LONG TERM FINANCIAL PLAN

2021-31

Adopted 25 August 2021

Long Term Financial Plan 2021-31

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

The key documents in the Council long term planning suite are:
- Community Strategic Plan
- Development Plan
- Asset Management Strategy and Plans
- Capital Works Plan
- Long Term Financial Plan

The Long Term Financial Plan (LTFP) sets out in financial terms, the resourcing needed for Council to achieve the goals of the Community Plan. It includes the projected income and expenses for the period from 2021 – 2031, using 2020/21 as the base year and includes 2019/20 to assist with trend analysis.

Each year, as part of the development of the Business Plan and 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 LTFP is regularly updated during the year to ensure that the financial performance is monitored against with the planned targets.

Financial Sustainability Measures:

The financial performance of the council business is monitored by three key indicators. Target ranges for each of these indicators have been set in the LTFP. 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 10 year average for each indicator.

The table shows the projected financial sustainability indicators average for the term of the LTFP compared to the target ranges for each indicator. The forecast average is within the target range.

FINANCIAL INDICATORS	LTFP Target Ranges
Operating Surplus Ratio	1–5 %
Net Financial Liabilities Ratio	30-70%
Asset Renewal Funding Ratio	80-110%

Long Term Financial Plan 2021–2031 (cont'd)

Objectives of the Long Term Financial Plan:

1. ***To achieve and maintain an Operating Surplus***
   Aim for a breakeven operating position in the short to medium term which means that the community is paying to cover the costs of the existing levels of service. In the longer term, seek to achieve and maintain small, consistent operating surpluses to reduce the need for regular borrowing, except to fund new assets and asset backlogs.

2. ***To fund Asset Renewal/Replacement of existing assets***
   Target an average Asset Renewal Funding 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, and projects which should include an understanding of whole-of-life costs and the impact on our financial position both today and into the future and be primarily funded by grants and new loan borrowings.

4. ***To reduce Reliance on Borrowing***
   No new loan borrowings in the short term and only seek new loans for major capital projects and to fund new assets.

5. ***To achieve the Plan***
   The success of the LTFP is totally reliant on ongoing consistency with its objectives. The financial performance shall be reviewed at each budget review and annually when preparing the Business Plan and Budget to identify any issues which could negatively impact the successful achievement of the LTFP.

Asset Management

The Council is responsible for the management of infrastructure assets valued at more than $264 million. This includes roads assets of local roads, footpaths, kerbing and infrastructure to protect our community such as stormwater drainage, assets for health and wellbeing including parks, recreation reserves, foreshore and marine structures and many sporting facilities, also numerous other assets such as buildings, street furniture and the community wastewater facilities. The ongoing maintenance and planned renewals and upgrades are included in the LTFP. These are based on the assumption of continuing to provide the current average level of service over the life of these assets.

The periodic asset revaluations are difficult to reliably estimate and so these are not included in the LTFP. It is assumed that the cost of capital works will be a solid base for these values when added into the Asset Registers. Revaluations are completed periodically and the financial impact of these will be included in the updated LTFP as they become known. One of the known impacts is that the amount of annual depreciation expense will increase and there has been adjustment increase for this in the operating expenses in the specific years. Depreciation is an allocation of the cost of use of assets each year and is based on the most recent valuation, including capital works and it has been assumed that this will increase each year.

In the previous year there was a large increase in the amount of depreciation due to a revaluation of the Roads and Buildings and Structures assets groups. A strategy to manage this, is that it be addressed in the medium term with the release of some council properties for residential purposes.

Capital Works Plan 2021-31

Provision is made for the renewal/replacement and new/upgrade of assets in the 10 year Capital Works Plan (CWP) which has been updated and added into the LTFP. The planned works are drawn from the Asset Management Strategy and supporting plans. Much of the CWP is undertaken by contractors. The CWP has gross expenditure of $94.7 million over the ten year period. The CWP is to be funded from general income.

Capital Plan Summary:

Component	$ (m)
Total capex	$88.4
• Renewal/Replacement	$71.7
• New/Upgrade	$16.7

