LONG TERM FINANCIAL PLAN

2017-2027

Updated December 2017

Long Term Financial Plan 2017 – 2027

Introduction

Long term financial planning promotes thinking about the influence of changing circumstances, exploring new projects and the many decisions made about the service programs and their impact on the financial sustainability of council business. Financial planning is a guiding framework and so is an essential tool for responsible financial management. The importance is recognised in that financial plans both long term and short term are a requirement of the Local Government Act.

The key strategic documents for successful long term planning are the:

- Community Strategic Plan
- Asset Management Plans
- Capital Works Program
- Long Term Financial Plan

The Long Term Financial Plan (LTFP) sets out the projected income and expenses for the period from 2017 – 2027. Each year, as part of the development of the annual budget, the LTFP is reviewed to assess the potential impact of the planned service levels and service delivery on the future longer term financial position and whether the performance will be sustainable.

The Long Term Financial Plan (LTFP) is regularly reviewed during the year to ensure that the financial performance is monitored and compared with the planned targets. This version of the LTFP includes the End of year results from 2016/17 and the adjustments resulting from 2017/18 Budget Review 1 adopted by council in November 2017.

The objectives of the Long Term Financial Plan are:

1. To achieve and maintain an Operating Surplus

   Aim for a breakeven operating position in the short to medium term. In the longer term, seek to achieve and maintain consistent operating surpluses to reduce and eventually eliminate the need for regular borrowing to fund new assets and asset backlogs.

2. To fund Existing Asset Renewal/Replacement

   Target an average Asset Sustainability Ratio of 100% (measured against the planned Capital works program). This would mean that the existing assets are being renewed and replaced to maintain the existing services levels.

3. To review New Asset Requirements

   Identify and include priority new works, including a number of major projects to be primarily funded by grants and future operating surpluses.

4. To reduce Reliance on Borrowing

   Provide for new loans for major capital projects until the operating surpluses can be achieved to fund the capital program.

5. To achieve the Plan

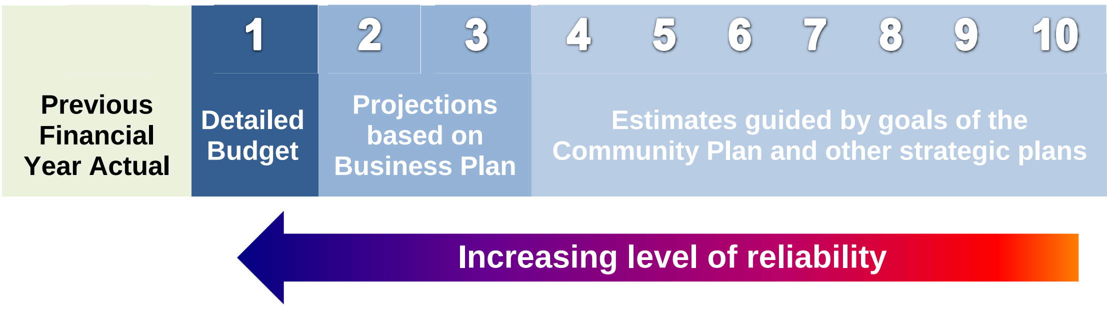
The success of the Plan is totally reliant on ongoing consistency with its objectives. The level of adherence to the plan should be reviewed at each budget review and annually when preparing the Annual Budget to identify any issues which could negate the successful achievement of the Plan.

Structure of the Plan

The LTFP covers a period of 10 years and is supported by information from the current and previous financial years to assist comparison and trend analysis.

Years 1- 3 of the LTFP underpin the delivery of the Business Plan 2017/18 -2019/20 while the remaining years are estimates. Each year as part of the review and update process the information becomes more accurate as decisions about the services and activities are based on more reasonably known circumstances.

The first year of the LTFP forms the base for the Annual Budget so this information is very closely examined in an effort to ensure that it reflects the current actual and expected situation as closely as possible.



Assumptions

The content of the LTFP is based on a number of assumptions, particularly to assist the collating of information for years 4 – 10 as there are many unkowns when attempting to anticipate the longer term future.

Much of the information in the LTFP is based on the expected forecast movement in CPI and interest rates. Interest rate movement is based on forecast trends provided by various economic analysts which indicates that rates will remain relatively low however are expected to increase gradually throughout the term of the LTFP.

The increases in expenses are based on the estimated Local Government Price Index which is described as a basket of goods purchased by local government to conduct their business, in a similar approach to the CPI measure. An estimated annual figure of 3% has been used for the entire period of the LTFP.

Capital Expenses

The cost estimates for the capital works program are based on the information provided in the most recent asset valuation report for each asset group with an annual increase consistent with the LGPI.

Assumptions (Cont'd)

Capital Income

This is funding that can be identified as being specifically for new and upgraded assets and includes funding that is planned to be sourced external to council. Some of the planned capital, may not proceed if external funding applications are not successful. All other funding is treated as operating income even if it is used to support the capital program. This may include grant funds, other contributions and proceeds from the sale of assets.

