



**Weddin Shire  
Council  
Long-Term  
Financial  
Plan  
2025/2026  
to  
2034/2035**

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## Introduction

The NSW Integrated Planning and Reporting (IP&R) framework is mandated by the Office of Local Government and requires all councils to prepare a suite of interrelated long-term strategic documents. These documents are considered key to effective long-term planning and provide a roadmap to delivering community priorities.

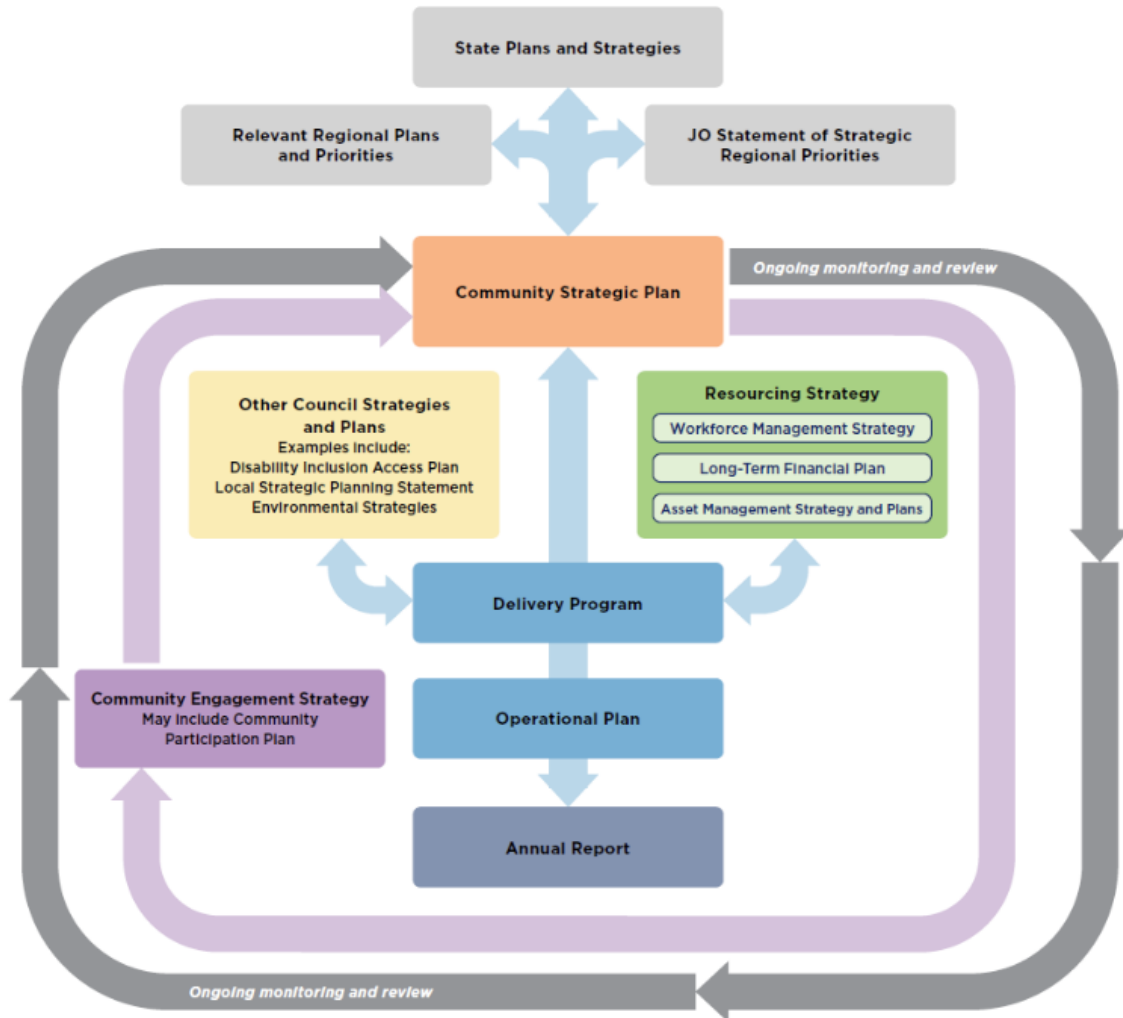


Figure 1 - The NSW Integrated Planning and Reporting framework.

The Long-Term Financial Plan (LTFP) is the crucial component of the Resourcing Strategy in the IP&R framework. The Resourcing Strategy recognises the importance of resource planning in the successful delivering Council’s strategic objectives. The Workforce Management Strategy and the Asset Management Strategy comprise the other documents within the Resourcing Strategy.

## Purpose of Long-Term Financial Planning

The Long-Term Financial Plan (LTFP) is a 10-year strategy that outlines the financial direction for Weddin Shire Council, covering the period from 2025/2026 to 2034/2035. The LTFP supports decision-making by demonstrating how the objectives of the Weddin 2035 Community Strategic Plan (CSP), along with the commitments outlined in the Delivery Plan (DP) and Operational Plan (OP), will be resourced and funded.

The LTFP is a crucial tool for maintaining the long-term financial sustainability of Weddin Shire. It aligns the community's long-term aspirations with the financial realities faced by the organisation. The plan also addresses the financial implications of asset management and workforce planning, including how new assets will be funded, how existing assets will be renewed or upgraded, and the provisions made for any changes in service levels.

The LTFP outlines the steps Council will take to address the major financial challenges and opportunities that will impact its operations over the next decade. It will guide future strategies and actions to ensure the Council remains financially sustainable.

Weddin Shire Council (Council) faces several challenges in maintaining its operations, including asset management and delivering on community priorities. These challenges have been compounded by natural disasters in 2022, cost-shifting from other levels of government, and increasing community expectations that the Council will step in to provide non-core services in the event of market failure. To respond effectively to these challenges, the Council must continue to deliver services efficiently and explore additional revenue sources to support its operations.

Council aims to be financially positioned to meet the community's expectations, as outlined in the Community Strategic Plan (CSP), while effectively responding to and adapting to unforeseen challenges. To achieve this, Council must maintain a strong financial position, anticipating future developments and unexpected financial changes without resorting to disruptive service cuts. Council's financial sustainability will be guided by the following key goals:

**Responsible Use of Public Funds:** Council will ensure spending is responsible, sustainable, and aligned with general revenue and expenses.

**Cash Position:** Council will maintain sufficient cash to meet both current and future operating, investing, and financing needs. Reserves will be used to allocate funds for future commitments while preserving a balance of unconstrained revenue.

**Operating Position:** Council will generate adequate revenue and control service and infrastructure costs to produce enough cash from operations for asset investments and debt servicing.

**Investment in Assets:** Council prioritises the renewal or replacement of assets to sustain the desired service levels and provide suitable assets to meet service demand. New assets that increase service levels or introduce new services will require a business case demonstrating that the investment will not compromise Council's financial sustainability.

In addition to its general fund, Weddin Shire holds several restricted cash funds. For the purpose of this plan, consolidated financials will be presented, combining the following:

- General Fund
- Sewer Fund
- Waste Fund

# Planning Assumptions

## Rates and Annual Charges

The primary source of operating income for Council is the levying of rates. Section 492 of the Local Government Act 1993 (Act) defines two types of rates: Ordinary rates and Special rates.

By virtue of section 494 of the Act, Council is required to levy an ordinary rate each year on all rateable land within its jurisdiction. This is a mandatory requirement, with land rated on upon the use of that and or the zoned use of that land. The four categories provided by Section 493 of the Act are:

- Farmland
- Residential
- Business
- Mining

The Independent Pricing and Regulatory Tribunal (IPART) sets the limitation on rates income through a mechanism known as "Rate Pegging." This involves a percentage cap on the income raised from ordinary and special rates each year. IPART provides Councils with the allowable rate increase for the upcoming financial year each December. Rate pegging has meant rates income has not kept pace with the cost burden on Council, with the income from rates accounting for 19% of Council operating expenditure in the FY2025/2026 Draft Budget.