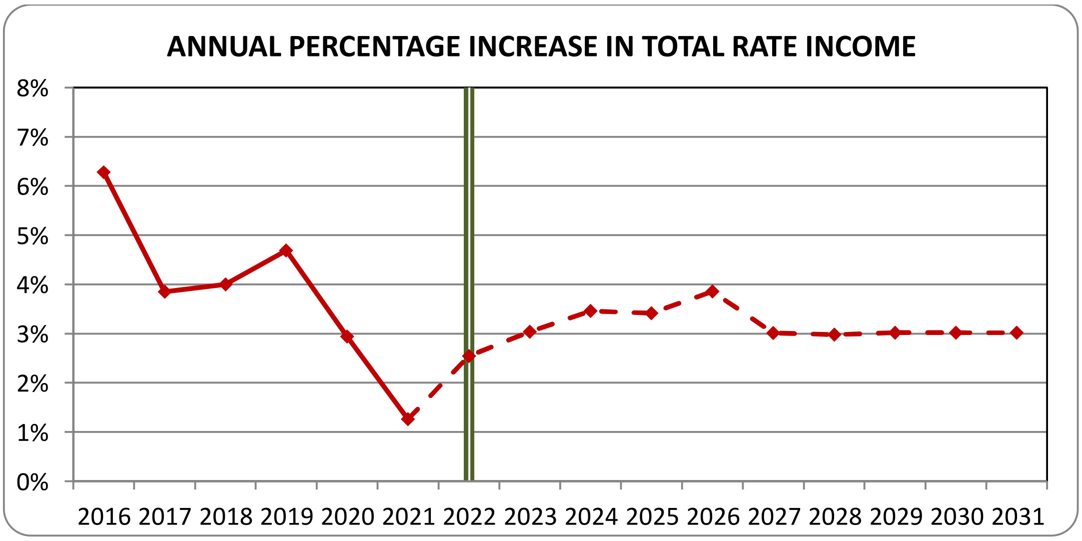
There are also a number of proposed unfunded projects which will require further investigation of partnership funding, detailed costing and the expected Council contribution. The decisions about including these in the CWP will consider all aspects of each project and the influence on the future financial sustainability.

Total Rate Income

The Total Rate Income includes General Property Rates, Service Charges for CWMS, Waste collection, NRM levy, Rate fines and interest income, Rate rebates and Write-offs from Objection to valuations.

It is proposed that Total Rate Income will increase by 3% each year for the period of the LTFP, except where there is projected growth due to new land releases or development. Some of this land is council owned and there has been a conservative increase for the potential future rate income.

The graph below shows the history of rate increases from 2019 with the projected increases to 2031.



Long Term Financial Plan 2021–2031 (cont'd)

Loans

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 borrowing options include overdraft, fixed term or combination of arrangements. Loan funding is used to meet the cost of the capital works program. This is to spread the cost of new assets such as construction of new facilities or purchase of new equipment over a specific longer time frame to match the benefit and use of the assets.

The Loan portfolio includes a mix of fixed and variable interest loans and fixed and variable term loans. All the repayments for fixed interest loans of principal and interest payments are spread over the loan period. Interest payments are shown in operating expenses. There is one new loan of $1 million proposed in the Plan, in 2022 to support the capital works program.

The repayment structure for the variable term loans is flexible and allows for the offset of funds which can be redrawn to meet commitments. The Council has committed to a plan to reduce the principal outstanding each year by a minimum of $600,000 so that the total balance of the loan portfolio would be less than $4 million by 2031.

Reserves

Council maintains several reserve funds for specific purposes using the reserve accounting approach to identify the balance of the reserve at any time.

These include:

- Community Wastewater Management Scheme (CWMS) Reserves hold unspent rates paid by Crystal Brook and Napperby ratepayers which are used 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.

Business Operations

The Operations income and expenses reflect continuing service provision with adjustments for known circumstance changes and influences. CPI assumption is 2% until 2027 and then 3% has been used, unless other wise stated.

Operating Income:

General Property Rates

The approach to the collection of rates from properties across the council region takes into consideration the composition and distribution of the general rates burden by applying objectives relating to equity, consistency, sustainability and simplicity, with reference to the principles of taxation, because rates are a tax.

A basic principle for long term financial sustainability is for ratepayers to fund the services they consume, in short for a balanced operating position.

Business Operations (Cont'd)

Operating Income (cont'd)

General Property Rates (cont'd)

The five principles that apply are:

- *Equity* – taxpayers with the same income pay the same tax (horizontal equity), wealthier taxpayers pay more (vertical equity);
- *Benefit* – taxpayers should receive some benefits from paying tax, but not necessarily to the extent of the tax paid;
- *Ability-to-pay* – in levying taxes the ability of the taxpayer to pay the tax must be taken into account;
- *Efficiency* – if a tax is designed to change consumers behaviour and the behaviour changes, the tax is efficient (e.g. tobacco taxes), if the tax is designed to be neutral in its effect on taxpayers and it changes taxpayers behaviour a tax is inefficient; and
- *Simplicity* – the tax must be understandable, hard to avoid and easy to collect.

To some extent these principles can be at odds with each other, so there is an effort to balance the application of the principles, the policy objectives of taxation, the need to raise income and the effects of the tax on the community.

A further influencing factor is the long term future financial sustainability of the Council. The importance of financial sustainability is to ensure that each generation 'pays their way', rather than leaving it to future generations to address the issue of repairing and replacing worn out infrastructure. To achieve this 'intergenerational equity', it is crucial that current ratepayers effectively fund the current net cost of services provided and community assets consumed. An operating deficit requires future generations to subsidise these costs.