Operating Income

- Total Rates Income
  The movement in the Total Rates Income is guided by the Rating Strategy which is reviewed and each year. The Rating Strategy outlines the approach to the setting of all the components of rates. A basic principle for long term financial sustainability is for ratepayers to fund the services they consume.

  The general approach of the current Rating strategy is for consistent rate increases. This followed the previous approach which was an affirmative strategy to increase the average residential rate amount closer to the State average.

  Total rate income includes:
  - Property Rates
  - Service Charges
    - CWMS
    - Waste Collection
  - Area Rates
    - NRM levy – this amount is advised by the Northern & Yorke Natural Resources Management Board early each year.

- Grant funds
  - The Financial Assistance Grants are forecast to remain at the same level as no advice of an increase has been received.
  - Roads to Recovery funds are expected to cease in 2019.
  - Other grants are included where these are known or reasonably expected to be realised. This includes Public Library Services funding which is assumed to be ongoing and Starclub funding for the current term to 2021.

- Interest income from funds on hand is monitored and reviewed each year depending on the level of anticipated funds and interest rate movements. Funds on hand are expected to be relatively low throughout the early years and with the current low interest rates expected to continue, the estimated income is lower than in later years of the plan. This income type also includes community loan repayments.

Operating Expenses

- Employee costs are based on full time equivalent level at full employment. Annual increases are based on the conditions of the Enterprise Bargaining Agreement (EBA) where these are known and then the LGPI is used based on the assumption that future EBA negotiated increases will be similar to LGPI.

Assumptions (Cont'd)

Operating Expenses (cont'd)

- Materials, contract & other costs
  The estimated annual increase is an average of 3% which includes higher estimated increases for utilities. However known circumstances have also been taken into account particularly in the early years of the LTFP.

- Depreciation
  An average percent increase is used of 3% which is based on the planned capital works program. Movement in depreciation derived from fair value asset revaluations have not been included as they can not be reliability estimated.

Loan Borrowings & Debt

Borrowing is an important strategy for Council to fund new assets. Responsible debt management in the long term should demonstrate assessment of the impact on financial performance. The affordability of debt is measured by the net Financial Liabilities Ratio. A measure of 40% is a reasonably accepted sector position.

The borrowing options include overdraft, fixed term or combination of arrangements. The amounts used in the LTFP are based on fixed term loans due to the low cost of funds at present.

The amount of new loan borrowings planned throughout the LTFP is low which is consistent with the objectives of the LTFP. New loans are proposed in the LTFP to support the upgrading of assets.

GST

All the amounts in the LTFP are shown as exclusive of GST where this is known.

Non-current Assets

Fair value Asset revaluation movement has not been included as it can not be reliably estimated.

Reserves

Council maintains several reserve funds for specific purposes. These include:

- Community Wastewater Management Scheme (CWMS) Reserves hold unspent rates paid by Crystal Brook and Napperby ratepayers to provide for maintenance programs, repairs and capital upgrades and replacements.

- Fisherman's Wharf Reserve holds mooring fees used to provide future capital works to this area.

- Asset Revaluation Reserve is an unfunded record of changes in the fair value of Council's fixed assets.

Financial Indicators – Financial Sustainability

The financial performance of the local government business is monitored by three key indicators. Target ranges for this Council are set in the Long Term Financial Plan. The financial impact of all planned activities is assessed against the targets as part of the preparation of the draft Annual Budget and at each subsequent review of the Budget. The results should be consistent with the long term target for each indicator.

The financial indicators are:

- Operating Surplus Ratio
- Net Financial Liabilities Ratio
- Asset Sustainability Ratio

A copy of the graphs for each of the financial indicators is attached to the draft LTFP.
The table shows a summary of the projected financial sustainability indicators for the first five years of the LTFP compared to the target ranges for each indicator.

FINANCIAL INDICATORS - LTFP	2017/18	2018/19	2019/20	2020/21	2021/22	*LTFP Targets*
Operating Surplus Ratio	**(5%)**	(2)%	(3)%	0%	3%	*(2.5) – 2.5 %*
Operating Surplus Ratio (adjusted)	**4%**	(2)%	(3)%	0%	3%	*(2.5) – 2.5 %*
Net Financial Liabilities Ratio	**61%**	65%	56%	49%	41%	*30% - 70%*
Asset Sustainability Ratio	**58%**	137%	54%	77%	79%	*80 - 110%*

Operating Surplus Ratio
The Operating Surplus Ratio expresses the operating surplus (or deficit) as a percentage of Total Income.

Commencing with a projected (adjusted) result in 2017/18 of 4% the position declines to (2%) in 2018/19 and (3%) in 2019/20. From 2020/21 the trend begins to improve ratio and is positive at 3% in 2021/22 and then continues with a steady increase providing surpluses which fund the CWP. The performance measure up to 2020/21 is within the target range then exceeds the maximum of the range.

Net Financial Liabilities
Net financial liabilities are calculated as the difference between amounts owed and amounts held and measured by the net financial liability amount against total operating income.