Under section 508A of the Local Government Act 1993, Council can apply for a Special Rate Variation (SRV), only if both the Council and the community approve a program of works to be funded by the SRV. If approved, an SRV overrides the Rate Pegging limit. An SRV should be considered to create a short-term uplift in Council rates income. In addition, Council currently has no plans to collect any SRV.

Council has applied the IPART rate peg methodology for calculating rate increases for the 2025/2026 financial year at 4.6%. The rate cap methodology forecast is set at 4%.

Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
<b>Rate Cap</b>	4.6%	4%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Ord Rates</b>	4.6%	4%	4%	4%	4%	4%	4%	4%	4%	4%

Table 2.1 – Rate peg Cap Methodology

## Stormwater Management Services

Under s. 496A of the Local Government Act 1993, Council is entitled to make a levy of an annual charge for the provision of stormwater management services for each parcel of rateable land for which the service is available. The concept on the stormwater management services annual charge has been mentioned in previous IP&R documentation and through the Fit for the Future review in 2017. An annual charge for the purposes of stormwater management service is unlikely to create major revenue, it allows for some level of ability for Council to hypothecate and restrict the charge for the purposes of stormwater management and minor capital investment.

## User Fees and Charges

In accordance with Sections 496, 501 and 502 of the Local Government Act 1993, Council is able to charge for the provision and use of sewage and domestic waste services. Council aims to set user charges and fees at full cost recovery rate.

The Local Government Act 1993 requires that Domestic Waste Management Charges must reflect the actual cost providing those services.

The future income from fees and charges assumption will increase with CPI. The value of construction costs may change however for a small rural council, this is unlikely to have a major impact.

### User Fees and Charges

Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
<b>User Fees</b>	4.6%	4%	4%	4%	4%	4%	4%	4%	4%	4%

Table 2.2a – CPI assumption

The calculation of User Fees and Charges may be affected by the strategic review of pricing methods, with a goal to ensure all charges align to the cost of delivering the service and the community subsidy policy. All Fees and Charges are designed to be fair and affordable and not pass on any unnecessary burden to residents.

## Statutory Charges

Council has no discretion to determine the amount of a fee for service when the amount is fixed by regulation or by another authority. Example of statutory fees include interest rates for overdue rates, development assessment fees and planning certificates.

Most statutory charges do not increase annually in line with Consumer Price Index (CPI) or rate peg, however for the purposes of financial modelling these fees are assumed to increase in line with the CPI over long term.

### User Fees and Charges – Statutory – User Fees

Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
<b>User Fees</b>	4.6%	4%	4%	4%	4%	4%	4%	4%	4%	4%

Table 2.2b – CPI assumption

### User Fees and Charges – Statutory- Interest Rate for Overdue Rates

Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
<b>Interest Rate on Overdue Rates</b>	10%	10%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%

Table 2.3 – Interest Rate Overdue Rate assumption

## Other Fees

User fees and charges include administration fees (photocopying, binding etc), fees for use of Council facilities (hall hire, hub hire etc) and fees for private works undertaken.

## Investment Revenue

Council's investment strategy focuses on investing surplus funds to maximise earnings from term deposits, while prioritising the security of Council funds. Additionally, Council aims to maintain sufficient liquidity to meet all reasonably anticipated cash flow requirements as they arise.

Forecast investment returns on Council's investment portfolio are based on current actual year return.

## Other Revenues

Other revenue includes Service NSW Agency fees and rental of Council properties. Agency fees and rental incomes are likely to increase in line with CPI over the long term.

## Grants & Contributions

Council has assumed recurrent grant revenue will continue with an increase determined by projected CPI. Councils is reliant on grants from Transport for NSW (TfNSW) for our State and Regional Roads as per the following:

- State Road Maintenance Council Contract (RMCC)
  - SH06 Great Western Highway
  - SH17 Newell Highway
- State Road Maintenance Annual Plan (RMAP)
  - SH06 Great Western Highway
  - SH17 Newell Highway
- Regional Roads Block Grant
  - MR236 Henry Lawson Way Forbes
  - MR237 Gooloogong Road
  - MR239 Henry Lawson Way Young
  - MR398 Mary Gilmore Way
- Roads to Recovery (RTR)
- Regional Emergency Road Repair Fund (RERRF)

Below is a list of cessations of current grants:

- Disaster Recovery Fund Arrangements (natural disaster) for the AGRN1034 event are modelled to finish in June 2027. It is assumed that there will be no natural disaster events over the ten-year period.
- Fixing Local Roads (FLR)
- Local Roads and Community Infrastructure (LRCI)
- Stronger Country Communities Fund

The cessation of these grants will have a negative effect for Council which once allowed for capital upgrade and renewal programs to occur for the betterment and resilience of the community. Both the NSW and Commonwealth Governments have not announced a grant replacement. Any further decrease to the grants mentioned above in the most basic modelling will have a detrimental effect on the council's road and transport access.



Council receives general purpose Financial Assistance Grant (FAG) from the Commonwealth Government and is calculated using a formula that considers the population of the Local Government areas, road length and other factors. Given the complexity of the formula, Council has assumed that these grants will increase inline with the forecast CPI in the budget year.

Council has also projected capital grants for the recurrent capital (maintenance and renewal) programs and minimal amounts over this, unless there is a certainty of funding to be granted.

## Salaries and Wages

In the short-term salary and wage expenses are assumed to decline as natural disaster road works funded by grants are completed and the casual workforce is dispersed.

Long term, salary, wage and employee costs are assumed to increase in line with CPI. This is assumed to account for future Award increases and staff competency/performance bases increases.

Further details about Council's staffing are included in the Workforce Plan.

## Capital Expenditure

Asset and plant expenditure will align with maintenance and renewal programs in the asset management strategy. Assets will be maintained and renewed in accordance with the respective asset management plans. Further details about Council's assets are included in the Asset Management Strategy.

## Materials, Contracts and Other Operating Costs

Expenditure on materials, contracts, and other operating costs are assumed to increase by CPI. Exceptions include expenditures expected to increase by amounts different from CPI, such as insurance premiums.

## Borrowing Costs

Council in recent times has explored financing options for some plant expenditure through borrowings. Borrowing allows plant costs to be spread over several years which in turn supports greater intergenerational equity for these long-lived assets. Borrowings can also help manage long-term expenditure peaks and troughs and may be a favourable option when interest rates are low.

Under the Local Government Act 1993, Council may use funds from commercial entities, or via an internal loan, following Ministerial approval.

Weddin Shire has accessed credit to deliver several strategic projects in recent years.

The Grenfell Aquatic Centre is a legacy project. The size and term of this liability reflects the importance of this piece of community infrastructure and the service provided from it.

The Jet Patcher is a recent investment by Council with the previous machine reaching end of life during 2024. A jet patcher is an essential piece of plant for a rural council with a large road network. Council is currently leasing a hire unit until Council's new Jet Patcher is delivered in July 2025.

Council acquired a Skid Steer in December 2024 to be used by staff to undertake road repairs.

The summary of Council’s long-term liabilities are as follows:

ITEM	Liability at 30/6/2025	Time frame of Liability
<b>Infrastructure</b>		
Aquatic Centre (\$1.796M)	\$1,374,406.00	15 Years (31/10/2036)
Aquatic Centre (\$2M)	\$1,680,241.89	20 Years (28/08/2036)
<b>Plant and Equipment</b>		
Westrac Caterpillar Grader (\$488,000)	\$89,778.38	60 months (15/03/2026)
Westrac Caterpillar Loader (\$217,500)	\$40,080.35	60 months (15/03/2026)
Volvo Loader (\$268,000)	\$19,927.53	60 months (29/09/2025)
Water Truck (\$232,000)	\$69,600.00	60 months (28/08/2026)
Jet Patcher	\$707,278.00	60 months (30/06/2030)
Skid Steer (\$169,033)	\$146,929.42	36 months (3/12/2027)
<b>Total Borrowings</b>	<b>\$4,128,241.57</b>	

Table 3 - Current Loans

### Population forecasts

The NSW Department of Planning predict the population of Weddin to experience a minor increase to 2035 with anticipated population growth to 3656, an increase of 47 people on the current population. The population is predicted to age, with the average age of the Weddin population expected to reach 52.6 years compared to the NSW average of 40 years by 2035.