Council is able to raise income through a general rate, which applies to all rateable properties, or through a differential general rate, which applies to property according to its land-use and the location. For the term of the LTFP it has been assumed that the current approach to rating will continue to apply however this is reviewed each year as part of the consideration of the draft Business Plan.

Service Charges

Community Wastewater Management Schemes (CWMS)

Council provides effluent disposal systems service to identified properties in Crystal Brook and Napperby. The full cost of operating and maintaining the service is recovered through a charge to each property where the service is available and this includes non-rateable properties.

The charges include an amount as a contribution towards the cost of capital and risk. The annual charges are increased by CPI (approximately) each year. Any surplus of income over actual expenses (excluding annual depreciation) is set aside in a dedicated reserve account to be used for future replacement and upgrades of the respective schemes.

Business Operations (continued)

Operating Income (cont'd)

Waste Management Service Charge (WMSC)

A three bin waste collection service is provided for residences where the service is available. The setting of the charge is guided by legislation which does not allow Council to charge more than the actual cost of providing the service. A number of rural properties receive a discounted charge where their property access point is more than 500 metres from their bin collection point.

Many commercial properties voluntarily participate in the collection service and are invoiced by Council for this service, with no impact on rates.

Regional Landscape Levy (formerly Natural Resources Management Levy)

The Landscape South Australia Act 2019 requires Council to raise a levy on behalf of the Northern and Yorke Landscapes Board. This levy is shown separately on the rates notice. Council does not set this levy, retain this revenue, nor determine how the revenue is spent.

Landscape South Australia Northern & Yorke
Head office - Clare, 155 Main North Road, Clare SA 5453
Phone: (08) 8841 3400. Monday to Friday from 9am till 5pm.
Website: https://landscape.sa.gov.au/ny/home

Other Income

- Grant and subsidy income
  The Financial Assistance Grants includes an annual increase of 1% to 2024 then 2% and it is assumed that they will be paid in each respective year so there is no forecast adjustment of prepayment of grants funds.

  The current Roads to Recovery grant program payments information is known to 2023/24.

  Operating grants to support service delivery including the Library include an annual increase of 2%.

- Fees & Charges including Licence fees – assumes an increase each year of between 1.5% and 3% which also includes anticipated growth in the number of users of these services. (The methodology for Lease fees is based on property information.)

- 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 of 1 – 2% expected to continue, the estimated income is lower than in later years of the plan. This income type also includes community loan repayments.

- Other income including re-imbursements and income from various sources is relatively minor and it is assumed to remain at a low level.

Business Operations (continued)

<u>Operating Expenses:</u>

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.

From 2019 a series of planned service reviews was commenced. Some of these efficiency gains have been realised and it is expected over time that further benefits will be identified in future years. Council will then have the opportunity to determine of the capacity identified by these reviews is applied to lessen the rate burden, increase services or a combination of both.

Adjustments include:

- Employee costs increase of between 2% - 2.5% per annum. This may vary in future years as it is dependant on future EB negotiations however the increase has been modelled to reflect close to the movement of CPI. From 2023 there are further planned increases in the Superannuation Guarantee at the rate of 0.5% each year for 4 years;
- Depreciation: increase following planned asset revaluations and for replaced/new assets;
- Finance Charges: interest on current borrowings as per loan repayment schedule;
- All Other expenses: increase up to 2-3% each year;
- Specific events: estimated amounts have been included for the LG Elections in 2022 and 2026;
- GST is excluded from all amounts.

Financial Performance

The table shows the projected financial sustainability indicators average for the term of the LTFP compared to the target ranges for each indicator. The forecast average is within the target range.

FINANCIAL INDICATORS	2021-31 average	LTFP Target Ranges
Operating Surplus Ratio	1%	1–5 %
Net Financial Liabilities Ratio	31%	30-70%
Asset Renewal Funding Ratio	82%	80-110%

Operating Surplus

The Operating Surplus Ratio expresses the Operating Surplus (or Deficit) as a percentage of Total Operating Income to measure the extent to which income covers the operational expenses and if any funds are available to fund the capital works.

Calculation: $\dfrac{\text{Operating Surplus/(Deficit)}}{\text{Total Operating Income}}$

