



SHIRE OF CUE

STRATEGIC RESOURCE PLAN

2018 – 2033

**Asset Management Plan
and
Long Term Financial Plan**

Part of the Shire's Resourcing Strategy
Adopted by an absolute majority of Council on the 16 April 2019
Local Government Act 1995



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Scope

RSM was engaged solely to prepare the Strategic Resource Plan, incorporating the Asset Management and Long Term Financial Plans for the Shire of Cue in accordance with Integrated Planning and Reporting Framework and Guidelines.

Our engagement was not an audit in accordance with Australian Auditing Standards or a review in accordance with Australian Auditing Standards applicable to review engagements. Had we undertaken such an audit, other matters might have come to our attention that would have been reported to you.

Our report is solely for the Shire's information and is not to be used for any other purpose. We do not express any assurance on the balances stated in this report.

Reliance

The professional advice and opinion in this report has been prepared for the exclusive use of the Shire of Cue and for the purposes specified above. This report is supplied in good faith and reflects the knowledge, expertise and experience of the engagement consultant and is based on the information and representations provided by the Shire of Cue. We accept no responsibility for any loss occasioned by any person acting or refraining from action as a result of reliance on the report, other than the Shire of Cue.

For more information on this report

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This Strategic Resource Plan, incorporating the Asset Management and Long Term Financial Plans for the Shire of Cue was prepared in accordance with the Integrated Planning and Reporting Framework guidelines.

The plans were prepared by Consultants RSM in conjunction with Shire staff. The following plans have been prepared based on the guidelines provided by the Department of Local Government and Communities. The following resources have been referenced in the development of this plan:

- Shire of Cue Strategic Community Plan 2017 – 2027; and
- Shire of Cue Corporate Business Plan 2017 – 2021.

This program reflects our intentions at the time of publication. As with any plan or budget, the actual results may vary from that forecast.

For further information contact Council's CEO on 08 9963 8600.

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1.0 Message from the President and Chief Executive Officer

The Integrated Planning and Reporting Framework was designed to capture the vision of the community which can be translated into a Strategic Community and Corporate Business Plan. In return, these plans provide the foundation we can follow to ensure your vision is achieved.

The Strategic Community and Corporate Business Plan are supported by the Asset Management and Long Term Financial Plans. These require the effective management of our assets combined with sound long term financial planning. Therefore, we are pleased to provide you with our current Asset Management and Long Term Financial Plan for the period 2018 - 2033.

During this period, our community will experience changing conditions which will provide both opportunities and challenges. The key factors driving these conditions include economic, demographic, and technological changes. The Integrated Planning and Reporting Framework provides for this through regular reviews allowing us to re-align it to the prevailing conditions and more importantly to the community's vision.

The purpose of the framework is to translate the community's vision into each plan so we encourage you to become involved in the planning process and help us achieve the Shire's vision being; "The Shire of Cue – Queen of the Murchison, will be a place that is liveable for residents, profitable for local enterprises and welcoming and accessible for visitors".

Finally, we would like to thank the community, the staff and the stakeholders who participated in the preparation of this SRP. We look forward to the future and together will ensure the Shire continues to be a great community to visit, grow, and live.

Ross Pigdon
Shire President

Rob Madson
Chief Executive Officer

2.0 Background

2.1 Shire Profile

Cue is the main town within the Shire and is approximately 660 kilometres north east of Perth. While it may be considered a small town, it overflows with history. Known as the Queen of the Murchison it was once the centre of the Murchison Goldfields and boasted a population of around 10,000. Today, around 272 people call the place home.

2.2 Demographics

The town lies within the Murchison Basin and is home to the Wajarri, Badimia, Wutha and Tjupan people, who currently comprise 26% of the Shire's resident population. Another major demographic segment includes residents aged between 55 - 64 years old. Together, these two groups make up more than fifty percent of the population.

2.3 Community Engagement in the SCP

The Shire promoted the engagement process in the local newspaper, and on its notice boards, website and Facebook page. The engagement methodology included discussions, surveys, and information sessions. Overall, more than 20 percent of the community across the Shire engaged in the development of the SCP.

2.4 Community Vision

The Shire of Cue – Queen of the Murchison, will be a place that is liveable for residents; profitable for local enterprises and welcoming and accessible for visitors.

2.5 Mission

Council will provide the leadership to provide and develop service opportunities to meet social, economic and environmental needs for the benefit of, and in partnership with, the Community.

2.6 Values

Accountability

We will ensure continued compliance with our statutory obligations.

Community

We will work towards ensuring that our plans and actions contribute towards the long-term sustainability of the Shire of Cue.

Heritage

We recognise our shared responsibility as custodians of the district's rich and diverse European and Indigenous heritage.

Sustainability

We will work towards ensuring that our plans and actions contribute towards the long-term sustainability of the Shire of Cue.

2.7 Key Objectives

Based on the community vision, the following briefly outlines the key objectives that relate to this plan which also shaped the strategies in the Strategic Community Plan:

- Encourage tourism in the area;
- Develop strategies to help business grow;
- Advocate on behalf of the community for better services and infrastructure;
- Improve infrastructure in the region; and
- Focus on sustainability such as protecting the natural environment.

Cue continues to support both gold and iron ore mining as well as pastoral and tourism industries, such as the mine camp in the town of Cue, which hosts about 240 employees.

2.8 Key Information about the Shire

The following data outlines the Shire's key statistics and financial information for 2018:

Key Statistics

Number of Elected Members*	7
Number of Staff*	23
Number of Electors*	125
Number of Dwellings	200
Distance from Perth (km)	660
Area (sq km)	13,716
Population (Est.)	272

Key Financial Information

Rates Revenue	2,288,492
External grants	1,961,223
Operating Revenue	4,778,708
Operating Expenditure	6,090,429
Net Assets	62,772,597
Cash Backed Reserves	6,148,265
Long Term Borrowings	Nil

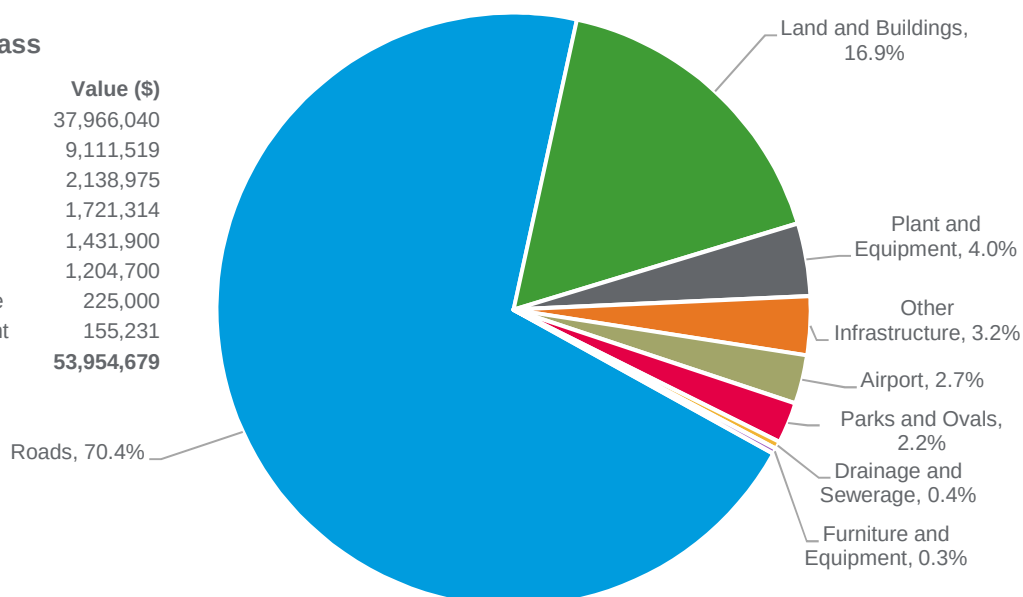
* - data obtained from www.mycouncil.wa.gov.au

2.9 Fixed Asset Information

The written down value of the Shire's fixed assets as at 30 June 2018 is \$54m. The table below shows the dollar value of each class while the chart below shows the percentage breakdown. The major asset group include the Shire's Road infrastructure at 70.4% of assets. Land and Buildings is the next largest group constituting 16.9% of assets. The remaining asset groups make up the remaining 12.7%.

Asset Value by Class

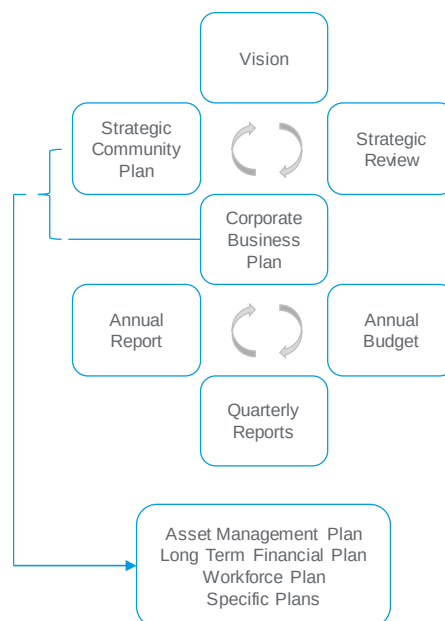
Class	Value (\$)
Roads	37,966,040
Land and Buildings	9,111,519
Plant and Equipment	2,138,975
Other Infrastructure	1,721,314
Airport	1,431,900
Parks and Ovals	1,204,700
Drainage and Sewerage	225,000
Furniture and Equipment	155,231
Total	53,954,679



3.0 Planning Process under the Framework

3.1 Introduction

The diagram opposite shows the cyclical nature of the Integrated Planning and Reporting Framework (IPR). The process begins by translating the community's vision into the Strategic Community Plan (SCP) and Corporate Business Plan (CBP), which are reviewed periodically. These plans are supported by the Strategic Resource Plans (SRP), including the Asset Management Plan (AMP), the Long Term Financial Plan (LTFP), the Workforce Plan (WP), and Specific Plans (SP). The second section outlines how the annual report and budget are linked to the CBP and feed back into it. The following SRP only includes the AMP and LTFP and was modelled from the audited financial statements and adopted budgets.



3.2 Methodology

This historical data was extrapolated over the period covered by the SRP in order to determine future operating revenue and expenditure. It was required to make assumptions used in the calculations due to the period extending over a large time frame. Therefore, it should be noted these assumptions create uncertainty and are likely to change over time. However, the IPR requires regular reviews which enables the Shire to reduce this uncertainty.

The planned renewals were determined based on the Life Cycle Cost or Whole of Life Cost of the assets. This method estimates the longest life of the asset based on the average cost required to sustain it. These costs include normal operating costs, maintenance costs, as well as the consumption of the asset (depreciation expense).

Funding for the planned renewals were based on estimations of future grants provided by external parties, contributions from the Shire's operating revenue, and through long term borrowings. It should be noted that as at reporting date no formal borrowing policy has been adopted by Council.

As mentioned above, there are risks associated with forecasting data over an extended time frame. Some additional risks include:

- Deferring asset renewals will increase the potential for an asset to become unavailable causing a decline in the level of service provided to the community;
- Grant funding differs from forecast due to timing or availability. Timing can cause issues as mentioned above, however, availability can affect the viability of related planned renewals; and
- The ability of the Shire to contribute to planned renewals from operating revenue due to unforeseen circumstances.

3.3 Strategically Important Assets

The Shire has classified certain assets as strategically important in order to meet the community's vision, the required level of service or due to statutory obligations. Therefore, these assets required significant consideration when developing the SRP to ensure the Life Cycle Costs were adequately funded. The Shire Depot and Heavy Plant and Equipment were identified as strategically important assets.

If resources become limited during the SRP, funding for these assets will be prioritised in order to increase the likelihood the assets are available to provide the required level of service.

3.4 Important Assets

Road maintenance and renewal remain a high priority for the Shire due to the strategic economic benefit the road network provides to the region and its stakeholders. As above, the provision of maintenance, renewal and upgrades for these assets remains dependent on external grant funding and the Shire's ability to contribute from its operating revenue.

3.5 Asset Management Strategy

Funding for the purchase of assets comes predominately from external sources such as grants and contributions. Also, the Shire understands the nexus between maintaining assets and effective life. Therefore, in developing the SRP, the Shire considered funding, maintenance, and effective life when projecting planned renewals. The risk related to implementing the asset management strategy is negligible due to the low number of important assets held by the Shire.

3.6 Long Term Financial Strategy

The Shire provides transport infrastructure, facilities, and community services which support the local region. The predominant stakeholders that will require future services include pastoralists, miners, local residents and tourists.

Historically, the Shire has received grants and contributions from external bodies including State and Federal Governments. This funding is expected to continue over the life of the SRP. However, if the funding was not available, the Shire would not be able to support current or planned expenditure based on its operating surplus. This highlights the importance of external funding regarding the Shire's ability to provide the current level of service to the community.

Although there is no expectation the Shire will become financially independent it can maintain the long term financial plan through external grants and contributions. To compliment external funding the Shire increased rate revenue in line with the historical three-year average, and will continue to monitor, and where possible, reduce expenditure in order to sustain financial viability.

Another source of funding available to the Shire is from borrowings. However, borrowings are forecast to remain at low levels throughout the SRP to allow the Shire to respond to sudden and unexpected expenditure requirements. This strategy also provides scope to leverage against future grant funding opportunities when, and if, they become available. Cash Backed Reserves can be utilised in place of borrowings should an opportunity present itself.

3.7 Key Assumptions

As mentioned above, the IPR and its components require assumptions due to the period it covers. Some of the key assumptions used to prepare the SRP include:

- The value of grants and contributions provided by external parties will remain consistent;
- The inflation rate (CPI) would remain stable;
- Population growth would not significantly change over the period;
- Economic conditions in Western Australia would remain positive;
- Growth in the mining and agriculture industries would stay relatively constant; and
- Existing assets will provide current and forecast levels of service.

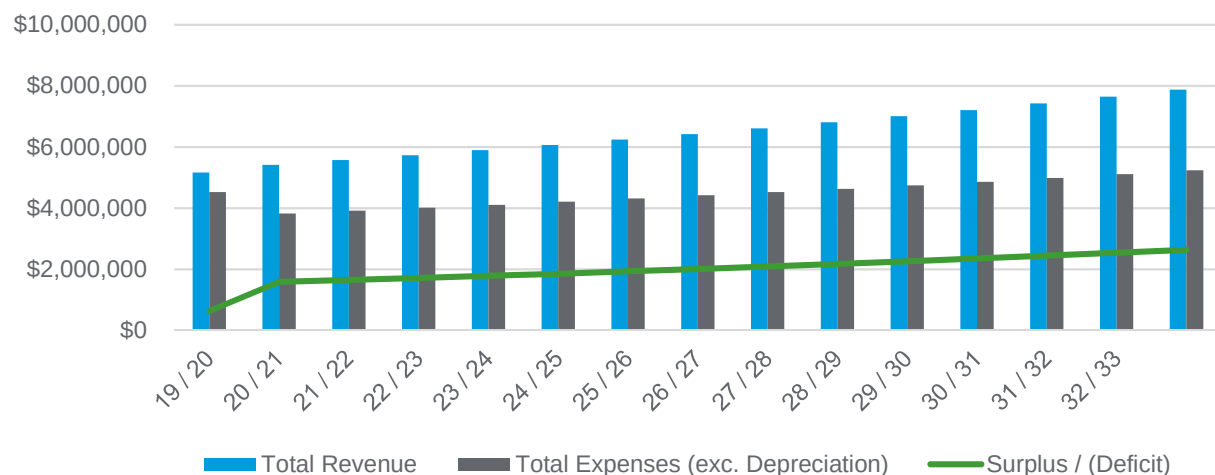
4.0 Operating Income and Expenses

4.1 Income Overview

The long term financial plan was forecast from the Shire's audited financial statements and adopted budgets. The model increased the data, such as revenue and expenses, in-line with inflation over the period, except rates which is discussed below. The forecasted financial statements are shown in Appendix 2.

The graph below shows the net surplus (green line) for each year after adding back the depreciation expense. The data does not include forecast capital income or expense. The increase in net surplus each year is expected due to most operating revenue and expenses increasing at the assumed inflation rate while rates were projected at a higher rate. The model also includes rental income from the Government Regional Officers Housing (GROH) which was also increased at the inflation rate. However, this would only have a minor impact on the surplus. The surplus reflects the Shire's contribution towards the capital expenditure over the life of the SRP.

Forecast Revenue and Expenses



4.2 Rate Revenue

The model averaged the growth in rates over the prior three financial years. Therefore, the average rate from 2014/2015 to 2017/2018 applied to rate revenue was 3.74%. The base revenue was also averaged over three years in order to maintain a consistent methodology. The averaged figure used in the model was approximately \$92,500 below the rate revenue collected in 2017/2018. Based on the modelled data, rates are expected to generate \$2.3m in 2018/2019, increasing to \$3.8m in the financial year 2032/2033.

4.3 Non-Operating Grants and Contributions

External grants and contributions are projected to remain relatively consistent over the SRP. The years where external funding is expected to be higher than normal include the following:

2019/2020

- \$2.0m for the Great Fingal Mine Office relocation

2020/2021

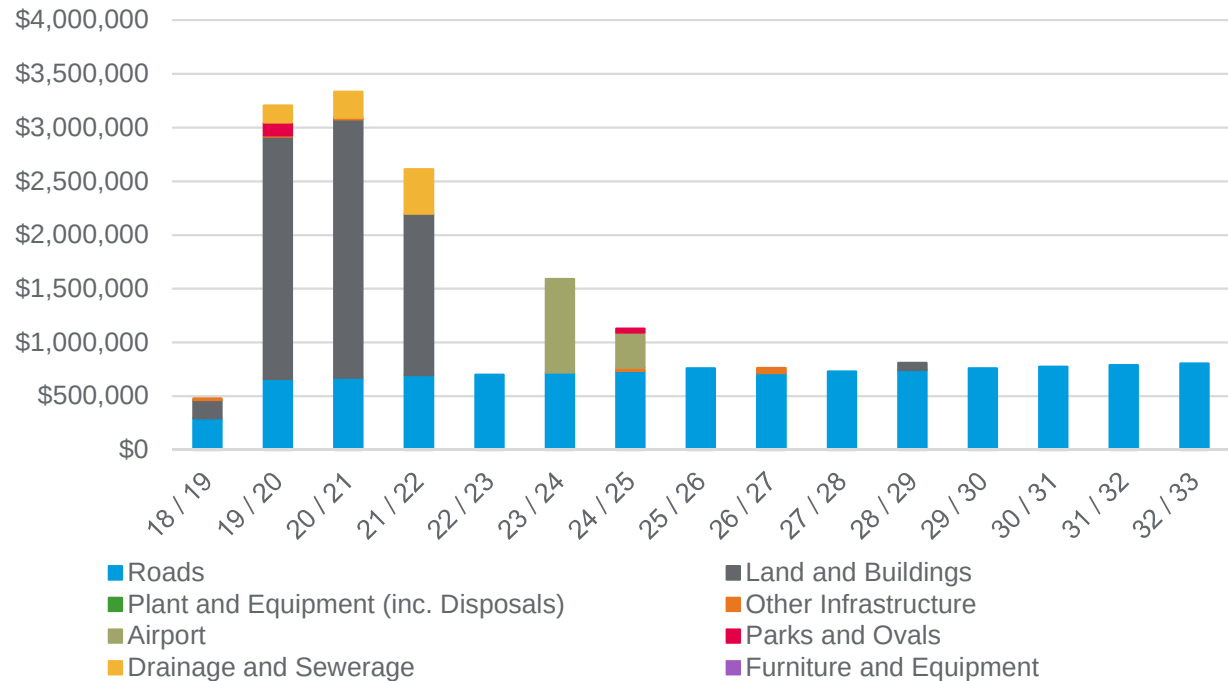
- \$2.0m for the Great Fingal Mine Office relocation

2021/2022

- \$2.0m for the Great Fingal Mine Office relocation

The graph below represents the external funding expected over the period. The Great Fingal Mine Office funding (grey bar) will be the largest external funding requirements over the SRP (see 2019/2020 to 2021/2022). The SRP also forecasts higher than normal funding will be required from 2023/2024 to 2024/2025 to fund the runway upgrade and storage facility at the Cue Airport. Plant and Equipment plus Furniture and Equipment will be funded by the Shire so require no external funding.

