 13       | 14       | 14      | 14       | 14      |         |
| meatoment poperty  300 340 340 340 340 340 340 340 340 340   | metament poperty  |  |         |           |          |          |         |          |          |         |          |         | 736.6   |
| International control  | International control relations (1997)  Totals non-current sessists  M. M. 462 S00,781 G00,424 G18,865 462,377 69,278 (1971)  Totals non-current sessists  M. M. 462 S00,781 G00,424 G18,865 462,377 69,278 (1971)  Total relational control rela  | nrestructure, property, plant and equipment<br>investment property |         |           |          |          |         |          |          |         |          |         | 7,20,40 |
| Set  | Trails in convent seases   \$44,402   \$50,745   \$60,745   \$60,745   \$61,757   \$61,745   \$71,105   \$66,445   \$71,446   \$78,475   \$71,75   \$62,231   \$41,585   \$65,755   \$65,755   \$60,535   \$60,635   \$60,645   \$71,446   \$78,475   \$79,375                           | ntangible assets   |         |           | -        |          | -       |          |          |         |          |         |         |
| Treated Asserts 973,571 622,223 641,985 655,796 669,881 691,590 689,666 721,044 728,479 784,1785 789,1000 789,1   | Treat Anothe  \$73,371   \$22,232   \$44,985   \$65,795   \$66,881   \$64,190   \$88,666   \$73,444   \$728,479   \$74,175   \$79,100    \$79,9100   \$47,964   \$1,954   \$1,954   \$1,977   \$2,022   \$2,087   \$2,154   \$2,182   \$2,20   \$2,20   \$2,231   \$2,30   \$2,250   \$2, |  |         | -         | -        |          |         | - 4      | -        | -       | -        |         |         |
| Coment inabilities 7,761   | Coment inabilities 7,761  |  |         |           |          |          |         |          |          |         |          |         |         |
| Psychiate   9,764   1,964   1,997   2.042   2,087   2,134   2,132   2,230   2,201   2,311   2,132   2,200   2,311   2,132   2,200   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,000   2,311   2,132   2,131   2,132   2,131   2,132   2,131   2,132   2,131   2,132   2,131   2,132   2,131   2,132   2,131   2,132   2,131   2,132   2,131   2,132   2,131   2,132   2,132   2,131   2,132   2,132   2,132   2,133   2,132   2,133  | Psymbolics   3,784   1,994   1,997   2,042   2,087   2,134   2,182   2,230   2,280   2,331   2,3 narrowner excived an advance   8,629   |  | 573,571 | 622,231   | 641,965  | 655,795  | 669,831 | 684,150  | 698,668  | 713,443 | 728,479  | 743,725 | 759,1   |
| Income received in Anhance   | Received in Advance   |  | 3.764   | 1 954     | 1 997    | 2.042    | 2.087   | 2 134    | 2 182    | 2.230   | 2 280    | 2 3 3 1 | 2.31    |
| Procession   5,000   3,916   4,014   4,115   4,218   4,225   4,431   4,542   4,655   4,772   4,875   | Processions 5,000 3,016 4,014 4,115 4,218 4,322 4,451 4,542 4,555 4,772 4,8 1 1,000   | income received in advance   | 8,629   | 8,629     | 8,629    | 8,629    | 8,629   | 8,629    | 8,629    | 8,629   | 8,629    | 8,629   | 8,62    |
| Total current liabilities 17,622 14,772 14,930 15,068 15,115 15,288 15,390 15,501 15,601 15,670 15,843 12,0 Reno-current liabilities 7,875 paties 2,451 (279) (279) (179   | Total conversit siabilities  17,623   | Borrowings   |         |           |          |          |         |          |          |         |          |         | 11      |
| Representation   Repr   | Representation in the property of the property  |  | _       | .,,       | -        | 9444     |         |          |          |         |          |         |         |
| Psychology   | Psychiats   |  | 17,623  | 14,772    | 14,920   | 15,058   | 15,125  | 15,285   | 15,390   | 15,501  | 15,670   | 15,045  | 16,0    |
| Scriowings   2,431   (273)   (279)   (273)   (111)   (197)   (149)   (100)   (106)   (112)   (149)   (100)   (106)   (120)   (120)   | Scriowings   2,431   (273)   (279)   (273)   (191)   (197)   (149)   (100)   (106)   (112)   (149)   (100)   (100)   (112)   (149)   (100)   (100)   (112)   (149)   (100)   (100)   (112)   (149)   (100)   (100)   (112)   (149)   (100)   (100)   (120)  |  |         |           |          |          | -       |          |          | -       | -        |         |         |
| Total non-current fishifisies  | Total inon-current fishifisies  | Borrowings   |         |           |          |          |         |          |          |         |          |         | (1)     |
| Total Labilities 22,212 16,657 16,799 14,044 17,092 17,244 37,400 17,559 17,722 17,490 18,0 NET ASSITS \$\$1,359 605,574 625,167 638,981 652,739 666,906 631,269 695,984 73,0757 738,985 741,1  Equity   | Total Labilities 22,212 16,657 16,799 14,044 17,092 17,244 37,400 17,559 17,722 17,490 18,0 NET ASSITS \$\$1,359 605,574 625,167 638,981 652,739 666,906 631,269 695,984 73,0757 728,495 741,1  Equity  |  | 2,158   | 2,158     | 2,158    | 2,158    | 2,158   | 2,158    | 2,158    | 2,158   | 2,158    | 2,158   | 2,15    |
| STATE   SST, 1859   605,574   625,167   638,851   627,379   666,806   611,269   695,884   710,757   725,835   741,156   741,257   741,   | STATE   SST, 1859   605,574   625,167   638,851   627,379   666,806   641,269   695,884   710,757   725,835   741,156   741,257   741,  |  |         |           |          |          |         |          |          |         |          |         | 2,0     |
| Equity   476,965   493,099   488,666   497,924   496,804   495,576   494,239   492,787   491,220   489,534   487,77  | Equity   476,965  |  |         |           |          |          |         |          |          |         |          |         |         |
| Accomutated aurgrus  476,095 489,099 886,666 497,92/4 498,048 495,756 498,239 492,787 491,220 489,534 492,77  INTERVALEDUTY  551,359 695,574 613,167 613,851 652,739 666,906 681,269 695,884 710,757 725,885 741,1  Statement of Cash Flows - General Fund  Basic Case  2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031  Cash Rows from operating activities Rows from Operating State and Annual Property Rows from Operating State Sta   | Accomutated aurgrus  476,095 489,099 886,666 497,92/4 498,048 495,756 494,239 492,787 491,220 489,534 492,77  INTERVINENTIAL EQUITY  551,359 675,74 613,167 613,851 652,739 666,006 681,269 695,884 710,757 725,885 741,1  Statement of Cash Flows - General Fund  State Case  2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031  Cash flows from operating activities flowards flowards flowards from operating activities flowards from from financing activities flowards flowa  | NET ASSETS   | 551,359 | 605,574   | 625,167  | 638,851  | 652,739 | 666,906  | 681,269  | 695,884 | 710,757  | 725,835 | 741,1   |
| Total Equation reserves   74,944   112,475   126,501   440,927   155,935   171,330   197,030   203,097   219,537   236,301   253,3   257,001   253,3   253,001   253,3   253,001   253,3   253,001   253,3   253,001   | Total Equation reserves   74,944   112,475   126,501   440,927   155,935   171,330   187,030   203,097   219,537   258,301   253,3   257,007   200,007   219,537   258,301   253,3   207,007   200,007   219,537   258,301   253,3   207,007   200,007   219,537   258,301   253,3   207,007   200,007  | Equity   |         |           |          |          |         |          |          |         |          |         |         |
| Statement of Cash Flows - General Fund   | Statement of Cash Flows - General Fund  |  |         |           |          |          |         |          |          |         |          |         |         |
| Statement of Cash Flows - General Fund    2021   2022   2023   2024   2025   2026   2027   2028   2029   2030   2031   | Statement of Cash Flows - General Fund    2021   2022   2023   2024   2025   2026   2027   2028   2029   2030   2031  |  | . 444   | 4,004,000 |          | 4.14     |         |          |          | ,       |          | ,       |         |
| Cash flows from operating activities   | Cash flows from operating activities  | I U I AL EQUITY  | 551,359 | 605,574   | 625,167  | 638,851  | 652,739 | 666,906  | 681,269  | 695,884 | 710,757  | 725,835 | 741,1   |
| Cash flows from operating activities (missing)  Rates and arrival drivings (missing)  Rates of missing activities  Rates of missing  | Cash from premium activatives (missing services)  Relates and arrival drivings (missing services)  Relates (missing services)  R  | Statement of Cash Flows - Genera                                   | Fund    |           |          |          |         |          |          |         |          |         |         |
| Name  | Name   |  | 2021    | 2022      | 2023     | 2024     | 2025    | 2026     | 2027     | 2028    | 2029     | 2030    | 2031    |
| National and contributions 9, 550, 18, 757 9, 9997 10, 249 10, 448 10, 557 10, 670 11, 688 11, 310 11,   | National designation (1997)  National designa  |  |         |           |          |          |         |          |          |         |          |         |         |
|  | 1.5     |  | 9,581   |           |          |          |         |          |          |         |          | 11.536  | 11,7    |
| Section   Sect   | Greets and contributions  35,678  26,615  18,665  18,122  18,065  18,122  18,120  18,1  | User charges and fees  | 8,277   | 16,878    | 13,018   | 13,278   | 13,559  | 13,830   |          | 14,389  | 14,677   | 14,970  | 15,2    |
| Driver (4, 368 (4, 142 4, 204 4, 308 (4, 152 4, 1572 4, 664 4, 775 4, 852 4, 9 4, 9 4, 9 5, 9 4, 1572  | Driver (4, 368 (4, 142 (4, 204 (4, 308 (4, 395 (4, 482 (4, 572 (4, 664 (4, 775 (4, 852 (4, 989)))))) (1, 12, 12, 12, 12, 12, 12, 12, 12, 12, 1  |  |         |           |          |          |         |          |          |         |          |         | 14.8    |
| Post  | Name  |  |         |           |          |          |         |          |          |         |          |         | 4,9     |
| \text{value from the and contracts}  \text{[27,207]}  \text{[1,995]}    \text{[9,139]}   \q  | \text{value from the and contracts}  \( \begin{array}{c} 27.07 \)  \( \begin{array}{c} 19.95 \)  \( \begin{array}{c} 9.319 \)  \( \begin{array}{c} 9.859 \)  \( \begin{array}{c} 9.889 \)  \( \begin{array}{c} 10.068 \)  \( \begin{array}{c} 10.088 \)  \( \begin{array}{c} 10.044 \)  \( \begin{array}{c} 10.045 \)  \( \begin{array}{c} 10.085 \)   \( \begin{array}{c} 10.085 \)  \( \begin{array}{c} 10.085 \)  \( \begin{array}{c} 10.085 \)  \( \begin{array}{c} 0.085 \)   \qquad    \qquad    \qquad   | Rayments:  |         |           |          |          |         |          |          |         |          |         |         |
| Serrowing costs   (355) (94) (88) (81) (73) (66) (60) (53) (48) (42) (100 (100) (1   | Serrowing costs   (155) (94) (88) (81) (73) (66) (60) (53) (48) (42) (150 tother   (500) (7,613) (7,765) (7,761) (7,765) (7,761) (8,745) (8,749) (8,746) (8,746) (8,746) (8,764) (8,  |  |         | (12,873)  | (9 319)  | (9.505)  |         | (9.889)  | (10,086) |         | (16,740) |         | (17,5   |
| 200   27,613   27,613   27,615   27,613   28,015   28,0   | Control   Cont  | Borrowing costs  | (155)   | (94)      | (88)     | (81)     | (73)    | (66)     | (60)     | (53)    | (48)     | (42)    | (==,=   |
| Cash flows from investing activities interpret in the control of t   | Cash flows from investing activities interpret. 23,509 c c c c c c c c c c c c c c c c c c c  | Other  |         |           |          |          | (8,079) |          |          | (8,574) |          | (8,920) | (9,0    |
| Recording   Reco   | Acceptance   13,503   -   |  | 11,343  | 28,167    | 15,064   | 9,210    | 9,046   | 9,142    | 9,238    | 9,336   | 9,435    | 9,535   | 9,6     |
| Sale of investments  13,503  | Sale of investments  13,503   |  |         |           |          |          |         |          |          |         |          |         |         |
| alse of real state sasets alse of limitation. Property, plant and equipment  158 448   | alse of real state a sacts alse of linear state a sacts according to the sacts and equipment according to the sacts and equipment according to the sacts as sacts according to the sac  |  | 13,503  |           | -        |          | -       |          |          | -       | -        |         |         |
| 158   448  | 158   448   | Sale of real estate assets   |         | -         |          |          | -       |          |          | -       | -        |         |         |
| Page  | Page   |  |         | 449       | -        | -        |         | -        | - :      | -       | -        |         |         |
| Purchase of real estate assets   | Furthers of real estate assets  (8,672) (28,074) (15,086) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,805)  (8,672) (28,074) (15,086) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,807)  (8,672) (28,086) (27,426) (15,086) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,807)  (8,672) (27,426) (15,086) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,807)  (8,672) (15,086) (15,087)   | Payments:  |         |           |          |          |         |          | _ 1      |         |          |         |         |
| Purchase of infrastructure, property, plant and equipment (8,672) (28,074) (15,086) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,880) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,880) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,880) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,880) (23,357) (9,704) (9,742) (9,880) (9,877) (9,704) (9,880) (9,877) (9,704) (9,880) (9,877) (9,704) (9,880) (9,88   | Purchase of infrastructure, property, plant and equipment (8,672) (28,074) (15,086) (23,357) (9,377) (9,503) (9,545) (9,577) (9,704) (9,742) (9,880) (23,000) (9,545) (9,577) (9,704) (9,742) (9,880) (23,000) (9,545) (9,577) (9,704) (9,742) (9,880) (23,000) (9,545) (9,577) (9,704) (9,742) (9,880) (23,000) (9,545) (9,577) (9,704) (9,742) (9,880) (9,877) (9,704) (9,880) (9,877) (9,704) (9,880) (9,877) (9,704) (9,880) (9,877) (9,704) (9,880) (9,877) (9,704) (9,880) (9,88  |  | (5,003) | -         | -        | -        | -       |          | -        | -       | -        | -       |         |
| 2006   27,422   27,422   27,423   27,424   27,   | 2006   27,628   27,628   27,628   28,885   28,387   28,377   28,503   28,505   28,577   28,503   28,505   28,577   28,503   28,505   28,577   28,503   28,505   28,577   28,503   28,505   28,577   28,503   28,505   28,577   28,503   28,505   28,507   28,  |  | 10.000  | /20.02.   | 145 005  | (32.357  | /0.225  | (0.502)  | (0.545)  | 10.000  | 10 707   | (0.742) | 40.0    |
| Cash flows from financing activities   | Cash flows from financing activities  **Cash flows from financing activities  **Cash flows from financing activities  **Cash flows flow flow flow flow flow flow flow flow  |  | (8,672) | (28,074)  | (15,086) | (25,357) | (9,377) | (9,503)  | (9,545)  | (9,577) | (9,704)  | (9,742) | (9,8    |
| Newspoin:  | Tetra particle (version of the Vision of the  |  | (2,305) | (27,626)  | (15,086) | (23,357) | (9,377) | (9,503)  | (9,545)  | (9,577) | (9,704)  | (9,742) | (9,8    |
| New   Canal  | New loans   |  |         |           |          |          |         |          |          |         |          |         |         |
| Payments: (105) (190) (273) (279) (273) (191) (197) (149) (100) (105) (1   | Polyments (105) (190) (273) (279) (273) (191) (197) (149) (100) (105) (1<br>(let cash provided (or used) in financing activities (106) (190) (273) (279) (279) (273) (191) (197) (149) (100) (106) (1   |  | -       | -         | -        |          | -       | -        |          | -       | -        |         |         |
|  | Net cash provided (or used) in financing activities (105) (190) (273) (279) (273) (191) (197) (149) (100) (106) (1  |  |         |           |          |          |         |          |          |         |          |         |         |
| Net cash provided (or used) in financing activities (105) (190) (278) (279) (279) (191) (197) (149) (100) (106) (1   |   |  |         |           |          |          |         |          |          |         |          |         |         |
|  | Net increase / (decrease) in cash 0.933 351 (296) (14.425) (604) (553) (504) (390) (380) (310)  | Loan repayments  |         |           |          |          |         |          |          |         | ()       |         |         |