The “net debt” peaks at 65% in 2018/19 with the proposed new loans of $12.82m and $2m in the following year, then as loans are repaid and with no new loans, the ratio steadily reduces to 0% by 2025. As the ratio declines, this means that there is capacity to take out new loans to fund capital works in the later years of the LTFP when the ratio moves into negative result.

The improvement in the debt position shows that from 2021, there is emerging capacity to borrow funds. The strategy of the long term plan is to reduce the need for new borrowings by funding future renewal/replacement capital works from the operating surplus.
This performance measure is within the target range of the LTFP until 2022/23 then it falls below the minimum of the range.

Financial Indicators – Financial Sustainability (cont'd)

Asset Sustainability Ratio
The Asset Sustainability Ratio measures the extent to which existing assets are being renewed or replaced, compared to the planned Capital works in the Asset Management Plan/s. If the capital expenditure budget for the renewal or replacement of existing assets matches that projected in the Asset Management Plan/s, then the ratio will be 100%. If the ratio is less than 100% for any extended period, this will lead to a deterioration of asset condition over time, leaving future generations of ratepayers to fund high asset maintenance and replacement to restore the asset service level.

The ratio rises to 137% in 2018/19 due to the increase in the asset renewal program following the completion of the Port Pirie Sport Precinct redevelopment. The ratio declines from 2020, then stabilises in the lower measure of the target range for the remainder of the LTFP. The average measure over the period of the LTFP is within the target range is 83%.

The development of the Asset Management Strategy and the updating of the Plans will continue to improve the forward planning.

Components of the LTFP

10 year Capital Works Plan

The draft Capital Works Plan (CWP) has gross expenditure of $89.1m over the ten year period commencing 2017/18, of which $55.6m represents renewal and replacement of existing assets and $33.5m for new and upgraded assets.

The CWP includes the Sports Precinct redevelopment and Swimming Facility upgrade based on a scenario of an estimated capital cost of $24m over the years 2017 - 2019.

The funding of the CWP is supported with new loan borrowings of $14.8m in the first two years of the LTFP and grant funds of $4m in 2017/18 and $1m in 2018/19 with the balance of the CWP of $67.1m being provided from general income.

The CWP includes unfunded projects which will require further investigation of partnership funding, detailed costing and the expected Council contribution. The decisions about including these in the LTFP will need to consider all aspects and the influence on the future financial sustainability.

Capital Plan Summary 2017-27

Component	$ (m)
Total capex	$89.1
Renewal/Replacement	$55.6
New/Upgrade	$33.5
Funding for New/upgrade	$5.0
New loans proposed	$14.8

Landfill liability

Proposed expenditure to complete the landfill program is:

- 2017/18 - $0.994m

Loans

The LTFP requires borrowings of $14.8m, all during the first two years. All repayments of principal and interest payments are included in the LTFP. Interest payments are shown in operating expenses.

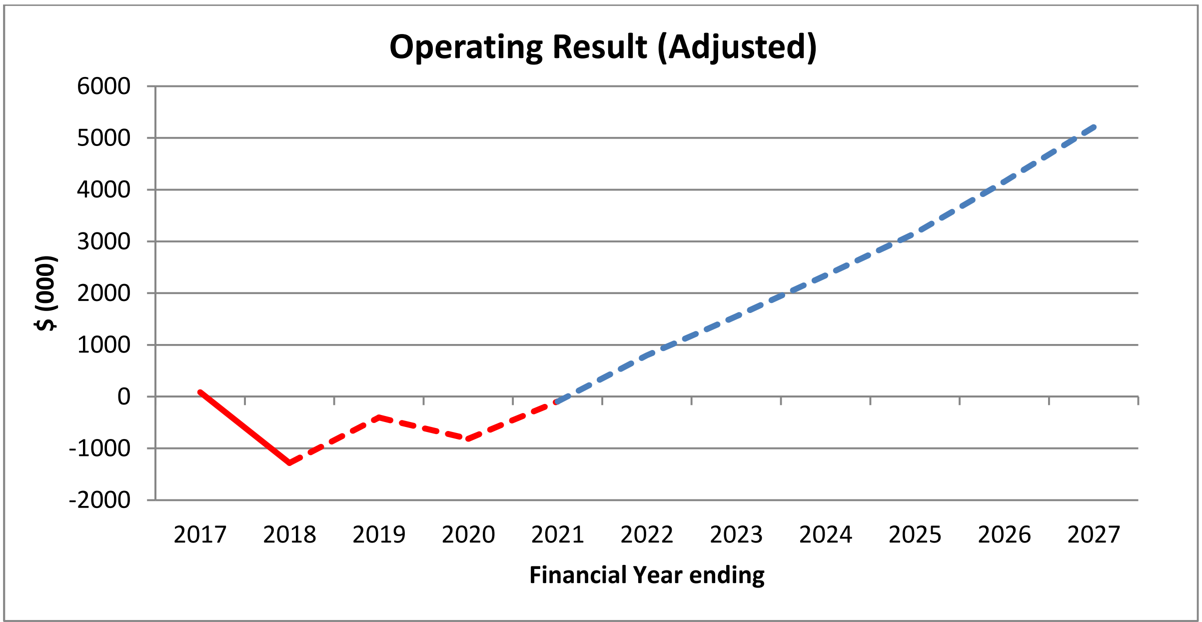
In 2017/18 the Loan repayments of $0.56m represent 3.2% of total rate income which is well within an acceptable level of manageable debt and one of the lower amounts in the sector.