Forecast External Funding

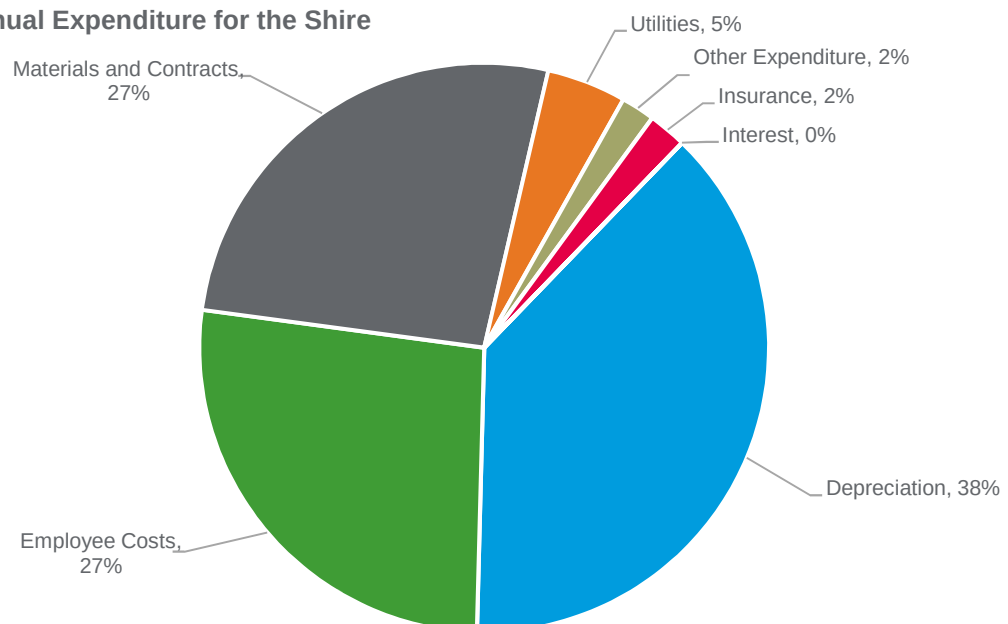


4.4 Expenditure Overview

The operating expenditure components of the SRP were modelled to remain relatively stable, including depreciation, and maintenance costs. Therefore, the key expenses effecting the Life Cycle of assets were assumed to have a low level of uncertainty, allowing the forecast expenditure to be increased by the inflation rate.

The graph below shows the 2017/2018 percentage of each expense compared to total expenditure.

2017/2018 Annual Expenditure for the Shire



4.5 Operating Expenses

In relation to the above-mentioned life cycle expenses, it was assumed expenditure costs would be relatively stable over the period. The Workforce Plan and Specific Plans will be completed in the next phase of the IPR process (see sections 10.2.1 and 10.2.2), however, they are both integral to the AMP and LTTP. Therefore, when modelling the data in the SRP, consideration was given to the WP and the SP knowing the SRP may need refinement when they are completed.

It was important to understand how these plans would impact operating expenses, including life cycle expenses, and provide for them in the SRP. At the time of reporting, the expected impact from these plans was believed to be minimal. The two life cycle expenses have been summarised in the following section, including a comparison against the planned asset expenditure for each year.

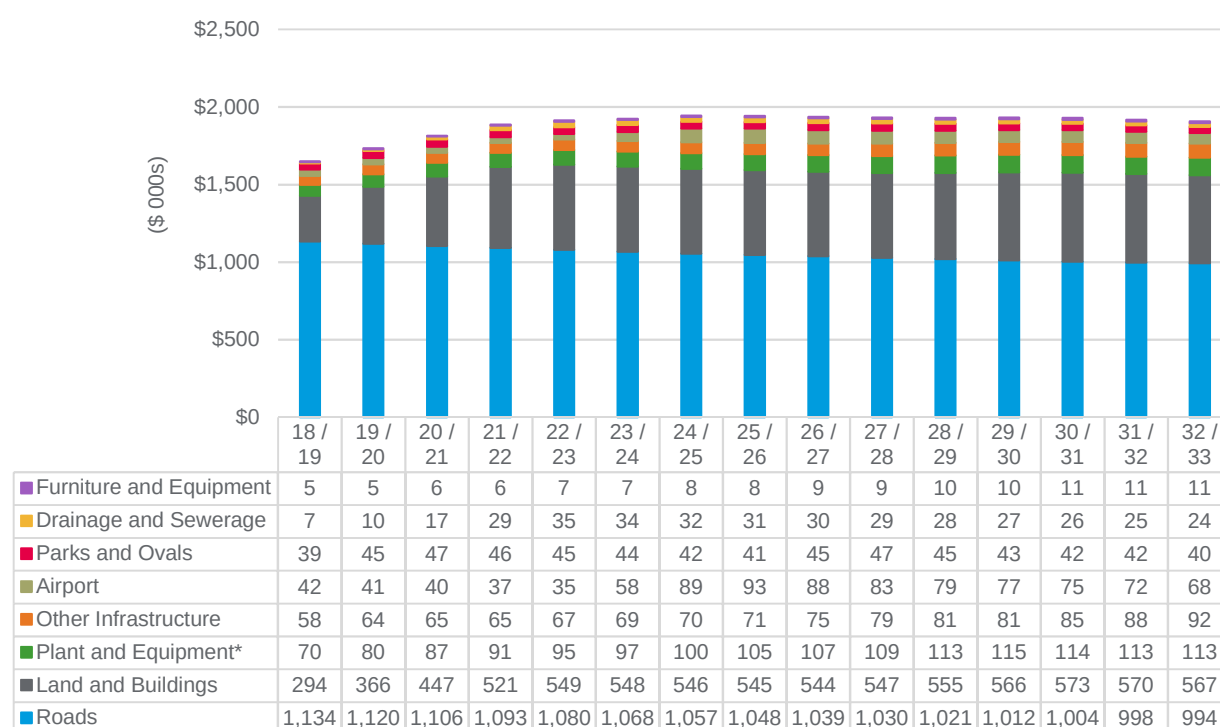
4.5.1 Life Cycle Expenses

The maintenance expense will differ for each asset and increase as the asset reaches the end of its useful life. Therefore, it is not feasible to model the data at an individual level, so forecast maintenance expenses were determined by asset class. The same principle applies to depreciation expense which was also forecast by asset class.

4.5.2 Summary

The maintenance expense for each class of asset is shown below in the graph. The combined cost of maintaining the Shire's roads and buildings averaged \$785,000 (83% of the total expense) over the SRP. The remaining asset classes average \$53,000 per year over the period (17% of the total expense). The average total expense for all asset classes is \$236,000. The table below the graph displays the annual expenditure by dollar value rounded to the nearest thousand (\$ 000s).

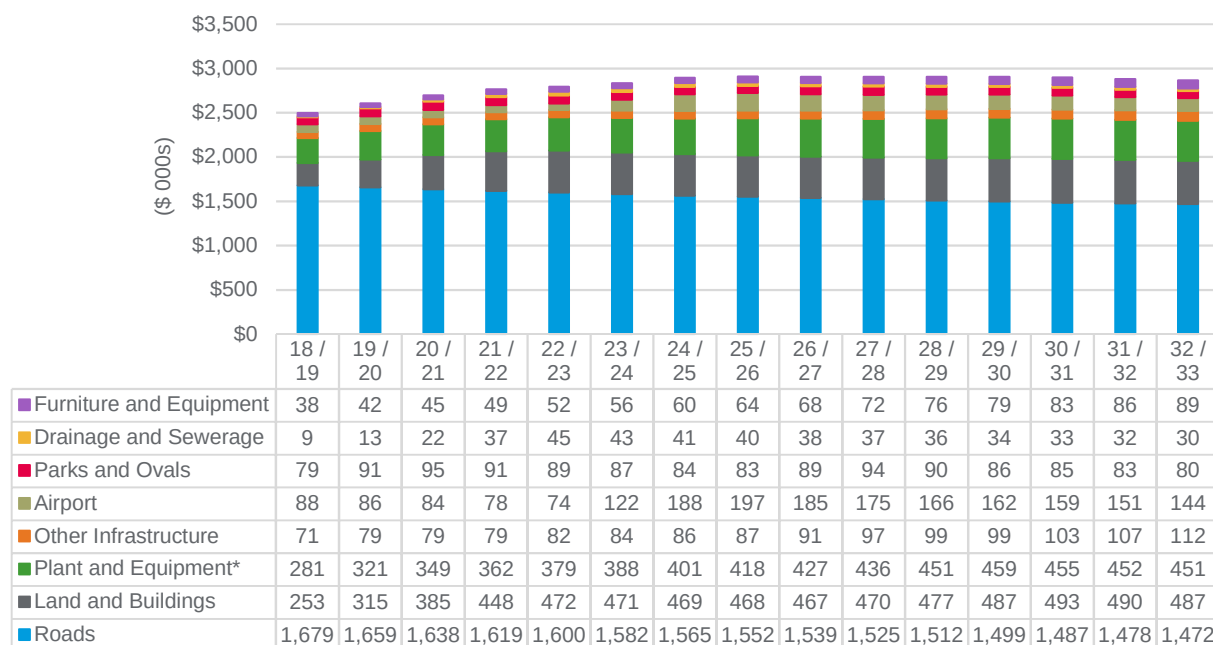
Maintenance Expense Summary



* - Including Disposals

The depreciation expense for each class of asset is shown below in the graph. The average annual expense for Roads over the SRP is \$1.6m. In comparison, the average expense for the remaining asset classes is \$180,000, and \$352,000 when all classes are combined. The table below the graph displays the annual expenditure by dollar value rounded to the nearest thousand (\$ 000s).

Depreciation Expense Summary



* - Including Disposals

4.5.3 Property, Plant and Equipment

The planned Property, Plant and Equipment (PPE) expenditure is shown in the following graphs at the full cost of the renewal (blue bar) and the net cost of the renewal (grey bar), which includes the disposal of assets.

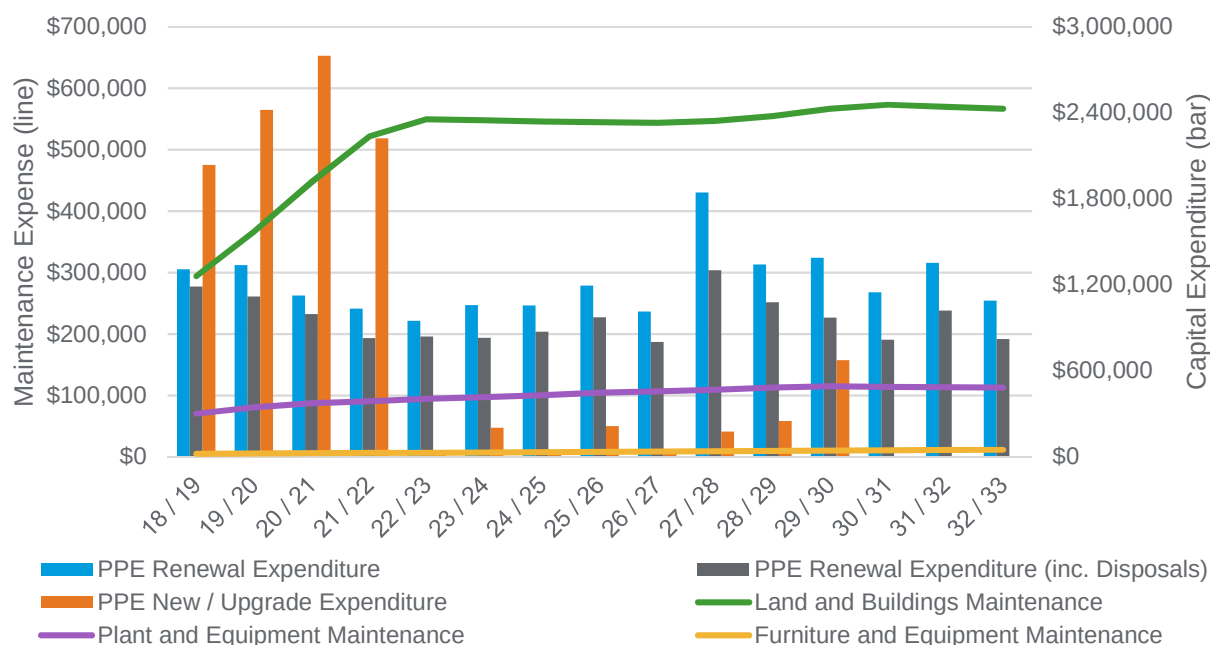
The initial capital expenditure is higher than normal mainly due to the relocation of the Great Fingal Mine Office (over \$6.0m) and construction of the GROH housing (\$0.9m). The increase in expenditure due in 2027/2028 relates to the replacement of staff housing and the planned improvements to the administration building. The total net value of planned expenditure for the SRP, including disposals, is \$25.6m or an average \$1.71m per year.

Maintenance Expense

The total forecast maintenance expenses for PPE, shown below on the graph, will increase up to 2022/2023 before stabilising after the Great Fingal Mine Office relocation. The cost to maintain Land and Buildings (green line) was calculated to be 83% of the total expense for PPE. Expenditure on maintaining this asset class is high due to the number of historical buildings in the Shire which cannot be replaced so must be maintained. The expenditure in 2027/2028 (blue and grey bars) relate to the replacement of staff housing and improvements to the administration office.

The maintenance expense was calculated within an upper and lower bound and included additions and disposals. The chart below displays the average of the upper and lower maintenance expense for each year (lines).

Maintenance Expense – Renewal and New / Upgrade Expenditure

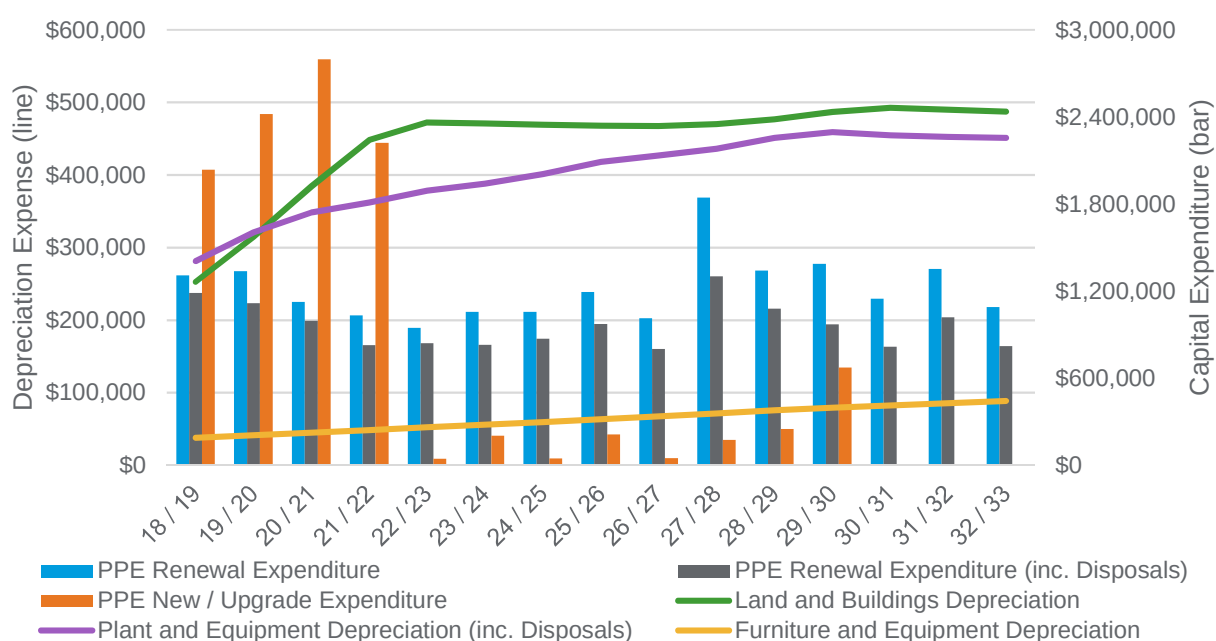


Depreciation Expense

The depreciation expense for Property, Plant and Equipment will vary over the life of plan due to additions and disposals each year. The total expense increases from \$0.6m in the first year to \$1.0m by 2032/2033.

The expense related to Buildings will increase significantly over the first four years due to the cost of relocating the Great Fingal Mine Office, the development of the GROH and pensioner housing, the planned Town Hall upgrade, the development of the Old Railway Building, and the refurbishment of the Old Goal (green line). The expense increases in 2027/2028 and 2029/2030 due to the planned expenditure in those years on staff (2027/2028) and pensioner housing (2029/2030). The planned expenditure on Plant and Equipment (P&E) and Furniture and Equipment (F&E) are forecast to remain steady over the SRP. Spending on P&E peaks in the years 2027/2028 and 2028/2029 before declining back to the long run average.

Depreciation Expense – Renewal and New / Upgrade Expenditure



4.5.4 Infrastructure

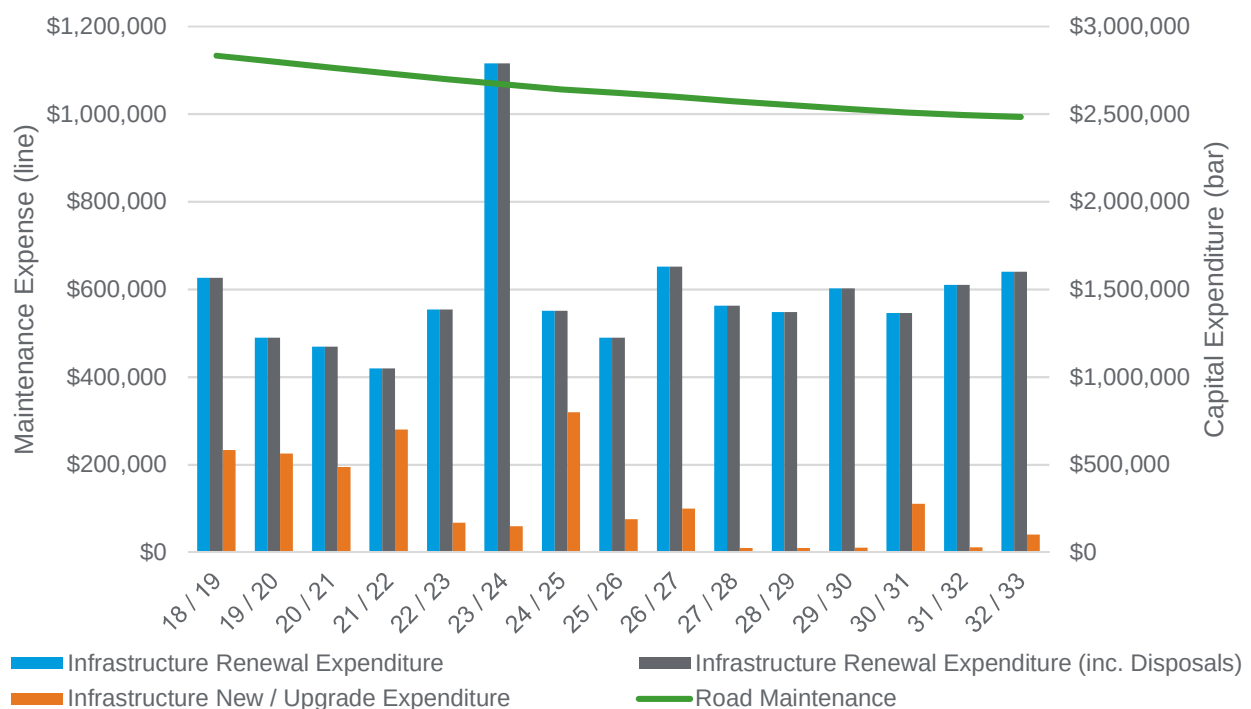
The planned Infrastructure expenditure is shown in the following graphs at the full cost of the renewal (blue bar) and the net cost of the renewal (grey bar), which includes the disposal of assets.