Page | 10

| Income from continuing operations  | 2021   | 2022  | 2023   | 2024   | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   | 2031   |
|--|--|---|--|--|--|--|--|--|--|--|--|
|  |  |   |  |  |  |  |  |  |  |  |  |
| Rates and annual charges   | 955  | 1,602   | 1,634  | 1,667  | 1,700  | 1,734  | 1,769  | 1,804  | 1,840  | 1,877  | 1,91   |
| User charges and fees  | 2,999  | 3,000   | 3,060  | 3,121  | 3,184  | 3,247  | 3,312  | 3,378  | 3,446  | 3,515  | 3,58   |
| nterest and investment revenue   | 55   | 30  | 100  | 44   | -  | -  | -  | -  | -  | -  |  |
| Other revenues   | 569  | -   | -  | -  | -  | -  | -  | -  | -  | -  |  |
| Grants and contributions - Operating   |  |   | -  | -  | -  | -  |  | -  |  | -  |  |
| Grants and contributions - Capital   | 365  | 66  | -  | -  | -  | -  | -  | -  | -  | -  |  |
| Net gain from the disposal of assets   | 6  | -   | -  | -  | -  | -  | -  | -  | -  | -  |  |
| Share of interest in joint ventures  |  |   | -  |  | -  | -  |  | -  |  | -  |  |
| Total Income   | 4,949  | 4,698   | 4,794  | 4,832  | 4,884  | 4,981  | 5,081  | 5,183  | 5,286  | 5,392  | 5,50   |
| otal income  | 4,949  | 4,096   | 4,794  | 4,032  | 4,004  | 4,961  | 3,061  | 5,165  | 3,200  | 5,392  | 3,3  |
| Expenses from continuing operations  |  |   |  |  |  |  |  |  |  |  |  |
| Employee benefits and oncosts  | 675  | 974   | 998  | 1,023  | 1,049  | 1,075  | 1,102  | 1,130  | 1,158  | 1,187  | 1,2  |
| Borrowing costs  | 170  | 138   | 34   | 8  | 2  | -  | -  | -  | -  | -  |  |
| Materials and contracts  | 2,148  | 759   | 774  | 789  | 805  | 821  | 838  | 854  | 871  | 889  | 9  |
| Depreciation and amortisation  | 1,318  | 1,167   | -  | -  | -  | -  | -  | -  | -  | -  |  |
| mpairment  |  | 4 200   |  |  |  | 4 500  | -  |  | 4 505  | 4 600  |  |
| Other expenses Net loss from the disposal of assets  | 320  | 1,389   | 1,417  | 1,445  | 1,474  | 1,503  | 1,533  | 1,564  | 1,595  | 1,627  | 1,6  |
| vectors from the disposal of assets  | -  |   | -  |  | -  | -  |  | -  | -  | -  |  |
| Total Expenses   | 4,631  | 4,427   | 3,223  | 3,266  | 3,330  | 3,400  | 3,473  | 3,548  | 3,625  | 3,703  | 3,7  |
| Net Operating Result   | 318  | 271   | 1,572  | 1,566  | 1,554  | 1,581  | 1,608  | 1,634  | 1,661  | 1,689  | 1,7  |
|  |  |   |  |  |  | ,  | ,  |  |  | ,  | 7,,  |
| Net operating result before grants and<br>contributions provided for capital purposes  | (47)   | 205   | 1,572  | 1,566  | 1,554  | 1,581  | 1,608  | 1,634  | 1,661  | 1,689  | 1,7  |
|  |  |   |  |  |  |  |  |  |  |  |  |
| Statement of Financial Position - V  |  |   |  |  |  |  |  |  |  |  |  |
| Base Case  | 2021   | 2022  | 2023   | 2024   | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   | 2031   |
| Current assets Cash and investments  | 7,255  | 5,012   | 2,215  | (4,108)  | (3.871)  | (3.117)  | (2,646)  | (3.509)  | (2,749)  | (2.052)  | (2,1   |
| Cash and investments<br>Receivables  | 7,255  | 5,012<br>269  | 2,215  | (4,106)  | (3,8/1)  | (5,117)  | (2,646)  | (3,509)  | (2,749)  | (2,052)  | (2,1   |
| nventories   |  |   |  |  | -  |  | -  | -  | -  | -  |  |
| Other  |  | _   | _  | _  | -  |  |  | -  |  | _  | X  |
| Total current assets   | 7,496  | 5,281   | 2,489  | (3,828)  | (3,585)  | (2,825)  | (2,349)  | (3,205)  | (2,440)  | (1,737)  | (1,6   |
| Non-current assets   |  |   |  |  |  |  |  |  |  |  |  |
| nvestments   |  |   | -  |  | -  | -  |  | 4  |  | -  |  |
| Receivables<br>inventories   |  |   |  |  | -  |  |  |  |  |  |  |
| nfrestructure, property, plant and equipment   | 49,212   | 52,276  | 57,767   | 67,382   | 70,481   | 73,088   | 76,041   | 80,393   | 83,196   | 86,128   | 89,9   |
| nvestment property<br>intangible assets  |  |   |  | -  | -  |  |  |  |  |  |  |
| loint venture investments  |  |   | -  | -  |  |  |  |  |  |  |  |
| Total non-current assets   | 49,212   | 52,276  | 57,767   | 67,382   | 70,481   | 73,088   | 76,041   | 80,393   | 83,196   | 86,128   | 89,9   |
| Total Assets   | 56,708   | 57,557  | 60,257   | 63,555   | 66,895   | 70,263   | 73,692   | 77,187   | 80,756   | 84,391   | 88,0   |
| Current liabilities  |  |   |  |  |  |  |  |  |  |  |  |
| Payables   | 91   | 53  | 52   | 54   | 55   | 56   | 57   | 58   | 60   | 61   | -  |
| Income received in advance<br>Borrowings   | 624  | 502   | (54)   | (40)   |  |  | - 4  |  |  | -  |  |
| Provisions   |  | 273   | 280  | 287  | 294  | 301  | 309  | 316  | 324  | 332  | 3  |
| Total current liabilities  | 715  | 828   | 278  | 300  | 348  | 357  | 366  | 375  | 384  | 393  | 4  |
| Non-current liabilities  |  |   |  |  |  |  |  |  |  |  |  |
| Payables   |  |   | :  |  | -  |  |  | -  |  |  |  |
| Borrowings<br>Provisions   | 1,649  | (502)   | 54   | 40   |  | - 1  | - 1  | -  |  | -  |  |
| Total non-current liabilities  | 1,649  | (502)   | 54   | 40   |  |  |  |  |  | -  |  |
| Total Liabilities  | 2,364  | 326   | 332  | 340  | 348  | 357  | 366  | 375  | 384  | 393  | 4  |
| NET ASSETS   | 54,344   | 57,231  | 59,925   | 63,215   | 66,547   | 69,906   | 73,326   | 76,813   | 80,372   | 83,998   | 87,6   |
| Equity   |  |   |  |  |  |  |  |  |  |  |  |
| Accumulated surplus  | 52,436<br>1.825  | 53,824<br>3,408   | 54,893<br>5.031  | 56,513<br>6,701  | 58,107<br>8,440  | 59,689<br>10,217   | 61,296<br>12,030   | 62,931<br>13.882   | 64,592<br>15,780   | 66,281   | 67,9<br>19.6   |
|  | 1,825  |   | 5,031  | 6,701  | 2,7112   |  |  |  |  | 17,717   | 19,0   |
| Reveluation reserves   | 54.004   | CT 334  | E0.035   | 40.045   |  |  |  |  |  |  | 07.0   |
|  | 54,261   | 57,231  | 59,925   | 63,215   | 66,547   | 69,905   | 73,326   | 76,812   | 80,372   | 83,998   | 87,6   |
| Revaluation reserves<br>TOTAL EQUITY   |  | 57,231  | 59,925   | 63,215   | 66,547   | 69,905   | 73,326   | 76,812   | 80,372   | 83,998   | 87,6   |
| Revolution reserves<br>OTAL EQUITY<br>Statement of Cash Flows - Water F<br>Base Case   |  | 57,231  | 59,925   | 63,215   | 2025   | 2026   | 73,326   | 76,812   | 2029   | 2030   | 87,6<br>2031   |
| Revaluation reserves  TOTAL EQUITY  Statement of Cash Flows - Water F  Bibe Case  Cash flows from operating activities   | und  |   | Ā  |  |  |  |  |  |  |  |  |
| Resolution reserves TOTAL EQUITY  Statement of Cash Flows - Water F Base Case Cash flows from operating activities Research  | und<br>2021  |   | Ā  |  |  |  |  |  |  |  |  |
| Resiluation reserves TOTAL EQUITY  Statement of Cash Flows - Water F  User Case State flows from operating activities Recupior: Recupior | und  | 2022  | 2023   | 2024   | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   | 2031   |
| Residuation reserves TOTAL EQUITY  Statement of Cash Flows - Water F  Blave Case  Blave Ca | 955<br>2,977<br>55   | 1,602<br>2,972<br>30  | 2023   | 2024   | 2025   | 2026<br>1,734  | 2027   | 2028   | 2029   | 2030   | 2031   |
| Resolution reserves TOTAL EQUITY  Statement of Cash Flows - Water F Base Case Cash flows from operating activities Receipts: Takes and arrual charges Lates and arrual or control of the c | 955<br>2,977<br>55<br>365  | 2022<br>1,602<br>2,972  | 2023<br>1,634<br>3,055   | 2024<br>1,667<br>3,116   | 2025   | 2026<br>1,734  | 2027   | 2028   | 2029   | 2030   | 2031   |
| Resolution reserves TOTAL EQUITY  Statement of Cash Flows - Water F Base Case Cash flows from operating activities Receipts: Takes and arrual charges Lister charges and fees meatment revenue and interest diamet and contributions Other Flower Cash Cash Cash Cash Flower Cash Cash Flower Cash Flo | 955<br>2,977<br>55<br>365<br>569   | 1,602<br>2,972<br>30<br>65  | 1,634<br>3,055<br>100  | 1,667<br>3,116<br>44   | 1,700<br>3,178   | 2026<br>1,734<br>3,242   | 2027<br>1,769<br>3,306   | 2028<br>1,804<br>3,373   | 2029<br>1,840<br>3,440                                   | 1,877<br>3,509   | 2031<br>1,9<br>3,5   |
| Resiluation reserves  TOTAL EQUITY  Statement of Cash Flows - Water F  Blace Casic  Cash flows from operating activities  Recapics  Later changes  Let changes  Let changes and fress  Let changes  Let  | 955<br>2,977<br>55<br>365<br>569<br>(675)  | 1,602<br>2,972<br>30<br>66  | 1,634<br>3,055<br>100<br>(1,005)   | 1,667<br>3,116<br>44<br>-  | 1,700<br>3,178<br>-<br>-<br>(1,056)                                      | 2026<br>1,734<br>3,242<br>-<br>-<br>(1,083)                      | 1,769<br>3,306<br>-<br>-<br>(1,110)  | 1,804<br>3,373<br>-<br>-<br>(1,137)                                      | 1,840<br>3,440<br>-<br>-<br>(1,165)                      | 2030<br>1,877<br>3,509<br>-<br>-<br>-<br>(1,195)                 | 2031<br>1,9<br>3,5   |
| Iteralusion reserves TOTAL EQUITY  Statement of Cash Flows - Water F  Jane Case Least flows from operating activities Teorapia: Least and annual charges Least charges and fees Investment revenue and interest Least and continuations Liber Symmetric Lipping and Cash and annual charges Lipping Li | 955<br>2,977<br>55<br>365<br>569<br>(675)<br>(2,120)                                   | 1.602<br>2,972<br>30<br>65<br>(1,247)<br>(797)                                  | 1,634<br>3,055<br>100<br>-<br>(1,005)<br>(774)   | 2024<br>1,667<br>3,116<br>44<br>-<br>-<br>(1,030)<br>(788)                                   | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>{904}                             | 2026<br>1,734<br>3,242   | 2027<br>1,769<br>3,306   | 2028<br>1,804<br>3,373   | 2029<br>1,840<br>3,440                                   | 1,877<br>3,509   | 2031<br>1,9<br>3,5   |
| Resolution reserves TOTAL EQUITY  Statement of Cash Flows - Water F Base Case Cash flows from operating activities Receipts: Takes and arrual charges Lister charges and fees meatment revenue and interest diamet and contributions Other Flower Cash Cash Cash Cash Flower Cash Cash Flower Cash Flo | 955<br>2,977<br>55<br>365<br>569<br>(675)  | 1,602<br>2,972<br>30<br>66  | 1,634<br>3,055<br>100<br>(1,005)   | 1,667<br>3,116<br>44<br>-  | 1,700<br>3,178<br>-<br>-<br>(1,056)                                      | 2026<br>1,734<br>3,242<br>-<br>-<br>(1,083)                      | 1,769<br>3,306<br>-<br>-<br>(1,110)  | 1,804<br>3,373<br>-<br>-<br>(1,137)                                      | 1,840<br>3,440<br>-<br>-<br>(1,165)                      | 2030<br>1,877<br>3,509<br>-<br>-<br>-<br>(1,195)                 | 2031<br>1,9<br>3,5<br>(1,2<br>(9   |
| Iterativation reserves TOTAL EQUITY  Statement of Cash Flows - Water F  lasse Case  Base | 955<br>2,977<br>55<br>365<br>569<br>(675)<br>(2,120)<br>(170)                          | 1,602<br>2,972<br>30<br>65<br>(1,247)<br>(797)<br>(138)                         | 1,634<br>3,055<br>100<br>(1,005)<br>(774)<br>(34)  | 2024<br>1,667<br>3,116<br>44<br>-<br>-<br>(1,030)<br>(788)<br>(8)                            | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>(804)<br>(2)                      | 2026<br>1,734<br>3,242<br>-<br>-<br>(1,083)<br>(820)             | 1,769<br>3,306<br>-<br>-<br>(1,110)<br>(836)                               | 1,804<br>3,373<br>-<br>-<br>(1,137)<br>(853)                             | 1,840<br>3,440<br>-<br>-<br>(1,166)<br>(870)             | 2030<br>1,877<br>3,509<br>-<br>-<br>(1,195)<br>(888)             | 2031<br>1,9<br>3,5<br>(1,2<br>(9   |
| Resolution reserves  TOTAL EQUITY  Statement of Cash Flows - Water F  Base Case  Cash flows from operating activities  Cash flows from interest  Cash flows from operating activities  Cash flows from investing activities  Cash flows from investing activities  Cash flows from investing activities  | 955<br>2,977<br>55<br>365<br>569<br>(675)<br>(2,120)<br>(170)<br>(320)                 | 1.602<br>2,972<br>30<br>65<br>-<br>(1,247)<br>(797)<br>(138)<br>(1,389)         | 1,634<br>3,055<br>100<br>  | 1,667<br>3,116<br>44<br>-<br>(1,030)<br>(788)<br>(8)<br>(1,445)                              | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>(804)<br>(2)<br>(1,474)           | 1,734<br>3,242<br>-<br>-<br>(1,083)<br>(820)<br>-<br>(1,503)     | 1,769<br>3,305<br>-<br>-<br>(1,110)<br>(836)<br>-<br>(1,533)               | 1,804<br>3,373<br>-<br>-<br>(1,137)<br>(853)<br>-<br>(1,564)             | 1,840<br>3,440<br>(1,166)<br>(870)                       | 1,877<br>3,509<br>-<br>-<br>(1,195)<br>(888)<br>-<br>(1,627)     | 2031<br>1,9<br>3,5<br>(1,2<br>(9   |
| Iterativation reserves TOTAL EQUITY  Statement of Cash Flows - Water F  lasse Case  Base | 955<br>2,977<br>55<br>365<br>569<br>(675)<br>(2,120)<br>(170)<br>(320)                 | 1.602<br>2,972<br>30<br>65<br>-<br>(1,247)<br>(797)<br>(138)<br>(1,389)         | 1,634<br>3,055<br>100<br>  | 1,667<br>3,116<br>44<br>-<br>(1,030)<br>(788)<br>(8)<br>(1,445)                              | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>(804)<br>(2)<br>(1,474)           | 1,734<br>3,242<br>-<br>-<br>(1,083)<br>(820)<br>-<br>(1,503)     | 1,769<br>3,305<br>-<br>-<br>(1,110)<br>(836)<br>-<br>(1,533)               | 1,804<br>3,373<br>-<br>-<br>(1,137)<br>(853)<br>-<br>(1,564)             | 1,840<br>3,440<br>(1,166)<br>(870)                       | 1,877<br>3,509<br>-<br>-<br>(1,195)<br>(888)<br>-<br>(1,627)     | 2031   |