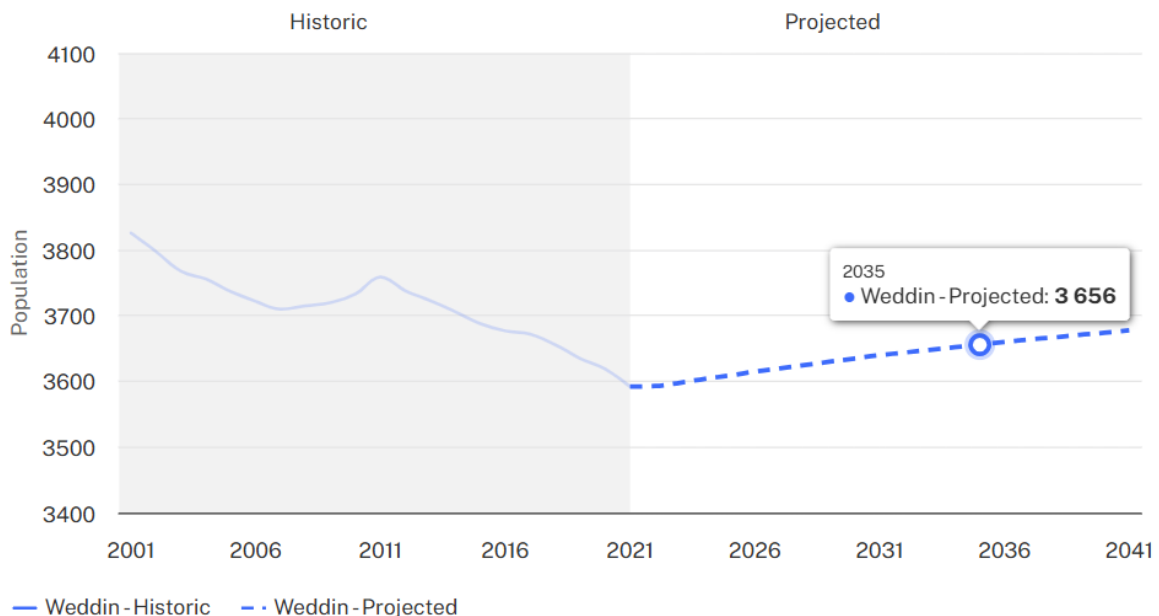


Table 4 - NSW Department of Planning Population Projections for Weddin Shire (NSW Planning)

## Anticipated levels of local economic growth

Weddin Shire's economy relies heavily on the agriculture, forestry, and fishing industries, with 37% of the population employed in these sectors. Developing land for industrial purposes would require rezoning, investment, and infrastructure development to facilitate industry expansion. Additionally, nearly 11% of the workforce is employed in health care and social assistance. With Weddin Shire aging population, there are opportunities to expand health care and social assistance services to better meet the needs of the local community. The provision of aged care services via a business arm of council may be an opportunity for a novel revenue stream.

## Sensitivity analysis

There are inherently uncertainties that may occur across the ten-year period and Council has made a range of conservative assumptions. Outside of Council's control, we have assumed that interest rates and inflation is unknown and may remain similar to the current financial year 2024/2025.

## Employee Costs

Employee costs modelled in the superseded LTFP predict that the employee costs will increase by 40% from \$6,880M for Financial Year 2026 to \$11,713M by Financial Year 2035 based on the same staffing levels.

Reason for the 40% increase in employees' costs are as follows:

- Award rate rises
- Superannuation increases
- Increase to workers related insurances
- Increase in numbers in the workplace (including casuals)
- Employees progressing through salary steps
- Re-evaluation of positions (changing pay rates)
- Amount of overtime (capitalisation).
- Employee leave entitlements as at 2024 Financial Statements was \$1.188M that would increase casual staffing levels when employees are on leave

It is important to recognise that full time equivalent (FTE) numbers do not directly correlate with employee costs. The level of capitalisation (the number of employees working on capital projects, rather than on operational activities) has a major impact, as does overtime and the use of casual employees.

Staff levels are expected to decrease by FTE if grant funding is reduced to annual road grant funding and in the event, there are no natural disaster events in the next ten-year period.

It is important to recognise that full time equivalent (FTE) numbers do not directly correlate with employee costs. The level of capitalisation (the number of employees working on capital projects, rather than on operational activities) has a major impact, as does overtime and the use of casual employees.

Unfortunately, Ordinary rates do not increase in line with employee costs.

## Overall sensitivity analysis

Assumptions on sensitivity analysis on the income statement categories are listed below and included in this report.

<b>Income items</b>	<b>Historical context (5 years)</b>	<b>Assumptions for forecasts (sensitivity)</b>
<b>Rates and annual charges</b>	Increase in rates was in alignment with the rate peg.	1. 4% p.a. increases over 10 years
<b>User fees and charges</b>	An injection relating to natural disaster ordered works.	1. Reduction in revenue due to reduction in RMCC funding due to the Natural Disaster work completed by 30/06/2025
<b>Interest</b>	Low interest rates to increase in interest rates	<ol style="list-style-type: none"> <li>1. Increase in Interest earned with interest rates higher than the last 5 years within the Investment portfolio</li> <li>2. Less grant funding received with a reduction in interest earned within the Investment portfolio</li> </ol>
<b>Expense items</b>	<b>Historical context (5 years)</b>	<b>Assumptions for forecasts (sensitivity)</b>
<b>Expenditure</b>	Increase materials and employee costs due to the increase in Capital funding and Natural Disaster funding	1. Reduction in expenditure and employee costs due to no further Capital and Natural Disaster grant funding
<b>Plant</b>	Old Plant – Not replaced	<ol style="list-style-type: none"> <li>1. High repair costs and high costs to hire plant to maintain road work schedule as per grant funding</li> <li>2. Loans required to replace old plant</li> <li>3. Operating Lease arrangement in the future to support future cashflow.</li> </ol>
<b>Borrowing Costs</b>	Old Plant	Increase in Borrowing costs as plant is replaced

Table 5 - Assumptions on sensitivity analysis

## Financial modelling

Financial modelling during LTFP development will help council to weather unexpected events. It will also provide an opportunity for the council to identify financial issues at an earlier stage and gauge the effect of these issues in the longer term. The longer the planning horizon, the more general the plan will become in its later years. For example, the final year of a 10-year plan is unlikely to include specific detail; rather, it will project likely outcomes.

As decisions are made, more detail can be added to the LTFP. As Council finalises its DP, the first 4 years of the LTFP will become firmer. As each OP is completed, the detailed budget will inform the next year of the LTFP.

LTFP development should include financial modelling of different scenarios, e.g. planned, optimistic, conservative. For example, some councils demonstrate where additional projects or programs will be funded if rate revenue is 'X' instead of 'Y'. These models will be important when discussing the financial implications of the CSP with residents and will also help councillors to determine activities for the DP. For councils considering applying for a special rate variation, one of the financial scenarios developed must address this option. This will support more informed discussion with the community about costs and benefits and help support any application to the Independent Pricing and Regulatory Tribunal.