Following the anticipated new loans of $12.8 million and $2 million in 2018 and 2019 respectively, the loan repayment amount will increase to 8% of total rate income for 2019, increase to 10% for 2020 and 2021, then gradually reduce to 6% by 2027. This level of debt is regarded as manageable.

Operating Income and Expenses

The operating component of the draft LTFP is largely based on the base year with a range of adjustments to acknowledge changes of circumstances for the coming year and then projected for the future years. In general it is assumed that service levels will be maintained at the current level.

The Operating Result has been adjusted to remove the effect of the prepayment of the Financial Assistance Grants in 2016/7 and the subsequent adjustment in the following year. The graph shows a projected deficit in 2018 and this continues for the following two years. From 2021 there is an increasing surplus for the remainder of the LTFP.



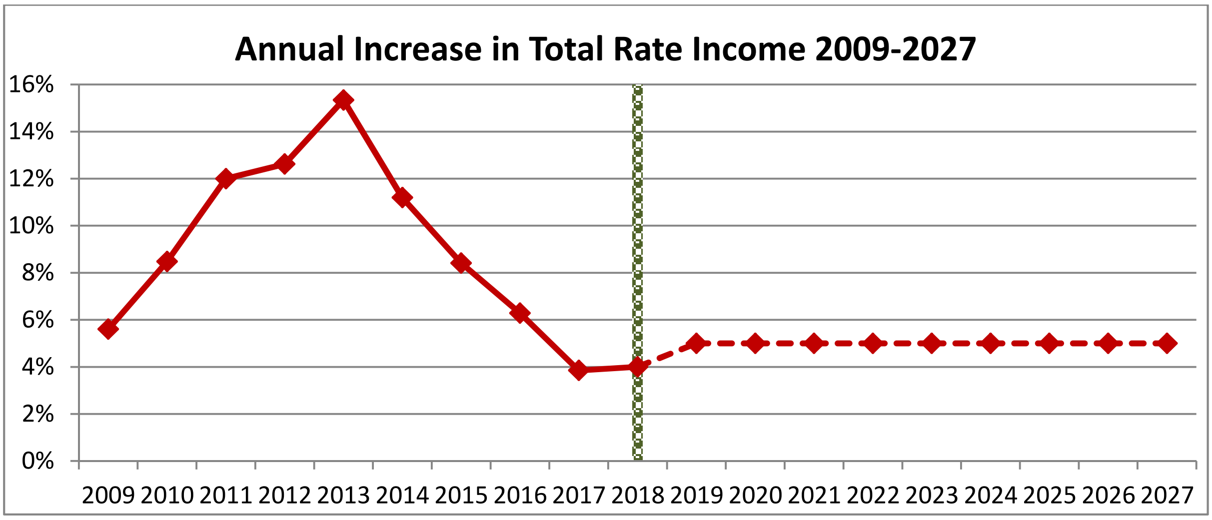
Operating Income:

Total Rate Income

The increase in Total Rate Income was 4.4% for 2017/18 and is then planned to be 5% each year throughout the LTFP. This assumption will be reviewed each year in light of Council planned programs and the potential influence of changing economic and socio-economic conditions on the capacity of the community to pay.

Recent discussions about the introduction of rate capping is a major influence. The planned increase of 5% in Total Rate Income is relative to a low rate base and the potential impact of capping at a level less than this, would effect the future financial sustainability of Council and its ability to deliver the Community Plan.

The graph below shows the history of rate increases from 2009 with the projected increases to 2027.



Other Income:

- Grants and Operating subsidies are assumed to remain at a similar level.
- Fees & Charges including Licence fees – assumes an increase each year of between 2.5% and 5% which also includes anticipated growth in the number of users of these services. (The methodology for Lease fees is based on property information.) There were minor increases in Council fees and charges in 2017/18, though several Legislative fees were increased by the State government.
- Grants and Subsidies are based on information at the time of preparation. The main grant income is the Financial Assistance Grants (FAG's) which has been indexed and the current information regarding the Roads to Recovery (R2R) funding up to 2019.
- Investment income is forecast to be relatively low in the first 3 years of the LTFP due to the low level of funds to be held however this is expected to improve from 2020 so there will be an increase in this income source.

Operating Expenses:

An underlying assumption of the LTFP is that current service levels and programmed activities would continue so the future estimated expenses are developed from the base year and adjusted to reflect known changes. This includes additional maintenance costs for new and upgraded assets and, also includes expected decreases where investment in infrastructure will mean improved efficiencies and reduced ongoing expenses.

