

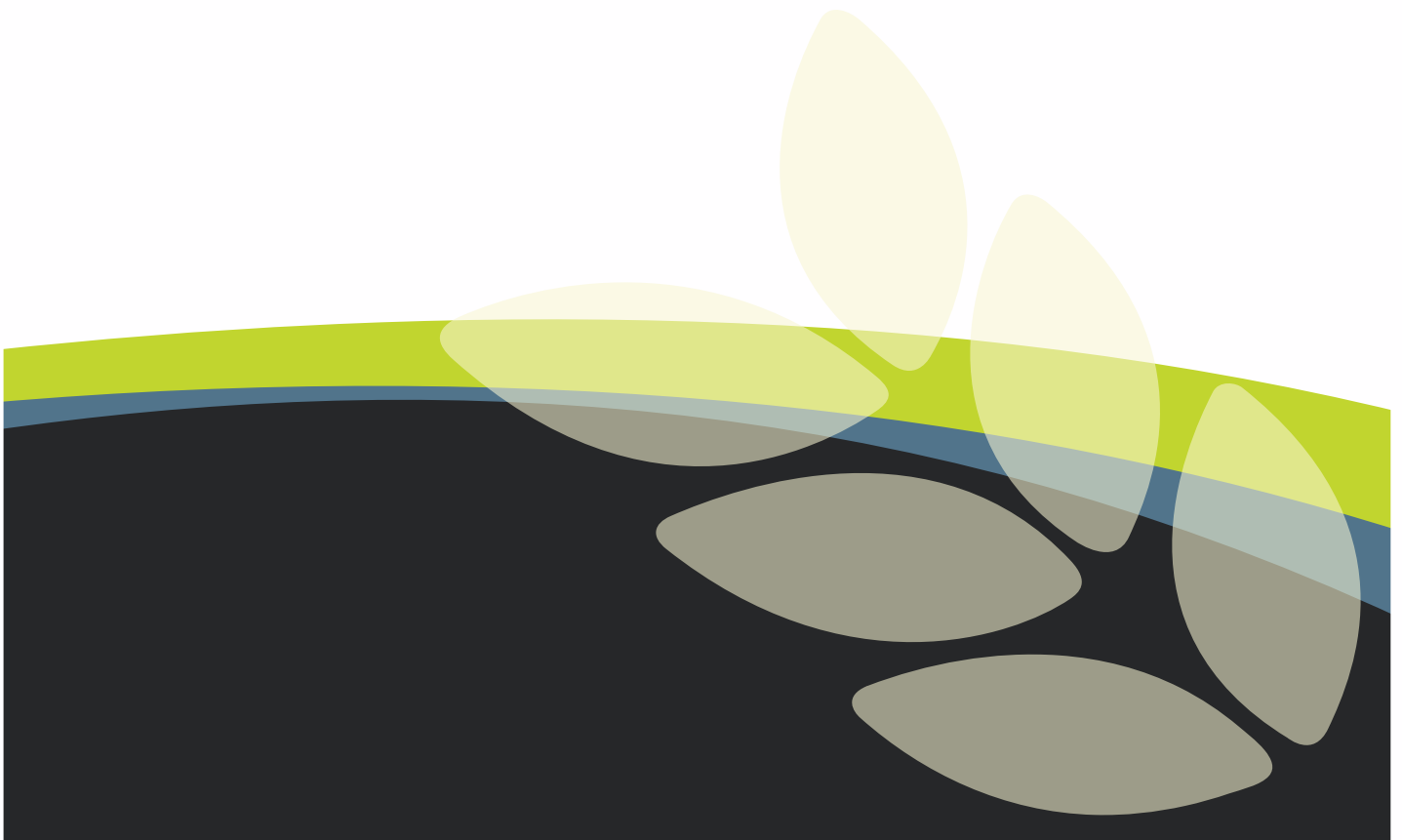


**COOTAMUNDRA-  
GUNDAGAI** REGIONAL  
COUNCIL

Operational Plan 2020 -2021 Part 4

# **2020-21 to 2029-30**

## **Long Term Financial Plan**



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## Version Control

| Ref | Date        | Date effective | Council Resolution | Description                  |
|-----|-------------|----------------|--------------------|------------------------------|
| 1.0 | 1 June 2020 | 1 June 2020    | 134/2020           | Placed on public exhibition. |
|     |             |                |                    |                              |

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# Information and Background

## About this plan

The Long Term Financial Plan is an important part of Council's strategic planning process. This is the point where community aspirations and goals are tested against financial realities.

The Long Term Financial Plan seeks to answer the questions:

- Can Council survive the pressures of the future?
- What are the opportunities for future income and economic growth?
- Can Council afford what the community wants?
- What income is needed to achieve these outcomes?

The Long Term Financial Plan is a decision making and problem solving tool. The modelling that occurs as part of the plan will help Council to align resources with strategies, providing information that helps Council to capitalise on opportunities and weather unexpected events. It is a dynamic document, reviewed and updated at each of Council's quarterly budget reviews. The Long Term Financial Plan changes as the needs, strategies and financial position of Council change over time.

The output of the Long Term Financial Plan is a ten year budget; financial reports over a ten year planning period. The current budget information is included in the appendices of this document.

## Planning Framework

This Long Term Financial Plan has been prepared in accordance with the Integrated Planning and Reporting Framework<sup>1</sup>. The framework allows Council to draw all its plans together, planning holistically for the future. The Community Strategic Plan is the highest level plan that Council prepares, and all other plans and policies support the achievement of the community's vision for the future.



The Long Term Financial Plan forms part of the resourcing strategy, along with Council's Asset Management Plans and Workforce Management Plan. It has a timeframe of 10 years, although it will be reviewed and updated annually as part of the development of the Operational Plan.