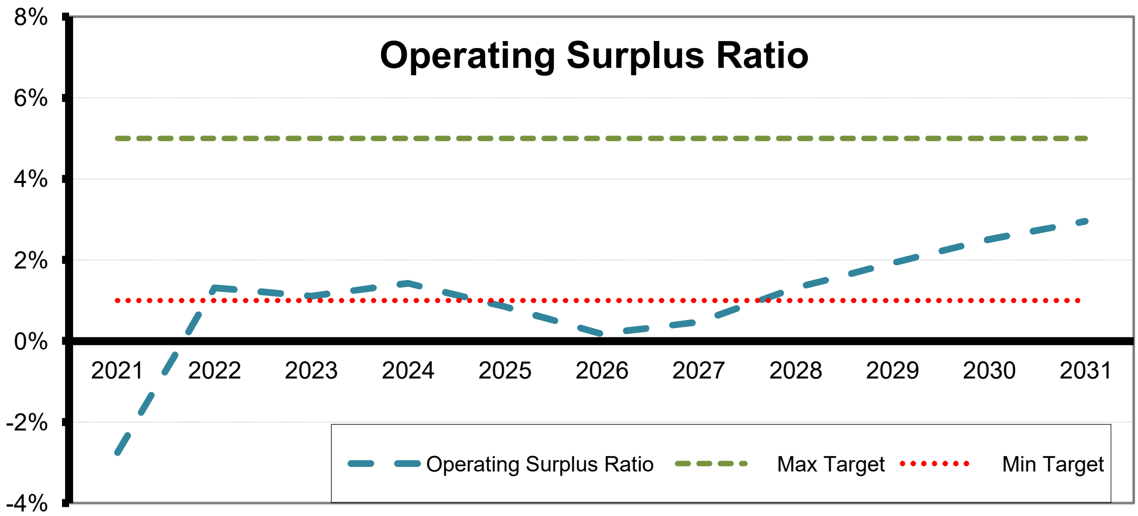
Business Operations (continued)

Financial Performance (cont'd)

Operating Surplus (cont'd)

Commencing with a small surplus result in 2021/22 the position is forecast to remain stable until 2025 as the operating income includes the future potential rate income from the release of council owned properties and also known private developments. The operating result deteriorates in 2026 due to the ending of the Roads to Recovery funding program. While it is expected that there will be a new or continuing program this is not know so no allowance included in the LTFP. From 2026 the operating result gradually improves for the remainder of the LTFP to reach 3% by 2031. The result for each year varies however the average over the term of the LTFP is 1% which is at the minimum of the target range.

The following chart shows the forecast annual operating result for the financial years from 2020/21 to 2030/31.



Financial Liabilities

The affordability of debt is measured by the net Financial Liabilities Ratio.

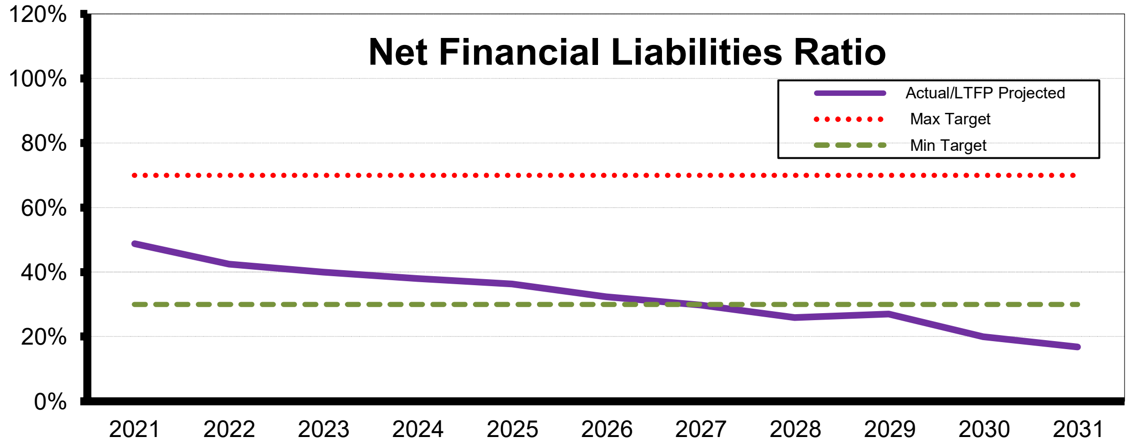
The Net Financial Liabilities are calculated as the difference between amounts owed and amounts held. The Net Financial Liabilities Ratio measures the net financial liability amount against total operating income. A ratio trend that is reducing indicates the improving capacity to meet financial obligations.

Calculation: $\dfrac{\text{Net Financial Liabilities}}{\text{Total Operating Income}}$

For 2021/22 the Financial Liabilities Ratio is forecast to be 42% then decrease for the remainder of the LTFP to be below the minimum target range of 30% by 2027. This indicates a capacity to take on new loans to support the capital works program and improve the Asset Renewal Funding Ratio.