| iterativation reserves TOTAL EQUITY  Statement of Cash Flows - Water F  save Case  Services  The Cash Flow - Water F  save Case  The Cash Flow - Water F  save Case  The Cash Flow - Water F  save Case  The Cash Flow - Water F  save Cash Flow For F  save F  save Cash Flow F  save F  save Cash F | 955<br>2,977<br>55<br>365<br>589<br>(675)<br>(2,120)<br>(170)<br>(320)                 | 1,602<br>2,972<br>50<br>66<br>(1,247)<br>(797)<br>(138)<br>(1,389)<br>1,099     | 2023<br>1,634<br>3,055<br>100<br>-<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559   | 1,667<br>3,116<br>44<br>-<br>-<br>(1,030)<br>(788)<br>(8)<br>(1,445)                         | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>(804)<br>(2)<br>(1,474)           | 1,734<br>3,242<br>-<br>-<br>(1,083)<br>(820)<br>-<br>(1,503)     | 1,769<br>3,306<br>(1,110)<br>(836)<br>- (1,533)<br>1,596                   | 1,804<br>3,373<br>-<br>-<br>(1,137)<br>(853)<br>-<br>(1,564)             | 1,840<br>3,440<br>- (1,166)<br>(870)<br>(1,595)<br>1,649 | 1,877<br>3,509<br>-<br>-<br>(1,195)<br>(888)<br>(1,627)          | 2031<br>1,9<br>3,5<br>(1,2<br>(9   |
| Iteralustion reserves TOTAL EQUITY  Statement of Cash Flows - Water F  Leach flow from operating activities receipts Leach flow from operating activities receipts Leach flow from operating activities receipts Leach flow from operating activities leach leach flow flow flow Leach flow flow flow Leach flow from flow Leach flow from flow Leach flow from flow Leach flow from flow Leach flow Leach flow Leach flow Leach flow Leach Leach flow Leach Lea | 955<br>2,977<br>55<br>365<br>569<br>(675)<br>(2,120)<br>(170)<br>(320)                 | 1,602<br>2,972<br>90<br>66<br>(1,247)<br>(797)<br>(138)<br>(1,389)<br>1,099     | 1,634<br>3,055<br>100<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559  | 2024<br>1,667<br>3,116<br>44<br>-<br>-<br>(1,030)<br>(788)<br>(8)<br>(1,445)<br>1,555        | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>(804)<br>(2)<br>(1,474)<br>1,542  | 1,734<br>3,242<br>(1,083)<br>(820)<br>(1,503)<br>1,570           | 2027<br>1,769<br>3,306<br>-<br>(1,110)<br>(838]<br>-<br>(1,533)<br>1,596   | 1,804<br>3,373<br>(1,137)<br>(853)<br>- (1,564)<br>1,622                 | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>-<br>-<br>(1,195)<br>(888)<br>(1,627)<br>1,676 | 2031<br>1,9<br>3,5<br>(1,2<br>(9   |
| Iteralusion reserves TOTAL EQUITY  Statement of Cash Flows - Water F  User Case Cash flows from operating activities receipts Late and acrual charges Late and acrual charges Late and acrual charges Late and acrual charges Late charges and frees Investment reserve and interest Late and acrual charges Late and Late and Late and Late Late of Late Late and Late Late of Late Late Late Late Capter Late Capter Late   | 955<br>2,977<br>55<br>365<br>(675)<br>(2,120)<br>(170)<br>(320)<br>1,636               | 1.602<br>2.972<br>30<br>66<br>-<br>(1.247)<br>(138)<br>(1.389)<br>1,099         | 1,634<br>3,055<br>100<br>-<br>-<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559  | 1,667<br>3,116<br>44<br>(1,030)<br>(788)<br>(8)<br>(1,445)<br>1,555                          | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>(804)<br>(02)<br>(1,474)<br>1,542 | 1,734<br>3,242<br>-<br>-<br>(1,083)<br>(820)<br>(1,503)<br>1,570 | 1,769<br>3,306<br>(1,110)<br>(836)<br>- (1,533)<br>1,596                   | 1,804<br>3,573<br>-<br>-<br>(1,137)<br>(853)<br>-<br>(1,564)<br>1,622    | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>-<br>-<br>(1,195)<br>(888)<br>(1,627)<br>1,676 | 2031<br>1,9<br>3,5<br>(1,2<br>(9   |
| iterativation reserves TOTAL EQUITY  Statement of Cash Flows - Water F  alsoe Case  Lain flows from operating activities  recopier  Lain flows from operating activities  recopier  Lain flows from operating activities  lain and acconflucturing  Lain flows from operating activities  lain to and conflucturing  Lain flows flows and conflucturing  Lain flows flows and conflucturing  Lain flows from investing activities  Lain flows flow | 955<br>2,977<br>55<br>365<br>589<br>(675)<br>(2,120)<br>(170)<br>(320)                 | 1,602<br>2,972<br>90<br>66<br>(1,247)<br>(797)<br>(138)<br>(1,389)<br>1,099     | 1,634<br>3,055<br>100<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559  | 2024<br>1,667<br>3,116<br>44<br>-<br>-<br>(1,030)<br>(788)<br>(8)<br>(1,445)<br>1,555        | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>(804)<br>(2)<br>(1,474)<br>1,542  | 1,734<br>3,242<br>(1,083)<br>(820)<br>(1,503)<br>1,570           | 2027<br>1,769<br>3,306<br>-<br>(1,110)<br>(838]<br>-<br>(1,533)<br>1,596   | 1,804<br>3,373<br>(1,137)<br>(853)<br>- (1,564)<br>1,622                 | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>-<br>-<br>(1,195)<br>(888)<br>(1,627)<br>1,676 | 1,9<br>3,5<br>(1,2<br>(9   |
| iterativation reserves TOTAL EQUITY  Statement of Cash Flows - Water F  also Case  Lain flows from operating activities  receipter  Lain flows from operating activities  receipter  Lain flows from operating activities  lates and annual charges  Later charges and frees  Later charges and frees  Later charges and reces  Later charges  Later  | 955<br>955<br>2.977<br>55<br>365<br>569<br>(675)<br>(2.120)<br>(170)<br>(320)<br>1.686 | 1,602<br>2,972<br>30<br>66<br>(1,247)<br>(138)<br>(1,389)<br>1,099              | 1,634<br>3,055<br>100<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559  | 1,667<br>3,116<br>44<br>4<br>(1,030)<br>(788)<br>(8)<br>(1,445)<br>1,555                     | 1,700<br>3,178<br>(1,056)<br>(804)<br>(2)<br>(1,474)<br>1,542            | 1,734<br>3,242<br>(1,083)<br>(820)<br>- (1,503)<br>1,570         | 1,769<br>3,306<br>-<br>-<br>(1,110)<br>(835)<br>-<br>(1,533)<br>1,596      | 1,804<br>3,573<br>(1,137)<br>(853)<br>(1,564)<br>1,622                   | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>(1,195)<br>(888)<br>(1,627)<br>1,676           | 1,9<br>3,5<br>(1,2,6<br>(1,6,1,7)  |
| Incention receives TOTAL EQUITY  Statement of Cash Flows - Water F  slave Case  State flows from operating activities  receipers  Incention of the Cash Flows - Water F  receipers  Incention of the Cash Flows - Water F  receipers  Incention and contributions  Incention and Cash Flows  Incention and Cash F | 955<br>2,977<br>55<br>365<br>(675)<br>(2,120)<br>(170)<br>(320)<br>1,636               | 1.602<br>2.972<br>30<br>66<br>-<br>(1.247)<br>(138)<br>(1.389)<br>1,099         | 1,634<br>3,055<br>100<br>-<br>-<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559  | 1,667<br>3,116<br>44<br>(1,030)<br>(788)<br>(8)<br>(1,445)<br>1,555                          | 1,700<br>3,178<br>-<br>-<br>(1,056)<br>(804)<br>(02)<br>(1,474)<br>1,542 | 1,734<br>3,242<br>-<br>-<br>(1,083)<br>(820)<br>(1,503)<br>1,570 | 1,769<br>3,306<br>(1,110)<br>(836)<br>- (1,533)<br>1,596                   | 1,804<br>3,573<br>-<br>-<br>(1,137)<br>(853)<br>-<br>(1,564)<br>1,622    | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>-<br>-<br>(1,195)<br>(888)<br>(1,627)<br>1,676 | 1,9<br>3,5<br>(1,2,6<br>(1,6,1,7)  |
| Iteralusion reserves TOTAL EQUITY  Statement of Cash Flows - Water F  User Case Cash flows from operating activities receipts Late and acrual charges Late and acrual charges Late and acrual charges Late and acrual charges Late charges and frees Investment reserve and interest Late and acrual charges Late and Late and Late and Late Late of Late Late and Late Late of Late Late Late Late Capter Late Capter Late   | 955<br>955<br>2.977<br>55<br>365<br>569<br>(675)<br>(2.120)<br>(170)<br>(320)<br>1.686 | 1,602<br>2,972<br>30<br>66<br>(1,247)<br>(138)<br>(1,389)<br>1,099              | 1,634<br>3,055<br>100<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559  | 1,667<br>3,116<br>44<br>4<br>(1,030)<br>(788)<br>(8)<br>(1,445)<br>1,555                     | 1,700<br>3,178<br>(1,056)<br>(804)<br>(2)<br>(1,474)<br>1,542            | 1,734<br>3,242<br>(1,083)<br>(820)<br>- (1,503)<br>1,570         | 1,769<br>3,306<br>-<br>-<br>(1,110)<br>(835)<br>-<br>(1,533)<br>1,596      | 1,804<br>3,573<br>(1,137)<br>(853)<br>(1,564)<br>1,622                   | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>(1,195)<br>(888)<br>(1,627)<br>1,676           | 1,9<br>3,5<br>{1,2<br>(9<br>(1,6,7,7)  |
| isocialization reserves TOTAL EQUITY  Statement of Cash Flows - Water F  slave Case  State flows from operating activities receiper:  Incentification of the state of the stat | 955, 2,977 365, 569 (675), (2,120), (170), (320) 1,696                                 | 2022<br>1.602<br>2.972<br>50<br>65<br>(1.247)<br>(797)<br>(1389)<br>1.099       | 2023<br>1,634<br>3,055<br>100<br>-<br>-<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-  | 1,667<br>3,116<br>44<br>-<br>-<br>(1,030)<br>(788)<br>(8)<br>(1,445)<br>1,555                | 1,700<br>3,178<br>(1,056)<br>(804)<br>(2)<br>(1,474)<br>1,542            | 1,754 3,242 (1,083) (820) (1,503) 1,570                          | 1,769 3,306 (1,110) (836) - (1,533) 1,596                                  | 2028<br>1,804<br>3,373<br>-<br>-<br>(1,137)<br>(853)<br>(1,564)<br>1,622 | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>(1,195)<br>(888)<br>(1,627)<br>1,676           | 1,9<br>3,5<br>(1,2<br>(9   |
| Iteratuation reserves TOTAL EQUITY  Statement of Cash Flows - Water F Jace Case Learn town from operating activities Increases | 955<br>2,977<br>555<br>365<br>569<br>(675)<br>(2,120)<br>(170)<br>(320)<br>            | 2022<br>1.602<br>2.972<br>30<br>66<br>6<br>(1.247)<br>(797)<br>(1.389)<br>1.099 | 2023<br>1,634<br>3,055<br>100<br>-<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559<br>-<br>-<br>-<br>(3,968)   | 2074  1.667 3.116 44 44 (1.030) (783) (8) (1.445)  | 1,700<br>3,178<br>(1,056)<br>(20)<br>(2)<br>(2,(1,474)<br>1,542          | 2026  1.784 3.242 (1.083) 1,570                                  | 1,769<br>3,306<br>(1,110)<br>(835)<br>1,596<br>(1,533)<br>1,596<br>(1,140) | 2028<br>1,804<br>3,373<br>- (1,137)<br>(553)<br>(1,564)<br>1,622         | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>(1,195)<br>(888)<br>(1,676<br>1,676            | 1,9<br>3,5<br>{1,2<br>(9<br>(1,6,7,7)  |
| isocialization reserves TOTAL EQUITY  Statement of Cash Flows - Water F  slave Case  State flows from operating activities receiper:  Incentification of the state of the stat | 955, 2,977 365, 569 (675), (2,120), (170), (320) 1,696                                 | 2022<br>1.602<br>2.972<br>50<br>65<br>(1.247)<br>(797)<br>(1389)<br>1.099       | 2023<br>1,634<br>3,055<br>100<br>-<br>-<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-  | 1,667<br>3,116<br>44<br>-<br>-<br>(1,030)<br>(788)<br>(8)<br>(1,445)<br>1,555                | 1,700<br>3,178<br>(1,056)<br>(804)<br>(2)<br>(1,474)<br>1,542            | 1,754 3,242 (1,083) (820) (1,503) 1,570                          | 1,769 3,306 (1,110) (836) - (1,533) 1,596                                  | 2028<br>1,804<br>3,373<br>-<br>-<br>(1,137)<br>(853)<br>(1,564)<br>1,622 | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>(1,195)<br>(888)<br>(1,627)<br>1,676           | 1,9<br>3,5<br>{1,2<br>(9<br>(1,6,7,7)  |
| iterativation reserves  TOTAL EQUITY  Statement of Cash Flows - Water F  state flows from operating activities  receipter  the property of the | 955<br>2,977<br>555<br>365<br>569<br>(675)<br>(2,120)<br>(170)<br>(320)<br>            | 2022<br>1.602<br>2.972<br>30<br>66<br>6<br>(1.247)<br>(797)<br>(1.389)<br>1.099 | 2023<br>1,634<br>3,055<br>100<br>-<br>(1,005)<br>(774)<br>(34)<br>(1,417)<br>1,559<br>-<br>-<br>-<br>(3,968)   | 2074  1.667 3.116 44 44 (1.030) (783) (8) (1.445)  | 1,700<br>3,178<br>(1,056)<br>(20)<br>(2)<br>(2,(1,474)<br>1,542          | 2026  1.784 3.242 (1.083) 1,570                                  | 1,769<br>3,306<br>(1,110)<br>(835)<br>1,596<br>(1,533)<br>1,596<br>(1,140) | 2028<br>1,804<br>3,373<br>- (1,137)<br>(553)<br>(1,564)<br>1,622         | 1,840<br>3,440<br>                                       | 1,877<br>3,509<br>(1,195)<br>(888)<br>(1,676<br>1,676            | 1,9<br>3,5<br>{1,2<br>(9<br>(1,6,7,7)  |
| incention reserves TOTAL EQUITY  Statement of Cash Flows - Water F  slave Case  Lain flows from operating activities receipter  Lain flows from operating activities receipter  Lain flows from operating activities lisents and continuous  Lain flows from operating activities  Lain flows from operating activities  Lain flows from investing activities  Lain flows from flows flows  Lain flows  Lain flows flows  Lain flows flows  Lain flows flows  Lain f | 955 2.95 3.5 3.6 3.5 5.69 (675) (2.120) 1.636  | 2022<br>1.602<br>2.972<br>30<br>66<br>(.247)<br>(.138)<br>1.099<br>1.099        | 2023<br>1,634<br>3,055<br>100<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,005)<br>(1,00 | 2024<br>1.667<br>3.116<br>44<br>44<br>(1.030)<br>(788)<br>(8)<br>(1.045)<br>1.555<br>(7.945) | 1,700<br>3,178<br>(1,056)<br>(2)<br>(1,474)<br>1,542<br>(1,360)          | 2026 1.794 3.242 (1.083) (1.570 1.570 (830)                      | 1,769<br>3,306<br>(1,110)<br>(835)<br>1,596<br>(1,533)<br>1,596<br>(1,140) | 2028<br>1,804<br>3,373<br>- (1,137)<br>(553)<br>(1,564)<br>1,622         | 2029  1,840 3,440 (1,165) (370) (1,595) (905)            | 1,877<br>3,509<br>(1,195)<br>(888)<br>(1,676<br>1,676            | 2031<br>1,9,3,5<br>3,5<br>(1,2,2,4)<br>(1,4,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7, |