## Financial Performance Monitoring, Management and Reporting

### Quarterly Budget Review Statement

Council prepares a Quarterly Budget Review Statement (QBRS) which forms part of its performance management. The QBRS presents a summary of Council financial position at the end of each quarter. The report informs Councillors and the community about the progress compared with the original Operational plan budget and the most recent revised budget.

### Annual Financial Statements

Within four months of the end of each financial year, Council prepares the Annual Report that contains financial reports. The Annual report details progress against the Delivery Program and activities undertaken to deliver on the objectives of the Community Strategic Plan.

### NSW Local Government Indicators

As detailed below, Council uses the NSW Local Government Indicators as metrics to highlight and report performance to the community.

Draft Long Term Financial Plan 2025/2026 to 2034/2035

MEASURE	WHAT IS MEASURED	TARGET	CALCULATION
<b>Operating Performance Ratio</b>	It <i>measures</i> a council's achievement in containing operating expenditure within operating income	>0%	The ratio is calculated by total continuing operating revenue (excludes fair value adjustments, net gain/loss on sale of assets, net share/loss on joint ventures) excluding capital grants and contributions, less operating expenses, divided by total continuing operating revenue (excluding capital grants and contributions).
<b>Own Source Operating Revenue Ratio</b>	It indicates the degree of reliance on external funding sources such as grants, and contributions received by councils	>60%	The ratio is calculated by total continuing operating revenue (excludes fair value adjustments, net gain/loss on sale of assets, net share/loss on joint ventures) less all grants and contributions divided by total continuing operating revenue (excludes fair value adjustments, net gain/loss on sale of assets, net share/loss on joint ventures) inclusive of capital grants and contributions.
<b>Unrestricted Current Ratio</b>	It measures the adequacy of working capital and the ability of a council to satisfy its obligations in the short term. It does not include externally restricted activities such as water, sewer or specific grants and contributions.	>1.5x	The ratio is calculated by current assets less all external restrictions divided by current liabilities less specific purpose liabilities.
<b>Debt Service Cover Ratio</b>	It measures the availability of operating cash to service debt including interest, principal and lease payments	>2.0x	The ratio is calculated by operating results (excludes fair value adjustments, net gain/loss on sale of assets, net share/loss on joint ventures) before capital, excluding interest and depreciation/impairment / amortisation divided by principal repayments (from Statement of Cashflow) and interest on loans.
<b>Cash Expense Cover Ratio</b>	It indicates the number of months a council can continue paying for its immediate expenses without additional cash inflow	>3 months	The ratio is calculated by current year's cash, cash equivalents and term deposits divided by payments from the cash flow of operating and financing activities, multiplied by 12.

MEASURE	WHAT IS MEASURED	TARGET	CALCULATION
<b>Rates &amp; Annual Charges Outstanding Ratio</b>	It assesses the impact of uncollected rates and annual charges on liquidity and the efficiency of councils' debt recovery.	<10%	This ratio is calculated by rates and annual charges outstanding divided by rates and annual charges levied by council.
<b>Building and Infrastructure Renewal Ratio</b>	It assesses the rate at which assets are being renewed against the rate at which they are depreciating.  Renewal is defined as the replacement of existing assets to equivalent capacity or performance capability, as opposed to the acquisition of new assets.	>100%	The ratio is calculated by asset renewals (infrastructure assets) divided by depreciation, amortisation, and impairment (infrastructure assets).
<b>Infrastructure Backlog Ratio</b>	It shows the infrastructure backlog in proportion to the total written down value (the value of an asset after accounting for depreciation, reflecting the asset's present worth) of a council's infrastructure.	<2%	The ratio is calculated by the estimated cost to bring assets to a satisfactory condition divided by the total value written down value of roads, water, sewer, buildings, and other infrastructure assets.
<b>Asset Maintenance Ratio</b>	It compares a council's actual asset maintenance expenditure against its estimated required annual asset maintenance expenditure.	>100%	The ratio is calculated by actual asset maintenance expenditure divided by required asset maintenance expenditure.

Table 6 – NSW Local Government Performance Monitoring Indicators

## Description Of Scenarios

Across the Resourcing Strategy documents, Council has outlined two scenarios that have been considered by Council as options for forward resource planning. Each scenario is described below, including a summary of the increase in rating and service charges, programmed capital works and the projected cash balances of Council.

The Base Model is The Business As Usual Model and does not include changes to the current rating approach – that is, does not plan for a Special Rate Variation Application to increase the rate revenue collected above the anticipated rate peg set by IPART. In the Appendix the following detailed analysis is provided for both scenarios:

- Income Statement
- Balance Sheet
- Cashflow Statement
- Performance Indicators

## Base Model - Business As Usual Model

The Business As Usual Model is an approach to the delivery of services and provision of infrastructure based on revenue limited by the projected rate peg (as set by IPART) and with current service charges only increasing by the projected annual CPI.

The capital works program is constrained by cash generated from operations (including rates, grants and charges) and borrowings, and is below what is considered necessary to maintain current levels of service. Assets such as roads, buildings and the sewer network are expected to further deteriorate over time, requiring future Councils to make decisions on rationalisation of assets when this inevitably begin to fail. This approach is not considered sustainable over the long term.

## Scenario One – Enhanced Asset Management

The Enhanced Asset Management scenario includes increased investment in the renewal and replacement of necessary to maintain assets at an acceptable level of service into the future. There is an increased investment in resealing of roads, gravel re-sheeting of unsealed roads and resealing of sealed roads. This scenario is funded through the introduction of a special variation in the rates increasing the general rate by 15% for three consecutive years (a permanent increase), from 2026/2027, and then returning to the projected rate peg approved by IPART.

## Budget Alignment

Council has aligned the 2025/26 budget position within the LTFP. This alignment ensures that the budget reflects the most up-to-date financial information, including the projected starting 2025/26 cash position and reserve balances, and considers any changes or adjustments made during the quarter. The projection for the 2025/26 LTFP budget has been aligned with the proposed annual budget, pending Council adoption.



# Appendix 1 - Financial Statements and Performance Indicators - Business As Usual Model

## Income Statement

<b>Long Term Financial Plan - CONSOLIDATED (DRAFT)</b>											
<b>INCOME STATEMENT</b>											
<b>\$ '000</b>		<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>
	Notes	<b>Budget</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
<b>Income from Continuing Operations</b>											
<b>Revenue:</b>											
Rates & annual charges		5,070	5,273	5,484	5,703	5,931	6,168	6,415	6,672	6,939	7,216
User charges & fees		2,770	2,881	2,996	3,086	3,178	3,274	3,372	3,473	3,577	3,721
Interest & investment revenue		356	200	100	103	106	109	113	116	119	123
Other revenues		272	283	294	303	312	321	331	341	351	365
Grants & contributions for operating purposes		11,932	13,720	10,271	10,579	10,896	11,223	11,560	11,907	12,264	12,632
Grants & contributions for capital purposes		2,273	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other income		1,656	1,673	1,689	1,706	1,723	1,740	1,758	1,775	1,793	1,865
Net gains from disposal of assets		325	120	123	125	128	130	133	136	138	141
Net share of interests in joint ventures		-	-	-	-	-	-	-	-	-	-
<b>TOTAL INCOME FROM CONTINUING OPERATIONS</b>		<b>24,654</b>	<b>25,149</b>	<b>21,957</b>	<b>22,605</b>	<b>23,275</b>	<b>23,967</b>	<b>24,682</b>	<b>25,420</b>	<b>26,182</b>	<b>27,063</b>
<b>Expenses from Continuing Operations</b>											
Employee benefits & costs		6,880	7,299	7,744	8,215	8,715	9,246	9,809	10,407	11,040	11,713
Borrowing costs		357	339	322	306	291	276	262	249	237	225
Materials & services		15,020	12,348	8,730	8,992	9,262	9,540	9,826	10,121	10,424	10,737
Depreciation & amortisation		3,558	3,579	3,601	3,622	3,644	3,666	3,688	3,710	3,732	3,755
Impairment		-	-	-	-	-	-	-	-	-	-
Other expenses		406	422	439	452	466	480	494	509	524	540
Net losses from disposal of assets		-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENSES FROM CONTINUING OPERATIONS</b>		<b>26,221</b>	<b>23,988</b>	<b>20,836</b>	<b>21,588</b>	<b>22,378</b>	<b>23,208</b>	<b>24,080</b>	<b>24,996</b>	<b>25,958</b>	<b>26,970</b>
<b>OPERATING RESULT FOR THE YEAR</b>		<b>(1,567)</b>	<b>1,161</b>	<b>1,121</b>	<b>1,017</b>	<b>897</b>	<b>759</b>	<b>602</b>	<b>424</b>	<b>224</b>	<b>93</b>
<b>NET OPERATING RESULT FOR THE YEAR BEFORE GRANTS &amp; CONTRIBUTIONS FOR CAPITAL PURPOSES</b>											
		<b>(3,840)</b>	<b>161</b>	<b>121</b>	<b>17</b>	<b>(103)</b>	<b>(241)</b>	<b>(398)</b>	<b>(576)</b>	<b>(776)</b>	<b>(907)</b>
<b>NET OPERATING RESULT FOR THE YEAR BEFORE GRANTS &amp; CONTRIBUTIONS FOR CAPITAL PURPOSES and EXCLUDING EXTRAORDINARY ITEMS</b>											
		<b>(3,840)</b>	<b>161</b>	<b>121</b>	<b>17</b>	<b>(103)</b>	<b>(241)</b>	<b>(398)</b>	<b>(576)</b>	<b>(776)</b>	<b>(907)</b>