Business Operations (continued)

Financial Liabilities (cont'd)

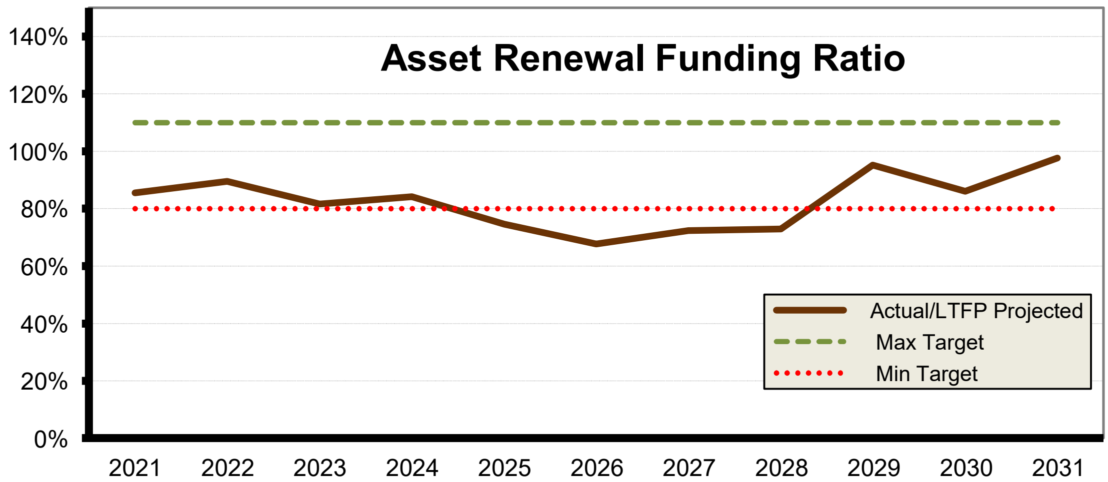


Asset Renewal Funding Ratio

The Asset Renewal Funding Ratio measures the extent to which existing assets are being renewed or replaced, compared to the planned Capital works in the Asset Management Plans (IAMP). If the capital expenditure budget for the renewal or replacement of existing assets matches that projected in the Asset Management Plans, 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 higher asset maintenance and replacement to restore the asset service level.

Calculation: $\dfrac{\text{Net Asset Renewal/Replacement}}{\text{Total Planned Renewal/Replacement (IAMP)}}$

The capital works program for 2021/22 has included projects to achieve a ratio of 90% and then it varies between 68% and 98% for the remainder of the LTFP. The average across the LTFP is 82% which is at the minimum of the target range and less than 100%. However from 2026, there is financial capacity to take new loans to support an increased capital works program to ensure that existing assets are being renewed or replaced as planned.



Port Pirie Regional Council - Long Term Financial Plan 2021-31

FINANCIAL STATEMENTS AND FINANCIAL INDICATORS

UNIFORM PRESENTATION OF FINANCES	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Actual	Budget	Year 1 Plan	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*	*$'000*	*$'000*
Income	27,786	26,438	28,681	29,366	30,153	30,524	30,929	31,742	32,587	33,468	34,367	35,296
less Expenses	26,622	27,166	28,306	29,050	29,728	30,288	30,897	31,616	32,190	32,853	33,560	34,310
	1,164	**(728)**	**374**	**315**	**425**	**236**	**32**	**126**	**397**	**615**	**807**	**986**
less **Net Outlays on Existing Assets**												
Capital Expenditure on renewal/replacement of Existing Assets	4,046	6,271	7,800	7,129	7,343	6,531	5,941	6,341	6,382	8,283	7,503	8,500
less Depreciation, Amortisation and Impairment	(7,349)	(7,394)	(7,851)	(7,970)	(8,173)	(8,343)	(8,526)	(8,795)	(8,921)	(9,049)	(9,215)	(9,365)
less Proceeds from Sale of Replaced Assets	(137)	(221)	(159)	(160)	(160)	(160)	(160)	(160)	(160)	(160)	(160)	(160)
	(3,440)	**(1,344)**	**(210)**	**(1,001)**	**(990)**	**(1,972)**	**(2,744)**	**(2,614)**	**(2,700)**	**(927)**	**(1,872)**	**(1,025)**
less **Net Outlays on New and Upgraded Assets**												
Capital Expenditure on New and Upgraded Assets	817	2,895	2,042	2,014	1,153	1,790	1,709	2,180	2,083	2,133	500	1,100
less Amounts received specifically for New/upgraded Assets	(104)	(359)	(1,324)	(1,111)	-	-	-	-	-	-	-	-
less Proceeds from Sale of Surplus Assets	(55)	(60)	(130)	-	-	-	-	-	-	-	-	-
	658	**2,476**	**588**	**903**	**1,153**	**1,790**	**1,709**	**2,180**	**2,083**	**2,133**	**500**	**1,100**
Net Lending / (Borrowing) for Financial Year	**3,946**	**(1,861)**	**(4)**	**414**	**262**	**418**	**1,068**	**559**	**1,015**	**(591)**	**2,179**	**910**
New Loan Borrowings	-	-	*(1,600)*	-	-	-	-	-	-	-	-	-
Capital Works	4,863	*9,166*	*9,842*	*9,143*	*8,495*	*8,321*	*7,650*	*8,521*	*8,464*	*10,415*	*8,003*	*9,600*
Capital Works 10 year total											*88,454*	*10yr total*