Page | 11

| Income Statement - Sewer Fund   |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
|---|---------|------------------|--------------|------------------|------------------|------------------|------------------|--------------|------------------|------------------|--------|
| Base Case   | 2021    | 2022             | 2023         | 2024             | 2025             | 2026             | 2027             | 2028         | 2029             | 2030             | 2031   |
| Income from continuing operations   | 1.000   | 4 400            |              | 4.500            | 4.070            | 4 774            | 1007             | 4.004        |                  |                  | 5,261  |
| Rates and annual charges  | 4,090   | 4,408            | 4,496        | 4,586            | 4,678            | 4,771            | 4,867            | 4,964        | 5,063            | 5,165            |        |
| User charges and fees   | 575     | 277              | 283          | 288              | 294              | 300              | 306              | 312          | 318              | 325              | 33     |
| nterest and investment revenue  | 81      | 30               | 181          | 109              | 119              | 113              | 121              | 117          | 113              | 46               |        |
| Other revenues  | 191     | -                | -            | -                | -                | -                | -                | -            | -                | -                |        |
| Grants and contributions - Operating  | 15      |                  | -            |                  | -                |                  | -                | -            | -                |                  |        |
| Grants and contributions - Capital  | 400     |                  | -            |                  |                  |                  |                  | -            |                  |                  |        |
| Net gain from the disposal of assets  |         | -                |              |                  |                  |                  | -                | -            |                  |                  |        |
| Share of interest in joint ventures   |         |                  | -            | -                | -                |                  |                  | -            |                  |                  |        |
| Total Income  | 5,352   | 4,715            | 4,960        | 4,983            | 5,091            | 5,184            | 5,294            | 5,393        | 5,494            | 5,536            | 5,59   |
| Expenses from continuing operations   |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| Employee benefits and oncosts   | 633     | 1.090            | 1,117        | 1.145            | 1.174            | 1,203            | 1,233            | 1,264        | 1.295            | 1,328            | 1.36   |
| Borrowing costs   | 136     | 123              | 159          | 152              | 145              | 136              | 128              | 118          | 109              | 99               | 1,00   |
| Materials and contracts   | 2.547   | 775              | 791          | 807              | 823              | 839              | 856              | 873          | 891              | 908              | 92     |
| Depreciation and amortisation   | 1.643   | 810              | 1.546        | 1.583            | 1.615            | 1.653            | 1.687            | 1.736        | 1.789            | 1.824            | 1.8    |
| mpairment   | 2,040   | 020              | 2,340        | 2,303            | 1,023            | 1,000            | 1,007            | 2,730        | 2,700            | 1,024            | 1,0    |
| Other expenses  | 192     | 1.519            | 1.549        | 1.580            | 1.612            | 1.644            | 1.677            | 1.710        | 1.745            | 1,779            | 1.8    |
| Net loss from the disposal of assets  | 21      | 1,515            | 1,545        | 1,500            | 1,012            | 1,044            | 2,077            | 1,710        | 1,745            | 1,775            | 1,0    |
| Total Expenses  | 5,172   | 4,317            | 5,163        | 5,267            | 5,368            | 5,476            | 5,581            | 5,702        | 5,828            | 5,939            | 6,0    |
|   |         | Ĺ                |              |                  |                  |                  | Ĺ                |              |                  |                  |        |
| Net Operating Result  | 180     | 398              | (203)        | (284)            | (277)            | (291)            | (287)            | (309)        | (334)            | (403)            | (45    |
| Net operating result before grants and<br>contributions provided for capital purposes | (220)   | 398              | (203)        | (284)            | (277)            | (291)            | (287)            | (309)        | (334)            | (403)            | (45    |
|   |         |                  | ()           | ,,               | ,,               | ,,               | -4               |              |                  | ,,,,,,           |        |
| Statement of Financial Position - S   |         |                  | 2023         | 2024             | 2025             | 2026             | 2027             | 2020         | 2029             | 2030             | 2031   |
| Base Case<br>Current assets   | 2021    | 2022             | 2023         | 2024             | 2025             | 2026             | 2027             | 2028         | 2029             | 2030             | 2031   |
| Current assets Cash and investments   | 10.410  | 9.066            | 5.458        | 5 949            | 5.651            | 6.069            | 5.845            | 5.627        | 2 314            | (468)            | 4      |
| Cash and investments<br>Receivables   | 290     | 358              | 365          | 3,949            | 380              | 388              | 395              | 403          | 411              | 420              | 4      |
| inventories   | -       |                  |              |                  | - 7              |                  |                  |              |                  |                  |        |
| Other   | -       |                  | -            | -                | -                |                  | -                | -            | -                |                  |        |
| Total current assets  | 10,700  | 9,424            | 5,823        | 6,321            | 6,031            | 6,457            | 6,240            | 6,030        | 2,726            | (48)             | 9      |
| Non-current assets  |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| rivestments   |         |                  | -            |                  | -                |                  | -                | -            |                  |                  |        |
| Receivables   |         |                  | - 1          |                  | -                |                  |                  |              |                  |                  |        |
| nventories  | 65.974  |                  |              |                  | 77,930           |                  |                  |              |                  |                  |        |
| infrastructure, property, plant and equipment<br>investment property                  | 65,974  | 69,348           | 74,693       | 75,893           | 77,930           | 79,272           | 81,305           | 83,345       | 88,512           | 93,142           | 94,03  |
| ntangible assets  |         |                  |              |                  |                  | - 1              | - 1              |              | - 1              | - 1              |        |
| loint venture investments   |         |                  | -            |                  | -                |                  |                  | _            |                  |                  |        |
| Total non-current assets<br>Total Assets  | 65,974  | 69,348<br>78,773 | 74,693       | 75,893<br>82,214 | 77,930<br>83,961 | 79,272<br>85,729 | 81,305<br>87,545 | 83,345       | 88,512<br>91,238 | 93,142           | 94,0   |
|   | 76,674  | 78,773           | 80,517       | 82,214           | 83,961           | 85,729           | 87,545           | 89,376       | 91,258           | 93,094           | 94,9   |
| Current liabilities   |         |                  | 30           |                  |                  | 32               |                  |              | 3.4              |                  |        |
| Payables<br>Income received in advance  | 22      | 30               | 50           | 31               | 32               | 52               | 33               | 34           | 54               | 35               |        |
| Borrowings  | 322     | 145              | 153          | 161              | 170              | 179              | 189              | 199          | 210              | 221              | 2      |
| Provisions  |         | 305              | 313          | 321              | 329              | 337              | 345              | 354          | 363              | 372              | 31     |
| Total current liabilities   | 344     | 480              | 496          | 512              | 530              | 548              | 567              | 586          | 607              | 628              | 6      |
| Non-current liabilities   | -       | 100              |              | 740              | 250              | -                | 341              |              | 007              |                  | _      |
| Payables  |         |                  |              |                  |                  | -                |                  |              |                  |                  |        |
| Borrowings  | 2,343   | (145)            | (153)        | (161)            | (170)            | (179)            | (189)            | (199)        | (210)            | (221)            | {23    |
| Provisions  |         |                  | -            |                  | - 1              | - 1              |                  |              |                  |                  |        |
| Total non-current liabilities   | 2,343   | (145)            | (153)        | (161)            | (170)            | (179)            | (189)            | (199)        | (210)            | (221)            | (23    |
| Total Liabilities   | 2,687   | 335              | 343          | 352              | 360              | 369              | 378              | 388          | 397              | 407              | 4:     |
| NET ASSETS  | 73,987  | 78,438           | 80,174       | 81,863           | 83,600           | 85,360           | 87,166           | 88,988       | 90,841           | 92,687           | 94,52  |
|   |         | 147.00           | -            |                  | -                | -                |                  |              | 14,012           |                  | - 1,51 |
| Equity  |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| Accumulated surplus   | 67,841  | 68,239           | 68,036       | 67,753           | 67,476           | 67,184           | 66,897<br>20,269 | 66,588       | 66,254<br>24,587 | 65,851<br>26,836 | 65,39  |
| Reveluation reserves  | 6,146   | 10,199           | 12,137       | 14,110           | 16,125           | 18,176           |                  | 22,400       |                  |                  | 29,1   |
| TOTAL EQUITY  | 73,987  | 78,438           | 80,174       | 81,863           | 83,600           | 85,360           | 87,166           | 88,988       | 90,841           | 92,687           | 94,5   |
| Statement of Cash Flows - Sewer F   | und     |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| Base Case   | 2021    | 2022             | 2023         | 2024             | 2025             | 2026             | 2027             | 2028         | 2029             | 2030             | 2031   |
| Cash flows from operating activities  |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| Receipts:<br>Rates and annual charges   | 4,090   | 4,408            | 4,496        | 4,586            | 4,678            | 4,771            | 4,867            | 4,964        | 5,063            | 5,165            | 5,26   |
| Rates and annual charges<br>User charges and fees                                     | 623     | 209              | 4,496<br>275 | 4,586            | 287              | 292              | 4,867            | 4,964<br>304 | 310              | 316              | 5,20   |
| nvestment revenue and interest  | 81      | 30               | 181          | 109              | 119              | 113              | 121              | 117          | 113              | 46               | - 3    |
| Grants and contributions  | 415     |                  | -            | -                | -                |                  | -                | -            |                  | -                |        |
| Other<br>Fayments:  | 191     |                  | -            |                  | -                |                  |                  | -            |                  |                  |        |
| Rayments:<br>Employee benefits and on-costs   | (633)   | (1,395)          | (1,125)      | (1,153)          | (1,182)          | (1,211)          | (1,241)          | (1,273)      | (1,304)          | (1,337)          | (1,3   |
| Viaterials and contracts  | (2,552) | (768)            | (790)        | (806)            | (822)            | (838)            | (855)            | (872)        | (890)            | (908)            | (1,5   |
| Borrowing costs   | (136)   | (123)            | (159)        | (152)            | (145)            | (136)            | (128)            | (118)        | (109)            | (99)             | (-     |
| Other   | (192)   | (1,519)          | (1,549)      | (1,580)          | (1,612)          | (1,644)          | (1,677)          | (1,710)      | (1,745)          | (1,779)          | (1,8   |
| Net cash provided (or used) in operating activities                                   | 1,887   | 842              | 1,329        | 1,285            | 1,323            | 1,347            | 1,385            | 1,411        | 1,438            | 1,405            | 1,3    |
| Cash flows from investing activities  |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| Receipts:<br>Sale of investments  |         |                  |              |                  | -                |                  |                  |              |                  |                  |        |
| Sale of real estate assets  |         |                  | -            |                  |                  |                  | - 1              |              |                  | - 1              |        |
| iale of infrastructure, property, plant and equipment                                 | (21)    |                  | -            | -                |                  |                  | -                | -            |                  |                  |        |
| Other   |         | -                | -            | -                | -                |                  | -                | -            | -                |                  |        |
| Rayments:   |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| Purchase of investments<br>Purchase of real estate assets                             | - 1     | - :              | -            |                  |                  | - :              | - :              | -            |                  | - :              |        |
|   | - 1     | - 1              |              | -                | -                | - 1              | - 1              |              |                  | - 1              |        |
| Purchase of infrastructure, property, plant and equipment.                            | (465)   | (2,559)          | (4,808)      | (658)            | (1,476)          | (775)            | (1,448)          | (1,458)      | (4,570)          | (3,995)          | {2     |
| Net cash provided (or used) in investing activities                                   | (496)   | (2,559)          | (4,808)      | (658)            | (1,476)          | (775)            | (1,448)          | (1,458)      | (4,570)          | (3,995)          | (2     |
| Cash flows from financing activities  |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| Receipts:   |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| New loans   |         |                  | -            | -                |                  |                  | -                | -            |                  |                  |        |
| Fayments:<br>Loan repayments  | (70)    | (73)             | (145)        | (153)            | (161)            | (170)            | (179)            | (189)        | (199)            | (210)            | (2     |
|   |         |                  |              |                  |                  |                  |                  |              |                  |                  |        |
| Ret cash provided (or used) in financing activities                                   | (70)    | (73)             | (145)        | (153)            | (161)            | (170)            | (179)            | (189)        | (199)            | (210)            | (2     |
| Net increase / (decrease) in cash   | 1,331   | (1,790)          | (3,623)      | 475              | (314)            | 402              | (241)            | (235)        | (3,330)          | (2,800)          | 9      |
|   |         | 7                |              |                  | · ·              |                  |                  |              |                  |                  |        |