## Balance Sheet

Long Term Financial Plan - CONSOLIDATED (DRAFT)											
STATEMENT OF FINANCIAL POSITION											
\$ '000	Notes	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
		Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Assets</b>											
<b>Current Assets:</b>											
Cash & cash equivalents		8,857	9,105	9,321	9,460	9,507	9,443	9,253	8,916	8,409	7,796
Investments		-	-	-	-	-	-	-	-	-	-
Receivables		1,005	1,063	967	973	911	895	848	822	782	751
Inventories		241	251	261	269	277	285	294	303	312	321
Other		2,478	2,577	2,680	2,760	2,843	2,928	3,016	3,107	3,200	3,296
Non-current assets classified as 'held for sale'		-	-	-	-	-	-	-	-	-	-
<b>TOTAL CURRENT ASSETS</b>		<b>12,581</b>	<b>12,995</b>	<b>13,229</b>	<b>13,462</b>	<b>13,539</b>	<b>13,552</b>	<b>13,411</b>	<b>13,147</b>	<b>12,703</b>	<b>12,164</b>
<b>Non-Current Assets:</b>											
Investments		-	-	-	-	-	-	-	-	-	-
Receivables		28	29	30	31	32	33	34	35	36	37
Inventories		83	83	83	83	83	83	83	83	83	83
Infrastructure, property, plant & equipment		273,105	276,684	280,285	283,908	287,552	291,218	294,906	298,616	302,348	306,103
Investments accounted for using the equity method		42,058	44,161	46,369	48,687	51,121	53,678	56,361	59,179	62,138	65,245
Investment property		-	-	-	-	-	-	-	-	-	-
Intangible assets		-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>315,274</b>	<b>320,957</b>	<b>326,767</b>	<b>332,709</b>	<b>338,788</b>	<b>345,011</b>	<b>351,384</b>	<b>357,913</b>	<b>364,606</b>	<b>371,469</b>
<b>TOTAL ASSETS</b>		<b>327,855</b>	<b>333,952</b>	<b>339,996</b>	<b>346,171</b>	<b>352,327</b>	<b>358,563</b>	<b>364,795</b>	<b>371,061</b>	<b>377,309</b>	<b>383,633</b>
<b>Liabilities</b>											
<b>Current Liabilities:</b>											
Payables		3,837	3,991	4,150	4,275	4,403	4,535	4,671	4,811	4,956	5,104
Borrowings		357	339	322	306	291	276	262	249	237	225
Contract Liabilities		1,595	1,659	1,725	1,777	1,830	1,885	1,941	2,000	2,060	2,122
Provisions		1,106	1,089	1,072	1,054	1,035	1,017	997	977	956	935
<b>TOTAL CURRENT LIABILITIES</b>		<b>6,895</b>	<b>7,078</b>	<b>7,269</b>	<b>7,412</b>	<b>7,559</b>	<b>7,713</b>	<b>7,872</b>	<b>8,037</b>	<b>8,209</b>	<b>8,386</b>
<b>Non-Current Liabilities:</b>											
Payables		-	-	-	-	-	-	-	-	-	-
Borrowings		3,325	2,986	2,663	2,357	2,066	1,790	1,528	1,278	1,042	817
Contract Liabilities		-	-	-	-	-	-	-	-	-	-
Provisions		866	901	937	945	923	951	980	1,009	1,039	1,070
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>4,191</b>	<b>3,886</b>	<b>3,600</b>	<b>3,302</b>	<b>2,990</b>	<b>2,741</b>	<b>2,507</b>	<b>2,287</b>	<b>2,081</b>	<b>1,887</b>
<b>TOTAL LIABILITIES</b>		<b>11,086</b>	<b>10,964</b>	<b>10,869</b>	<b>10,714</b>	<b>10,549</b>	<b>10,454</b>	<b>10,380</b>	<b>10,325</b>	<b>10,289</b>	<b>10,273</b>
<b>NET ASSETS</b>		<b>316,769</b>	<b>322,988</b>	<b>329,126</b>	<b>335,457</b>	<b>341,778</b>	<b>348,109</b>	<b>354,416</b>	<b>360,736</b>	<b>367,019</b>	<b>373,360</b>
<b>Equity</b>											
Retained earnings		187,846	190,486	193,023	195,731	198,408	201,073	203,692	206,302	208,853	211,439
Revaluation reserves		128,923	132,502	136,103	139,726	143,370	147,036	150,724	154,434	158,166	161,921
<b>Council equity interest</b>		<b>316,769</b>	<b>322,988</b>	<b>329,126</b>	<b>335,457</b>	<b>341,778</b>	<b>348,109</b>	<b>354,416</b>	<b>360,736</b>	<b>367,019</b>	<b>373,360</b>
<b>Non-controlling interest</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY</b>		<b>316,769</b>	<b>322,988</b>	<b>329,126</b>	<b>335,457</b>	<b>341,778</b>	<b>348,109</b>	<b>354,416</b>	<b>360,736</b>	<b>367,019</b>	<b>373,360</b>