FINANCIAL INDICATORS	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Operating Surplus Ratio	**4%**	**(3%)**	**1%**	**1%**	**1%**	**1%**	**0%**	**0%**	**1%**	**2%**	**2%**	**3%**
Operating Result / Total Operating Income												
Operating Surplus Ratio (adjusted)	**4%**	**6%**	**1%**	**1%**	**1%**	**1%**	**0%**	**1%**	**1%**	**2%**	**3%**	**3%**
Operating Result / Total Operating Income +/- FAG's grants												
Net Financial Liabilities Ratio	**39%**	**47%**	**42%**	**40%**	**38%**	**36%**	**32%**	**30%**	**26%**	**27%**	**20%**	**17%**
Financial Liabilities less Financial Assets / Total Operating Income												
Net Financial Liabilities Ratio (adjusted)	**50%**	**49%**	**42%**	**40%**	**38%**	**36%**	**32%**	**30%**	**26%**	**27%**	**20%**	**17%**
Financial Liabilities less Financial Assets / Total Operating Income +/- FAG's grants												
Asset Renewal Funding Ratio	**78%**	**86%**	**90%**	**82%**	**84%**	**75%**	**68%**	**72%**	**73%**	**95%**	**86%**	**98%**
Capital Renewal / Asset Management Plan												

Port Pirie Regional Council - Long Term Financial Plan 2021-31

FINANCIAL STATEMENTS AND FINANCIAL INDICATORS

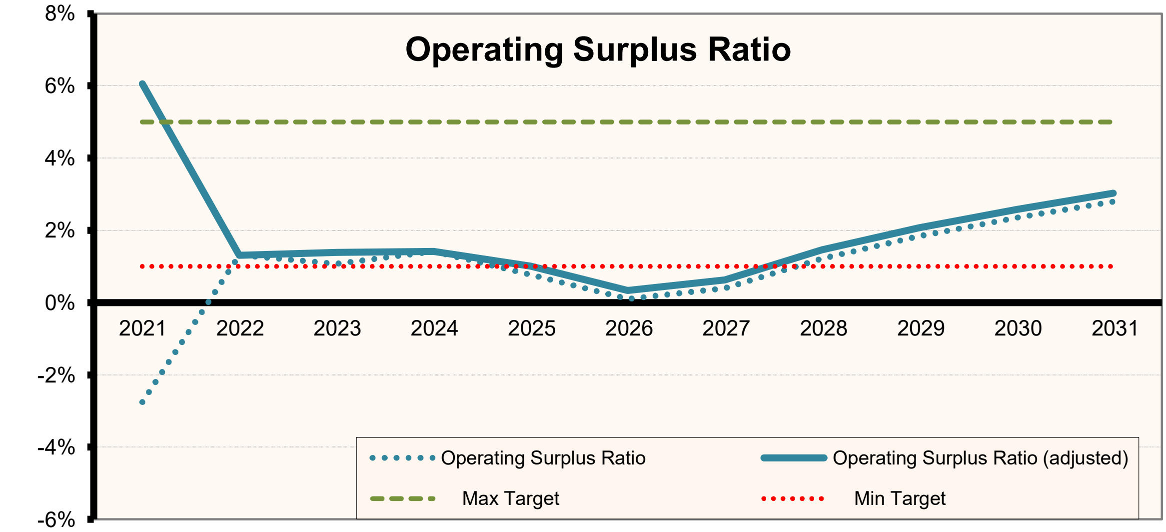
STATEMENT OF COMPREHENSIVE INCOME	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
	Actual	**Budget**	**Year 1 Plan**	**Year 2 Plan**	**Year 3 Plan**	**Year 4 Plan**	**Year 5 Plan**	**Year 6 Plan**	**Year 7 Plan**	**Year 8 Plan**	**Year 9 Plan**	**Year 10 Plan**
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
INCOME												
Rates & Charges	18,956	19,195	19,682	20,280	20,982	21,698	22,535	23,213	23,904	24,626	25,369	26,135
Statutory Charges	317	348	396	400	404	408	412	416	423	429	435	442
User Charges	1,447	1,547	1,662	1,695	1,729	1,764	1,799	1,835	1,890	1,947	2,005	2,065
Grants, subsidies and contributions	6,427	4,522	6,030	5,576	5,601	5,204	5,282	5,362	5,442	5,524	5,606	5,691
Investment Income	31	29	26	32	42	42	40	42	41	42	37	36
Reimbursements and Other	608	797	885	1,383	1,395	1,408	861	874	887	900	914	927
TOTAL INCOME	**27,786**	**26,438**	**28,681**	**29,366**	**30,153**	**30,524**	**30,929**	**31,742**	**32,587**	**33,468**	**34,367**	**35,296**
EXPENSES												
Employee Costs	7,876	7,655	7,959	8,085	8,285	8,463	8,669	8,854	9,069	9,250	9,486	9,727
Materials, contracts & other expenses	11,057	11,756	12,237	12,751	12,984	13,222	13,466	13,756	14,011	14,373	14,743	15,121
Finance Charges	340	361	259	244	286	260	236	212	188	182	116	98
Depreciation, amortisation & impairment	7,349	7,394	7,851	7,970	8,173	8,343	8,526	8,795	8,921	9,049	9,215	9,365
TOTAL EXPENSES	**26,622**	**27,166**	**28,306**	**29,050**	**29,728**	**30,288**	**30,897**	**31,616**	**32,190**	**32,853**	**33,560**	**34,310**
Operating Result Surplus/(Deficit) before Capital Income	**1,164**	**(728)**	**374**	**316**	**426**	**236**	**32**	**126**	**397**	**615**	**807**	**986**
CAPITAL INCOME												
Asset disposal & fair value adjustments	(737)	-	-	-	-	-	-	-	-	-	-	-
Amounts received specifically for new or upgraded assets	104	359	1,324	1,111	-	-	-	-	-	-	-	-
Physical Resources received and gifted free of charge	(353)											
TOTAL COMPREHENSIVE INCOME	**178**	**(369)**	**1,698**	**1,427**	**426**	**236**	**32**	**126**	**397**	**615**	**807**	**986**