Page | 12

| Base Case  | 2021                | 2022               | 2023               | 2024               | 2025                      | 2026                      | 2027                      | 2028                      | 2029                      | 2030                      | 2031           |
|--|---------------------|--------------------|--------------------|--------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|----------------|
| Income from continuing operations  |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Rates and annual charges   | 17,051              | 19,144             | 19,572             | 20,009             | 20,410                    | 20,818                    | 21,234                    | 21,659                    | 22,092                    | 22,534                    | 22,98          |
| Jser charges and fees  | 16,905              | 16,273             | 16,598             | 16,930             | 17,269                    | 17,614                    | 17,967                    | 18,326                    | 18,693                    | 19,066                    | 19,44          |
| nterest and investment revenue   | 435                 | 410                | 1,050              | 933                | 628                       | 628                       | 646                       | 643                       | 654                       | 602                       | 5              |
| Other revenues   | 5,218               | 4,221              | 4,305              | 4,391              | 4,479                     | 4,569                     | 4,660                     | 4,753                     | 4,848                     | 4,945                     | 5.0            |
| Frants and contributions - Operating   | 25,350              | 10,740             | 10,955             | 11,174             | 11,398                    | 11,625                    | 11,858                    | 12,095                    | 12,337                    | 12,584                    | 12,8           |
| Frants and contributions - Capital   | 11,740              | 19,053             | 8,844              | 2,901              | 2,959                     | 3,018                     | 3,078                     | 3,140                     | 3,203                     | 3,267                     | 3.3            |
| let gain from the disposal of assets   | -                   | -                  | -                  |                    |                           | -                         |                           |                           | -                         | -                         |                |
| hare of interest in joint ventures   |                     |                    |                    |                    | -                         |                           |                           |                           |                           |                           |                |
| ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,  |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Total Income   | 76,699              | 69,841             | 61,325             | 56,340             | 57,143                    | 58,273                    | 59,444                    | 60,616                    | 61,827                    | 62,999                    | 64,2           |
| expenses from continuing operations  |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| imployee benefits and oncosts  | 20,246              | 16,677             | 17,094             | 17,521             | 17,959                    | 18,408                    | 18,868                    | 19,340                    | 19,824                    | 20,319                    | 20,8           |
| Borrowing costs  | 473                 | 367                | 302                | 254                | 224                       | 202                       | 188                       | 172                       | 157                       | 140                       | 1              |
| Vaterials and contracts  | 34,453              | 12,384             | 12,632             | 12,884             | 13,142                    | 13,405                    | 13,673                    | 13,946                    | 14,225                    | 14,510                    | 14,8           |
| Depreciation and amortisation  | 11,172              | 10,826             | 11,270             | 11,767             | 12,003                    | 12,249                    | 12,495                    | 12,760                    | 13,033                    | 13,294                    | 13,5           |
| mpairment  | -                   |                    |                    |                    |                           |                           | -                         |                           |                           |                           |                |
| Other expenses<br>Net loss from the disposal of assets   | 1,290<br>2,305      | 11,582             | 11,813             | 12,049             | 12,290                    | 12,536                    | 12,787                    | 13,043                    | 13,304                    | 13,570                    | 13,8           |
| vections from the dispusar of assets   | 2,303               | -                  | -                  | -                  |                           | -                         | -                         | -                         | -                         | -                         |                |
| otal Expenses  | 69,939              | 51,835             | 53,110             | 54,476             | 55,619                    | 56,801                    | 58,011                    | 59,261                    | 60,542                    | 61,833                    | 63,1           |
| let Operating Result   | 6,760               | 18,006             | 8,214              | 1,863              | 1,523                     | 1,472                     | 1,433                     | 1,355                     | 1,285                     | 1,166                     | 1,0            |
| Net operating result before grants and   |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| ontributions provided for capital purposes   | (4,980)             | (1,047)            | (630)              | (1,038)            | (1,436)                   | (1,546)                   | (1,646)                   | (1,785)                   | (1,918)                   | (2,101)                   | (2,2           |
| Statement of Financial Position - C  | onsolidate          | ed.                |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Sase Case  | 2021                | 2022               | 2023               | 2024               | 2025                      | 2026                      | 2027                      | 2028                      | 2029                      | 2030                      | 2031           |
| Current assets   |                     |                    |                    |                    |                           | - 4                       |                           |                           |                           |                           |                |
| Cash and investments<br>Receivables  | 33,017<br>12,129    | 47,499<br>8,274    | 41,665<br>8,455    | 22,300<br>8,640    | 22,526<br>8,812           | 24,185<br>8,989           | 24,487<br>9,168           | 24,199<br>9,352           | 22,369<br>9,539           | 21,281<br>9,730           | 23,2<br>9,9    |
| nventories   | 12,129              | 8,274<br>137       | 140                | 8,640<br>143       | 8,812<br>146              | 8,989<br>149              | 9,168                     | 9,352                     | 9,539                     | 9,750                     | 9,9            |
| Other  | 344                 | 344                | 344                | 344                | 344                       | 344                       | 344                       | 344                       | 344                       | 344                       |                |
| Total current assets   | 45.582              | 56,254             | 50,604             | 31.427             | 31.828                    | 33.667                    | 34.152                    | 34,050                    | 32.410                    | 31,516                    | 33.0           |
|  | 49,502              | 50,654             | 30,004             | 34,467             | 31,000                    | 30,007                    | 34,434                    | 34,050                    | 32,420                    | 24,240                    | 30,1           |
| Von-current assets<br>nvestments   | 5,000               | 5,000              | 5,000              | 5,000              | 5,000                     | 5,000                     | 5,000                     | 5,000                     | 5,000                     | 5,000                     | 5,0            |
| Receivables  | 3,000               | 12                 | 13                 | 13                 | 13                        | 13                        | 14                        | 14                        | 14                        | 14                        | 3,0            |
| nventories   | 147                 | 113                | 115                | 117                | 120                       | 122                       | 125                       | 127                       | 130                       | 132                       | 1              |
| nfrastructure, property, plant and equipment   | 657,702             | 700,257            | 731,276            | 770,506            | 790,494                   | 809,582                   | 830,373                   | 852,122                   | 875,821                   | 899,086                   | 919,6          |
| nvestment property   | 340                 | 340                | 340                | 340                | 340                       | 340                       | 340                       | 340                       | 340                       | 340                       | 3              |
| ntangible assets<br>loint venture investments  | 448                 |                    | - 1                |                    |                           |                           | - 1                       | - 1                       |                           |                           |                |
|  | 663,648             | 205 222            | 704 740            | 225 624            | 795,967                   | 815.057                   |                           | ****                      | 881.304                   | 904.573                   | 925.1          |
| Total non-current assets<br>Total Assets   | 709,230             | 705,722<br>761,976 | 736,743<br>787,347 | 775,976<br>807,403 | 795,967<br>827,795        | 815,057                   | 835,852<br>870,003        | 857,603<br>891.653        | 913,714                   | 936,088                   | 925,1          |
|  | 705,250             | 701,570            | 707,347            | 007,405            | 027,733                   | 040,724                   | 570,005                   | 031,033                   | 315,714                   | 230,000                   | 230,           |
| Current liabilities<br>Payables  | 3,877               | 2,037              | 2,090              | 2,126              | 2,174                     | 2,222                     | 2,272                     | 2,322                     | 2,574                     | 2,427                     | 2,4            |
| Income received in advance   | 8,629               | 8,629              | 8,629              | 8,629              | 8,629                     | 8,629                     | 8,629                     | 8,629                     | 8,629                     | 8,629                     | 3,6            |
| Borrowings   | 1,285               | 1,066              | 532                | 554                | 361                       | 376                       | 337                       | 298                       | 315                       | 333                       | 3              |
| Provisions   | 5,130               | 4,670              | 4,786              | 4,906              | 5,029                     | 5,154                     | 5,283                     | 5,415                     | 5,551                     | 5,689                     | 5,8            |
| Total current liabilities  | 18,921              | 16,401             | 16,027             | 16,216             | 16,192                    | 16,381                    | 16,521                    | 16,665                    | 16,869                    | 17,078                    | 17,2           |
| Non-current liabilities  |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Payables   |                     |                    |                    |                    | -                         |                           |                           |                           | -                         | -                         |                |
| Borrowings   | 6,284               | (1,066)            | (532)              | (554)              | (361)                     | (376)                     | (337)                     | (298)                     | (315)                     | (333)                     | (3             |
| Provisions   | 2,158               | 2,158              | 2,158              | 2,158              | 2,158                     | 2,158                     | 2,158                     | 2,158                     | 2,158                     | 2,158                     | 2,1            |
| Total non-current liabilities  | 8,442               | 1,092              | 1,626              | 1,604              | 1,797                     | 1,782                     | 1,821                     | 1,860                     | 1,843                     | 1,825                     | 1,1            |
| Total Liabilities  | 27,363              | 17,493             | 17,653             | 17,819             | 17,989                    | 18,163                    | 18,342                    | 18,524                    | 18,712                    | 18,903                    | 19,1           |
| NET ASSETS   | 681,867             | 744,483            | 769,694            | 789,584            | 809,806                   | 830,560                   | 851,661                   | 873,128                   | 895,002                   | 917,185                   | 939,6          |
| Equity   |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Accumulated surplus Revaluation reserves   | 600,084<br>81,783   | 619,205<br>125,278 | 626,914<br>142,780 | 628,831<br>160,753 | 630,394<br>179,411        | 631,866<br>198,694        | 633,299<br>218,363        | 634,654<br>238,474        | 635,939<br>259.063        | 637,105<br>280,080        | 638,1<br>301,5 |
|  |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| TOTAL EQUITY   | 681,867             | 744,483            | 769,694            | 789,584            | 809,806                   | 830,560                   | 851,661                   | 873,128                   | 895,002                   | 917,185                   | 939,6          |
| Statement of Cash Flows - Consoli  | dated               |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Base Case  | 2021                | 2022               | 2023               | 2024               | 2025                      | 2026                      | 2027                      | 2028                      | 2029                      | 2030                      | 2031           |
| ash flows from operating activities  |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Rates and annual charges   | 17,051              | 19,144             | 19,572             | 20,009             | 20,410                    | 20,818                    | 21,234                    | 21,659                    | 22,092                    | 22,534                    | 22,9           |
| User charges and fees  | 12,003              | 20,128             | 16,418             | 16,746             | 17,096                    | 17,438                    | 17,787                    | 18,143                    | 18,506                    | 18,876                    | 19,2           |
| nvestment revenue and interest   | 435                 | 410                | 1,050              | 933                | 628                       | 628                       | 646                       | 643                       | 654                       | 602                       | 5              |
| Grants and contributions<br>Other  | 37,090<br>5.218     | 29,793<br>4,222    | 19,799<br>4,306    | 14,075<br>4,392    | 14,356<br>4,479           | 14,644<br>4,569           | 14,936<br>4,660           | 15,235<br>4,754           | 15,540<br>4,849           | 15,851<br>4,946           | 16,1<br>5,0    |
| Other<br>Payments:   | 3,218               | 4,222              | 4,300              |                    | -                         | 4,309                     | 4,000                     | 4,734                     | 4,849                     | 4,940                     | 3,0            |
| Employee benefits and on-costs   | (20,752)            | (16,217)           | (17,211)           | (17,641)           | (18,082)                  | (18,534)                  | (18,997)                  | (19,472)                  | (19,959)                  | (20,458)                  | (20,9          |
| visterials and contracts   | (32,914)            | (14,236)           | (12,593)           | (12,843)           | (13,100)                  | (13,362)                  | (13,629)                  | (13,901)                  | (14,179)                  | (14,463)                  | (14,7          |
| Borrowing costs<br>Other   | (473)<br>(1,625)    | (367)<br>(11,582)  | (302)<br>(11,813)  | (254)              | (224)<br>(12,290)         | (202)<br>(12,536)         | (188)<br>(12,787)         | (172)                     | (157)<br>(13,304)         | (140)<br>(13,570)         | (13,8          |
| Net cash provided (or used) in operating activities  |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Net cash provided (or used) in operating activities<br>Cash flows from investing activities  | 16,033              | 31,296             | 19,226             | 13,368             | 13,274                    | 13,462                    | 13,663                    | 13,845                    | 14,042                    | 14,178                    | 14,3           |
| Receipts:  |                     |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| ale of investments   | 13,503              |                    |                    |                    |                           |                           |                           |                           |                           |                           |                |
| Sale of real estate assets   | (2,305)             | -                  | -                  | -                  | -                         | -                         | -                         | -                         | -                         |                           |                |
|  | (2,305)<br>158      | 448                | - :                |                    | -                         | - :                       |                           |                           | -                         | -                         |                |
| ale of infrastructure, property, plant and equipment   | 150                 | 440                | -                  |                    | -                         |                           |                           | - 1                       |                           |                           |                |
| ale of infrastructure, property, plant and equipment.  Other  laymants:  |                     |                    | -                  | -                  | -                         | -                         | -                         | -                         | -                         | -                         |                |
| ale of Infrastructure, property, plant and equipment<br>Other<br>Foyments:<br>Purchase of investments  | (5,003)             |                    |                    |                    | -                         | -                         |                           | -                         | -                         |                           |                |
| usie of infrastructure, property, plant and equipment<br>libber<br>by ments:<br>hurchase of investments<br>Purchase of real estate assets  | -                   | /20 000            | (24.222            | 122 420            | 443 730                   | /44 ****                  | (42.545)                  | 14.6 000                  | 45.000                    | 45.227                    | 1400           |
| Side of infrastructure, property, plant and equipment Dibber  (Poyments: Purchase of investments  Purchase of real estate assets  Purchase of infrastructure, property, plant and equipment  | (10,837)            | (36,665)           | (24,227)           | (32,439)           | (12,739)                  | (11,693)                  | {13,242}<br>-             | (14,059)                  | (15,844)                  | (15,227)                  | {12,3          |
| sic of Infrostructure, property, plant and equipment<br>Diber<br>Foyments:<br>Wurdenie of Investments<br>Wurdenie of Ireal estate assets<br>Wurdenie of Ireal estate assets<br>Wurdenie of Infrostructure, property, plant and equipment<br>Diber<br>Let cash provided (or used) in investing activities   | -                   | (36,665)           | (24,227)           | (32,439)           | (12,739)<br>-<br>(12,739) | (11,693)<br>-<br>(11,693) | (13,242)<br>-<br>(13,242) | (14,059)<br>-<br>(14,059) | (15,844)<br>-<br>(15,844) | (15,227)<br>-<br>(15,227) |                |
| sie of Informatium, property, plant and equipment<br>Dibber<br>Toyments:<br>urcraise of Investments<br>urcraise of Investments<br>urcraise of Investments<br>urchase of Informatium, popenty, plant and equipment<br>Dibber<br>tet cash provided (or used) in investing activities<br>teat from the University of University of University<br>tet safe provided (or used) in investing activities<br>teat from the University of University of University<br>tet and University of University<br>tet and University of University<br>tet and Universit   | (10,837)            | ,                  |                    |                    | -                         | -                         | -                         |                           | (20,011)                  | -                         |                |
| ale of infrastructure, property, plant and equipment<br>Diber<br>organization of investments<br>unchase of investments<br>unchase of infrastructure, property, plant and equipment<br>Diber  | (10,837)            | ,                  |                    |                    | -                         | -                         | -                         |                           | (20,011)                  | -                         | (12,3          |
| sie of Informatium, property, plant and equipment<br>Dibre<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetric<br>symmetri | (10,837)            | (36,217)           | (24,227)           | (32,439)           | (12,739)                  | (11,693)                  | (13,242)                  | (14,059)                  | (15,844)                  | (15,227)                  | (12,           |
| se of Infranceurus, property, plant and equipment<br>bother<br>symmetric<br>uncross of investments<br>uncross of real estate assets<br>unclass of infrastructure, property, plant and equipment<br>bother<br>let cash provided (or used) in investing activities<br>ask flows from finencing activities<br>level provided (or used) in investing activities<br>ask flows from finencing activities<br>(ever journe<br>to contract the contract of the  | (10,837)<br>(4,484) | (36,217)           | (24,227)           | (32,439)           | (12,739)                  | (11,693)                  | (13,242)                  | (14,059)                  | (15,844)                  | (15,227)                  | (12,:          |
| sie of Informatium, property, plant and equipment<br>Dobre<br>Formatic<br>Wordse of Informatic<br>Wordse of Informatic<br>Wordse of Informatic<br>Dobre<br>Let cash provided (or used) in investing activities<br>cash flows from financing activities<br>learn flows form financing activities<br>learn provided (or used) in investing activities<br>learn flows from financing activities   | (10,837)            | (36,217)           | (24,227)           | (32,439)           | (12,739)                  | (11,693)                  | (13,242)                  | (14,059)                  | (15,844)                  | (15,227)                  | (12,           |