The planned expenditure on infrastructure is forecast to remain steady over the SRP. However, several years include once-off spending on specific projects including the upgrade to airport infrastructure in 2023/2024, the Alternative Energy projects in 2026/2027 and 2030/2031, and the Deep Sewerage System between 2018/2019 and 2021/2022. The total planned expenditure over the SRP is \$26.6m or an average \$1.77m per year.

Maintenance Expense

The maintenance expense for Roads (green line) is displayed separately due the annual expenditure being significantly higher when compared to the remaining infrastructure classes. The maintenance cost decreases over the period due to the higher level of renewal expenditure in the early years of the SRP. The maintenance expense was calculated within an upper and lower bound and included additions. The chart below displays the average of the upper and lower expense for each year (lines).

Road Maintenance Expense – Renewal and New / Upgrade Expenditure



The \$1.7m planned expenditure on the Airport in 2023/2024 (blue and grey bars) significantly impacts the maintenance expense for its asset class (green line). In comparison, the remaining expenditure over the SRP is low and therefore the impact on the expense is minor.

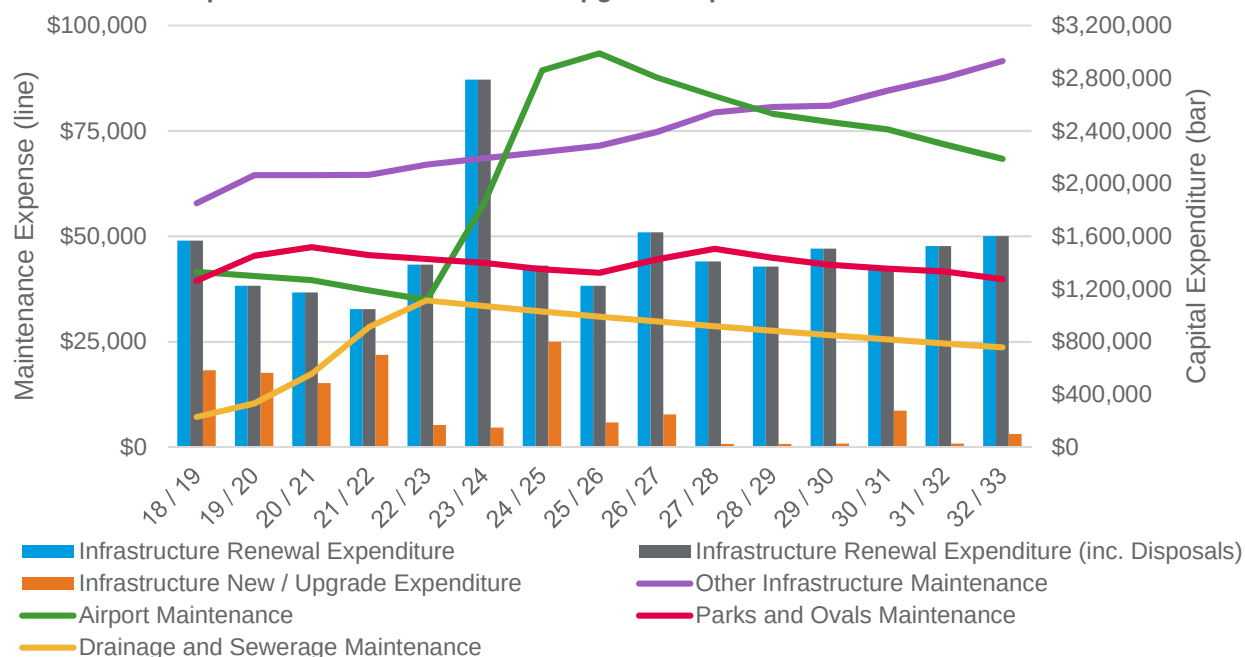
The planned additions to Other Infrastructure steadily increase the expense from 2021/2022 (purple line). This illustrates the planned expenditure is constant for this asset class over the SRP. The planned Alternative Energy projects in 2026/2027 and 2030/2031 increases the expense for those years.

Maintenance expenditure and planned renewals related to Parks and Ovals remain relatively stable over the period (red line). The above average expenditure on park upgrades in 2026/2027 is reflected by the increased expense for that year.

The maintenance cost for Drainage and Sewerage initially increases until 2022/2023 due to the planned deep sewerage expenditure from 2018/2019 to 2021/2022 (yellow line). It decreases from this year as no further expenditure is forecast for this asset class.

As above, the maintenance expense was calculated within an upper and lower bound and included additions. The chart below displays the average of the upper and lower maintenance expense for each year.

Maintenance Expense – Renewal and New / Upgrade Expenditure

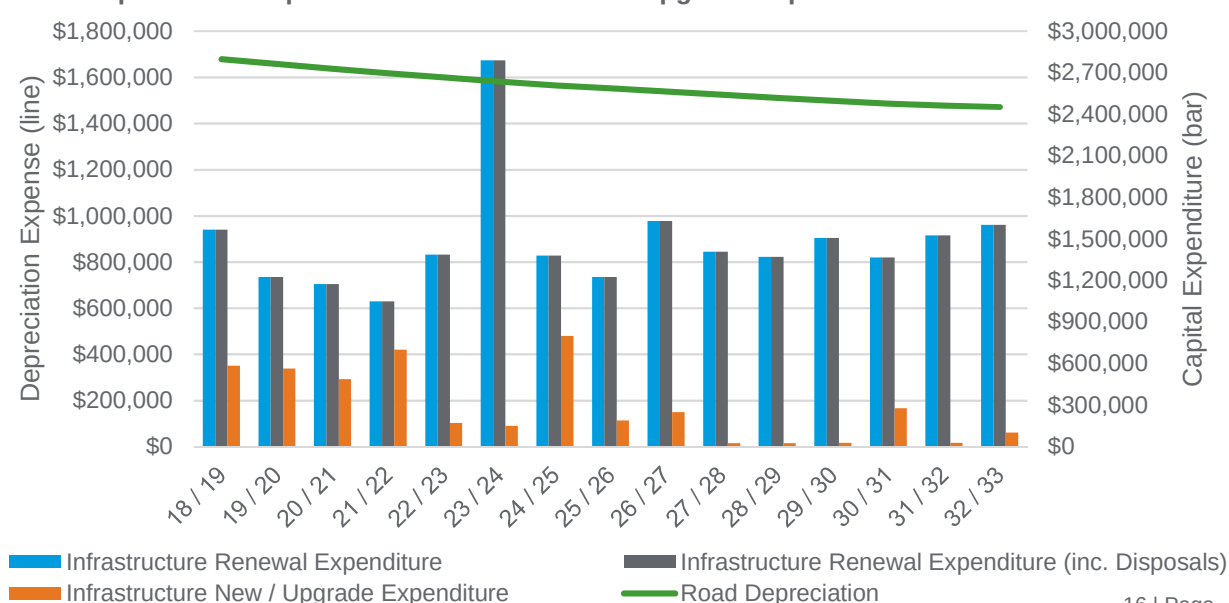


Depreciation Expense

The depreciation expense for infrastructure will vary over the life of plan due to additions each year. The total expense decreases from \$1.93m in the first year to \$1.84m by 2032/2033.

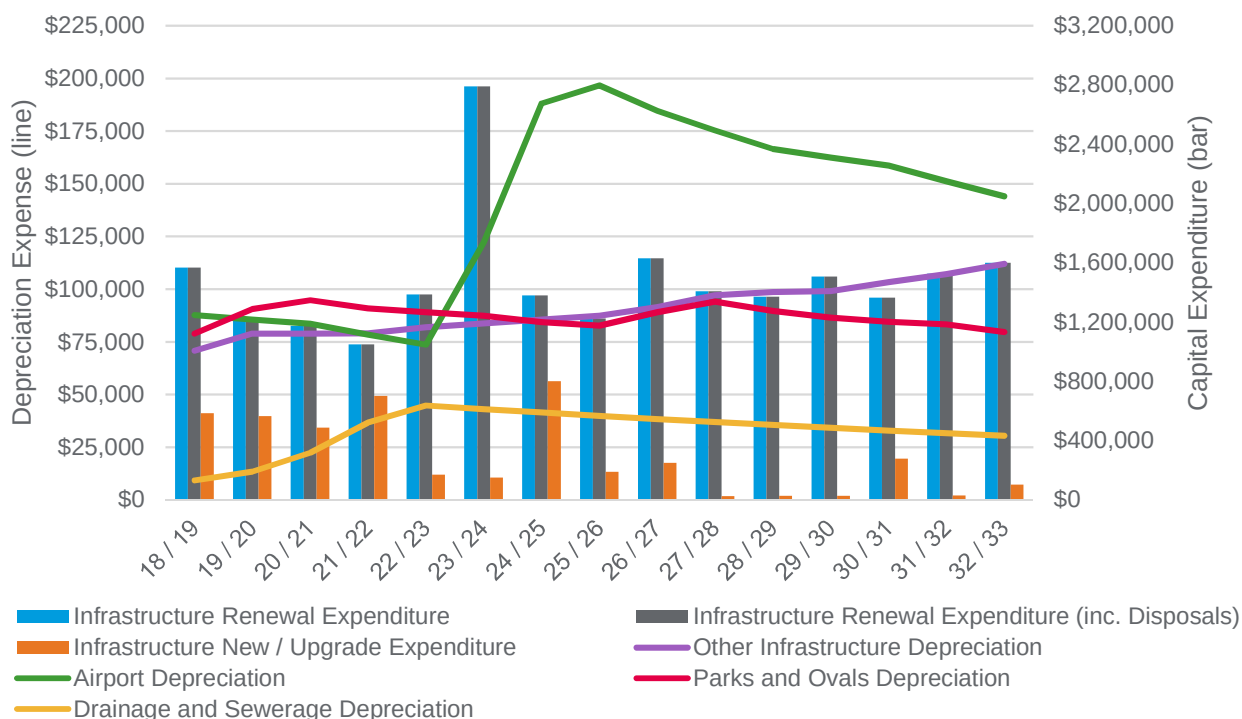
The chart below shows the depreciation expense for roads separately to the other infrastructure asset classes (green line). The expense declines from \$1.7m to \$1.5m because the planned renewal and new/upgrade expenditure declines slightly over the plan.

Road Depreciation Expense – Renewal and New / Upgrade Expenditure



The depreciation expense for the remaining infrastructure asset classes, shown below in the graph, are affected by the same once-off capital expenditure, such as the Airport upgrade, Alternative Energy projects, and Deep Sewerage System. Therefore, the cause for the movements in the expense are the same as for the corresponding maintenance expense.

Depreciation Expense – Renewal and New / Upgrade Expenditure



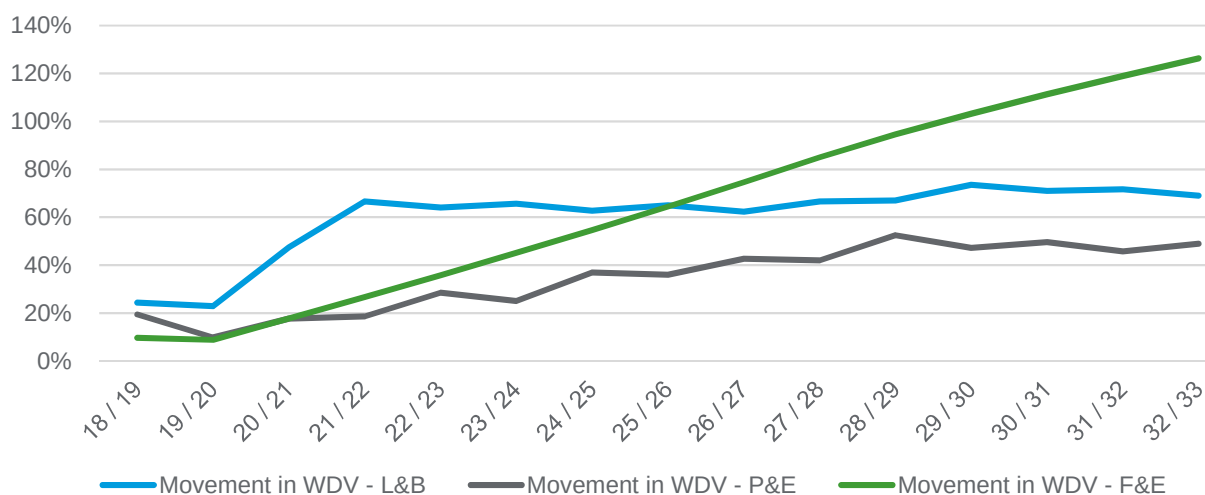
5.0 Capital Overview

5.1 Movement in Asset Value

Property, Plant and Equipment

The chart below shows the percentage movement in the written down value for Property, Plant and Equipment when comparing each year to 2018/2019. The movement in Land and Buildings initially increases due to the expenses mentioned previously, e.g. the Great Fingal Mine Office relocation. Plant and Equipment increases over the SRP until 2027/2028 when planned expenditure slightly decreases. The movement in Furniture and Equipment increases each year as there are no fluctuations in planned expenditure over the SRP.

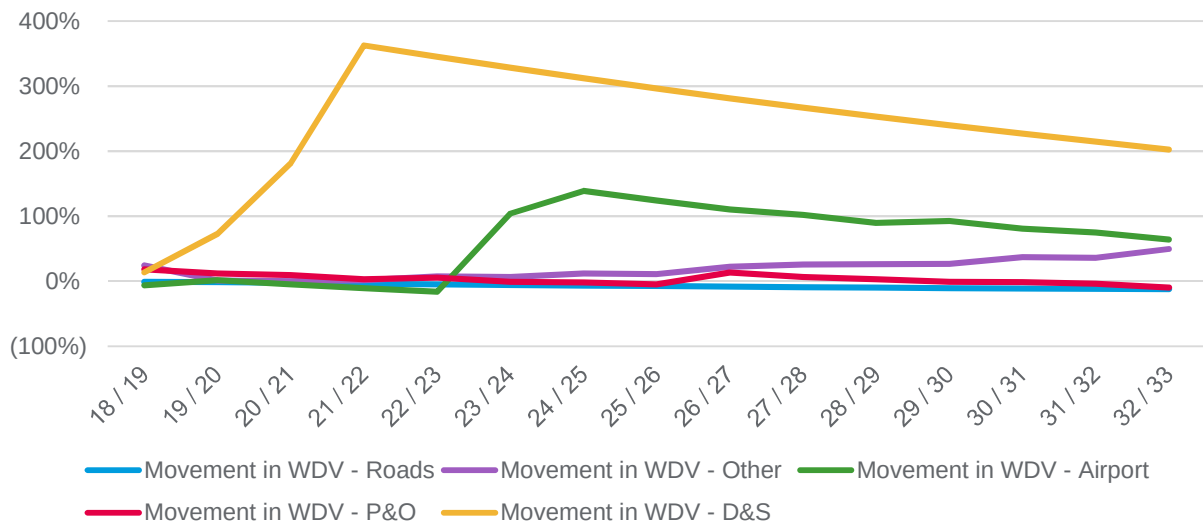
Movement in the Written Down Values



Infrastructure

The chart below shows the percentage movement in the written down value for infrastructure when comparing each year to 2018/2019. The significant increase in Drainage and Sewerage is caused by the deep sewerage expenditure at the beginning of the SRP. The movement for the airport class reflects the planned expenditure on the runway upgrade. Other Infrastructure and Parks and Ovals remain reasonably constant over the SRP as expected, while the written down value for Roads declines due to the planned decrease in expenditure toward the end of the period.

Movement in the Written Down Values

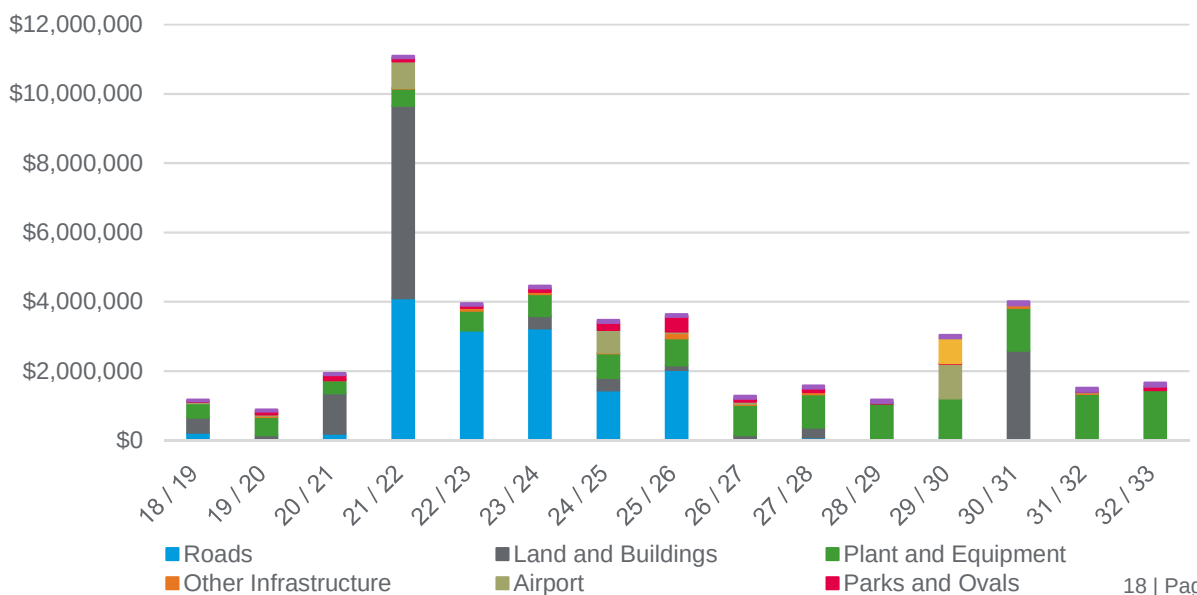


5.2 Required Renewal Expenditure by Class

The chart below illustrates the required expenditure on each asset class in order for the Shire to maintain its current level of service to the community. Therefore, the planned expenditure was based on the required renewals.

The required expenditure on Roads in 2021/2022 relates to spending on seals, followed by expenditure on unsealed pavement before returning to normal in 2025/2026. The large expenditure on Land and Buildings between 2020/2021 and 2021/2022 relates to expenditure on housing, the administration office, and historical buildings. Expenditure on housing is also higher than normal in 2030/2031 as shown below in the graph.