Adjustments include:

- Employee costs increase of 2%. This may vary in future years as it is dependant on future EB negotiations.

  From 2021 there are further planned increases in the Superannuation Guarantee at the rate of 0.5% each year for 4 years;
- Materials and Contractors expenses
  - increase up to 2% each year;
  - Utilities increase 3% average;
  - Sport & Recreation: increase due to operation of new facilities (estimated);
  - Known specific events: LG Elections in 2018 and 2022.
- Depreciation: increase following asset revaluations and for new assets;
- Finance Charges: increases to reflect the proposed new borrowings.

FINANCIAL STATEMENTS AND FINANCIAL INDICATORS

Port Pirie Regional Council - Long Term Financial Plan 2017-27 (updated December 2017)

STATEMENT OF COMPREHENSIVE INCOME	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Actual	Year 1 Budget	Year 2 Plan	Year 3 Plan	Year 4 Plan	Year 5 Plan	Year 6 Plan	Year 7 Plan	Year 8 Plan	Year 9 Plan	Year 10 Plan
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
INCOME											
Rates & Charges	16,914	17,591	18,470	19,394	20,363	21,382	22,451	23,573	24,752	25,989	27,289
Statutory Charges	268	361	370	379	388	398	408	418	429	439	450
User Charges	1,578	1,550	1,740	1,827	1,918	2,014	2,115	2,220	2,331	2,448	2,570
Grants, subsidies and contributions	7,394	3,957	5,119	4,569	4,636	4,704	4,774	4,844	4,915	4,988	5,061
Investment Income	105	102	83	117	126	156	251	329	441	632	829
Reimbursements and Other	695	484	484	484	484	484	484	484	484	484	484
TOTAL INCOME	**26,954**	**24,045**	**26,265**	**26,770**	**27,916**	**29,137**	**30,481**	**31,868**	**33,352**	**34,980**	**36,683**
EXPENSES											
Employee Costs	7,151	7,350	7,569	7,759	7,948	8,176	8,441	8,745	9,086	9,429	9,772
Materials, contracts & other expenses	10,595	11,153	11,223	11,253	11,365	11,336	11,534	11,691	11,878	12,067	12,258
Finance Charges	157	163	729	787	749	708	667	623	590	555	529
Depreciation, amortisation & impairment	6,741	6,661	7,147	7,787	7,949	8,119	8,285	8,464	8,639	8,777	8,917
TOTAL EXPENSES	**24,644**	**25,327**	**26,668**	**27,585**	**28,010**	**28,338**	**28,927**	**29,522**	**30,193**	**30,828**	**31,476**
Operating Surplus/(Deficit) before Capital Income	**2,310**	**(1,282)**	**(404)**	**(816)**	**(94)**	**800**	**1,554**	**2,345**	**3,159**	**4,153**	**5,207**
CAPITAL INCOME											
Asset disposal & fair value adjustments	(909)	-	-	-	-	-	-	-	-	-	-
Amounts received specifically for new or upgraded assets	7,352	4,425	1,000	-	-	-	1,000	-	-	1,000	250
TOTAL COMPREHENSIVE INCOME	**8,753**	**3,143**	**596**	**(816)**	**(94)**	**800**	**2,554**	**2,345**	**3,159**	**5,153**	**5,457**