## Cashflow Statement

<b>Long Term Financial Plan - CONSOLIDATED (DRAFT)</b>											
<b>STATEMENT OF CASH FLOWS</b>											
\$ '000		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Notes	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates & annual charges		4,817	4,746	4,935	5,133	5,338	5,552	5,774	6,005	6,245	6,495
User charges & fees		2,632	2,593	2,696	2,777	2,861	2,946	3,035	3,126	3,220	3,348
Investment & interest revenue received		356	200	100	103	106	109	113	116	119	123
Grants & contributions		13,495	13,248	10,144	10,421	10,707	11,001	11,304	11,616	11,937	12,268
Bonds, deposits & retention amounts received		-	-	-	-	-	-	-	-	-	-
Other		1,832	1,760	1,785	1,808	1,832	1,856	1,880	1,905	1,930	2,007
<b>Payments:</b>											
Employee benefits & costs		(6,536)	(6,569)	(6,969)	(7,394)	(7,844)	(8,322)	(8,828)	(9,366)	(9,936)	(10,541)
Materials & services		(14,269)	(11,113)	(7,857)	(8,093)	(8,336)	(8,586)	(8,843)	(9,108)	(9,382)	(9,663)
Borrowing costs		(357)	(339)	(322)	(306)	(291)	(276)	(262)	(249)	(237)	(225)
Bonds, deposits & retention amounts refunded		-	-	-	-	-	-	-	-	-	-
Other		(386)	(380)	(395)	(407)	(419)	(432)	(445)	(458)	(472)	(486)
<b>NET CASH PROVIDED (OR USED IN) OPERATING ACTIVITIES</b>		<b>1,584</b>	<b>4,146</b>	<b>4,117</b>	<b>4,042</b>	<b>3,954</b>	<b>3,848</b>	<b>3,727</b>	<b>3,587</b>	<b>3,425</b>	<b>3,326</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of investment securities		-	-	-	-	-	-	-	-	-	-
Sale of infrastructure, property, plant & equipment		325	120	123	125	128	130	133	136	138	141
Deferred debtors receipts		50	50	50	50	50	50	50	50	50	50
Other investing activity receipts		-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>											
Purchase of investment securities/property		-	-	-	-	-	-	-	-	-	-
Purchase of infrastructure, property, plant & equipment		(3,558)	(3,579)	(3,601)	(3,622)	(3,644)	(3,666)	(3,688)	(3,710)	(3,732)	(3,755)
Deferred debtors & advances made		-	-	-	-	-	-	-	-	-	-
<b>NET CASH PROVIDED (OR USED IN) INVESTING ACTIVITIES</b>		<b>(3,183)</b>	<b>(3,409)</b>	<b>(3,428)</b>	<b>(3,447)</b>	<b>(3,466)</b>	<b>(3,486)</b>	<b>(3,505)</b>	<b>(3,524)</b>	<b>(3,544)</b>	<b>(3,564)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from borrowings & advances		-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>											
Repayment of borrowings & advances		(507)	(489)	(472)	(456)	(441)	(426)	(412)	(399)	(387)	(375)
Repayment of finance lease liabilities		-	-	-	-	-	-	-	-	-	-
<b>NET CASH PROVIDED (OR USED IN) FINANCING ACTIVITIES</b>		<b>(507)</b>	<b>(489)</b>	<b>(472)</b>	<b>(456)</b>	<b>(441)</b>	<b>(426)</b>	<b>(412)</b>	<b>(399)</b>	<b>(387)</b>	<b>(375)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>		<b>(2,106)</b>	<b>247</b>	<b>217</b>	<b>138</b>	<b>47</b>	<b>(64)</b>	<b>(190)</b>	<b>(337)</b>	<b>(507)</b>	<b>(613)</b>
<b>plus: CASH &amp; CASH EQUIVALENTS - beginning of year</b>		<b>10,963</b>	<b>8,857</b>	<b>9,105</b>	<b>9,321</b>	<b>9,460</b>	<b>9,507</b>	<b>9,443</b>	<b>9,253</b>	<b>8,916</b>	<b>8,409</b>
<b>CASH &amp; CASH EQUIVALENTS - end of year</b>		<b>8,857</b>	<b>9,105</b>	<b>9,321</b>	<b>9,460</b>	<b>9,507</b>	<b>9,443</b>	<b>9,253</b>	<b>8,916</b>	<b>8,409</b>	<b>7,796</b>
Cash and Cash Equivalents - end of year		8,857	9,105	9,321	9,460	9,507	9,443	9,253	8,916	8,409	7,796
Investments - end of year		-	-	-	-	-	-	-	-	-	-
<b>CASH, CASH EQUIVALENTS &amp; INVESTMENTS - end of year</b>		<b>8,857</b>	<b>9,105</b>	<b>9,321</b>	<b>9,460</b>	<b>9,507</b>	<b>9,443</b>	<b>9,253</b>	<b>8,916</b>	<b>8,409</b>	<b>7,796</b>

Performance Indicators

Long Term Financial Plan - CONSOLIDATED (DRAFT)										
FINANCIAL RATIOS										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Operating Performance Ratio</b> <i>This ratio measures Council's ability to contain operating expenditure within operating revenue</i>	-17.16%	0.67%	0.58%	0.08%	-0.46%	-1.05%	-1.68%	-2.36%	-3.08%	-3.48%
Benchmark - Greater than 0%										
<i>(operating revenue excl. capital grants and contributions - operating expenses) / operating revenue excluding capital grants and contributions</i>										
<b>Own Source Operating Revenue incl. FAGs</b> <i>Flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council's financial flexibility improves the higher the level of its own source revenue</i>	60.64%	59.36%	69.16%	68.68%	68.22%	67.78%	67.35%	66.93%	66.53%	66.26%
Benchmark - Greater than 60%										
<i>operating revenue excl. grants and contributions (except FAGs) / operating revenue incl. all grants and contributions</i>										
<b>Own Source Operating Revenue excl. FAGs</b> <i>Flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council's financial flexibility improves the higher the level of its own source revenue</i>	59.62%	58.37%	68.03%	67.58%	67.15%	66.73%	66.33%	65.95%	65.57%	65.33%
Benchmark - Greater than 60%										
<i>operating revenue excl. all grants and contributions / operating revenue incl. all grants and contributions</i>										
<b>Building and Asset Renewal Ratio</b> <i>Forecasting to meet its consumption level on assets by renewing or replacing assets</i>	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Benchmark - Greater than 100% - average over 3 years										
<i>asset renewals (building and infrastructure) / Depreciation, amortisation and impairment (building and infrastructure)</i>										
<b>Infrastructure Backlog Ratio</b> <i>This ratio shows what proportion the backlog is against total value of infrastructure</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Benchmark - Less than 2%										
<i>Estimated cost to bring to satisfactory condition / Total (VDV) of infrastructure, buildings and other structures</i>										
<b>Asset Maintenance Ratio</b> <i>This ratio shows whether assets are maintained to the current standard</i>	98%	98%	100%	102%	102%	102%	102%	102%	102%	102%
Benchmark - Greater than 100% - average over 3 years										
<i>Actual asset maintenance / Required asset maintenance</i>										
<b>Debt Service Ratio</b> <i>This ratio measures the ability to service debt including interest, principal, and lease payments</i>	4%	3%	4%	4%	3%	3%	3%	3%	2%	2%
Benchmark - Between 0% and 20%										
<i>Cost of debt service (interest expense &amp; principal repayments) / Total continuing operating revenue (excl. capital grants &amp; contributions)</i>										
<b>Cash Expense Cover Ratio</b> <i>This ratio indicates the number of months Council can continue paying for its immediate expenses without additional cash inflow</i>	4.82	5.78	6.98	6.82	6.58	6.28	5.91	5.46	4.94	4.39
Benchmark - Greater than 3.0 months										
<i>(current year's cash and cash equivalents / (total expenses - depreciation - interest costs)) * 12</i>										