Page | 13

### 6. SRV Scenario

Based on feedback received from the community as part of the Service Level Review and Rates Harmonisation and further feedback during the initial engagement around a potential SRV, Council does not believe that the community is willing to accept vastly reduced service levels or declining infrastructure.

The SRV scenario shows a path that allows Council to increase its revenues via increased rates and reduce its expenditure through efficiency gains and cost savings with moderate adjustments to service levels. It assumes that these shifts can be sustained in the long-term. Council's Road to Sustainability Plan outlines several actions Council is taking to achieve its objective of delivering sustainable best value to the community.

The SRV scenario represents Council's preferred long-term path to financial sustainability.

### Assumptions

The key assumptions contrasting to the baseline scenario are:

- Introduction of a permanent SRV under S508A of the Local Government Act of 38.06% (compounded and including the IPART rate peg of 2.5%) over two years
- Efficiency savings through staff savings of \$600K annually from 2022/23 with some savings effected during 2021/22

Council may consider other saving options over the longer term, such as:

- Selling, disposing, or repurposing buildings, structures or land that could be suitable for alternative management, are underutilised or no longer needed.
- · Ceasing of services or transition of services to someone else to provide
- · Review of frequency, quality and quantity of services provided to the community
- Transfer of a larger portion of the cost of services and facilities to the direct users/beneficiaries rather than the general ratepayer

### **Implications**

The SRV scenario shows a return to operating profits for the general fund from year 2023/24. It allows Council to increase its asset replacement reserves to make sure services can be delivered into the future. The SRV scenario meets the key principles of sound financial management. It returns operations to a surplus in the long-term, invests responsibly in infrastructure and avoids burdening future generations with excessive costs or extensive reductions to services.

However, while this scenario shows reduced reliance on external grant funding, Council continues to rely on external funding for infrastructure renewals. External funding will still be required to fully fund required renewals in the general fund. Council considers the ongoing level of additional funding achievable.

## SRV Scenario - Primary Financial Reports

Following are the reports for Council's General Fund and the consolidated model. Note that the Water Supply Fund and Wastewater Fund do not change under this scenario.