Port Pirie Regional Council - Long Term Financial Plan

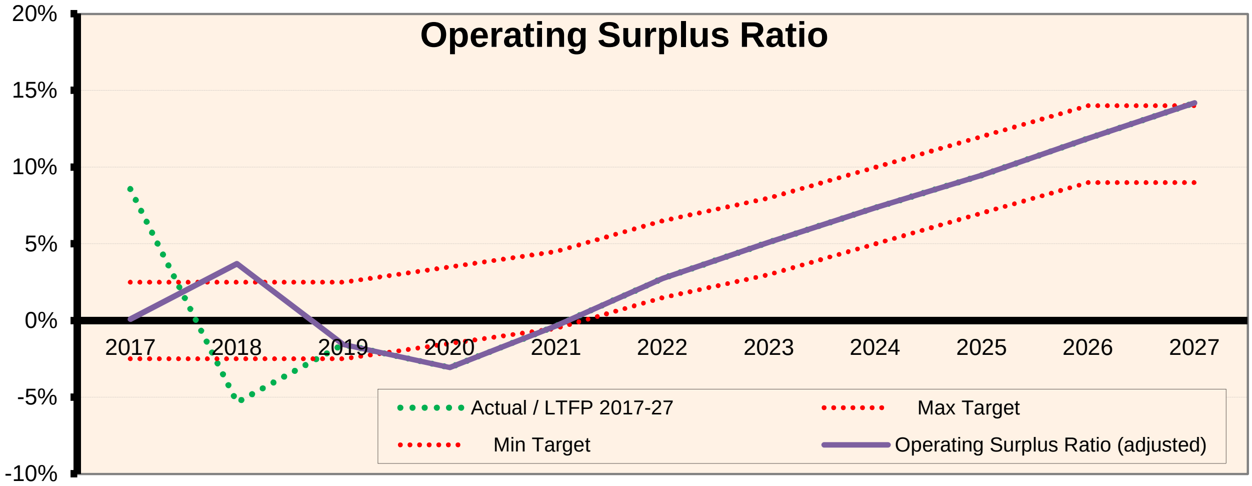
STATEMENT OF FINANCIAL POSITION	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
ASSETS											
Current Assets											
Cash and cash equivalents	3,201	115	1,168	2,715	3,051	4,056	7,230	9,845	13,607	19,794	26,332
Trade and other receivables	3,273	2,473	1,473	1,073	1,073	1,073	1,073	1,073	1,073	1,273	1,273
Other	93	93	93	93	93	93	93	93	93	93	93
Total Current Assets	**6,567**	**2,681**	**2,734**	**3,881**	**4,217**	**5,222**	**8,396**	**11,011**	**14,773**	**21,160**	**27,698**
Non-current Assets											
Financial Assets	244	183	124	99	81	63	47	32	22	15	15
Infrastructure, Property, Plant and Equipment	237,089	239,290	258,120	255,242	253,926	252,817	251,182	250,043	248,665	246,691	244,815
Other	2,566	18,388	1,388	1,388	1,388	1,388	1,388	1,388	1,388	1,388	1,388
Total Non-Current Assets	**239,899**	**257,860**	**259,633**	**256,729**	**255,395**	**254,268**	**252,617**	**251,463**	**250,074**	**248,094**	**246,218**
TOTAL ASSETS	**246,466**	**260,541**	**262,367**	**260,610**	**259,612**	**259,490**	**261,013**	**262,474**	**264,847**	**269,254**	**273,916**
LIABILITIES											
Current Liabilities											
Trade and other payables	1,595	101	101	101	101	101	101	101	101	101	101
Borrowings	393	731	842	884	899	943	724	758	570	598	627
Provisions	2,547	2,547	2,470	2,374	2,355	2,292	2,099	1,939	1,710	1,332	932
Total Current Liabilities	**4,535**	**3,379**	**3,413**	**3,359**	**3,355**	**3,336**	**2,924**	**2,798**	**2,381**	**2,031**	**1,660**
Non-current Liabilities											
Borrowings	2,691	15,118	16,275	15,391	14,492	13,549	12,825	12,067	11,497	10,899	10,272
Provisions	111	111	111	111	111	111	111	111	111	111	111
Total Non-Current Liabilities	**2,802**	**15,229**	**16,386**	**15,502**	**14,603**	**13,660**	**12,936**	**12,178**	**11,608**	**11,010**	**10,383**
TOTAL LIABILITIES	**7,337**	**18,608**	**19,800**	**18,861**	**17,958**	**16,996**	**15,860**	**14,976**	**13,989**	**13,041**	**12,043**
NET ASSETS	**239,129**	**241,933**	**242,567**	**241,749**	**241,654**	**242,494**	**245,153**	**247,498**	**250,859**	**256,213**	**261,873**
EQUITY											
Accumulated Surplus	63,862	66,657	67,248	66,430	66,335	67,135	69,689	72,034	75,194	80,346	85,803
Asset Revaluation Reserve	174,437	174,437	174,437	174,437	174,437	174,437	174,437	174,437	174,438	174,439	174,440
Other Reserves	830	839	882	882	882	922	1,027	1,027	1,227	1,428	1,630
TOTAL EQUITY	**239,129**	**241,933**	**242,567**	**241,749**	**241,654**	**242,494**	**245,153**	**247,498**	**250,859**	**256,213**	**261,873**

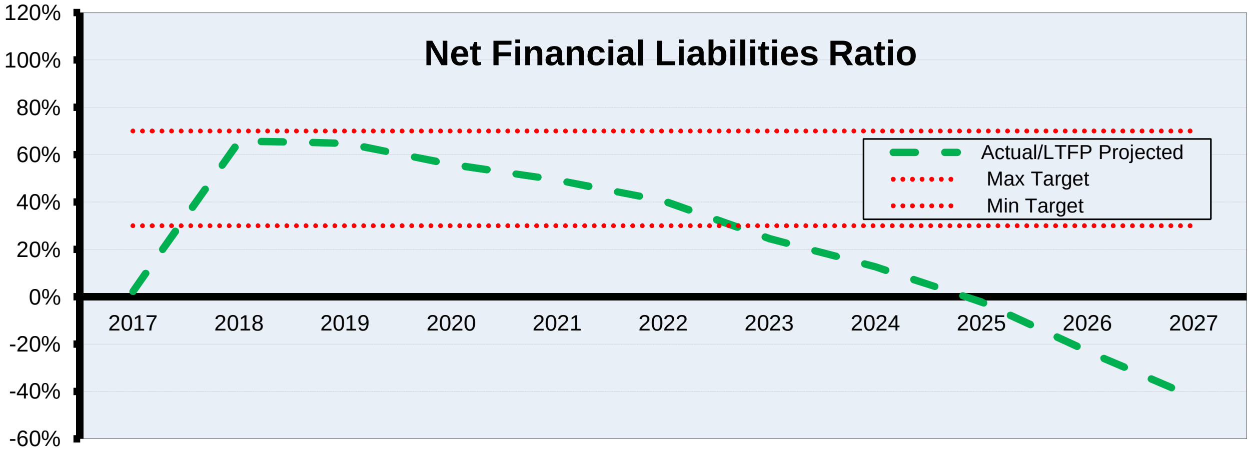
Port Pirie Regional Council - Long Term Financial Plan