Required Renewal Expenditure by Class



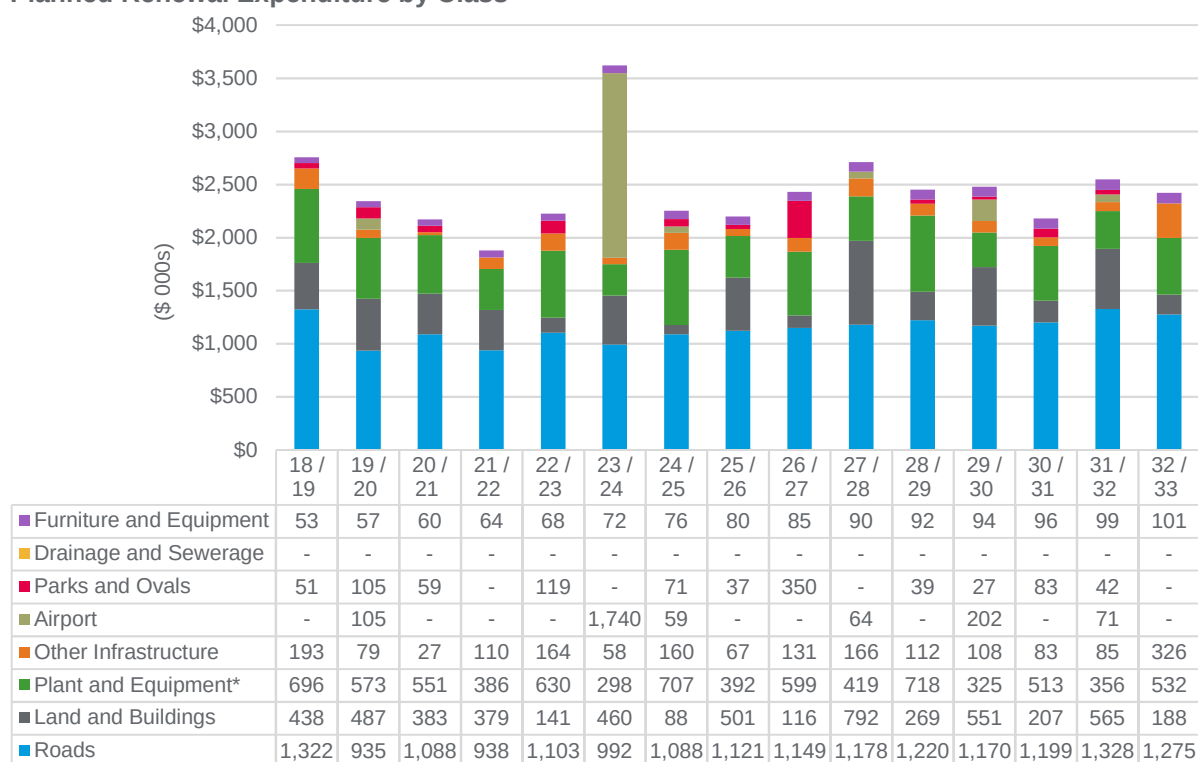
The year in which the above required renewals were allocated are estimated and can be affected by unforeseen events (see section 10). In certain circumstances planned and required expenditure could not be aligned due to prioritising certain projects and funding constraints. While there is risk the level of service is not achieved in these circumstances it does align with the Shire's strategy (see section 10).

Planned Renewal Expenditure by Class

The chart below shows the planned renewal expenditure over the life of the SRP. As the chart above shows, the required expenditure in several years is beyond the funding capacity of the Shire. This is especially noticeable in 2020/2021 and 2021/2022. Therefore, the expenditure was prioritised and allocated over the SRP to ensure funding will be available.

The above average expenditure in 2023/2024 relates to the Airport upgrade, and to staff housing in 2027/2028. The table below the chart show the dollar value of the expenditure rounded to the nearest thousand. More detailed information can be found in Appendix 1.

Planned Renewal Expenditure by Class

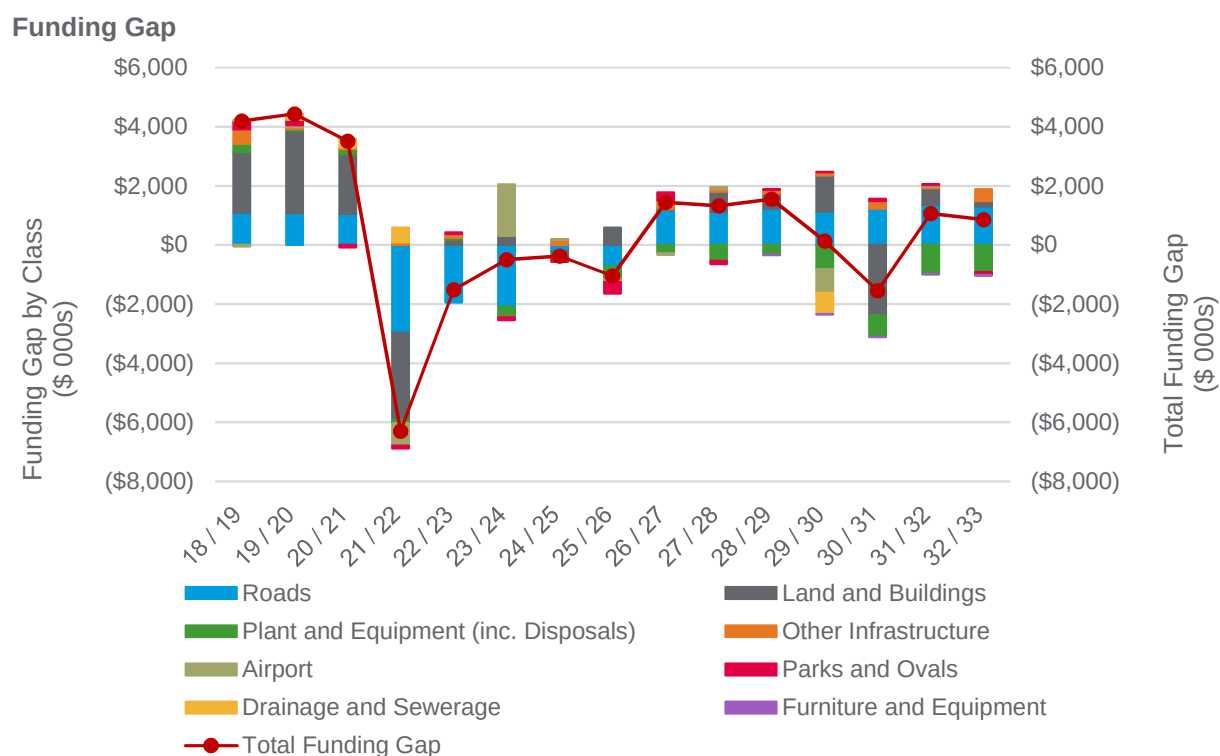


* - Including Disposals

Funding Gap

The following chart shows the difference between the required and planned renewal expenditure. As mentioned above there are certain circumstances where the two expenditures do not align.

As an example, the funding gap in 2021/2022 is greater than \$6.0m because required expenditure is significantly higher than planned expenditure. The ability to fund the required expenditure in this year is not feasible for the Shire. Except for the issues previously mentioned, and in section 10, the funding gap also affects the Shire's Asset Sustainability Ratio.

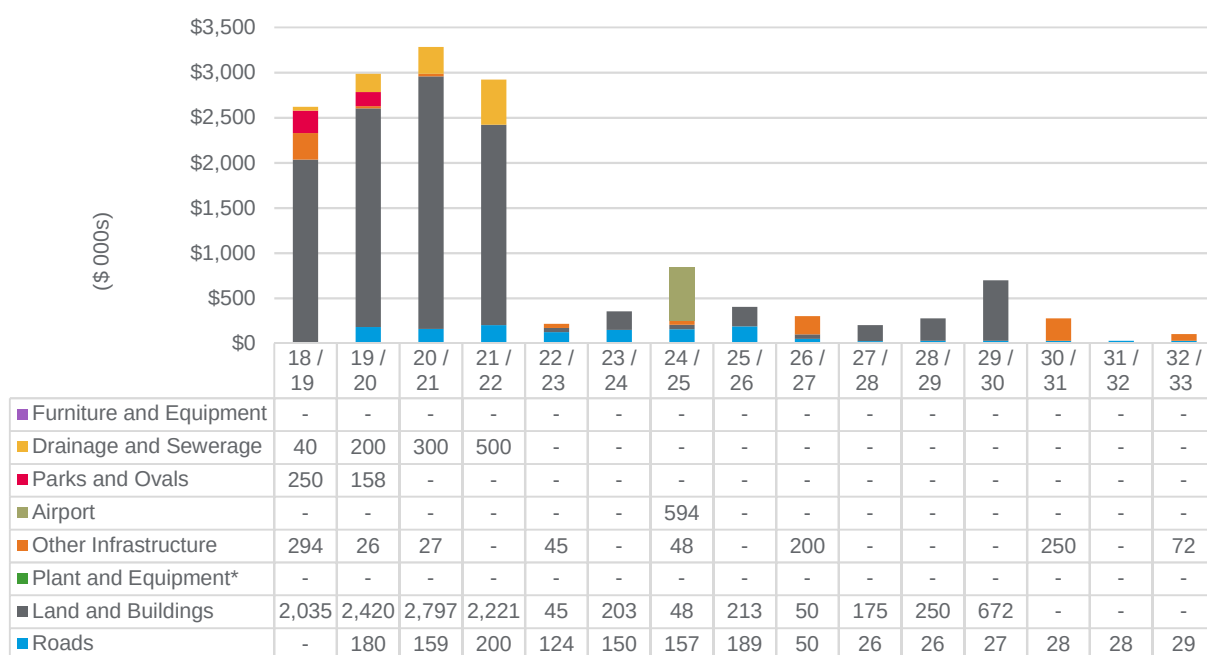


Planned New / Upgrade Expenditure by Class

The following chart highlights the planned new/upgrade capital expenditure over the period. The capital expenditure remains relatively consistent over the life of the SRP, except for the first four years.

The expenditure on Land and Buildings between 2018/2019 and 2021/2022 relate to the relocation of the Great Fingal Mine Office and the GROH housing. The table below the chart provides the dollar values for each asset class rounded to the nearest thousand. More detailed information can be found in Appendix 1.

Planned New / Upgrade Expenditure by Class



* - Including Disposals

6.0 Forecast Capital Projects

6.1 Capital Expenditure by Project

The following tables show the capital expenditure by project over the SRP for each asset class. Also, each asset class has been categorised showing whether the expenditure is renewal or new/upgrade. Please see Appendix 1 for further information.

Land and Buildings

Asset Class	Project	Total Expenditure (\$ 000s)
New / Upgrade	Great Fingal Mine Office	6,000
	Heydon Place Industrial Development	1,391
	Tourist Park House and Office	350
	GROH Houses	980
	Pensioner Housing Development	1,313
	Staff Unit Housing Development	477
	Austin St Development	156
	Museum	361
	Sub Total	11,028
Renewal	Staff Housing	594
	Replacement of Existing Staff Housing	2,358
	Town Hall Upgrades	315
	Town Hall Landscaping	131
	Post Office Renovations	108
	Historic Cottage Renovations	77
	Bishops House Renovations	69
	Admin Building - Improvements & Replacements	669
	Municipal Chambers Redevelopment	196
	Old Railway Building Redevelopment and Youth Centre	651
	Old Jail Refurbishment	399
	Sub Total	5,567
Total Land and Buildings		16,695

Plant and Equipment

Asset Class	Project	Total Expenditure (\$ 000s)
New / Upgrade	No Expected Expenditure	0
	Sub Total	0
Renewal	Net Plant Replacement	7,696
	Sub Total	7,696
Total Plant and Equipment		7,696

Furniture and Equipment

Asset Class	Project	Total Expenditure (\$ 000s)
New / Upgrade	No Expected Expenditure	0
	Sub Total	0
Renewal	Staff Housing and Office Equipment	1,188
	Sub Total	1,188
Total Furniture and Equipment		1,188

Roads

Asset Class	Project	Total Expenditure (\$ 000s)
New / Upgrade	Rifle range Road Sheetting	55
	Cemetery Road Seal	26
	Footpath Construction - Regional Bicycle Network	1,292
	Sub Total	1,373
Renewal	MRWA Construction - RRG	3,308
	Roads to Recovery	6,595
	Construction - Muni Funds Roads	4,203
	Cue-Berringarra Road	1,739
	Wondinong Road Shoulders	368
	Beringarra Wyah Pool Realignment	108
	Grid Widening Program	785
	Sub Total	17,105
Total Roads		18,479

Airport

Asset Class	Project	Total Expenditure (\$ 000s)
New / Upgrade	Aircraft Storage and Refuelling Facilities	594
	Sub Total	594
Renewal	Cue Airport Runway Upgrade	2,240
Sub Total		2,240
Total Airport		2,834

Infrastructure Other

Asset Class	Project	Total Expenditure (\$ 000s)
New / Upgrade	Toilets at Cemetery	115
	Waste Oil and Recycling Initiatives	79
	RV Site	50
	Oasis Visitor Parking Project	23
	Eco Trail Development	165
	Alternative Energy Development	450
	Tourist Park Expansion and Improvement	80
	Sub Total	962
Renewal	Waste Site - Fencing and Improvements	267
	Waste Oil and Recycling Initiatives	300
	RV Site	96
	Oasis Visitor Parking Project	167
	MRVC Dog Fence Development	210
	Tourist Park Expansion and Improvement	535
	Streetscape	293
	Sub Total	1,868
Total Infrastructure Other		2,830

Parks and Ovals

Asset Class	Project	Total Expenditure (\$ 000s)
New / Upgrade	Playground and Outdoor Fitness Equipment	258
	Skate Park	150
	Sub Total	408
Renewal	Water Park	147
	Park Upgrades	527
	Oval Infrastructure	230
	Resurface Sports Courts	79
	Sub Total	983
Total Parks and Ovals		1,391

Drainage and Sewerage

Asset Class	Project	Total Expenditure (\$ 000s)
New / Upgrade	Deep Sewerage System	1,040
	Sub Total	1,040
Renewal	No Expected Expenditure	0
	Sub Total	0
Total Drainage and Sewerage		1,040

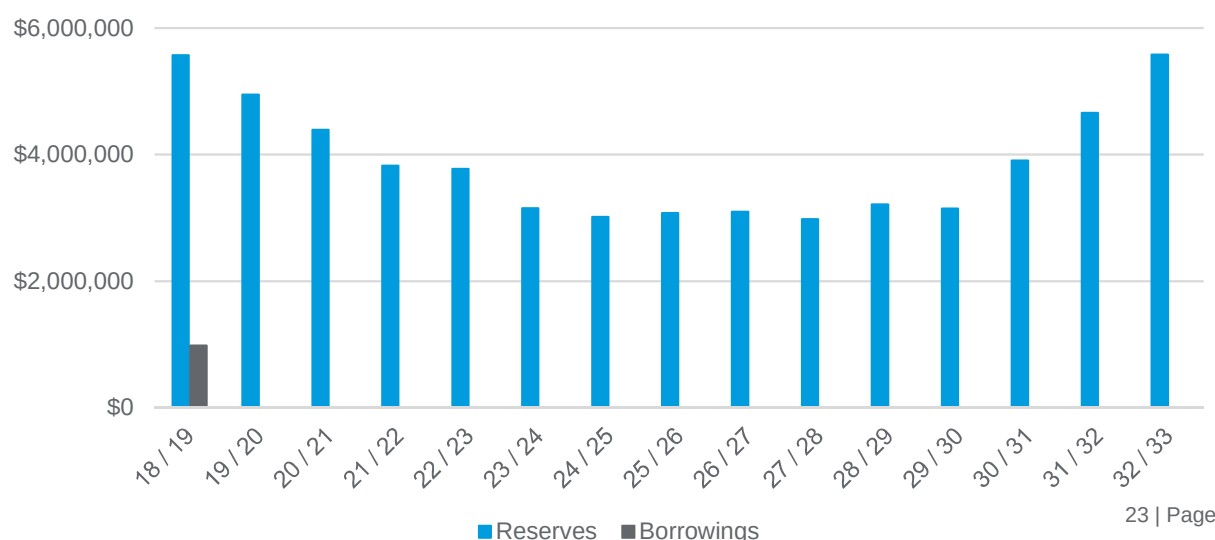
7.0 Financing Overview

7.1 Cash Backed Reserves and Borrowings

The Shire will borrow funds in 2018/2019 and draw upon its cash backed reserves over the SRP to help fund capital acquisitions. The following chart displays the closing balance each year for reserves (blue bar) plus the amount borrowed (grey bar).

The cash backed reserves will decline from \$5.6m in 2018/2019 to \$3.0m in 2027/2028. Following this period, cash backed reserves are forecasted to increase to the final year of the SRP. The closing balance in 2032/2033 is \$5.6m. The Shire will borrow \$980,000 in 2018/2019 to fund the GROH housing. The loan is expected to be fully amortized by 2028/2029. Please see Appendix 3 for more information.

Borrowing and Reserves



8.0 Risk Management

8.1 Risk Management

The Shire provides a range of services and facilities which exposes it to risk. For example, the risk associated with damage to assets or financial risk related to borrowing. The Shire will prepare a detailed risk management plan in the next phase of the IPR process (see section 10). The current risk management policy is briefly outlined below.

To mitigate the risk to asset damage the Shire regularly reviews the insurance coverage to ensure the level is adequate to protect its assets. The Shire's insurer is the Local Government Insurance Service (LGIS). Regarding financial risk, the Shire follows the Financial Management Regulations, which requires surplus funds and cash backed reserves to be invested in term deposits, in either an authorised deposit taking institution or in Treasury bonds.

The Shire employs or contracts with experienced, and if needed, qualified people where there is a high risk of injury. The Shire also provides employees and contractors with equipment and training to ensure there is minimal risk to them, the community and the Shire. The next phase of the IPR process includes a detailed Workforce Plan (see section 10).

8.2 Assumptions

The following lists the main assumptions made when forecasting the asset management and the long term financial plan. These include:

- The inflation rate was set at 2.5%;
- Rates would continue to increase in-line with the three-year average;
- The depreciation rate by class would remain similar to the three-year average;
- The external funding in the SRP would be the minimum amount raised;
- No significant expenditure would be required except for what has been planned; and
- Operating funds would remain stable over the SRP.

9.0 Monitoring and Performance

9.1 Monitoring

The Shire will perform a desktop review every second year to ensure the SRP is meeting expectations. The SRP will be adjusted for any discrepancies at this time which will ensure the strategic goals are met. Further, the SRP will also be reviewed during the preparation of the annual budget and financial report.

9.2 Performance Monitors

The Shire will use the following financial ratios to monitor the performance of the asset management and long term financial plan. More information is provided in Appendix 4.