Page | 15

| SRV Scenario   | 2021  | 2022                 | 2023            | 2024                 | 2025            | 2026            | 2027               | 2028               | 2029            | 2030               | 2031        |
|--|---|----------------------|-----------------|----------------------|-----------------|-----------------|--------------------|--------------------|-----------------|--------------------|-------------|
| Income from continuing operations  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Rates and annual charges   | 9,581   | 9,757                | 11.346          | 13,211               | 13,475          | 13,744          | 14.019             | 14,300             | 14,586          | 14,877             | 15.17       |
| User charges and fees  | 13,205  | 12,927               | 13,186          | 13,450               | 13,719          | 13,993          | 14,273             | 14,558             | 14,849          | 15,146             | 15,44       |
| Interest and investment revenue  | 289   | 350                  | 776             | 804                  | 578             | 641             | 708                | 778                | 854             | 933                | 1,0         |
| Other revenues   | 4,368   | 4,141                | 4,224           | 4,308                | 4,394           | 4,482           | 4,572              | 4,663              | 4,757           | 4,852              | 4,9         |
| Grants and contributions - Operating   | 25,335  | 10,740               | 10,955          | 11,174               | 11,398          | 11,625          | 11,858             | 12,095             | 12,337          | 12,584             | 12,8        |
| Grants and contributions - Capital   | 10,343  | 17,875               | 7,710           | 1,744                | 1,779           | 1,814           | 1,851              | 1,888              | 1,926           | 1,964              | 2,0         |
| Net gain from the disposal of assets   | (6)   | 17,075               | 7,720           | 2,744                | 2,770           | 1,014           | 2,032              | 1,000              | 2,020           | 2,304              | 2,0         |
| Share of interest in joint ventures  | (0)   | - 1                  | -               |                      | -               |                 | -                  |                    |                 | - 1                |             |
| share or interest in joint ventures  | -   |                      | -               |                      | -               | -               | -                  | -                  | -               | -                  |             |
| Total Income   | 63,115  | 55,791               | 48,196          | 44,690               | 45,342          | 46,300          | 47,280             | 48,282             | 49,308          | 50,356             | 51,4        |
| i deal income  | 65,115  | 33,/91               | 48,190          | 44,090               | 45,342          | 40,300          | 47,280             | 48,282             | 49,506          | 50,550             | 51,4        |
| Expenses from continuing operations  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
|  | 18.582  | 13.987               | 14.337          | 14.695               | 15.063          | 15.439          | 15.825             | 16.221             | 16.627          | 17.042             | 17,4        |
| Employee benefits and oncosts  |   |                      |                 | 2-1,000              |                 | 20,400          | 20,020             |                    |                 | 27,000             | 17,4        |
| Borrowing costs  | 155   | 94                   | 88              | 81                   | 73              | 66              | 60                 | 53                 | 48              | 42                 |             |
| Materials and contracts  | 28,723  | 9,074                | 8,757           | 9,084                | 9,278           | 9,476           | 9,677              | 9,883              | 10,092          | 10,306             | 10,5        |
| Depreciation and amortisation  | 8,151   | 8,789                | 9,724           | 10,184               | 10,388          | 10,596          | 10,808             | 11,024             | 11,244          | 11,469             | 11,6        |
| mpairment  |   |                      |                 |                      |                 | -               | -                  |                    |                 |                    |             |
| Other expenses   | 165   | 7,613                | 7,765           | 7,921                | 8,079           | 8,241           | 8,406              | 8,574              | 8,745           | 8,920              | 9,0         |
| Net loss from the disposal of assets   | 2,284   |                      |                 | -                    | -               | -               | -                  | -                  | -               | -                  |             |
|  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Total Expenses   | 58,060  | 39,557               | 40,672          | 41,966               | 42,881          | 43,818          | 44,776             | 45,755             | 46,756          | 47,780             | 48,8        |
|  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Net Operating Result   | 5,055   | 16,233               | 7,524           | 2,724                | 2,461           | 2,482           | 2,505              | 2,528              | 2,552           | 2,577              | 2,6         |
|  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Net operating result before grants and   |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| contributions provided for capital purposes  | (5,289)   | (1,642)              | (186)           | 980                  | 682             | 668             | 654                | 640                | 627             | 613                | 6           |
|  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Statement of Financial Position - (  | General F   | und                  |                 |                      |                 |                 |                    |                    |                 |                    |             |
| SPALE CONTRACTOR   | 2000  | 2000                 | 2000            | 2024                 | 2025            | 200             | 2000               | 2020               | 2000            | 2020               | 242         |
| SRV Scenario   | 2021  | 2022                 | 2023            | 2024                 | 2025            | 2026            | 2027               | 2028               | 2029            | 2030               | 2031        |
| Current assets   | 40.00   | 22.77                | 25.150          | 22.576               | 22.216          | *****           | *****              | *****              | 44.000          |                    | 50.1        |
| Cash and investments Receivables   | 13,075<br>7,681   | 33,777<br>7,647      | 35,179<br>8,270 | 23,878<br>8.987      | 27,040<br>9,167 | 30,387<br>9.350 | 33,921<br>9.537    | 37,710<br>9,728    | 41,665<br>9.922 | 45,827<br>10.121   | 50,1        |
| Receivables<br>Inventories   | 430   | 137                  | 8,270           | 145                  | 9,167           | 9,350           | 9,557              | 9,728              | 9,922           | 10,121             | 10,5        |
| Other  | 9   | 9                    | 9               | 9                    | 9               | 9               | 9                  | 9                  | 9               | 9                  |             |
| Total current assets   | 21.196  | 41,570               | 43,598          | 33.019               | 36,364          | 39.897          | 43.621             | 47.604             | 51.757          | 56.120             | 60,6        |
|  | 21,190  | 41,570               | 49,990          | 33,013               | 30,304          | 33,037          | 45,021             | 47,004             | 34,797          | 30,120             | 00,0        |
| Non-current assets   | 5,000   | 5,000                | 5,000           | 5,000                | 5,000           | 5,000           | 5,000              | 5,000              | 5,000           | 5,000              | 5,0         |
| Receivables  | 12  | 12                   | 13              | 14                   | 15              | 15              | 15                 | 16                 | 16              | 16                 | 3,0         |
| Inventories  | 353   | 113                  | 115             | 119                  | 121             | 124             | 126                | 129                | 131             | 134                | 1           |
| infrastructure, property, plant and equipment  | 541,297   | 573,761              | 593,423         | 621,300              | 635,570         | 650,063         | 664,697            | 679,466            | 694,465         | 709,609            | 724,9       |
| nvestment property   | 340   | 340                  | 340             | 340                  | 340             | 340             | 340                | 340                | 340             | 340                | 3           |
| ntangible assets   | 448   | -                    | -               |                      | · .             |                 | -                  |                    | -               | -                  |             |
| Joint venture investments  |   |                      |                 |                      |                 |                 | -                  |                    |                 |                    |             |
| Total non-current assets   | 547,450   | 579,226              | 598,891         | 626,774              | 641,046         | 655,542         | 670,179            | 684,950            | 699,953         | 715,099            | 730,4       |
| Total Assets   | 568,646   | 620,797              | 642,489         | 659,793              | 677,410         | 695,439         | 713,800            | 732,554            | 751,709         | 771,219            | 791,0       |
| Current liabilities  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Payables   | 3,014   | 1,954                | 1,997           | 2,051                | 2,097           | 2,143           | 2,191              | 2,240              | 2,290           | 2,341              | 2,3         |
| Income received in advance Borrowings  | 8,629<br>190  | 8,629<br>273         | 8,629<br>279    | 8,629<br>273         | 8,629<br>191    | 8,629<br>197    | 8,629<br>149       | 8,629<br>100       | 8,629<br>106    | 8,629<br>112       | 8,6         |
| Provisions   | 5.203   | 3.916                | 4.014           | 4.115                | 4.218           | 4.323           | 4 431              | 4.542              | 4.655           | 4.772              | 48          |
| Total current liabilities  | 17,036  | 14,772               | 14,920          | 15,067               | 15,134          | 15,292          | 15,400             | 15,510             | 15,680          | 15,854             | 16,0        |
|  | 17,036  | 14,772               | 14,920          | 15,067               | 15,154          | 15,292          | 15,400             | 15,510             | 15,680          | 15,854             | 16,0        |
| Non-current liabilities  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Payables<br>Borrowings   | (190)   | (273)                | (279)           | (273)                | (191)           | (197)           | (149)              | (100)              | (106)           | (112)              | (1          |
| Provisions   | 2.158   | 2.158                | 2.158           | 2.158                | 2.158           | 2.158           | 2.158              | 2.158              | 2.158           | 2.158              | 2.1         |
| Total non-current liabilities  | 1,968   | 1.885                | 1.879           | 1.885                | 1.967           | 1.961           | 2.009              | 2.058              | 2.052           | 2,046              | 2.0         |
| Total Liabilities  | 19,004  | 16,657               | 16,799          | 16,953               | 17,101          | 17,253          | 17,409             | 17,569             | 17,732          | 17,900             | 18,0        |
| NET ASSETS   |   |                      |                 |                      |                 |                 | -                  |                    |                 |                    |             |
| NET ASSETS   | 549,642   | 604,139              | 625,690         | 642,841              | 660,309         | 678,186         | 696,391            | 714,985            | 733,977         | 753,319            | 773,0       |
| Equity   |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Accumulated surplus  | 476,638   | 492,872              | 500,396         | 503,120              | 505,581         | 508,063         | 510,568            | 513,096            | 515,648         | 518,225            | 520,8       |
| Revaluation reserves   | 73,003  | 111,268              | 125,294         | 139,720              | 154,728         | 170,122         | 185,823            | 201,889            | 218,329         | 235,094            | 252,1       |
|  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| TOTAL EQUITY   | 549,642   | 604,139              | 625,690         | 642,841              | 660,309         | 678,186         | 696,391            | 714,985            | 733,977         | 753,319            | 773,0       |
|  |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Statement of Cash Flows - Genera   | l Fund  |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| SRV Scenario   | 2021  | 2022                 | 2023            | 2024                 | 2025            | 2026            | 2027               | 2028               | 2029            | 2030               | 2031        |
|  | 2021  | 2022                 | 2023            | 1024                 | 2023            | 1020            | 2021               | 2020               | 2023            | 2030               | 2051        |
| Cash flows from operating activities   |   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Rates and annual charges   | 9,581   | 9,757                | 11.346          | 13,211               | 13,475          | 13,744          | 14,019             | 14,300             | 14,586          | 14,877             | 15,1        |
| User charges and fees  | 12,194  | 12,951               | 12,563          | 12,732               | 13,539          | 13,810          | 14,086             | 14,367             | 14,655          | 14,948             | 15,2        |
| nvestment revenue and interest   | 289   | 350                  | 776             | 804                  | 578             | 641             | 708                | 778                | 854             | 933                | 1,0         |
| Grants and contributions<br>Other  | 35,678<br>4,369   | 28,615               | 18,665          | 12,918               | 13,176          | 13,440<br>4,482 | 13,709<br>4.572    | 13,983<br>4,664    | 14,263<br>4,757 | 14,548<br>4,852    | 14,8<br>4,9 |
| Other Favorients:  | 4,369   | 4,141                | 4,225           | 4,309                | 4,395           | 4,482           | 4,572              | 4,664              | 4,757           | 4,852              | 4,9         |
| Employee benefits and on-costs   | (19,161)  | (12,701)             | (14,435)        | (14,796)             | (15,166)        | (15,545)        | (15,933)           | (16,332)           | (16,740)        | (17,159)           | (17,5       |
| Visterials and contracts   | (28,501)  | (9,601)              | (8,719)         | (9,040)              | (9,238)         | (9,434)         | (9,635)            | (9,839)            | (10,048)        | (10,261)           | (10,4       |
|  | (155)   | (94)                 | (88)            | (81)                 | (73)            | (66)            | (60)               | (53)               | (48)            | (42)               |             |
| Borrowing costs  | (165)   | (7,613)              | (7,765)         | (7,921)              | (8,079)         | (8,241)         | (8,406)            | (8,574)            | (8,745)         | (8,920)            | (9,0        |
| Other  | 4   | 25,816               | 16,567          | 12,137               | 12,607          | 12,831          | 13,060             | 13,294             | 13,533          | 13,777             | 14,0        |
| Other  | 14,129  |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Other<br>Net cash provided (or used) in operating activities   | 4   |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Other  Net cash provided (or used) in operating activities  Cash flows from investing activities  Receipts:  | 14,129  |                      |                 |                      |                 |                 |                    |                    |                 |                    |             |
| Other  Net cash provided (or used) in operating activities  Cash flows from investing activities  Receipts:  | 4   |                      | -               |                      |                 | -               | -                  |                    |                 |                    |             |
| blber  vet cash provided (or used) in operating activities  cash flows from investing activities  tracepts:  also of investments  also of real estate assets   | 14,129  | :                    | -               | -                    | :               | - :             | -                  |                    | -               | -                  |             |
| Other  Viet cash provided (or used) in operating activities  Clash flows from investing activities  Receipts:  Cale of investments  Sale of investments  Sale of first estate assets  Sale of infrastructure, property, plant and equipment  | 14,129  | -<br>-<br>448        | :               | :                    |                 |                 | :                  | :                  |                 |                    |             |
| Dibber (Let cash provided (or used) in operating activities<br>Cash flows from investing activities<br>Recepts:<br>Billion of investments<br>Dile of rimestments used to the cash of activities<br>and of infestments property, plant and equipment<br>Dibber (byments).   | 14,129<br>13,503<br>(2,290)<br>158                                  | :                    | :               | :                    | :               | :               | :                  | :                  | :               | :                  |             |
| Dibber  Let cash provided (or used) in operating activities  Cash flows from investing activities  Stranger  Let cash provided (or used)  Let cash provided  Let cash | 14,129<br>13,503<br>(2,290)   | :                    | :               | - :                  |                 |                 | •                  | :                  | :               | -                  |             |
| Dibber  Let cash provided (or used) in operating activities  Cash flows from investing activities  Story (in the cash of the c | 14,129<br>13,503<br>(2,290)<br>158                                  | :                    | :               | :                    | :               | :               | •                  | :                  |                 | :                  |             |
| Dober  Let cash provided (or used) in operating activities  Cash flows from investing activities  less place of investments  also of investments   | 13,503<br>(2,290)<br>158<br>(5,003)                                 | 448                  | :               | -                    | :               |                 |                    | :                  |                 | -                  |             |
| Diber (set cash provided (or used) in operating activities (set) flows from investing activities (set) flows from investing activities (set) flows (se | 14,129<br>13,503<br>(2,290)<br>158                                  | :                    | :               | :                    | :               | :               | (9,545)            | :                  | (9,704)         | :                  | (9,8        |
| Dibor  Let cash provided (or used) in operating activities cash flows from investing activities cash flows from investing activities cash flows from investing activities cash of investments also of investments also of real estate assets also of investments unchase of investments   | 13,503<br>- (2,290)<br>158<br>(5,003)<br>- (8,672)                  | 448<br>-<br>(28,074) | (15,086)        | (23,357)             | (9,377)         | (9,503)         | (9,545)            | (9,577)            | (9,704)         | (9,742)            | - '         |
| Sortowing costs  Other  (tet cash provided (or used) in operating activities  (tet cash provided (or used) in operating activities  frequipts  Date of investments  Sale of investments  Sale of real estate a suets  sale of investments  Playments  Playments  Playments  Playments  Playments  Purchase of investments  Purcha | 13,503<br>(2,290)<br>158<br>(5,003)                                 | 448                  | :               | -                    | :               |                 |                    | :                  |                 | -                  |             |
| Diber   (et cash provided (or used) in operating activities  (ash flows from investing activities  (transpire).   (transpire)  (transpi | 13,503<br>- (2,290)<br>158<br>(5,003)<br>- (8,672)                  | 448<br>-<br>(28,074) | (15,086)        | (23,357)             | (9,377)         | (9,503)         | (9,545)            | (9,577)            | (9,704)         | (9,742)            | - '         |
| Dober   tel cash provided (or used) in operating activities   cash flows from investing activities   from plats   the or investments   also of investments   also of investments   also of investments   control or investments   cash flows from financing activities   free provided (or used) in investing activities   free provided (or used)   free provided (or used) in investing activities   free  | 13,503<br>(2,290)<br>158<br>(5,003)<br>(8,672)                      | (28,074)             | (15,086)        | (23,357)             | (9,377)         | (9,503)         | (9,545)            | (9,577)            | (9,704)         | (9,742)            | (9,8        |
| Dober  Let cash provided (or used) in operating activities  Cash flows from investing activities  Cash flows from investing activities  Cash flows from investing activities  Cash of rein estate susets  sale of infestination, property, plant and equipment  Cash of the cash of the cash of the cash of the  Popularities  Windhase of investiments  Wurchase of infestivation, property, plant and equipment  Cash of the Cash of the  Cash of the  Cash of the  Cash flows from finencing activities  Cash flows from finencing activities  Recupiez.  | 13,503<br>- (2,290)<br>158<br>(5,003)<br>- (8,672)                  | 448<br>-<br>(28,074) | (15,086)        | (23,357)             | (9,377)         | (9,503)         | (9,545)            | (9,577)            | (9,704)         | (9,742)            |             |
| Dates  tect cash provided (or used) in operating activities  test flows from investing activities  test place  test test  test place  test test  test place  test test   | 14,129<br>13,503<br>(2,290)<br>158<br>(5,003)<br>(8,672)            | (28,074)             | (15,086)        | (23,357)             | (9,377)         | (9,503)         | (9,545)            | (9,577)<br>(9,577) | (9,704)         | (9,742)<br>(9,742) | (9,4        |
| Deber (et cash provided (or used) in operating activities (ash flows from investing activities (ash flows from investing activities (aspire)). The cash of cash parts (ash of investments ask of infestioustume, property, plant and equipment other (ash of investments). The contract of cash of investments (unchase of infestioustume, property, plant and equipment outcomes of real estate assets (unchase of infestioustume, property, plant and equipment other (ash provided (or used) in investing activities (ash flows from financing activities (ash flows  | 14,129<br>13,503<br>(2,290)<br>158<br>(5,003)<br>(8,672)<br>(2,306) | (28,074)             | (15,086)        | (23,357)<br>(23,357) | (9,377)         | (9,503)         | (9,545)<br>(9,545) | (9,577)            | (9,704)         | (9,742)            | (9,1        |
| Dober  Let cash provided (or used) in operating activities  Cash flows from investing activities  Cash flows from investing activities  Cash flows from investing activities  Cash of rein estate susets  sale of infestination, property, plant and equipment  Cash of the cash of the cash of the cash of the  Popularities  Windhase of investiments  Wurchase of infestivation, property, plant and equipment  Cash of the Cash of the  Cash of the  Cash of the  Cash flows from finencing activities  Cash flows from finencing activities  Recupiez.  | 14,129<br>13,503<br>(2,290)<br>158<br>(5,003)<br>(8,672)            | (28,074)             | (15,086)        | (23,357)             | (9,377)         | (9,503)         | (9,545)            | (9,577)<br>(9,577) | (9,704)         | (9,742)<br>(9,742) | - '         |