## Appendix 2 - Financial Statements and Performance Indicators

### Scenario One – Enhanced Asset Management Operating Statement

#### Income Statement

<b>Long Term Financial Plan - CONSOLIDATED (DRAFT)</b>											
<b>INCOME STATEMENT</b>											
<b>\$ '000</b>		<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>
	Notes	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Income from Continuing Operations</b>											
<b>Revenue:</b>											
Rates & annual charges		5,070	5,831	6,705	7,711	8,019	8,340	8,674	9,021	9,381	9,757
User charges & fees		2,770	2,881	2,996	3,086	3,178	3,274	3,372	3,473	3,577	3,721
Interest & investment revenue		356	200	100	103	106	109	113	116	119	123
Other revenues		272	283	294	303	312	321	331	341	351	365
Grants & contributions for operating purposes		11,932	13,720	10,271	10,579	10,896	11,223	11,560	11,907	12,264	12,632
Grants & contributions for capital purposes		2,273	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other Income		1,656	1,673	1,689	1,706	1,723	1,740	1,758	1,775	1,793	1,865
Net gains from disposal of assets		325	120	123	125	128	130	133	136	138	141
Net share of interests in joint ventures		-	-	-	-	-	-	-	-	-	-
<b>TOTAL INCOME FROM CONTINUING OPERATIONS</b>		<b>24,654</b>	<b>25,707</b>	<b>23,178</b>	<b>24,613</b>	<b>25,363</b>	<b>26,138</b>	<b>26,940</b>	<b>27,769</b>	<b>28,624</b>	<b>29,603</b>
<b>Expenses from Continuing Operations</b>											
Employee benefits & costs		6,880	7,299	7,744	8,215	8,715	9,246	9,809	10,407	11,040	11,713
Borrowing costs		357	404	404	404	500	831	748	673	606	225
Materials & services		15,020	13,034	9,757	10,050	10,351	10,662	10,982	11,311	11,651	11,368
Depreciation & amortisation		3,558	3,579	3,601	3,622	3,644	3,666	3,688	3,710	3,732	3,755
Impairment		-	-	-	-	-	-	-	-	-	-
Other expenses		406	422	439	452	466	480	494	509	524	540
Net losses from disposal of assets		-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENSES FROM CONTINUING OPERATIONS</b>		<b>26,221</b>	<b>24,739</b>	<b>21,945</b>	<b>22,744</b>	<b>23,677</b>	<b>24,885</b>	<b>25,721</b>	<b>26,610</b>	<b>27,554</b>	<b>27,601</b>
<b>OPERATING RESULT FOR THE YEAR</b>		<b>(1,567)</b>	<b>968</b>	<b>1,234</b>	<b>1,869</b>	<b>1,687</b>	<b>1,253</b>	<b>1,219</b>	<b>1,159</b>	<b>1,071</b>	<b>2,002</b>
<b>NET OPERATING RESULT FOR THE YEAR BEFORE GRANTS &amp; CONTRIBUTIONS FOR CAPITAL PURPOSES</b>		<b>(3,840)</b>	<b>(32)</b>	<b>234</b>	<b>869</b>	<b>687</b>	<b>253</b>	<b>219</b>	<b>159</b>	<b>71</b>	<b>1,002</b>
<b>NET OPERATING RESULT FOR THE YEAR BEFORE GRANTS &amp; CONTRIBUTIONS FOR CAPITAL PURPOSES and EXCLUDING EXTRAORDINARY ITEMS</b>		<b>(3,840)</b>	<b>(32)</b>	<b>234</b>	<b>869</b>	<b>687</b>	<b>253</b>	<b>219</b>	<b>159</b>	<b>71</b>	<b>1,002</b>

## Balance Sheet

Long Term Financial Plan - CONSOLIDATED (DRAFT)											
STATEMENT OF FINANCIAL POSITION											
\$ '000	Notes	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
		Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Assets</b>											
<b>Current Assets:</b>											
Cash & cash equivalents		8,857	8,685	8,568	8,847	9,125	8,695	9,010	9,292	9,511	10,615
Investments		-	-	-	-	-	-	-	-	-	-
Receivables		1,005	1,063	967	973	911	895	848	822	782	751
Inventories		241	251	261	269	277	285	294	303	312	321
Other		2,478	2,577	2,680	2,760	2,843	2,928	3,016	3,107	3,200	3,296
Non-current assets classified as 'held for sale'		-	-	-	-	-	-	-	-	-	-
<b>TOTAL CURRENT ASSETS</b>		<b>12,581</b>	<b>12,575</b>	<b>12,476</b>	<b>12,849</b>	<b>13,156</b>	<b>12,803</b>	<b>13,169</b>	<b>13,523</b>	<b>13,805</b>	<b>14,983</b>
<b>Non-Current Assets:</b>											
Investments		-	-	-	-	-	-	-	-	-	-
Receivables		28	29	30	31	32	33	34	35	36	37
Inventories		83	83	83	83	83	83	83	83	83	83
Infrastructure, property, plant & equipment		273,105	276,684	280,285	283,908	287,552	291,218	294,906	298,616	302,348	306,103
Investments accounted for using the equity method		42,058	44,161	46,369	48,687	51,121	53,678	56,361	59,179	62,138	65,245
Investment property		-	-	-	-	-	-	-	-	-	-
Intangible assets		-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>315,274</b>	<b>320,957</b>	<b>326,767</b>	<b>332,709</b>	<b>338,788</b>	<b>345,011</b>	<b>351,384</b>	<b>357,913</b>	<b>364,606</b>	<b>371,469</b>
<b>TOTAL ASSETS</b>		<b>327,855</b>	<b>333,532</b>	<b>339,243</b>	<b>345,558</b>	<b>351,944</b>	<b>357,815</b>	<b>364,553</b>	<b>371,437</b>	<b>378,411</b>	<b>386,452</b>
<b>Liabilities</b>											
<b>Current Liabilities:</b>											
Payables		3,837	3,991	4,150	4,275	4,403	4,535	4,671	4,811	4,956	5,104
Borrowings		357	404	514	683	779	831	748	673	606	225
Contract Liabilities		1,595	1,659	1,725	1,777	1,830	1,885	1,941	2,000	2,060	2,122
Provisions		1,106	1,089	1,072	1,054	1,035	1,017	997	977	956	935
<b>TOTAL CURRENT LIABILITIES</b>		<b>6,895</b>	<b>7,142</b>	<b>7,461</b>	<b>7,789</b>	<b>8,048</b>	<b>8,268</b>	<b>8,358</b>	<b>8,461</b>	<b>8,578</b>	<b>8,386</b>
<b>Non-Current Liabilities:</b>											
Payables		-	-	-	-	-	-	-	-	-	-
Borrowings		3,325	3,921	4,407	4,724	3,945	3,114	2,366	1,693	1,087	817
Contract Liabilities		-	-	-	-	-	-	-	-	-	-
Provisions		866	901	937	945	923	951	980	1,009	1,039	1,070
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>4,191</b>	<b>4,821</b>	<b>5,344</b>	<b>5,669</b>	<b>4,868</b>	<b>4,065</b>	<b>3,345</b>	<b>2,702</b>	<b>2,126</b>	<b>1,887</b>
<b>TOTAL LIABILITIES</b>		<b>11,086</b>	<b>11,964</b>	<b>12,805</b>	<b>13,457</b>	<b>12,916</b>	<b>12,333</b>	<b>11,703</b>	<b>11,163</b>	<b>10,704</b>	<b>10,273</b>
<b>NET ASSETS</b>		<b>316,769</b>	<b>321,568</b>	<b>326,438</b>	<b>332,100</b>	<b>339,028</b>	<b>345,482</b>	<b>352,850</b>	<b>360,274</b>	<b>367,707</b>	<b>376,179</b>
<b>Equity</b>											
Retained earnings		187,846	189,066	190,335	192,375	195,659	198,446	202,126	205,840	209,541	214,257
Revaluation reserves		128,923	132,502	136,103	139,726	143,370	147,036	150,724	154,434	158,166	161,921
<b>Council equity interest</b>		<b>316,769</b>	<b>321,568</b>	<b>326,438</b>	<b>332,100</b>	<b>339,028</b>	<b>345,482</b>	<b>352,850</b>	<b>360,274</b>	<b>367,707</b>	<b>376,179</b>
Non-controlling interest		-	-	-	-	-	-	-	-	-	-
<b>TOTAL EQUITY</b>		<b>316,769</b>	<b>321,568</b>	<b>326,438</b>	<b>332,100</b>	<b>339,028</b>	<b>345,482</b>	<b>352,850</b>	<b>360,274</b>	<b>367,707</b>	<b>376,179</b>