9.2.1 Current Ratio

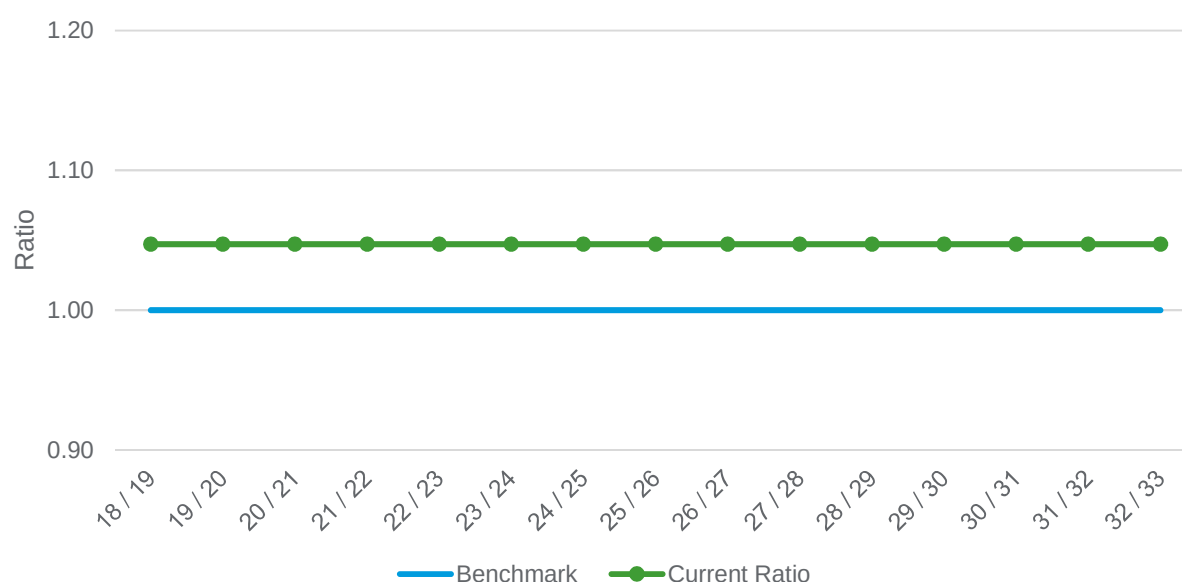
The current ratio measures the ability of the Shire to pay its current liabilities using its current assets. The ratio excludes restricted assets and related liabilities. The formula for the current ratio is shown below.

Current Ratio Formula

$$\frac{\text{Current assets minus restricted assets}}{\text{Current liabilities less liabilities associated with borrowings and restricted assets}}$$

The graph below shows the Shire's forecast current ratio over the life of the SRP (green line). The ratio remains constant over the life of the SRP due to the appropriate use of reserves to fund planned expenditure.

Current Ratio



9.2.2 Own Source Revenue Ratio

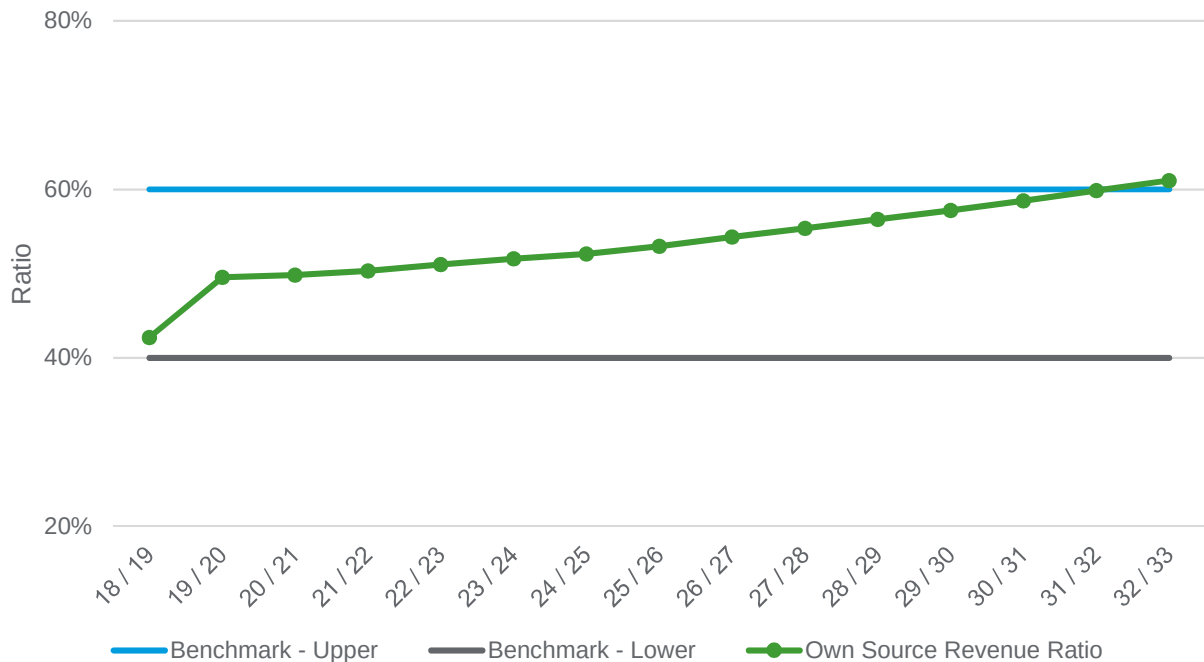
The own source revenue ratio shows whether the Shire can cover its operating expenses only using internal revenue. Therefore, operating grants and contributions are excluded from this ratio. The formula for the ratio is shown below.

Own Source Revenue Ratio

$$\frac{\text{own source operating revenue}}{\text{operating expenses}}$$

The graph shows the Shire's ratio will increase over the SRP and will remain within the benchmark until the final year. The value is lower in 2018/2019 due to the expenditure related to the accrued income from 2017/2018. An increasing ratio means the Shire's revenue is increasing faster than its expenses, and its ability to fund expenses internally is improving.

Own Source Revenue Ratio



9.2.3 Operating Surplus Ratio

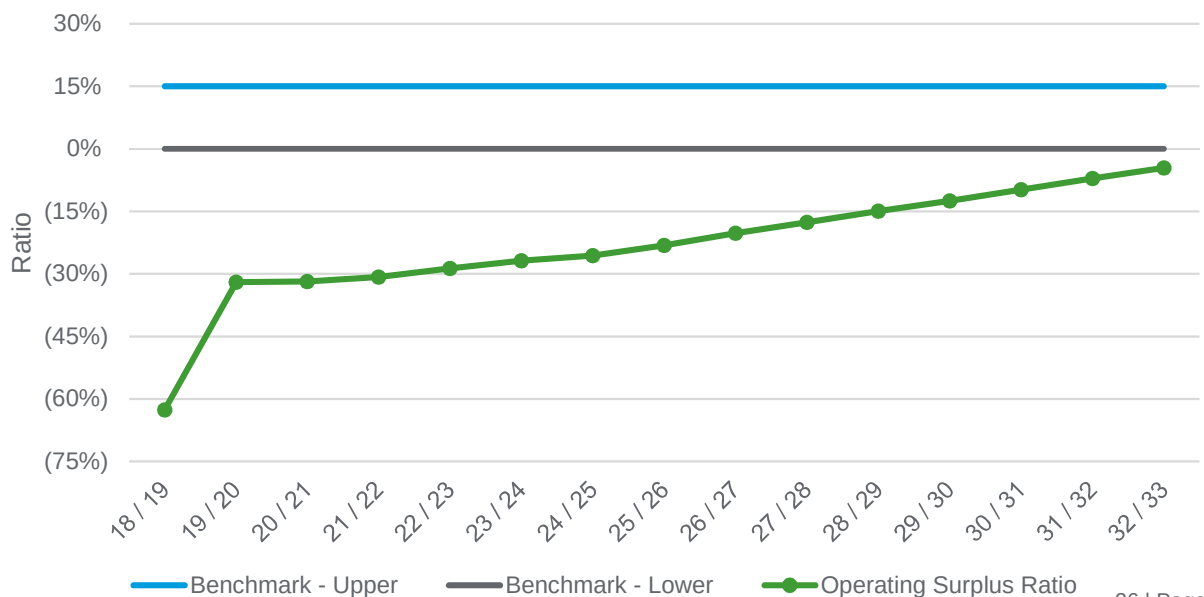
The operating surplus ratio measures the local government's ability to cover its operational costs plus retain a surplus used to contribute to capital expenditure. The formula for the ratio is shown below.

Operating Surplus Ratio

$$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$$

The graph shows the ratio is currently below the benchmark range and is expected to improve over the SRP. Similar to the Own Source Revenue Ratio, it shows the expenditure required in 2018/2019 related to the accrued income from 2017/2018, as well as, the financial health of the Shire improving over the SRP.

Operating Surplus Ratio



9.2.4 Debt Service Coverage Ratio

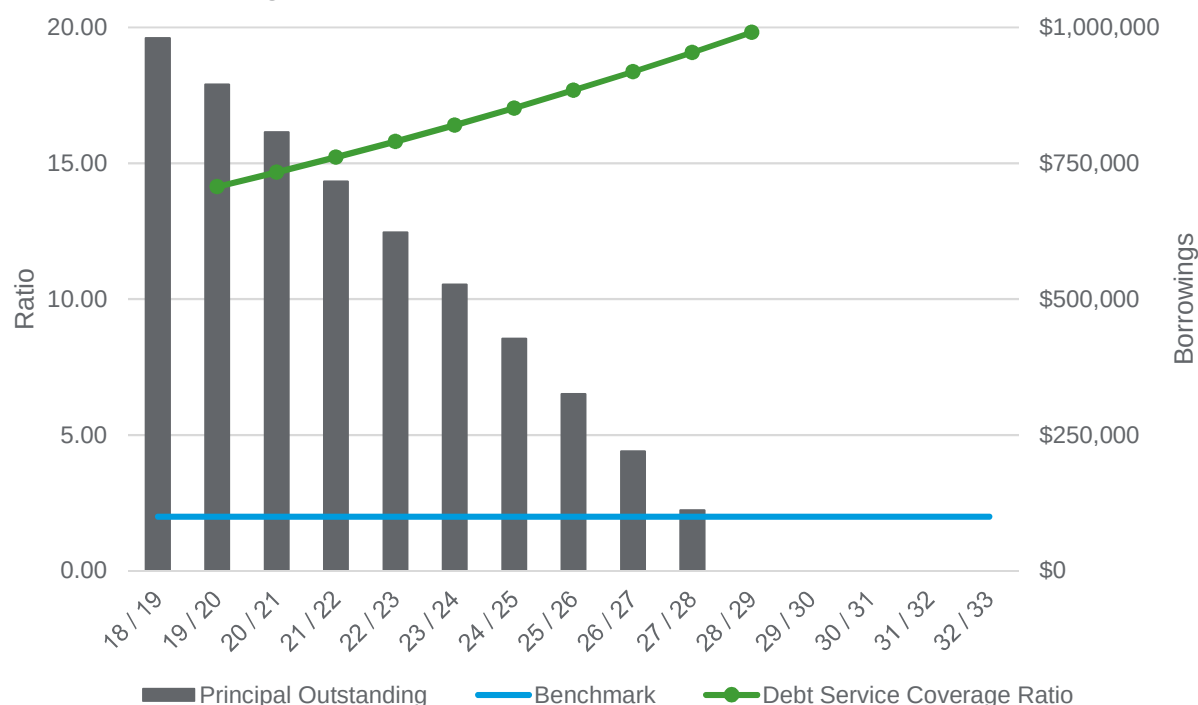
The debt service coverage ratio measures the local government's ability to repay its debt based on liquidity when compared to its total debt obligation. The formula for this ratio is shown below.

Debt Service Coverage Ratio

$$\frac{\text{operating surplus before interest and depreciation}}{\text{principal and interest}}$$

The ratio is above the benchmark which shows the Shire should have no problem funding the principal and interest each year. The ratio increases because the operating surplus (before interest and depreciation) is expected to increase over the corresponding period. The ratio only covers the period of the SRP that includes the Loan.

Debt Service Coverage Ratio



9.2.5 Asset Consumption Ratio

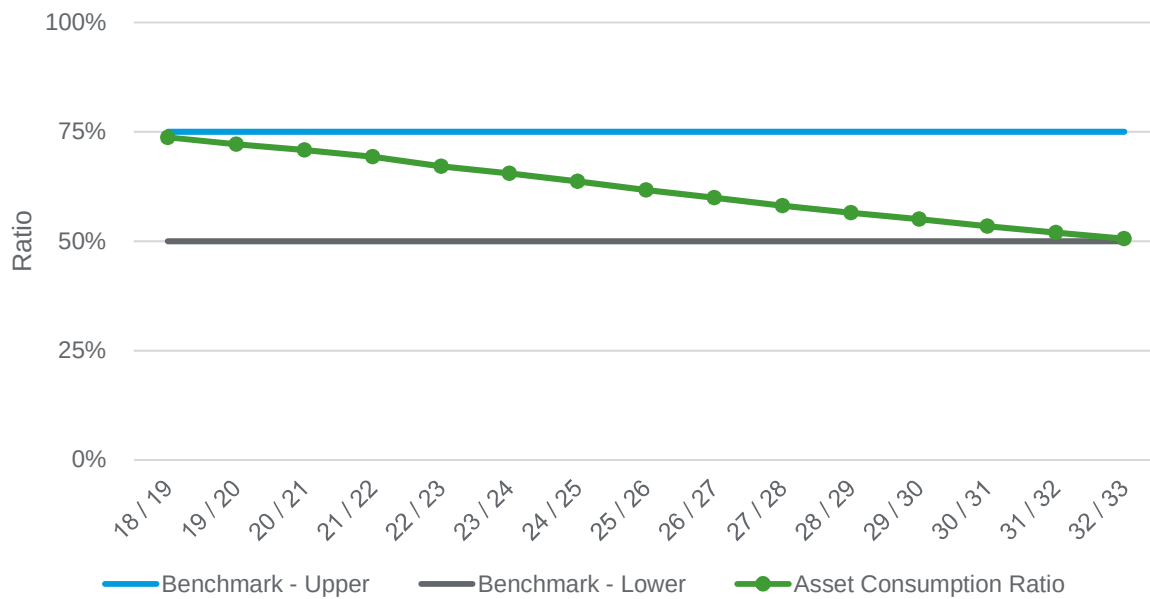
The asset consumption ratio is a measure of the condition of a local government's physical assets, by comparing their age with their replacement cost. The ratio highlights the aged condition of a local government's stock of physical assets.

Asset Consumption Ratio

$$\frac{\text{depreciated replacement cost of assets (written down value)}}{\text{current replacement cost}}$$

The ratio remains within the benchmarks over the life of the SRP. It declines each year as expected due to the reduced planned expenditure towards the end of the SRP when compared to the first few years.

Asset Consumption Ratio



9.2.6 Asset Sustainability Ratio

The asset sustainability ratio shows whether assets are being replaced at the end of the useful life. This assists to ensure the Shire can maintain its level of service. The formula for this ratio is shown below.

Asset Sustainability Ratio

$$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expense}}$$

The ratio fluctuates as expected due to the uneven planned expenditure each year. For example, the \$1.7m planned expenditure on the airport upgrade in 2023/2024 can be seen by the spike in the green line. As a comparative, the orange line shows the average expenditure over the life of the SRP which falls within the benchmarks.

Asset Sustainability Ratio



9.2.7 Asset Renewal Funding Ratio

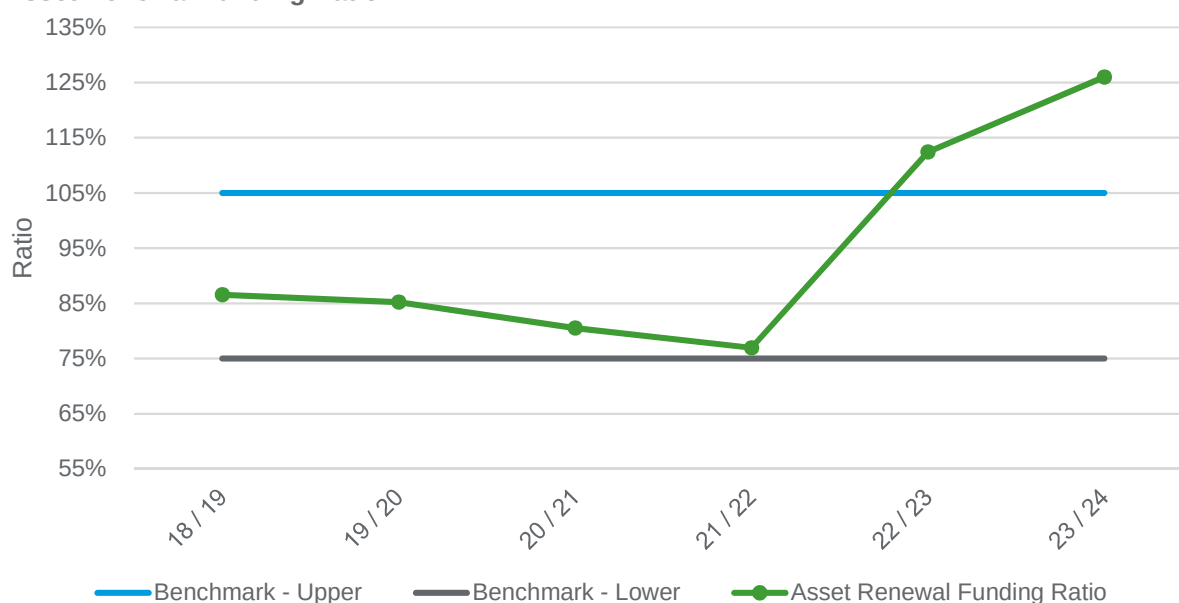
The asset renewal funding ratio provides a measure of a local government's ability to fund asset renewal and replacements in the future. The basis of the calculation sums the planned and required renewals over a ten-year period and discounts it back to the first year. This is the net present value of planned capital or the total sum of expenditure in today's money. The formula for this ratio is shown below.

Asset Renewal Funding Ratio

$$\frac{\text{NPV of planned capital renewals over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$$

The ratio is only shown over the first five years because ten years forward from the fifth year is the end of the SRP. The graph below shows the ratio remains within the benchmarks until 2021/2022 before exceeding the upper benchmark over the last two years. The increase is caused by the decline in required renewals toward the end of the SRP compared to the slight decline in planned renewals. The decline towards the lower benchmark in 2021/2022 is expected due to the significant required renewals in 2021/2022, which distorts the ratio.

Asset Renewal Funding Ratio



10.0 Improvement Plan

10.1 Strategic Resource Improvement Plan

The core areas of the IPR framework require review and improvement over the SRP in order to ensure the strategic goals are met. This includes continuous review and improvement of the AMP and LTFP, including a review of the level of service provided by the Shire. Where appropriate, the review includes feedback from the community which helps ensure the SRP remains relevant and feasible. The level of service incorporated into the SRP is discussed in more detail below.

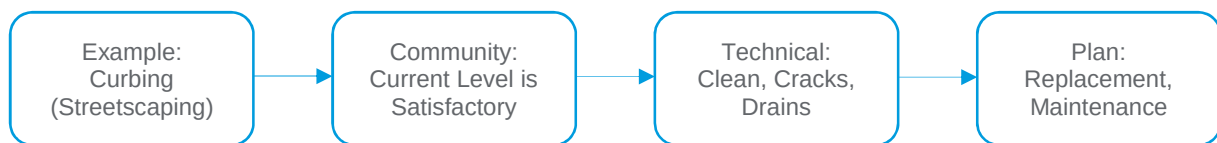
10.1.1 Service Level

The level of service the Shire provides to the community is an important part of the overall Strategic Plan. The AMP and LTFP based the current level of service provided to the community as the minimum requirement when planning capital expenditure over the life of the SRP. Further, the level of service, as defined in the IPWEA 2006, should be considered contextually under the technical and community categories.