Page | 16

| Consolidated SRV  | 2021            | 2022              | 2023               | 2024              | 2025              | 2026              | 2027              | 2028              | 2029              | 2030              | 2031             |
|---|-----------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| ncome from continuing operations  |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Rates and annual charges  | 17,051          | 19,144            | 19,572             | 21,392            | 23,436            | 23,905            | 24,383            | 24,871            | 25,368            | 25,875            | 26,393           |
| User charges and fees   | 16,905          | 16,273            | 16,598             | 16,930            | 17,269            | 17,614            | 17,967            | 18,326            | 18,693            | 19,066            | 19,44            |
| Interest and investment revenue   | 435             | 410               | 1,059              | 975               | 729               | 900               | 892               | 965               | 1,056             | 1,085             | 1,143            |
| Other revenues  | 5,218           | 4,221             | 4,305              | 4,391             | 4,479             | 4,569             | 4,660             | 4,753             | 4,848             | 4,945             | 5,044            |
| Grants and contributions - Operating  | 25,350          | 10,740            | 10,955             | 11,174            | 11,398            | 11,625            | 11,858            | 12,095            | 12,337            | 12,584            | 12,835           |
| Grants and contributions - Capital  | 11,740          | 19,053            | 8,844              | 2,901             | 2,959             | 3,018             | 3,078             | 3,140             | 3,203             | 3,267             | 3,332            |
| Net gain from the disposal of assets  | -               | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 |                   |                  |
| Share of interest in joint ventures   | -               | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 |                   |                  |
| Total Income  | 76,699          | 69,841            | 61,334             | 57,764            | 60,270            | 61,531            | 62,838            | 64,150            | 65,505            | 66,824            | 68,193           |
|   | 70,055          | 05,041            | 01,334             | 37,704            | 00,270            | 01,331            | 02,030            | 04,130            | 03,303            | 00,024            | 00,153           |
| Expenses from continuing operations   | 20 246          | 16.677            | 17.094             | 17.521            | 17,959            | 18.408            | 18,868            | 19.340            | 19.824            | 20,319            | 20.827           |
| Employee benefits and oncosts<br>Borrowing costs                                      | 20,246          | 367               | 302                | 254               | 224               | 202               | 188               | 19,540            | 19,824            | 140               | 20,827           |
| Dorrowing costs Materials and contracts   | 34.453          | 12 284            | 12.032             | 12 424            | 12 685            | 12.950            | 13.221            | 13.498            | 13.780            | 14.067            | 14.361           |
| Depreciation and amortisation   | 11.172          | 10.826            | 11,032             | 11.767            | 12,085            | 12,950            | 12,495            | 12,760            | 13,780            | 13,294            | 14,360           |
|   | 11,1/2          | 10,826            | 11,2/0             | 11,/6/            | 12,005            | 12,249            | 12,495            | 12,760            | 15,055            | 15,294            | 15,500           |
| Impairment<br>Other expenses  | 1.290           | 11.582            | 11.813             | 12.049            | 12.290            | 12.536            | 12.787            | 13.043            | 13.304            | 13,570            | 13.841           |
| Net loss from the disposal of assets  | 2,305           | 11,582            | 11,815             | 12,049            | 12,290            | 12,556            | 12,787            | 15,045            | 15,504            | 15,5/0            | 15,841           |
| Total Expenses  | 69,939          | 51,735            | 52,510             | 54,016            | 55,162            | 56,346            | 57,560            | 58,812            | 60,097            | 61,391            | 62,712           |
|   |                 |                   |                    |                   |                   |                   | , i               |                   |                   |                   |                  |
| Net Operating Result  | 6,760           | 18,106            | 8,823              | 3,748             | 5,107             | 5,185             | 5,278             | 5,338             | 5,408             | 5,433             | 5,481            |
| Net operating result before grants and<br>contributions provided for capital purposes | (4,980)         | (947)             | (21)               | 847               | 2,149             | 2,167             | 2,200             | 2,198             | 2,205             | 2,166             | 2,149            |
|   |                 |                   | (0.0)              | 347               | -,245             | 2,207             | 2,200             | 7,200             | 2,200             | 2,200             | -,,2-49          |
| Statement of Financial Position - C   |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Consolidated SRV  | 2021            | 2022              | 2023               | 2024              | 2025              | 2026              | 2027              | 2028              | 2029              | 2030              | 2031             |
| Current assets Cash and investments   | 33.017          | 47 934            | 43.766             | 27.330            | 31 119            | 36,472            | 40.599            | 44.272            | 46.543            | 49.700            | 56.021           |
| Cash and investments<br>Receivables   | 33,017<br>8,212 | 47,934<br>8,274   | 43,766<br>8,910    | 27,330<br>9,640   | 9,833             | 36,472<br>10.029  | 40,599<br>10.230  | 44,272<br>10,435  | 46,543<br>10.643  | 49,700<br>10,856  | 56,021<br>11,073 |
| Inventories   | 430             | 137               | 140                | 145               | 148               | 151               | 154               | 157               | 160               | 163               | 167              |
| Other   | 9               | 9                 | 9                  | 9                 | 9                 | 9                 | 9                 | 9                 | 9                 | 9                 | 9                |
| Total current assets  | 41,668          | 56,354            | 52,825             | 37,124            | 41,109            | 46,661            | 50,992            | 54,873            | 57,355            | 60,729            | 67,270           |
| Non-current assets  |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| investments   | 5,000           | 5,000             | 5,000              | 5,000             | 5,000             | 5,000             | 5,000             | 5,000             | 5,000             | 5,000             | 5,000            |
| Receivables   | 12<br>353       | 12                | 13                 | 14                | 15<br>121         | 15<br>124         | 15                | 15                | 16<br>131         | 16<br>134         | 17               |
| Inventories<br>Infrastructure, property, plant and equipment                          | 656,483         | 113<br>698 723    | 729.742            | 768,972           | 788.960           | 808.048           | 126<br>828,839    | 129<br>850.588    | 874.287           | 897.552           | 918.112          |
| Investment property   | 340             | 340               | 340                | 340               | 340               | 340               | 340               | 340               | 340               | 340               | 340              |
| Intangible assets   | 448             | -                 |                    | - 4               |                   | -                 |                   | -                 | -                 |                   |                  |
| Joint venture investments   | -               | -                 | -                  |                   |                   |                   | - 1               |                   |                   |                   |                  |
| Total non-current assets  | 662,636         | 704,188           | 735,210            | 774,445           | 794,436           | 813,526           | 834,321           | 856,072           | 879,774           | 903,042           | 923,605          |
| Total Assets  | 704,304         | 760,542           | 788,035            | 811,569           | 835,545           | 860,187           | 885,313           | 910,945           | 937,129           | 963,771           | 990,875          |
| Current liabilities   |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Payables<br>Income received in advance  | 3,127<br>8,629  | 2,037<br>8,629    | 2,080<br>8,629     | 2,135<br>8,629    | 2,183<br>8,629    | 2,231<br>8,629    | 2,281<br>8,629    | 2,332<br>8,629    | 2,384<br>8,629    | 2,437<br>8,629    | 2,491<br>8,629   |
| Borrowings  | 1.276           | 1,066             | 532                | 554               | 361               | 376               | 337               | 298               | 315               | 333               | 8,629            |
| Provisions  | 5,303           | 4,670             | 4,786              | 4,906             | 5,029             | 5,154             | 5,283             | 5,415             | 5,551             | 5,689             | 5,832            |
| Total current liabilities   | 18,334          | 16,401            | 16,027             | 16,225            | 16,201            | 16,390            | 16,531            | 16,675            | 16,879            | 17,088            | 17,304           |
| Non-current liabilities   |                 |                   |                    |                   |                   |                   |                   | 49                |                   |                   |                  |
| Payables  |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Borrowings  | 3,662           | (1,066)           | (532)              | (554)             | (361)             | (376)             | (337)             | (298)             | (315)             | (333)             | (352             |
| Provisions  | 2,158           | 2,158             | 2,158              | 2,158             | 2,158             | 2,158             | 2,158             | 2,158             | 2,158             | 2,158             | 2,158            |
| Total non-current liabilities   | 5,820           | 1,092             | 1,626              | 1,604             | 1,797             | 1,782             | 1,821             | 1,860             | 1,843             | 1,825             | 1,806            |
| Total Liabilities   | 24,155          | 17,493            | 17,653             | 17,828            | 17,998            | 18,173            | 18,351            | 18,534            | 18,721            | 18,913            | 19,110           |
| NET ASSETS  | 680,150         | 743,049           | 770,382            | 793,741           | 817,547           | 842,015           | 866,962           | 892,411           | 918,408           | 944,858           | 971,765          |
| Equity<br>Accumulated surgius   | 480 807         | 498 912           | 509.084            | 514.417           | 519 524           | 524.709           | 529.988           | 535.325           | 540.733           | 546.166           | 551.648          |
| Reveluation reserves  | 199,343         | 244,137           | 261,298            | 279,324           | 298,023           | 317,306           | 336,974           | 357,085           | 377,674           | 398,691           | 420,117          |
| TOTAL EQUITY  | 680,150         | 743,049           | 770,382            | 793,741           | 817,547           | 842,015           | 866,962           | 892,411           | 918,408           | 944,858           | 971,765          |
| Statement of Cash Flows - Consoli   | dated           |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
|   |                 | 2022              | 2022               | 2024              | 2025              | 2026              | 2437              | 2424              | 2420              | 2424              | 2024             |
| Consolidated SRV  | 2021            | 2022              | 2023               | 2024              | 2025              | 2026              | 2027              | 2028              | 2029              | 2030              | 2031             |
| Cash flows from operating activities Receipts:  |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Rates and annual charges  | 17,051          | 19,144            | 19,572             | 21,392            | 23,436            | 23,905            | 24,383            | 24,871            | 25,368            | 25,875            | 26,393           |
| User charges and fees   | 15,920          | 16,211            | 15,963             | 16,200            | 17,076            | 17,418            | 17,766            | 18,121            | 18,484            | 18,854            | 19,231           |
| Investment revenue and interest<br>Grants and contributions                           | 435<br>37,090   | 410<br>29,793     | 1,059<br>19,799    | 975<br>14,075     | 729<br>14,356     | 900<br>14,644     | 892<br>14,936     | 965<br>15,235     | 1,056<br>15,540   | 1,086<br>15,851   | 1,141            |
| Grants and contributions<br>Other   | 5,219           | 4,221             | 19,799<br>4,306    | 4,393             | 4,479             | 4,569             | 14,956<br>4,660   | 4,754             | 15,540<br>4,849   | 4,946             | 16,168<br>5,045  |
| Payments:   |                 | -                 |                    |                   | 1,110             |                   | 1,000             |                   | 1,010             | -1,6-16           |                  |
| Employee benefits and on-costs  | (20,925)        | (16,044)          | (17,211)           | (17,641)          | (18,082)          | (18,534)          | (18,997)          | (19,472)          | (19,959)          | (20,458)          | (20,970          |
| Materials and contracts Borrowing costs   | (34,208)        | (12,841)<br>(367) | (11,993)<br>(302)  | (12,378)<br>(254) | (12,643)<br>(224) | (12,907)<br>(202) | (13,177)<br>(188) | (13,453)<br>(172) | (13,734)<br>(157) | (14,020)<br>(140) | (14,312          |
| Other   | (1,290)         | (11,582)          | (11,813)           | (12,049)          | (12,290)          | (12,536)          | (12,787)          | (13,043)          | (13,304)          | (13,570)          | (13,841          |
| Net cash provided (or used) in operating activities                                   | 18,819          | 28,945            | 19,381             | 14,713            | 16,838            | 17,155            | 17,488            | 17,806            | 18,143            | 18,423            | 18,730           |
| Cash flows from investing activities  |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Receipts:<br>Sale of investments  | 13,503          |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Sale of investments Sale of real estate assets  | 10,003          |                   |                    |                   | -                 | - :               |                   |                   | - :               | - :               | - :              |
| Sale of infrastructure, property, plant and equipment                                 | (2,305)         |                   |                    | -                 |                   | -                 |                   | -                 |                   |                   |                  |
| Other   | 158             | 448               | -                  | -                 | -                 |                   |                   |                   |                   |                   |                  |
| Payments:<br>Purchase of investments  | (5,003)         | -                 | -                  | -                 |                   | -                 |                   |                   |                   |                   |                  |
| Purchase of real estate assets  |                 |                   | 10.4 0070          |                   | (42 720)          | -                 | -                 |                   |                   | -                 |                  |
| Purchase of infrastructure, property, plant and equipment<br>Other                    | (10,837)        | (36,665)          | (24,227)           | (32,439)          | (12,739)          | (11,693)          | (13,242)          | (14,059)          | (15,844)          | (15,227)          | (12,361          |
| Net cash provided (or used) in investing activities                                   | (4,484)         | (36,217)          | (24,227)           | (32,439)          | (12,739)          | (11,693)          | (13,242)          | (14,059)          | (15,844)          | (15,227)          | (12,361          |
|   |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Cash flows from financing activities  |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Cash flows from financing activities  |                 |                   |                    |                   |                   |                   |                   |                   |                   |                   |                  |
| Cash flows from financing activities<br>Receipts:<br>New loans                        |                 | -                 | -                  | -                 | -                 | -                 |                   |                   |                   |                   |                  |
| Cash flows from financing activities Receipts: New loans Payments:                    | (204)           | - (876)           | /1 056             | (532)             | ISEM              | 12611             | 1276              | 12271             | 17051             | 12151             | /222             |
| Cash flows from financing activities Receipts: New Joans Repriments: Loan repayments  | (801)           | (875)             | (1,066)            | (532)             | (554)             | (361)             | (376)             | (337)             | (298)             | (315)             | (333             |
| Cash flows from financing activities Receipts: New loans Payments:                    | (801)           | (875)<br>(875)    | (1,066)<br>(1,066) | (532)<br>(532)    | (554)<br>(554)    | (361)<br>(361)    | (376)<br>(376)    | (337)             | (298)<br>(298)    | (315)<br>(315)    | (33              |

Page | 17

### 7. Sensitivity Analysis

Both the baseline and SRV scenario have been evaluated in relation to their sensitivity to changes in the assumptions.

### **Employee Costs**

Council's ability to contain rises in employee costs has a major impact on future performance. A key issue is the level of capitalisation (allocating employees to capital works programs rather than operational) and the level of resourcing required for civil contracting activities.

Future increases (indexation) of employee costs due to award increases and progression of staff through the salary system are critical components of the modelling. Employee costs increasing by an average of 1% higher than the assumed rate results in an additional \$9 million and \$8 million respectively to employee costs by the end of the 10-year period for the baseline and SRV scenario respectively.

#### Interest Rates

Council has very low levels of borrowings and the existing loans are at fixed rates with interest payments decreasing over time. However, the interest received on investments has an impact on operating results. Further, utilising reserves for major capital investments decreases the available investment assets from which interest is received.

### Capital Works Programs

A significant increase in Council's capital works programs over what is proposed in the updated LTFP will reduce reserves and cash holdings. If Council embarked on adding new capital projects resulting in additional assets, not only will the reserves decrease, but operational costs will increase both for maintenance and depreciation.

#### **Grant Programs**

Council relies heavily on external funding for its operations and capital works renewal program. If such grants are reduced or discontinued, Council will have to generate considerably more revenues from other sources. It has been assumed that Government funding remains stable, however, should such funding decrease because of current economic stimulus spending, Council's operating result would significantly worsen.

### Rates Income

Rates Income is restricted to rate pegging as set each financial year by the Independent Pricing & Regulatory Tribunal (IPART). If rate pegging was abolished, Council would have greater flexibility to achieve financial sustainability.

### Cost Shifting

Over the years other levels of government have shifted costs associated, among other, with emergency services, weed management, food safety regulation, road safety programs and fire and emergency services to local government without funding. It is likely that this trend will continue and negatively affect Council's operating results.

### **Energy Costs**

Increased energy costs are occurring with Council continually looking at ways to minimise future costs. Solar panels and geothermal heating/cooling for Council buildings have resulted in savings with further projects being investigated.

### Insurance and Workers Compensation

Forecasting insurance premiums is difficult. Considerable increases in insurance premiums are possible, influenced by several issues, particularly the occurrence of natural disasters, economic uncertainty and climate change.

Page | 18

Workers' compensation premiums can increase at any time following a rise in claims or with major open cases. Council's safety, risk & quality committee is committed to reducing premiums and claims through increased risk mitigation, awareness and workplace safety programs.

### Superannuation

Council is responsible to fund investment shortfalls in the defined benefits member scheme until all staff in the scheme have retired. Council has been advised to expect to be called upon to fund investment shortfalls in this scheme due to the current economic environment. However, no additional allowance has been made in the financial forecast at this stage as the extend of the funding requirement is unclear.

## 8. Indicators

Council's key objectives include the achievement of an operating surplus over the planning cycle and adequate funding of asset renewals. This is achieved under the SRV Scenario. Other considerations include the achievement of industry benchmarks that Council must report on as part of its annual report.

The following ratios are anticipated to occur under the SRV scenario (comment included where divergent for the baseline scenario):

### Operating Performance Ratio - Benchmark > 0%

This ratio measures financial sustainability and indicates Council's capacity to meet its ongoing expenditure by comparing revenues with operating expenses (excluding capital grants and contributions). In the SRV scenario, Council reaches the benchmark by 2023/24. Under the baseline scenario, Council is unable to reach this benchmark.

### Own Source Revenue - Benchmark > 60%

This ratio indicates Council's ability to control its own operating performance and financial sustainability. It compares operating revenues gained from sources other than grants and contributions to its total operating revenues. Council meets this benchmark in 9 out of 10 years.

## Unrestricted Current Ratio - Benchmark >1.5

This ratio indicates Council's ability to meet short term obligations as they fall due. Council meets this ratio throughout the period of the LTFP. However, in the baseline scenario, Council assets quickly deplete, and Council is unable to meet this ratio from about 2025/26.

### Debt Service Cover Ratio - Benchmark >2

This ratio indicates the proportion of operating revenues being utilised for interest and principal repayments on loans. Council is well within the benchmark over the entire period of the LTFP.

### Rates and Annual Charges Outstanding – Benchmark <10%

This ratio assesses the impact of uncollected rates and charges on liquidity and the adequacy of recovery efforts. It is expected to be achieved over the entire period of the LTFP. However, economic factors may influence rates and charges collection in the earlier years of the forecast.

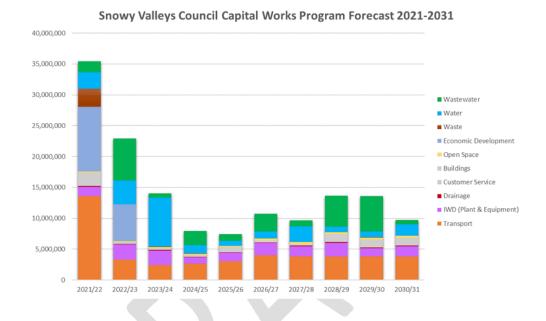
### Cash Expenses Cover Ratio – Benchmark > 3 months

This ratio indicates Council's liquidity. It determines the number of months a Council can continue paying for its immediate expenses without additional cash flow. The ratio is expected to be achieved over the period of the LTFP. But under the baseline scenario Council is unable to meet this ratio from year 2027/28.

Page | 19

## 9. Capital Works Program

The capital works program for 2021/22 is included in the operational plan and budget paper. The chart below shows the planned capital expenditure over the next ten years, however, this is forecast requires regular updating due to changes to the works program and available funding opportunities. It will be updated in line with the Community Strategic Plan and Delivery Program.



Council's Strategic Asset Management Plan contains further information on Council's asset portfolio.

10.6 Attachment 1 Page 203

Page | 20