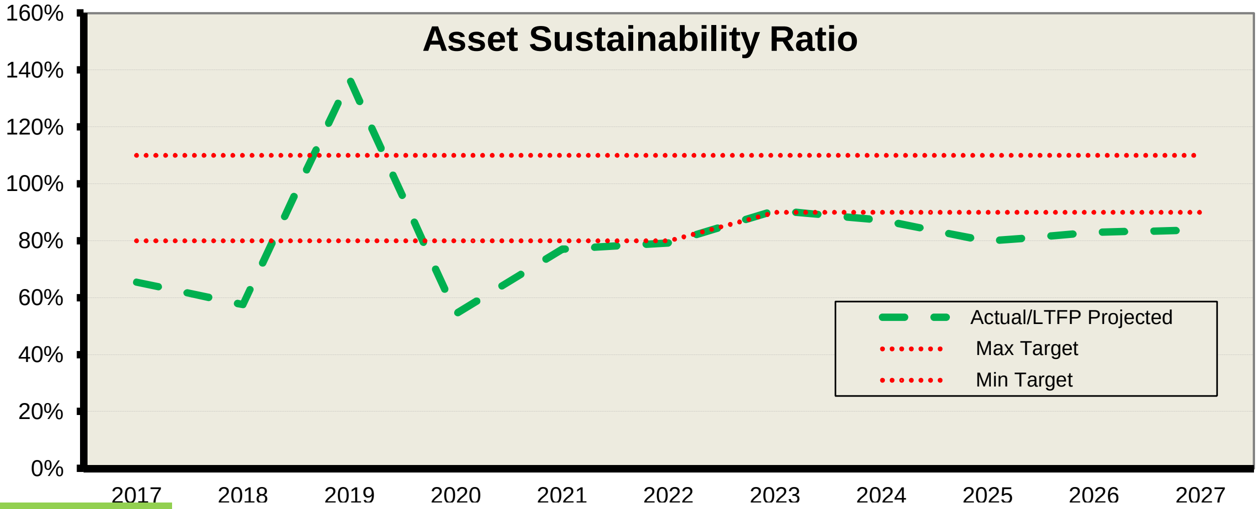
UNIFORM PRESENTATION OF FINANCES	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
Income	26,954	24,045	26,265	26,770	27,916	29,137	30,481	31,868	33,352	34,980	36,683
less Expenses	24,644	25,327	26,668	27,585	28,010	28,338	28,927	29,522	30,193	30,828	31,476
	2,310	**(1,282)**	**(403)**	**(816)**	**(94)**	**800**	**1,554**	**2,345**	**3,159**	**4,153**	**5,207**
less **Net Outlays on Existing Assets**											
Capital Expenditure on renewal/replacement of Existing Assets	4,663	7,938	5,314	3,703	5,128	5,271	6,014	5,798	5,316	5,524	5,573
less Depreciation, Amortisation and Impairment	(6,741)	(6,661)	(7,147)	(7,787)	(7,949)	(8,119)	(8,285)	(8,464)	(8,639)	(8,777)	(8,917)
less Proceeds from Sale of Replaced Assets	(119)	(139)	(290)	(200)	(160)	(160)	(170)	(170)	(170)	(171)	(172)
	(2,197)	**1,137**	**(2,123)**	**(4,285)**	**(2,981)**	**(3,008)**	**(2,442)**	**(2,837)**	**(3,493)**	**(3,425)**	**(3,516)**
less **Net Outlays on New and Upgraded Assets**											
Capital Expenditure on New and Upgraded Assets	6,505	16,885	3,953	1,408	1,665	1,900	807	1,698	2,115	1,451	1,640
less Amounts received specifically for New/upgraded Assets	-	(4,425)	(1,000)	-	-	-	(1,000)	-	-	(1,000)	(250)
less Proceeds from Sale of Surplus Assets	(120)	-	-	-	-	-	-	-	-	-	-
	6,385	**12,460**	**2,953**	**1,408**	**1,665**	**1,900**	**(194)**	**1,698**	**2,115**	**451**	**1,390**
Net Lending / (Borrowing) for Financial Year	**(1,878)**	**(14,880)**	**(1,233)**	**2,062**	**1,222**	**1,908**	**4,189**	**3,485**	**4,537**	**7,126**	**7,333**