## Cashflow Statement

<b>Long Term Financial Plan - CONSOLIDATED (DRAFT)</b>											
<b>STATEMENT OF CASH FLOWS</b>											
\$ '000	Notes	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
		Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates & annual charges		4,817	5,247	6,035	6,940	7,217	7,506	7,806	8,119	8,443	8,781
User charges & fees		2,632	2,593	2,696	2,777	2,861	2,946	3,035	3,126	3,220	3,348
Investment & interest revenue received		356	200	100	103	106	109	113	116	119	123
Grants & contributions		13,495	13,248	10,144	10,421	10,707	11,001	11,304	11,616	11,937	12,268
Bonds, deposits & retention amounts received		-	-	-	-	-	-	-	-	-	-
Other		1,832	1,760	1,785	1,808	1,832	1,856	1,880	1,905	1,930	2,007
<b>Payments:</b>											
Employee benefits & costs		(6,536)	(6,569)	(6,969)	(7,394)	(7,844)	(8,322)	(8,828)	(9,366)	(9,936)	(10,541)
Materials & services		(14,269)	(11,731)	(8,781)	(9,045)	(9,316)	(9,596)	(9,884)	(10,180)	(10,485)	(10,232)
Borrowing costs		(357)	(404)	(404)	(404)	(500)	(831)	(748)	(673)	(606)	(225)
Bonds, deposits & retention amounts refunded		-	-	-	-	-	-	-	-	-	-
Other		(386)	(380)	(395)	(407)	(419)	(432)	(445)	(458)	(472)	(486)
<b>NET CASH PROVIDED (OR USED IN) OPERATING ACTIVITIES</b>		<b>1,584</b>	<b>3,964</b>	<b>4,211</b>	<b>4,799</b>	<b>4,644</b>	<b>4,237</b>	<b>4,233</b>	<b>4,205</b>	<b>4,151</b>	<b>5,043</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of investment securities		-	-	-	-	-	-	-	-	-	-
Sale of infrastructure, property, plant & equipment		325	120	123	125	128	130	133	136	138	141
Deferred debtors receipts		50	50	50	50	50	50	50	50	50	50
Other investing activity receipts		-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>											
Purchase of investment securities/property		-	-	-	-	-	-	-	-	-	-
Purchase of infrastructure, property, plant & equipment		(3,558)	(3,579)	(3,601)	(3,622)	(3,644)	(3,666)	(3,688)	(3,710)	(3,732)	(3,755)
Deferred debtors & advances made		-	-	-	-	-	-	-	-	-	-
<b>NET CASH PROVIDED (OR USED IN) INVESTING ACTIVITIES</b>		<b>(3,183)</b>	<b>(3,409)</b>	<b>(3,428)</b>	<b>(3,447)</b>	<b>(3,466)</b>	<b>(3,486)</b>	<b>(3,505)</b>	<b>(3,524)</b>	<b>(3,544)</b>	<b>(3,564)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from borrowings & advances		-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>											
Repayment of borrowings & advances		(507)	(727)	(900)	(1,073)	(900)	(1,181)	(412)	(399)	(387)	(375)
Repayment of finance lease liabilities		-	-	-	-	-	-	-	-	-	-
<b>NET CASH PROVIDED (OR USED IN) FINANCING ACTIVITIES</b>		<b>(507)</b>	<b>(727)</b>	<b>(900)</b>	<b>(1,073)</b>	<b>(900)</b>	<b>(1,181)</b>	<b>(412)</b>	<b>(399)</b>	<b>(387)</b>	<b>(375)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>		<b>(2,106)</b>	<b>(172)</b>	<b>(117)</b>	<b>279</b>	<b>278</b>	<b>(430)</b>	<b>316</b>	<b>282</b>	<b>219</b>	<b>1,104</b>
<b>plus: CASH &amp; CASH EQUIVALENTS - beginning of year</b>		<b>10,963</b>	<b>8,857</b>	<b>8,685</b>	<b>8,568</b>	<b>8,847</b>	<b>9,125</b>	<b>8,695</b>	<b>9,010</b>	<b>9,292</b>	<b>9,511</b>
<b>CASH &amp; CASH EQUIVALENTS - end of year</b>		<b>8,857</b>	<b>8,685</b>	<b>8,568</b>	<b>8,847</b>	<b>9,125</b>	<b>8,695</b>	<b>9,010</b>	<b>9,292</b>	<b>9,511</b>	<b>10,615</b>
Cash and Cash Equivalents - end of year		8,857	8,685	8,568	8,847	9,125	8,695	9,010	9,292	9,511	10,615
Investments - end of year		-	-	-	-	-	-	-	-	-	-
<b>CASH, CASH EQUIVALENTS &amp; INVESTMENTS- end of year</b>		<b>8,857</b>	<b>8,685</b>	<b>8,568</b>	<b>8,847</b>	<b>9,125</b>	<b>8,695</b>	<b>9,010</b>	<b>9,292</b>	<b>9,511</b>	<b>10,615</b>

Performance Indicators

Long Term Financial Plan - CONSOLIDATED (DRAFT)										
FINANCIAL RATIOS										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Operating Performance Ratio</b> <i>This ratio measures Council's ability to contain operating expenditure within operating revenue</i>	-17.16%	-0.13%	1.05%	3.68%	2.82%	1.01%	0.84%	0.59%	0.26%	3.50%
Benchmark - Greater than 0%										
<i>(operating revenue excl. capital grants and contributions - operating expenses) / operating revenue excluding capital grants and contributions</i>										
<b>Own Source Operating Revenue incl. FAGs</b> <i>Flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council's financial flexibility improves the higher the level of its own source revenue</i>	60.64%	60.24%	70.79%	71.24%	70.84%	70.45%	70.08%	69.73%	69.38%	69.15%
Benchmark - Greater than 60%										
<i>operating revenue excl. grants and contributions (except FAGs) / operating revenue incl. all grants and contributions</i>										
<b>Own Source Operating Revenue excl. FAGs</b> <i>Flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council's financial flexibility improves the higher the level of its own source revenue</i>	59.62%	59.27%	69.71%	70.22%	69.85%	69.50%	69.15%	68.83%	68.51%	68.31%
Benchmark - Greater than 60%										
<i>operating revenue excl. all grants and contributions / operating revenue incl. all grants and contributions</i>										
<b>Building and Asset Renewal Ratio</b> <i>Forecasting to meet its consumption level on assets by renewing or replacing assets</i>	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Benchmark - Greater than 100% - average over 3 years										
<i>asset renewals (building and infrastructure) / Depreciation, amortisation and impairment (building and infrastructure)</i>										
<b>Infrastructure Backlog Ratio</b> <i>This ratio shows what proportion the backlog is against total value of infrastructure</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Benchmark - Less than 2%										
<i>Estimated cost to bring to satisfactory condition / Total (WDV) of infrastructure, buildings and other structures</i>										
<b>Asset Maintenance Ratio</b> <i>This ratio shows whether assets are maintained to the current standard</i>	98%	98%	100%	102%	102%	102%	102%	102%	102%	102%
Benchmark - Greater than 100% - average over 3 years										
<i>Actual asset maintenance / Required asset maintenance</i>										
<b>Debt Service Ratio</b> <i>This ratio measures the ability to service debt including interest, principal, and lease payments</i>	4%	5%	6%	6%	6%	8%	4%	4%	4%	2%
Benchmark - Between 0% and 20%										
<i>Cost of debt service (interest expense &amp; principal repayments) / Total continuing operating revenue (excl. capital grants &amp; contributions)</i>										
<b>Cash Expense Cover Ratio</b> <i>This ratio indicates the number of months Council can continue paying for its immediate expenses without additional cash inflow</i>	4.82	5.26	5.89	5.79	5.77	5.12	5.32	5.29	5.21	5.83
Benchmark - Greater than 3.0 months										
<i>(current year's cash and cash equivalents / (total expenses - depreciation - interest costs) * 12</i>										