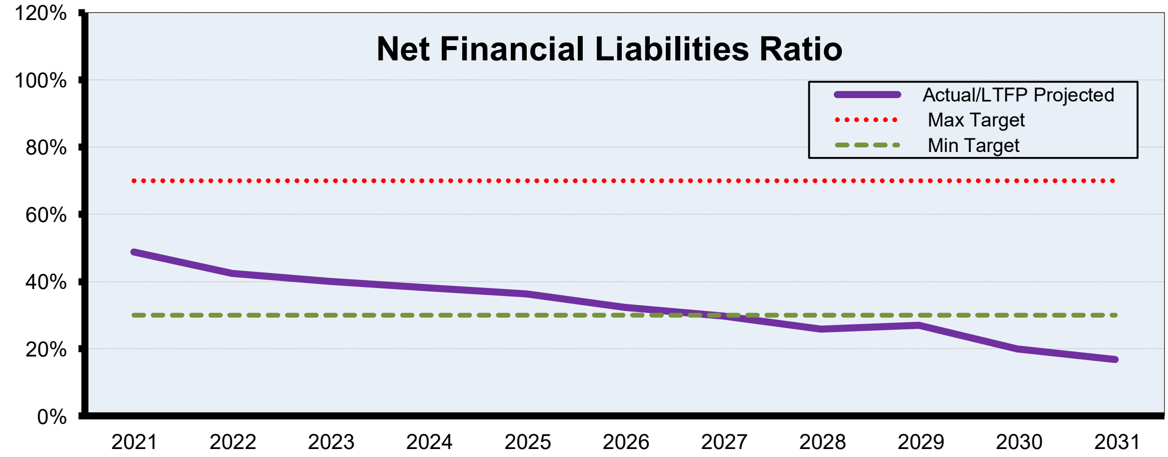
Port Pirie Regional Council - Long Term Financial Plan 2021-31