The technical level of service relates to the assets tangible or physical attributes. For example, a sealed road provides a higher level of service compared to an unsealed road. The sealed road can be further defined by its condition such as cracks, potholes, or line markings. In this regard, the SRP considered the current condition of the sealed road, set this as the minimum requirement, and planned expenditure to improve it over the period.

The community level of service relates more to an assets intangible or social attributes, such as safety, aesthetics, and the impact on the environment. Some examples of community service levels include the aesthetics of current streetscaping, or the environmental impact of waste oil sites.

The two categories are not mutually exclusive and were considered together when planning expenditure. As an example, the following illustrates how the SRP considers both categories when planning required curbing expenditure for Streetscaping. The current level of service provided by Streetscape is satisfactory in relation to the community category. The streetscape includes curbing which is currently clean, has minor cracking, and has incorporated adequate drainage. The SRP considers this to be the minimum level of service and models the capital expenditure required to maintain it at current levels, to replace it at the end of its useful life (i.e. maintenance cost is higher than replacement cost), and to improve it.

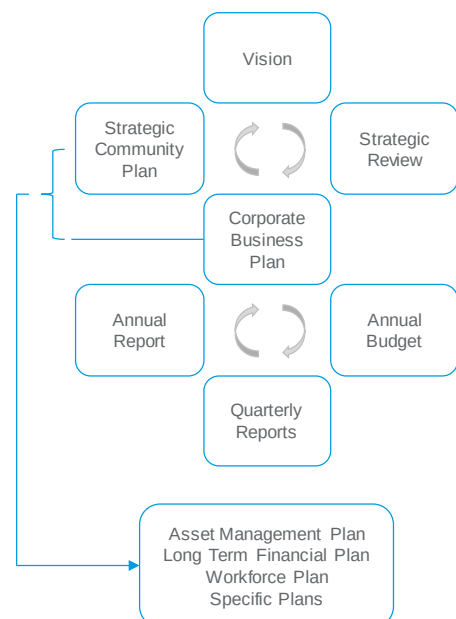


10.2 Next Phase

The next phase of the IPR process includes the development of the Workforce and Specific Plans. While these plans affect the Strategic Community Plan, they link more closely to the Corporate Business Plan.

The CBP documents the planning requirements for the first four years of the SCP. It should be reviewed annually and amended as needed, which flows through to the Workforce and Specific plans, as well as, the AMP and LTFP.

The diagram opposite illustrates how the above-mentioned plans fit into the IPR process. As seen in the box at the bottom of the diagram the next phase includes the WP and SP as the AMP and LTFP are provided by this report.



10.2.1 Workforce Plan

The focus of the WP relates to the level and structure of human resources required to successfully meet the requirements outlined in each section of the IPR process. The WP affects the AMP and LTFP and was considered on a basic level in the preparation of them. Therefore, once the WP is complete the Shire may need to amend the AMP and LTFP. To illustrate the link between these plans, the Shire may need to provide housing to the staff as outlined in the WP. This housing will need to be constructed new, maintained, and replaced. Therefore, the AMP and LTFP will need to reflect these requirements.

10.2.2 Specific Plans

The following briefly outlines additional plans or policies the Shire will develop to ensure the success of the IPR.

Risk Management

A risk management (RM) plan identifies, analyses, and evaluates the risks associated with the ability to perform each section of the IPR. For example, a risk the RM may identify relates to the approval of grant funding for a planned project. If this occurs it affects all sections of the IPR and amendments would need to be made. The RM will analyse these effects and evaluate the impact it would have on providing the SRP. The RM would also include alternatives and solutions to mitigate the risk, such as the potential to delay the project until funding is secured, additional maintenance expenditure to increase the effective life of the asset and outlining different sources of funding.

Operation and Maintenance

Following on from the risk management plan, the Shire will identify areas that can improve its operational effectiveness along with its final maintenance program for the assets. This will ensure the Shire spends the appropriate level on maintaining its assets based on required renewals, the workforce, and associated risks.

Review and Monitoring

The Shire has policies and procedures in place to review and monitor the IPR. However, once the above-mentioned plans are developed, the final step will be to update these policies and procedures to ensure they cover all areas of the IPR.

Appendix 1 – Renewal and New / Upgrade Expenditure

Renewal Expenditure Summary

The following shows the renewal expenditure over the life of the Strategic Resource Plan.

Asset Class	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s
Property, Plant and Equipment															
Land and Buildings	438	487	383	379	141	460	88	501	116	792	269	551	207	565	188
Plant and Equipment	817	793	681	590	738	524	892	612	812	963	980	742	844	688	799
Furniture and Equipment	53	57	60	64	68	72	76	80	85	90	92	94	96	99	101
Infrastructure															
Roads	1,322	935	1,088	938	1,103	992	1,088	1,121	1,149	1,178	1,220	1,170	1,199	1,328	1,275
Other Infrastructure	193	79	27	110	164	58	160	67	131	166	112	108	83	85	326
Airport	-	105	-	-	-	1,740	59	-	-	64	-	202	-	71	-
Parks and Ovals	51	105	59	-	119	-	71	37	350	-	39	27	83	42	-
Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

New / Upgrade Expenditure Summary

The following shows the upgrade / new expenditure over the life of the Strategic Resource Plan.

Asset Class	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s
Property, Plant and Equipment															
Land and Buildings	2,035	2,420	2,797	2,221	45	203	48	213	50	175	250	672	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure															
Roads	-	180	159	200	124	150	157	189	50	26	26	27	28	28	29
Other Infrastructure	294	26	27	-	45	-	48	-	200	-	-	-	250	-	72
Airport	-	-	-	-	-	-	594	-	-	-	-	-	-	-	-
Parks and Ovals	250	158	-	-	-	-	-	-	-	-	-	-	-	-	-
Drainage and Sewerage	40	200	300	500	-	-	-	-	-	-	-	-	-	-	-

Renewal and New / Upgrade Expenditure – Property, Plant and Equipment

The following shows the planned expenditure for Property, Plant and Equipment over the life of the Strategic Resource Plan.

SHIRE OF CUE															
Asset Management Plan and Long Term Financial Plan															
2018 to 2033															
Planned Expenditure - Property, Plant and Equipment															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
LAND AND BUILDINGS															
New / Upgrade															
Great Fingal Mine Office	100,000	2,000,000	2,000,000	2,000,000	-	-	-	-	-	-	-	-	-	-	-
Heydon Place Industrial Development	41,000	157,594	43,076	165,572	45,256	202,946	47,547	213,221	49,955	175,000	250,000	-	-	-	-
Tourist Park House and Office	350,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GROH Houses	980,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensioner Housing Development	102,500	-	538,445	-	-	-	-	-	-	-	-	672,444	-	-	-
Staff Unit Housing Development	102,500	157,594	161,534	55,191	-	-	-	-	-	-	-	-	-	-	-
Austin Street Development	102,500	-	53,845	-	-	-	-	-	-	-	-	-	-	-	-
Museum	256,250	105,063	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	2,034,750	2,420,250	2,796,899	2,220,763	45,256	202,946	47,547	213,221	49,955	175,000	250,000	672,444	-	-	-
Renewal															
Staff Housing	26,650	28,367	30,153	32,011	33,942	35,950	38,038	40,207	42,461	44,803	45,923	47,071	48,248	49,454	50,690
Replacement of Existing Staff Housing	-	-	-	303,549	-	347,908	-	395,981	-	550,000	-	336,222	-	423,892	-
Town Hall Upgrades	205,000	-	-	-	28,285	-	-	-	-	38,403	-	-	-	-	43,449
Town Hall Landscaping	-	-	-	-	-	-	-	-	-	-	131,209	-	-	-	-
Post Office Renovations	-	-	-	-	-	-	-	-	-	-	-	107,591	-	-	-
Historic Cottage Renovations	-	-	-	-	22,628	-	-	-	-	25,602	-	-	-	-	28,966
Bishops House Renovations	-	10,506	-	-	11,314	-	-	-	18,733	-	-	-	-	28,259	-
Administration Building Improvements	26,650	28,367	30,153	32,011	33,942	35,950	38,038	40,207	42,461	120,000	45,923	47,071	48,248	49,454	50,690
Municipal Chambers Redevelopment	51,250	-	-	-	-	28,992	-	-	-	-	32,802	-	82,711	-	-
Old Railway Building Redevelopment and Youth Centre	76,875	367,719	53,845	11,038	11,314	11,597	11,887	12,184	12,489	12,801	13,121	13,449	13,785	14,130	14,483
Old Jail Refurbishment	51,250	52,531	269,223	-	-	-	-	12,184	-	-	-	-	13,785	-	-
Sub Total	437,675	487,490	383,373	378,608	141,426	460,398	87,963	500,764	116,144	791,608	268,978	551,404	206,777	565,190	188,279
Total Land and Buildings	2,472,425	2,907,740	3,180,272	2,599,370	186,682	663,345	135,510	713,984	166,099	966,608	518,978	1,223,849	206,777	565,190	188,279

Renewal and New / Upgrade Expenditure – Property, Plant and Equipment (Continued)

The following shows the planned expenditure for Property, Plant and Equipment over the life of the Strategic Resource Plan.

SHIRE OF CUE															
Asset Management Plan and Long Term Financial Plan															
2018 to 2033															
Planned Expenditure - Property, Plant and Equipment (Continued)															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
PLANT AND EQUIPMENT															
New / Upgrade															
No Expected Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Renewal															
Plant Replacement Expenditure	817,438	793,222	680,595	589,988	737,678	524,181	891,514	611,638	811,761	963,264	980,129	742,379	843,649	688,118	799,461
Planned Disposals	(120,950)	(220,631)	(129,227)	(204,205)	(107,484)	(226,140)	(184,246)	(219,313)	(212,307)	(544,036)	(262,417)	(416,916)	(330,843)	(332,049)	(267,935)
Sub Total	696,488	572,591	551,368	385,783	630,194	298,041	707,268	392,326	599,454	419,228	717,711	325,463	512,806	356,069	531,525
Total Plant and Equipment	696,488	572,591	551,368	385,783	630,194	298,041	707,268	392,326	599,454	419,228	717,711	325,463	512,806	356,069	531,525
FURNITURE AND EQUIPMENT															
New / Upgrade															
No Expected Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Renewal															
Staff Housing	26,650	28,367	30,153	32,011	33,942	35,950	38,038	40,207	42,461	44,803	45,923	47,071	48,248	49,454	50,690
Office Equipment Replacement Expenditure	26,650	28,367	30,153	32,011	33,942	35,950	38,038	40,207	42,461	44,803	45,923	47,071	48,248	49,454	50,690
Sub Total	53,300	56,734	60,306	64,021	67,884	71,901	76,076	80,415	84,923	89,606	91,846	94,142	96,496	98,908	101,381
Total Furniture and Equipment	53,300	56,734	60,306	64,021	67,884	71,901	76,076	80,415	84,923	89,606	91,846	94,142	96,496	98,908	101,381
TOTAL PROPERTY, PLANT AND EQUIPMENT	3,222,213	3,537,064	3,791,946	3,049,174	884,761	1,033,287	918,854	1,186,724	850,476	1,475,442	1,328,535	1,643,454	816,079	1,020,167	821,185

Renewal and New / Upgrade Expenditure – Infrastructure

The following shows the planned expenditure for Infrastructure over the life of the Strategic Resource Plan.

SHIRE OF CUE															
Asset Management Plan and Long Term Financial Plan															
2018 to 2033															
Planned Expenditure - Infrastructure															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
ROADS															
New / Upgrade															
Rifle range Road Sheeting	-	-	-	55,191	-	-	-	-	-	-	-	-	-	-	-
Cemetery Road Seal	-	26,266	-	-	-	-	-	-	-	-	-	-	-	-	-
Footpath Construction - Regional Bicycle Network Grant	-	153,681	159,412	145,094	124,394	149,701	157,280	188,848	49,602	25,602	26,242	26,898	27,570	28,259	28,966
Sub Total	-	179,946	159,412	200,284	124,394	149,701	157,280	188,848	49,602	25,602	26,242	26,898	27,570	28,259	28,966
Renewal															
MRWA Construction - RRG	184,500	189,113	193,840	198,686	203,653	208,745	213,963	219,313	224,795	230,415	236,176	242,080	248,132	254,335	260,694
Roads to Recovery	-	399,238	409,218	419,449	429,935	440,683	451,701	462,993	474,568	486,432	498,593	511,058	523,834	536,930	550,353
Construction - Muni Funds Roads	184,500	210,125	236,916	242,839	254,567	260,931	267,454	280,233	287,238	294,419	314,901	322,773	330,843	353,243	362,075
Cue-Berringarra Road	871,250	52,531	53,845	55,191	56,570	57,985	59,434	60,920	62,443	64,004	65,604	67,244	68,926	70,649	72,415
Wondinong Road Shoulders	-	63,038	-	-	67,884	-	-	73,104	-	-	78,725	-	-	84,778	-
Berringarra Wyah Pool Realignment	-	-	107,689	-	-	-	-	-	-	-	-	-	-	-	-
Grid Widening Program	82,000	21,013	86,151	22,076	90,513	23,194	95,095	24,368	99,909	102,407	26,242	26,898	27,570	28,259	28,966
Sub Total	1,322,250	935,056	1,087,660	938,241	1,103,123	991,538	1,087,647	1,120,931	1,148,954	1,177,678	1,220,241	1,170,053	1,199,305	1,328,195	1,274,502
Total Roads	1,322,250	1,115,003	1,247,072	1,138,525	1,227,517	1,141,239	1,244,927	1,309,779	1,198,556	1,203,279	1,246,482	1,196,951	1,226,875	1,356,455	1,303,468
OTHER INFRASTRUCTURE															
New / Upgrade															
Toilets at Cemetery	115,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Niche Wall and Upgrades	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste Oil and Recycling Initiatives	25,625	26,266	26,922	-	-	-	-	-	-	-	-	-	-	-	-
RV Site	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Oasis Visitor Parking Project	23,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eco Trail Development	-	-	-	-	45,256	-	47,547	-	-	-	-	-	-	-	72,415
Alternative Energy Development	-	-	-	-	-	-	-	-	200,000	-	-	-	250,000	-	-
Tourist Park Expansion and Improvement	80,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	293,625	26,266	26,922	-	45,256	-	47,547	-	200,000	-	-	-	250,000	-	72,415
Renewal															
Waste Site - Fencing and Improvements	25,625	26,266	-	55,191	-	28,992	-	30,460	-	32,002	-	33,622	-	35,324	-
Waste Oil and Recycling Initiatives	15,000	-	-	-	28,285	-	59,434	-	93,665	-	32,802	-	34,463	-	36,207
RV Site	-	-	-	-	28,285	-	-	-	-	32,002	-	-	-	-	36,207
Oasis Visitor Parking Project	-	-	-	27,595	-	-	47,547	-	-	-	-	33,622	-	-	57,932
MRVC Dog Fence Development	52,000	-	-	-	22,628	-	23,774	-	-	-	39,363	-	-	-	72,415
Tourist Park Expansion and Improvement	-	52,531	26,922	27,595	28,285	28,992	29,717	36,552	37,466	38,403	39,363	40,347	48,248	49,454	50,690
Streetscape	100,000	-	-	-	56,570	-	-	-	-	64,004	-	-	-	-	72,415
Sub Total	192,625	78,797	26,922	110,381	164,054	57,985	160,473	67,012	131,131	166,411	111,527	107,591	82,711	84,778	325,867
Total Infrastructure Other	486,250	105,063	53,845	110,381	209,311	57,985	208,020	67,012	331,131	166,411	111,527	107,591	332,711	84,778	398,282

Renewal and New / Upgrade Expenditure – Infrastructure (Continued)

The following shows the planned expenditure for Infrastructure over the life of the Strategic Resource Plan.

SHIRE OF CUE															
Asset Management Plan and Long Term Financial Plan															
2018 to 2033															
Planned Expenditure - Infrastructure (Continued)															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
AIRPORT															
New / Upgrade															
Aircraft Storage and Refuelling Facilities	-	-	-	-	-	-	594,343	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	594,343	-	-	-	-	-	-	-	-
Renewal															
Cue Airport Runway Upgrade	-	105,063	-	-	-	1,739,540	59,434	-	-	64,004	-	201,733	-	70,649	-
Sub Total	-	105,063	-	-	-	1,739,540	59,434	-	-	64,004	-	201,733	-	70,649	-
Total Airport															
	-	105,063	-	-	-	1,739,540	653,777	-	-	64,004	-	201,733	-	70,649	-
PARKS AND OVALS															
New / Upgrade															
Playground and Outdoor Fitness Equipment	100,000	157,594	-	-	-	-	-	-	-	-	-	-	-	-	-
Skate Park	150,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	250,000	157,594	-	-	-	-	-	-	-	-	-	-	-	-	-
Renewal															
Water Park	-	26,266	-	-	22,628	-	71,321	-	-	-	-	26,898	-	-	-
Park Upgrades	-	-	26,922	-	67,884	-	-	-	349,682	-	-	-	82,711	-	-
Oval Infrastructure	51,250	-	32,307	-	28,285	-	-	36,552	-	-	39,363	-	-	42,389	-
Resurface Sports Courts	-	78,797	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	51,250	105,063	59,229	-	118,798	-	71,321	36,552	349,682	-	39,363	26,898	82,711	42,389	-
Total Parks and Ovals															
	301,250	262,656	59,229	-	118,798	-	71,321	36,552	349,682	-	39,363	26,898	82,711	42,389	-
DRAINAGE AND SEWERAGE															
New / Upgrade															
Deep Sewerage System	40,000	200,000	300,000	500,000	-	-	-	-	-	-	-	-	-	-	-
Sub Total	40,000	200,000	300,000	500,000	-	-	-	-	-	-	-	-	-	-	-
Renewal															
No Expected Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Drainage and Sewerage															
	40,000	200,000	300,000	500,000	-	-	-	-	-	-	-	-	-	-	-
TOTAL INFRASTRUCTURE															
	2,149,750	1,787,784	1,660,145	1,748,907	1,555,625	2,938,764	2,178,046	1,413,343	1,879,368	1,433,695	1,397,372	1,533,173	1,642,296	1,554,271	1,701,750

Appendix 2 – Financial Statements

Forecast Financial Statements

Nature or Type

The Strategic Resource Plan discloses financial information by Nature or Type, such as Employee Costs and Depreciation. This classification is in accordance with Schedule 1 of the Local Government (Financial Management) Regulation 1996.

Service Programs

The Shire provides a wide variety of services to the community in order to achieve its vision and objectives. The following service program descriptions are used in the Strategic Resource Plan to represent these services.

Objectives	Services
Governance	Administration and operation of facilities and services to members of Council. Other costs that relate to tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.
General Purpose Funding	Rates, general purpose government grants and interest revenue.
Law, Order Public Safety	Supervision of various local laws, fire prevention, emergency services and animal control.
Health	Food quality and water control. Pest control. Environmental Health Officer. Doctor Service.
Education and Welfare	Assistance to Cue Primary School, Thoo Thoo Wandii, Senior Citizens and Playgroup. Involvement in work experience programmes.
Housing	Provision and maintenance of staff and rental housing
Community Amenities	Rubbish collection services, maintenance of refuse sites, administration of the town planning scheme, control and co-ordination of cemeteries, and maintenance of public conveniences.
Recreation and Culture	Maintenance of the Shire Hall, Recreation Centre, Stan Gurney Memorial Park and various reserves. Operation of library and internet services. Co-ordination of Australia Day activities.
Transport	Construction and maintenance of streets, roads, footpaths, drainage works, parking facilities, traffic signs and median strips. Control and maintenance of Cue Airport.
Economic Services	The regulation and provision of tourism and the Historical Photographic collection. Maintenance of the Shire-owned Caravan Park. Building and vermin control. Employment program administered on behalf of the Department of Employment, Workplace Relations and Small Business.
Other Property and Services	Private works operation, plant repair and operation costs.