FINANCIAL INDICATORS	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Operating Surplus Ratio	9%	-5%	-2%	-3%	0%	3%	5%	7%	9%	12%	14%
Operating Surplus											
Operating Result / Total Operating Income											
Operating Surplus Ratio (adjusted)	0%	4%	-2%	-3%	0%	3%	5%	7%	9%	12%	14%
Operating Surplus											
Operating Result / Total Operating Income +/- FAG's grants											
Net Financial Liabilities Ratio	2%	66%	65%	56%	49%	41%	25%	13%	-2%	-23%	-42%
Net Financial Liabilities											
Financial Liabilities less Financial Assets / Total Operating Income											
Asset Sustainability Ratio	65%	58%	137%	54%	77%	79%	91%	87%	80%	83%	84%
Net Asset Renewals											
Capital Renewal / Asset Management Plan program (+/- WIP)											

Port Pirie Regional Council: LTFP Financial Indicators 2017-2027







CAPEX	***2017***	***2018***	***2019***	***2020***	***2021***	***2022***	***2023***	***2024***	***2025***	***2026***	***2027***
Capital Renewal	$4,663	$7,938	$5,314	$3,703	$5,128	$5,271	$6,014	$5,798	$5,316	$5,524	$5,573
Capital New	$6,505	$16,885	$3,953	$1,408	$1,665	$1,900	$807	$1,698	$2,115	$1,451	$1,640
Capital Total	**$11,168**	**$24,823**	**$9,267**	**$5,110**	**$6,793**	**$7,170**	**$6,820**	**$7,495**	**$7,431**	**$6,975**	**$7,213**

Assumptions											
Rate Inc. (inclu CPI)	**5%**	**5%**	**5%**	**5%**	**5%**	**5%**	**5%**	**5%**	**5%**	**5%**	**5%**
New Loans	***$0.0***	***$12.8***	***$2.0***	***$0.0***	***$0.0***	***$0.0***	***$0.0***	***$0.0***	***$0.0***	***$0.0***	***$0.0***

PP Sport Precinct Total **$24m** Capital; $10m Grant, $14m Loan ($10m over 15yr + $4m over 10yr)

Depreciation **+$550k/year** from 2019

Operating +$250k/year from 2019

Water Reuse: $2m ($1m grant) removed from 2022

CAPITAL WORKS PROGRAM SUMMARY 2017-27	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total (2018-27)	New/ Upgrade	Replace/ Renewal
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
LAND & BUILDINGS	**263**	**170**	**185**	**185**	**170**	**50**	**20**	**20**	**270**	**170**	**1,503**	**369**	**1,134**
SITE IMP/STRUCTURES	**1,944**	**270**	**445**	**385**	**345**	**578**	**590**	**345**	**180**	**385**	**5,467**	**2,909**	**2,558**
ROADS - Sealed	**2,255**	**2,100**	**2,100**	**1,500**	**1,900**	**2,100**	**2,500**	**2,260**	**2,740**	**2,100**	**21,555**	**1,515**	**20,040**
ROADS - unsealed	**1,859**	**1,155**	**1,115**	**1,162**	**1,180**	**1,210**	**1,160**	**1,170**	**1,165**	**1,150**	**12,325**	**1,508**	**10,818**
KERBING	**260**	**275**	**300**	**300**	**300**	**350**	**350**	**350**	**400**	**400**	**3,285**	**856**	**2,429**
FOOTPATHS	**150**	**160**	**200**	**150**	**200**	**200**	**200**	**200**	**250**	**250**	**1,960**	**610**	**1,350**
BRIDGES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
DRAINAGE	**544**	**200**	**800**	**30**	**0**	**500**	**1,500**	**1,420**	**1,500**	**2,500**	**8,994**	**5,224**	**3,770**
CWMS	**80**	**80**	**0**	**0**	**80**	**210**	**0**	**400**	**0**	**0**	**850**	**762**	**88**
PLANT & EQUIPMENT	**580**	**765**	**795**	**940**	**840**	**1,460**	**940**	**1,090**	**400**	**180**	**7,990**	**0**	**7,990**
IT EQUIPMENT	**123**	**45**	**110**	**25**	**115**	**122**	**140**	**120**	**30**	**38**	**868**	**33**	**835**
EQUIPMENT	**39**	**0**	**20**	**16**	**0**	**0**	**0**	**16**	**0**	**0**	**91**	**18**	**73**
FURNITURE & FITTINGS	**79**	**547**	**40**	**100**	**40**	**40**	**95**	**40**	**40**	**40**	**1,061**	**481**	**580**
MAJOR PROJECTS	**16,648**	**4,000**	**0**	**2,000**	**2,000**	**0**	**0**	**0**	**0**	**0**	**24,648**	**19,236**	**5,412**
OTHER	**0**	**-500**	**-1,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-1,500**	**0**	**-1,500**
TOTAL CAPITAL	**24,823**	**9,267**	**5,110**	**6,793**	**7,170**	**6,820**	**7,495**	**7,431**	**6,975**	**7,213**	**89,097**	**33,520**	**55,576**

Note: Nominal values used