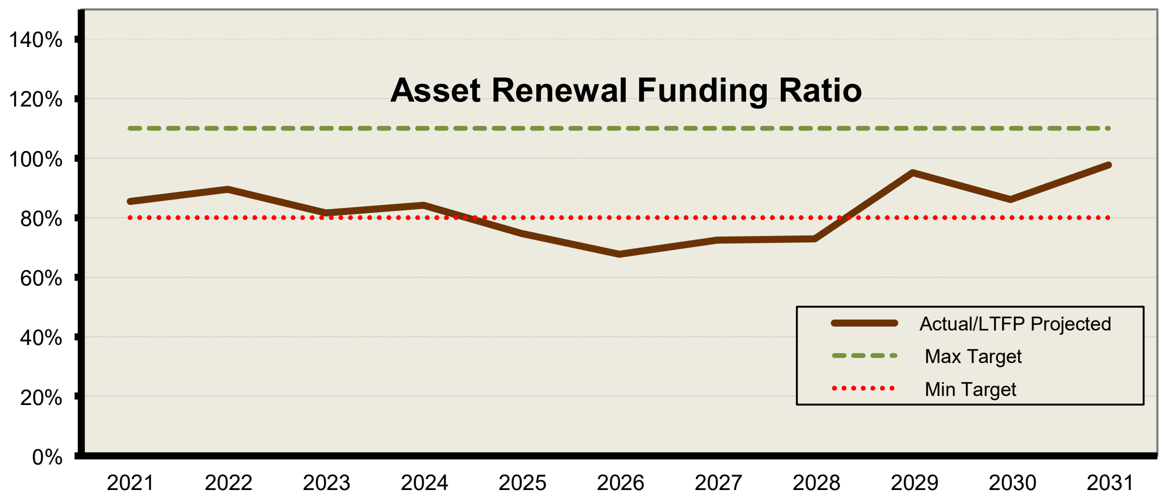
FINANCIAL STATEMENTS AND FINANCIAL INDICATORS

STATEMENT OF FINANCIAL POSITION	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Actual	Budget	Year 1 Plan	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	$'000
ASSETS												
Current Assets												
Cash and cash equivalents	1,054	581	992	646	656	532	735	702	773	402	401	732
Trade and other receivables	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725
Other	18	18	18	18	18	18	18	18	18	18	18	18
Total Current Assets	**2,797**	**2,324**	**2,735**	**2,389**	**2,399**	**2,275**	**2,478**	**2,445**	**2,516**	**2,145**	**2,144**	**2,475**
Non-current Assets												
Financial Assets	88	246	457	445	416	378	342	335	328	308	288	268
Infrastructure, Property, Plant and Equipment	261,644	263,135	264,837	265,850	266,012	265,829	264,794	264,360	263,743	264,948	263,576	263,651
Other	683	683	500	500	500	500	500	500	500	500	500	500
Total Non-Current Assets	**262,415**	**264,064**	**265,794**	**266,795**	**266,928**	**266,707**	**265,636**	**265,195**	**264,571**	**265,756**	**264,364**	**264,419**
TOTAL ASSETS	**265,212**	**266,388**	**268,529**	**269,184**	**269,327**	**268,982**	**268,114**	**267,640**	**267,087**	**267,901**	**266,508**	**266,894**
LIABILITIES												
Current Liabilities												
Trade and other payables	1,078	1,126	2,843	2,843	2,786	3,086	2,986	3,186	3,036	3,436	3,436	3,436
Borrowings	1,455	1,050	1,072	830	840	800	800	800	800	1,400	600	600
Provisions	1,897	1,896	2,096	1,796	1,796	1,796	1,796	1,796	1,796	1,796	1,796	1,796
Total Current Liabilities	**4,430**	**4,072**	**6,011**	**5,469**	**5,422**	**5,682**	**5,582**	**5,782**	**5,632**	**6,632**	**5,832**	**5,832**
Non-current Liabilities												
Borrowings	9,040	11,235	9,163	8,934	8,697	7,857	7,057	6,257	5,457	4,657	3,257	2,657
Provisions	170	170	180	180	180	180	180	180	180	180	180	180
Total Non-Current Liabilities	**9,210**	**11,405**	**9,343**	**9,114**	**8,877**	**8,037**	**7,237**	**6,437**	**5,637**	**4,837**	**3,437**	**2,837**
TOTAL LIABILITIES	**13,640**	**15,477**	**15,354**	**14,583**	**14,299**	**13,719**	**12,819**	**12,219**	**11,269**	**11,469**	**9,269**	**8,669**
NET ASSETS	**251,572**	**250,911**	**253,174**	**254,601**	**255,028**	**255,263**	**255,295**	**255,421**	**255,818**	**256,433**	**257,239**	**258,225**
EQUITY												
Accumulated Surplus	67,440	67,624	69,918	71,145	71,532	71,367	71,399	71,325	71,521	71,934	72,537	73,320
Asset Revaluation Reserve	182,505	182,505	182,505	182,505	182,505	182,505	182,505	182,505	182,505	182,505	182,505	182,505
Other Reserves	1,627	782	751	951	991	1,391	1,391	1,591	1,792	1,994	2,197	2,400
TOTAL EQUITY	**251,572**	**250,911**	**253,174**	**254,601**	**255,028**	**255,263**	**255,295**	**255,421**	**255,818**	**256,433**	**257,239**	**258,225**

Port Pirie Regional Council: LTFP Financial Indicators







CAPEX	***2021***	***2022***	***2023***	***2024***	***2025***	***2026***	***2027***	***2028***	***2029***	***2030***	***2031***
Capital Renewal	$6,271	$7,800	$7,129	$7,343	$6,531	$5,941	$6,341	$6,382	$8,283	$7,503	$8,500
Capital New	$2,895	$2,042	$2,014	$1,153	$1,790	$1,709	$2,180	$2,083	$2,133	$500	$1,100
Capital Total	**$9,166**	**$9,842**	**$9,143**	**$8,495**	**$8,321**	**$7,650**	**$8,521**	**$8,464**	**$10,415**	**$8,003**	**$9,600**

Assumptions											
Total Rate Income increase	**1.3%**	**2.5%**	**3.0%**	**3.5%**	**3.4%**	**3.9%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Total Loans	***$12,285***	***$10,235***	***$9,764***	***$9,537***	***$8,657***	***$7,857***	***$7,057***	***$6,257***	***$6,057***	***$3,857***	***$3,257***
Loan Principal repayment - all loans	***$1,455***	***$1,050***	***$1,072***	***$830***	***$840***	***$800***	***$800***	***$800***	***$800***	***$1,400***	***$600***

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