Forecast Statement of Comprehensive Income 2018 – 2033 (By Nature or Type)

SHIRE OF CUE Asset Management Plan and Long Term Financial Plan 2018 to 2033 Statement of Comprehensive Income by Nature and Type															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
OPERATING INCOME															
<i>Excluding Profit on Asset Disposal and Non-Operating Grants, Subsidies & Contributions</i>															
Rates	2,278,069	2,363,221	2,451,556	2,543,193	2,638,256	2,736,872	2,839,174	2,945,300	3,055,392	3,169,600	3,288,077	3,410,983	3,538,483	3,670,748	3,807,958
Operating Grants, Subsidies & Contributions	2,175,771	2,221,166	2,267,695	2,315,387	2,364,272	2,414,379	2,465,738	2,518,382	2,572,341	2,627,650	2,684,341	2,742,450	2,802,011	2,863,061	2,925,638
Fees & Charges	357,352	470,285	482,043	494,094	506,446	519,107	532,085	545,387	559,022	572,997	587,322	602,005	617,055	632,482	648,294
Interest Earnings	211,572	216,861	222,282	227,839	233,535	239,374	245,358	251,492	257,779	264,224	270,829	277,600	284,540	291,654	298,945
Other Revenue	133,426	136,761	140,180	143,685	147,277	150,959	154,733	158,601	162,566	166,630	170,796	175,066	179,443	183,929	188,527
Total Revenue	5,156,189	5,408,294	5,563,756	5,724,198	5,889,786	6,060,690	6,237,087	6,419,161	6,607,101	6,801,101	7,001,366	7,208,104	7,421,531	7,641,873	7,869,361
OPERATING EXPENDITURE															
<i>Excluding Loss on Asset Disposal</i>															
Employee Costs	(1,648,249)	(1,689,455)	(1,731,691)	(1,774,983)	(1,819,358)	(1,864,842)	(1,911,463)	(1,959,250)	(2,008,231)	(2,058,437)	(2,109,897)	(2,162,645)	(2,216,711)	(2,272,129)	(2,328,932)
Materials & Contracts	(2,319,833)	(1,535,548)	(1,573,937)	(1,613,285)	(1,653,618)	(1,694,958)	(1,737,332)	(1,780,765)	(1,825,284)	(1,870,917)	(1,917,689)	(1,965,632)	(2,014,772)	(2,065,142)	(2,116,770)
Utilities	(251,109)	(257,386)	(263,821)	(270,416)	(277,177)	(284,106)	(291,209)	(298,489)	(305,951)	(313,600)	(321,440)	(329,476)	(337,713)	(346,156)	(354,810)
Depreciation	(2,497,974)	(2,605,467)	(2,695,977)	(2,763,045)	(2,792,611)	(2,833,898)	(2,894,809)	(2,908,878)	(2,904,885)	(2,905,992)	(2,905,857)	(2,906,622)	(2,896,235)	(2,879,621)	(2,865,266)
Interest Expenses	-	(28,815)	(26,304)	(23,566)	(20,821)	(17,992)	(15,122)	(12,077)	(8,984)	(5,796)	(2,522)	-	-	-	-
Insurance	(139,667)	(143,159)	(146,737)	(150,406)	(154,166)	(158,020)	(161,971)	(166,020)	(170,170)	(174,425)	(178,785)	(183,255)	(187,836)	(192,532)	(197,346)
Other Expenditure	(164,771)	(168,890)	(173,112)	(177,440)	(181,876)	(186,423)	(191,084)	(195,861)	(200,757)	(205,776)	(210,921)	(216,194)	(221,598)	(227,138)	(232,817)
Total Expenditure	(7,021,602)	(6,428,720)	(6,611,579)	(6,773,142)	(6,899,627)	(7,040,239)	(7,202,989)	(7,321,339)	(7,424,263)	(7,534,942)	(7,647,112)	(7,763,823)	(7,874,867)	(7,982,718)	(8,095,940)
Sub-total	(1,865,413)	(1,020,426)	(1,047,823)	(1,048,943)	(1,009,841)	(979,549)	(965,902)	(902,178)	(817,162)	(733,841)	(645,746)	(555,720)	(453,335)	(340,845)	(226,579)
CAPITAL INCOME															
Non-Operating Grants, Subsidies & Contribution	479,076	3,204,511	3,333,516	2,611,557	699,174	1,591,119	1,128,149	760,467	763,234	730,315	810,181	759,195	774,178	789,536	805,278
Profit on Asset Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on Asset Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	479,076	3,204,511	3,333,516	2,611,557	699,174	1,591,119	1,128,149	760,467	763,234	730,315	810,181	759,195	774,178	789,536	805,278
Net Result	(1,386,338)	2,184,085	2,285,693	1,562,613	(310,667)	611,570	162,247	(141,711)	(53,928)	(3,526)	164,435	203,475	320,843	448,691	578,699
Other Comprehensive Income															
Changes in Valuation of Non-current Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	(1,386,338)	2,184,085	2,285,693	1,562,613	(310,667)	611,570	162,247	(141,711)	(53,928)	(3,526)	164,435	203,475	320,843	448,691	578,699

Forecast Statement of Cashflows 2018 – 2033

SHIRE OF CUE Asset Management Plan and Long Term Financial Plan 2018 to 2033 Statement of Cash Flows															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
CASH FLOWS FROM OPERATING ACTIVITIES															
RECEIPTS															
Rates	2,278,069	2,363,221	2,451,556	2,543,193	2,638,256	2,736,872	2,839,174	2,945,300	3,055,392	3,169,600	3,288,077	3,410,983	3,538,483	3,670,748	3,807,958
Operating Grants, Subsidies & Contributions	3,465,830	2,221,166	2,267,695	2,315,387	2,364,272	2,414,379	2,465,738	2,518,382	2,572,341	2,627,650	2,684,341	2,742,450	2,802,011	2,863,061	2,925,638
Fees & Charges	357,352	470,285	482,043	494,094	506,446	519,107	532,085	545,387	559,022	572,997	587,322	602,005	617,055	632,482	648,294
Service Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	211,572	216,861	222,282	227,839	233,535	239,374	245,358	251,492	257,779	264,224	270,829	277,600	284,540	291,654	298,945
Goods and Services Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	133,426	136,761	140,180	143,685	147,277	150,959	154,733	158,601	162,566	166,630	170,796	175,066	179,443	183,929	188,527
Sub-total	6,446,248	5,408,294	5,563,756	5,724,198	5,889,786	6,060,690	6,237,087	6,419,161	6,607,101	6,801,101	7,001,366	7,208,104	7,421,531	7,641,873	7,869,361
PAYMENTS															
Employee Costs (Operating Only)	(1,648,249)	(1,689,455)	(1,731,691)	(1,774,983)	(1,819,358)	(1,864,842)	(1,911,463)	(1,959,250)	(2,008,231)	(2,058,437)	(2,109,897)	(2,162,645)	(2,216,711)	(2,272,129)	(2,328,932)
Materials & Contracts	(2,319,833)	(1,535,548)	(1,573,937)	(1,613,285)	(1,653,618)	(1,694,958)	(1,737,332)	(1,780,765)	(1,825,284)	(1,870,917)	(1,917,689)	(1,965,632)	(2,014,772)	(2,065,142)	(2,116,770)
Utilities (gas, electricity, water, etc.)	(251,109)	(257,386)	(263,821)	(270,416)	(277,177)	(284,106)	(291,209)	(298,489)	(305,951)	(313,600)	(321,440)	(329,476)	(337,713)	(346,156)	(354,810)
Interest Expense	-	(28,815)	(26,304)	(23,566)	(20,821)	(17,992)	(15,122)	(12,077)	(8,984)	(5,796)	(2,522)	-	-	-	-
Insurance	(139,667)	(143,159)	(146,737)	(150,406)	(154,166)	(158,020)	(161,971)	(166,020)	(170,170)	(174,425)	(178,785)	(183,255)	(187,836)	(192,532)	(197,346)
Goods and Services Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenditure	(164,771)	(168,890)	(173,112)	(177,440)	(181,876)	(186,423)	(191,084)	(195,861)	(200,757)	(205,776)	(210,921)	(216,194)	(221,598)	(227,138)	(232,817)
Sub-total	(4,523,628)	(3,823,253)	(3,915,603)	(4,010,097)	(4,107,016)	(4,206,342)	(4,308,180)	(4,412,462)	(4,519,378)	(4,628,950)	(4,741,255)	(4,857,201)	(4,978,631)	(5,103,097)	(5,230,675)
Net Cash Provided by (Used in) Operating Activities	1,922,620	1,585,041	1,648,153	1,714,101	1,782,770	1,854,349	1,928,907	2,006,700	2,087,722	2,172,151	2,260,111	2,350,902	2,442,900	2,538,776	2,638,686
CASH FLOWS FROM INVESTING ACTIVITIES															
Payments for Purchase of Property, Plant & Equipment	(3,343,163)	(3,757,696)	(3,921,173)	(3,253,380)	(992,245)	(1,259,427)	(1,103,100)	(1,406,037)	(1,062,782)	(2,019,478)	(1,590,953)	(2,060,370)	(1,146,921)	(1,352,216)	(1,089,120)
Payments for Construction of Infrastructure	(2,149,750)	(1,787,784)	(1,660,145)	(1,748,907)	(1,555,625)	(2,938,764)	(2,178,046)	(1,413,343)	(1,879,368)	(1,433,695)	(1,397,372)	(1,533,173)	(1,642,296)	(1,554,271)	(1,701,750)
Grants / Contributions for the Development of Assets	479,076	3,204,511	3,333,516	2,611,557	699,174	1,591,119	1,128,149	760,467	763,234	730,315	810,181	759,195	774,178	789,536	805,278
Proceeds from Sales (excluding Land)	120,950	220,631	129,227	204,205	107,484	226,140	184,246	219,313	212,307	544,036	262,417	416,916	330,843	332,049	267,935
Proceeds from Sale of Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Provided by (Used in) Investing Activities	(4,892,887)	(2,120,337)	(2,118,575)	(2,186,524)	(1,741,213)	(2,380,932)	(1,968,751)	(1,839,600)	(1,966,610)	(2,178,821)	(1,915,726)	(2,417,433)	(1,684,197)	(1,784,902)	(1,717,657)
CASH FLOWS FROM FINANCING ACTIVITIES															
Repayment of Debentures	-	(85,385)	(87,896)	(90,634)	(93,379)	(96,208)	(99,078)	(102,123)	(105,216)	(108,404)	(111,677)	-	-	-	-
Proceeds from New Debentures	980,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Provided by (Used in) Financing Activities	980,000	(85,385)	(87,896)	(90,634)	(93,379)	(96,208)	(99,078)	(102,123)	(105,216)	(108,404)	(111,677)	-	-	-	-
NET INCREASE (DECREASE) IN CASH HELD															
Cash at Beginning of Year	7,881,301	5,891,034	5,270,353	4,712,036	4,148,978	4,097,157	3,474,365	3,335,444	3,400,420	3,416,316	3,301,243	3,533,950	3,467,420	4,226,123	4,979,997
Cash at the End of Year	5,891,034	5,270,353	4,712,036	4,148,978	4,097,157	3,474,365	3,335,444	3,400,420	3,416,316	3,301,243	3,533,950	3,467,420	4,226,123	4,979,997	5,901,026

Forecast Statement of Financial Position 2018 – 2033

SHIRE OF CUE Asset Management Plan and Long Term Financial Plan 2018 to 2033 Statement of Financial Position															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
ASSETS															
CURRENT ASSETS															
Cash and Cash Equivalents	5,891,034	5,270,353	4,712,036	4,148,978	4,097,157	3,474,365	3,335,444	3,400,420	3,416,316	3,301,243	3,533,950	3,467,420	4,226,123	4,979,997	5,901,026
Receivables Opening Balance	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793
Rates Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventories	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680
Total Current Assets	6,239,507	5,618,826	5,060,509	4,497,451	4,445,630	3,822,838	3,683,917	3,748,893	3,764,789	3,649,716	3,882,423	3,815,893	4,574,596	5,328,470	6,249,499
NON-CURRENT ASSETS															
Receivables	3,968	3,968	3,968	3,968	3,968	3,968	3,968	3,968	3,968	3,968	3,968	3,968	3,968	3,968	3,968
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	14,055,459	16,914,502	19,928,187	22,118,181	22,099,602	22,217,409	22,205,909	22,442,741	22,331,251	22,828,766	23,153,487	23,771,498	23,557,495	23,549,437	23,343,247
Infrastructure	42,773,208	42,633,546	42,375,975	42,221,018	41,887,372	42,907,718	43,121,309	42,575,666	42,512,115	42,017,745	41,513,074	41,165,070	40,941,211	40,644,088	40,507,947
Total Non-Current Assets	56,832,635	59,552,016	62,308,131	64,343,167	63,990,942	65,129,095	65,331,186	65,022,376	64,847,335	64,850,479	64,670,530	64,940,535	64,502,675	64,197,492	63,855,162
Total Assets	63,072,142	65,170,842	67,368,639	68,840,618	68,436,572	68,951,933	69,015,103	68,771,268	68,612,124	68,500,195	68,552,953	68,756,428	69,077,271	69,525,962	70,104,661
LIABILITIES															
CURRENT LIABILITIES															
Payables	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725
Current Portion of Long Term Borrowings	85,385	87,896	90,634	93,379	96,208	99,078	102,123	105,216	108,404	111,677	-	-	-	-	-
Provisions	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298
Total Current Liabilities	756,408	758,919	761,657	764,402	767,231	770,101	773,146	776,239	779,427	782,700	671,023	671,023	671,023	671,023	671,023
NON-CURRENT LIABILITIES															
Long Term Borrowings	894,615	806,719	716,085	622,706	526,498	427,420	325,297	220,081	111,677	-	-	-	-	-	-
Provisions	34,860	34,860	34,860	34,860	34,860	34,860	34,860	34,860	34,860	34,860	34,860	34,860	34,860	34,860	34,860
Total Non-Current Liabilities	929,475	841,579	750,945	657,566	561,358	462,280	360,157	254,941	146,537	34,860	34,860	34,860	34,860	34,860	34,860
Total Liabilities	1,685,883	1,600,498	1,512,602	1,421,968	1,328,589	1,232,381	1,133,303	1,031,180	925,964	817,560	705,883	705,883	705,883	705,883	705,883
Net Assets	61,386,259	63,570,344	65,856,037	67,418,650	67,107,983	67,719,552	67,881,800	67,740,088	67,686,160	67,682,635	67,847,070	68,050,545	68,371,388	68,820,079	69,398,778
NET CURRENT ASSETS															
CURRENT ASSETS															
Cash and Cash Equivalents	5,891,034	5,270,353	4,712,036	4,148,978	4,097,157	3,474,365	3,335,444	3,400,420	3,416,316	3,301,243	3,533,950	3,467,420	4,226,123	4,979,997	5,901,026
Receivables	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793	328,793
Inventories	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680
Total Current Assets	6,239,507	5,618,826	5,060,509	4,497,451	4,445,630	3,822,838	3,683,917	3,748,893	3,764,789	3,649,716	3,882,423	3,815,893	4,574,596	5,328,470	6,249,499
CURRENT LIABILITIES															
Payables	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725	615,725
Current Portion of Long Term Borrowings	85,385	87,896	90,634	93,379	96,208	99,078	102,123	105,216	108,404	111,677	-	-	-	-	-
Provisions	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298	55,298
Total Current Liabilities	756,408	758,919	761,657	764,402	767,231	770,101	773,146	776,239	779,427	782,700	671,023	671,023	671,023	671,023	671,023
Net Current Assets	5,483,099	4,859,907	4,298,852	3,733,049	3,678,399	3,052,737	2,910,771	2,972,654	2,985,362	2,867,016	3,211,400	3,144,870	3,903,573	4,657,447	5,578,476
LESS: Restricted Reserves	(5,568,484)	(4,947,803)	(4,389,486)	(3,826,428)	(3,774,607)	(3,151,815)	(3,012,894)	(3,077,870)	(3,093,766)	(2,978,693)	(3,211,400)	(3,144,870)	(3,903,573)	(4,657,447)	(5,578,476)
ADD: Current Long Term Borrowings	85,385	87,896	90,634	93,379	96,208	99,078	102,123	105,216	108,404	111,677	-	-	-	-	-
Opening / Closing Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Forecast Statement of Changes in Equity 2018 – 2033

SHIRE OF CUE Asset Management Plan and Long Term Financial Plan 2018 to 2033 Statement of Changes in Equity															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
EQUITY															
RETAINED SURPLUS															
Balance 1 July	18,455,127	17,648,570	20,453,336	23,297,347	25,423,017	25,164,171	26,398,532	26,699,701	26,493,014	26,423,189	26,534,737	26,466,465	26,736,470	26,298,610	25,993,427
Transfer from / (to) Reserve	579,781	620,681	558,318	563,057	51,822	622,791	138,922	(64,976)	(15,897)	115,074	(232,707)	66,530	(758,703)	(753,874)	(921,029)
Net Result	(1,386,338)	2,184,085	2,285,693	1,562,613	(310,667)	611,570	162,247	(141,711)	(53,928)	(3,526)	164,435	203,475	320,843	448,691	578,699
Balance 30 June	17,648,570	20,453,336	23,297,347	25,423,017	25,164,171	26,398,532	26,699,701	26,493,014	26,423,189	26,534,737	26,466,465	26,736,470	26,298,610	25,993,427	25,651,097
CASH BACKED RESERVES															
Balance 1 July	6,148,265	5,568,484	4,947,803	4,389,486	3,826,428	3,774,607	3,151,815	3,012,894	3,077,870	3,093,766	2,978,693	3,211,400	3,144,870	3,903,573	4,657,447
Transfer (from) / to Reserve	(579,781)	(620,681)	(558,318)	(563,057)	(51,822)	(622,791)	(138,922)	64,976	15,897	(115,074)	232,707	(66,530)	758,703	753,874	921,029
Balance 30 June	5,568,484	4,947,803	4,389,486	3,826,428	3,774,607	3,151,815	3,012,894	3,077,870	3,093,766	2,978,693	3,211,400	3,144,870	3,903,573	4,657,447	5,578,476
ASSET REVALUATION RESERVE															
Balance 1 July	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205
Total Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance 30 June	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205	38,169,205
Closing Balance 30 June	61,386,259	63,570,344	65,856,037	67,418,650	67,107,983	67,719,552	67,881,800	67,740,088	67,686,160	67,682,635	67,847,070	68,050,545	68,371,388	68,820,079	69,398,778
Net Assets as per Balance Sheet	61,386,259	63,570,344	65,856,037	67,418,650	67,107,983	67,719,552	67,881,800	67,740,088	67,686,160	67,682,635	67,847,070	68,050,545	68,371,388	68,820,079	69,398,778

Forecast Rate Setting Statement 2018 – 2033

SHIRE OF CUE															
Asset Management Plan and Long Term Financial Plan															
2018 to 2033															
Rate Setting Statement															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
REVENUES															
Rate Levies (under adopted assumptions)	2,278,069	2,363,221	2,451,556	2,543,193	2,638,256	2,736,872	2,839,174	2,945,300	3,055,392	3,169,600	3,288,077	3,410,983	3,538,483	3,670,748	3,807,958
Other Revenue	3,357,196	6,249,584	6,445,716	5,792,562	3,950,704	4,914,937	4,526,063	4,234,329	4,314,942	4,361,816	4,523,470	4,556,315	4,657,227	4,760,661	4,866,681
Sub-total	5,635,264	8,612,805	8,897,272	8,335,755	6,588,960	7,651,809	7,365,236	7,179,628	7,370,335	7,531,417	7,811,547	7,967,298	8,195,710	8,431,409	8,674,639
EXPENSES															
All Operating Expenses	(7,021,602)	(6,428,720)	(6,611,579)	(6,773,142)	(6,899,627)	(7,040,239)	(7,202,989)	(7,321,339)	(7,424,263)	(7,534,942)	(7,647,112)	(7,763,823)	(7,874,867)	(7,982,718)	(8,095,940)
Net Operating Profit / (Loss)	(1,386,338)	2,184,085	2,285,693	1,562,613	(310,667)	611,570	162,247	(141,711)	(53,928)	(3,526)	164,435	203,475	320,843	448,691	578,699
NON CASH ITEMS															
(Profit)/Loss on Asset Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on Revaluation of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Movement in Non Current Debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation on Assets	2,497,974	2,605,467	2,695,977	2,763,045	2,792,611	2,833,898	2,894,809	2,908,878	2,904,885	2,905,992	2,905,857	2,906,622	2,896,235	2,879,621	2,865,266
Sub-total	2,497,974	2,605,467	2,695,977	2,763,045	2,792,611	2,833,898	2,894,809	2,908,878	2,904,885	2,905,992	2,905,857	2,906,622	2,896,235	2,879,621	2,865,266
CAPITAL EXPENDITURE AND REVENUE															
Purchase Land and Buildings	(2,472,425)	(2,907,740)	(3,180,272)	(2,599,370)	(186,682)	(663,345)	(135,510)	(713,984)	(166,099)	(966,608)	(518,978)	(1,223,849)	(206,777)	(565,190)	(188,279)
Purchase Infrastructure Assets - Roads	(1,322,250)	(1,115,003)	(1,247,072)	(1,138,525)	(1,227,517)	(1,141,239)	(1,244,927)	(1,309,779)	(1,198,556)	(1,203,279)	(1,246,482)	(1,196,951)	(1,226,875)	(1,356,455)	(1,303,468)
Purchase Infrastructure Assets - Other	(486,250)	(105,063)	(53,845)	(110,381)	(209,311)	(57,985)	(208,020)	(67,012)	(331,131)	(166,411)	(111,527)	(107,591)	(332,711)	(84,778)	(398,282)
Purchase Plant and Equipment	(817,438)	(793,222)	(680,595)	(589,988)	(737,678)	(524,181)	(891,514)	(611,638)	(811,761)	(963,264)	(980,129)	(742,379)	(843,649)	(688,118)	(799,461)
Purchase Furniture and Equipment	(53,300)	(56,734)	(60,306)	(64,021)	(67,884)	(71,901)	(76,076)	(80,415)	(84,923)	(89,606)	(91,846)	(94,142)	(96,496)	(98,908)	(101,381)
Purchase Infrastructure Assets - Parks and Ovals	(301,250)	(262,656)	(59,229)	-	(118,798)	-	(71,321)	(36,552)	(349,682)	-	(39,363)	(26,898)	(82,711)	(42,389)	-
Purchase Infrastructure Assets - Airport	-	(105,063)	-	-	-	(1,739,540)	(653,777)	-	-	(64,004)	-	(201,733)	-	(70,649)	-
Purchase Infrastructure Assets - Drainage and Sewerage	(40,000)	(200,000)	(300,000)	(500,000)	-	-	-	-	-	-	-	-	-	-	-
Proceeds Disposal of Assets	120,950	220,631	129,227	204,205	107,484	226,140	184,246	219,313	212,307	544,036	262,417	416,916	330,843	332,049	267,935
Repayment of Debentures	-	(85,385)	(87,896)	(90,634)	(93,379)	(96,208)	(99,078)	(102,123)	(105,216)	(108,404)	(111,677)	-	-	-	-
Proceeds from New Debentures	980,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Self-supporting Loan Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to Reserves	(620,219)	(50,000)	(66,439)	(51,553)	(91,792)	(1,000)	-	(114,976)	(65,897)	(34,926)	(282,707)	-	(808,703)	(803,874)	(971,029)
Transfers from Reserves	1,200,000	670,681	624,757	614,610	143,614	623,791	138,922	50,000	50,000	150,000	50,000	66,530	50,000	50,000	50,000
Net Cash From Investing Activities	(3,812,182)	(4,789,553)	(4,981,669)	(4,325,658)	(2,481,944)	(3,445,467)	(3,057,056)	(2,767,166)	(2,850,956)	(2,902,467)	(3,070,292)	(3,110,097)	(3,217,078)	(3,328,312)	(3,443,964)
ESTIMATED SURPLUS / (DEFCIT) JULY 1 [B/FWD]	2,700,545	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ESTIMATED SURPLUS / (DEFCIT) JUNE 30 [C/FWD]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Appendix 3 – Reserves and Borrowings

Cash Backed Reserves 2018 – 2033

The following table displays the movement per year in Cash Backed Reserves.

SHIRE OF CUE Asset Management Plan and Long Term Financial Plan 2018 to 2033 Cash Backed Reserves															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
LEAVE RESERVE															
Opening Balance	29,580	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229
Transfer to Reserve	649	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer From Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance 30 June	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229	30,229
PLANT REPLACEMENT RESERVE															
Opening Balance	524,100	485,666	245,485	95,485	45,485	87,277	12,277	12,277	32,277	42,277	42,277	74,595	74,595	178,900	265,745
Transfer to Reserve	161,566	-	-	-	41,792	-	-	20,000	10,000	-	32,318	-	104,305	86,845	120,000
Transfer From Reserve	(200,000)	(240,181)	(150,000)	(50,000)	-	(75,000)	-	-	-	-	-	-	-	-	-
Balance 30 June	485,666	245,485	95,485	45,485	87,277	12,277	12,277	32,277	42,277	42,277	74,595	74,595	178,900	265,745	385,745
BUILDING MAINTENANCE RESERVE															
Opening Balance	573,476	636,062	436,062	311,062	231,062	194,018	124,018	95,096	115,096	125,096	125,096	150,096	133,566	233,566	305,595
Transfer to Reserve	62,586	-	-	-	-	-	-	20,000	10,000	-	25,000	-	100,000	72,029	150,000
Transfer From Reserve	-	(200,000)	(125,000)	(80,000)	(37,044)	(70,000)	(28,922)	-	-	-	-	(16,530)	-	-	-
Balance 30 June	636,062	436,062	311,062	231,062	194,018	124,018	95,096	115,096	125,096	125,096	150,096	133,566	233,566	305,595	455,595
STREETSCAPE RESERVE															
Opening Balance	304,468	311,150	311,150	261,150	261,150	204,580	204,580	204,580	204,580	204,580	204,580	204,580	204,580	229,580	279,580
Transfer to Reserve	6,682	-	-	-	-	-	-	-	-	-	-	-	25,000	50,000	50,000
Transfer From Reserve	-	-	(50,000)	-	(56,570)	-	-	-	-	-	-	-	-	-	-
Balance 30 June	311,150	311,150	261,150	261,150	204,580	204,580	204,580	204,580	204,580	204,580	204,580	204,580	229,580	279,580	329,580
SPORTS COMPLEX RESERVE															
Opening Balance	107,466	119,824	82,324	82,324	82,324	82,324	82,324	82,324	82,324	82,324	93,324	93,324	93,324	118,324	143,324
Transfer to Reserve	12,358	-	-	-	-	-	-	-	-	11,000	-	-	25,000	25,000	25,000
Transfer From Reserve	-	(37,500)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance 30 June	119,824	82,324	82,324	82,324	82,324	82,324	82,324	82,324	82,324	93,324	93,324	93,324	118,324	143,324	168,324
TOURIST PARK DEVELOPMENT RESERVE															
Opening Balance	212,849	247,520	187,520	137,520	112,520	112,520	112,520	112,520	112,520	112,520	112,520	122,520	122,520	147,520	197,520
Transfer to Reserve	34,671	-	-	-	-	-	-	-	-	-	10,000	-	25,000	50,000	90,476
Transfer From Reserve	-	(60,000)	(50,000)	(25,000)	-	-	-	-	-	-	-	-	-	-	-
Balance 30 June	247,520	187,520	137,520	112,520	112,520	112,520	112,520	112,520	112,520	112,520	122,520	122,520	147,520	197,520	287,996
WATER PLAYGROUND RESERVE															
Opening Balance	33,827	69,569	69,569	69,570	69,569	69,570	69,569	9,570	9,570	9,569	20,608	20,608	20,608	35,608	45,608
Transfer to Reserve	35,742	-	-	-	-	-	-	-	-	11,038	-	-	15,000	10,000	10,000
Transfer From Reserve	-	-	-	-	-	-	(60,000)	-	-	-	-	-	-	-	-
Balance 30 June	69,569	69,569	69,570	69,569	69,570	69,569	9,570	9,570	9,569	20,608	20,608	20,608	35,608	45,608	55,608

Cash Backed Reserves 2018 – 2033 (Continued)

The following table displays the movement per year in Cash Backed Reserves.

SHIRE OF CUE Asset Management Plan and Long Term Financial Plan 2018 to 2033 Cash Backed Reserves (Continued)															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
BERINGARRA ROAD RESERVE															
Opening Balance	3,511,992	2,589,004	2,539,004	2,489,004	2,439,004	2,389,004	2,139,004	2,089,004	2,039,004	1,989,004	1,939,004	1,889,004	1,839,004	1,789,004	1,739,004
Transfer to Reserve	77,012	-	-	-	-	(200,000)	-	-	-	-	-	-	-	-	-
Transfer From Reserve	(1,000,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Balance 30 June	2,589,004	2,539,004	2,489,004	2,439,004	2,389,004	2,139,004	2,089,004	2,039,004	1,989,004	1,939,004	1,889,004	1,839,004	1,789,004	1,739,004	1,689,004
TOURISM RESERVE															
Opening Balance	92,720	120,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	97,871	107,871
Transfer to Reserve	28,151	-	-	-	-	-	-	-	-	-	-	-	10,000	10,000	10,000
Transfer From Reserve	-	(33,000)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance 30 June	120,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	87,871	97,871	107,871	117,871
HOUSING / LAND DEVELOPMENT RESERVE															
Opening Balance	121,562	188,274	188,274	63,517	63,517	63,517	64,517	64,517	104,517	115,414	15,414	65,414	65,414	115,414	175,414
Transfer to Reserve	66,712	-	-	-	-	1,000	-	40,000	10,897	-	50,000	-	50,000	60,000	50,000
Transfer From Reserve	-	-	(124,757)	-	-	-	-	-	-	(100,000)	-	-	-	-	-
Balance 30 June	188,274	188,274	63,517	63,517	63,517	64,517	64,517	104,517	115,414	15,414	65,414	65,414	115,414	175,414	225,414
HERITAGE RESERVE															
Opening Balance	557,497	614,783	589,783	539,783	155,173	155,173	155,173	155,173	170,149	180,149	180,149	180,149	180,149	230,149	290,149
Transfer to Reserve	57,286	-	-	-	-	-	-	14,976	10,000	-	-	-	50,000	60,000	50,000
Transfer From Reserve	-	(25,000)	(50,000)	(384,610)	-	-	-	-	-	-	-	-	-	-	-
Balance 30 June	614,783	589,783	539,783	155,173	155,173	155,173	155,173	170,149	180,149	180,149	180,149	180,149	230,149	290,149	340,149
ROAD MAINTENANCE RESERVE															
Opening Balance	78,728	130,474	105,474	80,474	55,474	55,474	39,363	39,363	39,363	49,363	49,363	134,752	134,752	234,752	414,752
Transfer to Reserve	51,746	-	-	-	-	-	-	-	10,000	-	85,389	-	100,000	180,000	200,000
Transfer From Reserve	-	(25,000)	(25,000)	(25,000)	-	(16,111)	-	-	-	-	-	-	-	-	-
Balance 30 June	130,474	105,474	80,474	55,474	55,474	39,363	39,363	39,363	49,363	49,363	134,752	134,752	234,752	414,752	614,752
INFRASTRUCTURE RESERVE															
Opening Balance	-	25,058	75,058	141,497	193,050	243,050	30,370	30,370	50,370	65,370	78,258	158,258	158,258	462,656	662,656
Transfer to Reserve	25,058	50,000	66,439	51,553	50,000	200,000	-	20,000	15,000	12,888	80,000	-	304,398	200,000	215,553
Transfer From Reserve	-	-	-	-	-	(412,680)	-	-	-	-	-	-	-	-	-
Balance 30 June	25,058	75,058	141,497	193,050	243,050	30,370	30,370	50,370	65,370	78,258	158,258	158,258	462,656	662,656	878,209
TOTAL RESERVES															
Opening Balance	6,148,265	5,568,484	4,947,803	4,389,486	3,826,428	3,774,607	3,151,815	3,012,894	3,077,870	3,093,766	2,978,693	3,211,400	3,144,870	3,903,573	4,657,447
Transfer to Reserve	620,219	50,000	66,439	51,553	91,792	1,000	-	114,976	65,897	34,926	282,707	-	808,703	803,874	971,029
Transfer From Reserve	(1,200,000)	(670,681)	(624,757)	(614,610)	(143,614)	(623,791)	(138,922)	(50,000)	(50,000)	(150,000)	(50,000)	(66,530)	(50,000)	(50,000)	(50,000)
Balance 30 June	5,568,484	4,947,803	4,389,486	3,826,428	3,774,607	3,151,815	3,012,894	3,077,870	3,093,766	2,978,693	3,211,400	3,144,870	3,903,573	4,657,447	5,578,476

Borrowings 2018 – 2033

The following table shows the amortization of the loan over the Strategic Resource Plan.

SHIRE OF CUE															
Asset Management Plan and Long Term Financial Plan															
2018 to 2033															
Loan Amortization															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
GROH HOUSING															
Opening Balance	-	980,000	894,615	806,719	716,085	622,706	526,498	427,420	325,297	220,081	111,677	-	-	-	-
Interest Payments	-	28,815	26,304	23,566	20,821	17,992	15,122	12,077	8,984	5,796	2,522	-	-	-	-
Principle Payments	-	85,385	87,896	90,634	93,379	96,208	99,078	102,123	105,216	108,404	111,677	-	-	-	-
Closing Balance	980,000	894,615	806,719	716,085	622,706	526,498	427,420	325,297	220,081	111,677	-	-	-	-	-

Appendix 4 – Financial Ratios

Financial Ratios 2018 – 2033

The following table displays the data used to calculate the financial ratios.

SHIRE OF CUE Asset Management Plan and Long Term Financial Plan 2018 to 2033 Financial Ratios															
	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s
OPERATING SURPLUS RATIO															
Operating Revenue	5,156	5,408	5,564	5,724	5,890	6,061	6,237	6,419	6,607	6,801	7,001	7,208	7,422	7,642	7,869
Less Operating Expenses	(7,022)	(6,429)	(6,612)	(6,773)	(6,900)	(7,040)	(7,203)	(7,321)	(7,424)	(7,535)	(7,647)	(7,764)	(7,875)	(7,983)	(8,096)
Net Operating Surplus	(1,865)	(1,020)	(1,048)	(1,049)	(1,010)	(980)	(966)	(902)	(817)	(734)	(646)	(556)	(453)	(341)	(227)
Own Source Revenue	2,974	2,980	3,187	3,296	3,409	3,526	3,646	3,771	3,901	4,035	4,173	4,317	4,466	4,620	4,779
Ratio	(63%)	(34%)	(33%)	(32%)	(30%)	(28%)	(26%)	(24%)	(21%)	(18%)	(15%)	(13%)	(10%)	(7%)	(5%)
OWN SOURCE REVENUE RATIO															
Own Source Operating Revenue	2,980	3,187	3,296	3,409	3,526	3,646	3,771	3,901	4,035	4,173	4,317	4,466	4,620	4,779	4,944
Operating Expense	7,022	6,429	6,612	6,773	6,900	7,040	7,203	7,321	7,424	7,535	7,647	7,764	7,875	7,983	8,096
Ratio	42%	50%	50%	50%	51%	52%	52%	53%	54%	55%	56%	58%	59%	60%	61%
CURRENT RATIO															
Current Assets	6,240	5,619	5,061	4,497	4,446	3,823	3,684	3,749	3,765	3,650	3,882	3,816	4,575	5,328	6,249
Less Restricted Assets	(5,568)	(4,948)	(4,389)	(3,826)	(3,775)	(3,152)	(3,013)	(3,078)	(3,094)	(2,979)	(3,211)	(3,145)	(3,904)	(4,657)	(5,578)
Net Current Assets	671	671	671	671	671	671	671	671	671	671	671	671	671	671	671
Current Liabilities	756	759	762	764	767	770	773	776	779	783	671	671	671	671	671
Less Related Liabilities	(116)	(118)	(121)	(124)	(126)	(129)	(132)	(135)	(139)	(142)	(30)	(30)	(30)	(30)	(30)
Net Current Liabilities	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641
Ratio	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05

SHIRE OF CUE
Asset Management Plan and Long Term Financial Plan
2018 to 2033
Financial Ratios (Continued)

	18 / 19	19 / 20	20 / 21	21 / 22	22 / 23	23 / 24	24 / 25	25 / 26	26 / 27	27 / 28	28 / 29	29 / 30	30 / 31	31 / 32	32 / 33
	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s
DEBT SERVICE COVERAGE RATIO															
Operating Surplus	633	1,614	1,674	1,738	1,804	1,872	1,944	2,019	2,097	2,178	2,263	2,351	2,443	2,539	2,639
Principle and Interest	-	114	114	114	114	114	114	114	114	114	114	-	-	-	-
Ratio	-	14	15	15	16	16	17	18	18	19	20	-	-	-	-
ASSET SUSTAINABILITY RATIO															
Capital Renewal Expenditure	2,875	2,561	2,298	2,081	2,333	3,846	2,434	2,417	2,643	3,253	2,712	2,894	2,512	2,878	2,689
Depreciation Expense	2,498	2,605	2,696	2,763	2,793	2,834	2,895	2,909	2,905	2,906	2,906	2,907	2,896	2,880	2,865
Ratio	115%	98%	85%	75%	84%	136%	84%	83%	91%	112%	93%	100%	87%	100%	94%
ASSET CONSUMPTION RATIO															
Depreciated Replacement Cost	56,829	59,548	62,304	64,339	63,987	65,125	65,327	65,018	64,843	64,847	64,667	64,937	64,499	64,194	63,851
Current Replacement Cost	77,099	82,528	87,996	92,900	95,369	99,456	102,634	105,383	108,238	111,615	114,516	118,031	120,743	123,577	126,290
Ratio	74%	72%	71%	69%	67%	65%	64%	62%	60%	58%	56%	55%	53%	52%	51%
ASSET RENEWAL FUNDING RATIO															
NPV of Planned Renewals	23,329	23,156	23,435	23,684	24,444	24,823									
NPV of Required Renewals	26,962	27,176	29,112	30,783	21,748	19,702									
Ratio	87%	85%	80%	77%	112%	126%									