All of the activities and capital works detailed in the Delivery Program and Operational Plan have been budgeted for within this Long Term Financial Plan. Council also has Asset Management Plans that aim to predict maintenance and renewal needs of major community infrastructure assets such as roads, bridges, footpaths, stormwater drainage, water and sewerage networks, and community buildings. There is appropriate consistency between this long term financial plan and each of Council's Asset Management Plans, and this ensures that the necessary capital outlays (as per the Asset Management Plans) are included in Council's ten year budget.

The projected income and expenditure statement, balance sheet and cash flow statement have been prepared on an accruals basis and in accordance with Australian Accounting Standards. The accounting policies applied to these budgets are as detailed in Council's General Purpose Financial Statements. Financial amounts are indexed to represent the expected actual dollar amount required in each year.

<sup>1</sup> In accordance with section 403 of the Local Government Act 1993.

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## Asset Management Planning

Councils provide physical assets to for the community to meet the need for public access to major economic and social facilities and services. A key issue facing local governments throughout Australia is the management and financing of ageing assets that are in need of renewal and replacement.

Infrastructure assets such as roads, drains, bridges, water and sewerage and public buildings present particular challenges as their condition and longevity can be difficult to determine and increasing public demands on quality and standards adds to the complexity. The cost of asset renewal, maintenance and upgrades is large and requires planning for large peaks and troughs in expenditure.

Council has developed an asset management strategy, and initial asset management plans for every class of assets. This long term financial plan will be kept current, and updated to include all asset maintenance and renewal, to match the amounts reflected in the asset management plans, as those plans continue to be developed.

## Financial Sustainability

### Where are we now: our current financial position<sup>2</sup>

#### Operating Performance

Cootamundra-Gundagai Regional Council faces a number of challenges in terms of financial sustainability. We are a small regional NSW Council with a population of 11,235, responsible for providing services across an area of 3,990 sq km, and maintaining \$602<sup>3</sup> million of community assets.

Cootamundra-Gundagai Regional Council reported an operating profit of \$4.3 million for 2019, following a loss of \$7.1 million the previous year. These fluctuations are largely due to timing differences between the receipt of grant funding and the expenditure. With a significant proportion of council's income and expenditure being grant-related, this situation is likely to continue.

#### Financial Position

At 30 June 2019, Council had \$33 million of current assets, predominantly cash and investments, and current liabilities of \$8.1 million, mostly being provisions for employee leave. Council had two loans at 30 June 2019, relating to the construction of the Cootamundra indoor pool and the revitalisation of the Gundagai main street. The total amount of the loans is \$2.6 million.

Council's long term assets amount to \$384 million<sup>4</sup>, with the majority of this being the value of roads infrastructure.

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<sup>2</sup> Financial position has been summarised from the most recent audited financial statements, for the year ended 30 June 2019.

<sup>3</sup> Gross value of assets as at 30 June 2019.

<sup>4</sup> Written down value of assets as at 30 June 2019.

## Where are we going: constraints and opportunities

### Rate Pegging

NSW Councils are subject to rate pegging legislation, whereby the amount of revenue councils can raise from ordinary and special rates is limited by a capped percentage increase announced by the Independent Pricing and Regulatory Tribunal each year. For the 2020-21 year, the rate peg has been set at 2.6%.

The rate peg is generally not equivalent to real increases in Council's costs including wage increases, government regulatory charges and electricity. There are provisions for Councils to apply for Special Rate Variations (SRVs) to increase general rates above the rate peg amount, and most NSW Councils have applied for at least one SRV in the past 6 years.

### Rates Path Freeze

Council has been constrained by the State Government's decision to freeze the rate paths of the former Cootamundra and Gundagai Shire Councils for four years, which has rendered Council ineligible to apply for a Special Rates Variation (SRV) during that period. With rates to be harmonised from 1 July 2020, it is council's intention to apply for an SRV to be implemented from the following year.

### Capital Grants

With constraints placed over major sources of income, the Council faces the necessity to increase income from other sources while finding savings to enable financial sustainability. A greater reliance on capital grants will be necessary for asset renewal to maintain an acceptable level of asset infrastructure.

The NSW Government has announced significant capital grant funding in the short term, including for asset renewals, upgrades and new assets.

### Unrestricted Cash

Significant expenditure is required on water and sewer infrastructure in coming years. To help fund this expenditure, council has borrowed \$4,000,000 in its Water Fund, and intends to do the same in the Sewer Fund in the 2020/21 financial year. Over the next ten years the Water and Sewer Funds will have sufficient income to repay these loans and maintain adequate reserves, while paying rental fees to the General Fund for the land occupied by the pipe networks. The General Fund is not so healthy, and without these rental fees and an SRV would exhaust its unreserved cash within 3 years.

## Where do we want to be: our plan for the future

### Community Vision and Key Directions

The Cootamundra-Gundagai community vision:

*A vibrant region attracting people, investment and business through innovation, diversity and community spirit.*

The vision for the future is built around four key directions:

- A vibrant and supportive community: all members of our community are valued and connected
- A prosperous and resilient economy: we are innovative and 'open for business'
- Sustainable natural and built environments: we connect with the places and spaces around us
- Good governance: an actively engaged community and strong leadership team

### Financial Objectives

In order to live sustainably the Council must look into the future and provide future generations with a sustainable infrastructure and environment without the burden of excessive debt. A long term financial plan promotes this sustainability by ensuring that decision makers have information about the long term cumulative effects of their decisions.

The aim of the Long Term Financial Plan is to provide a structure for financial decision-making at a very high level by providing guiding principles for the short, medium and long term.

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The objective of the Long Term Financial Plan is to ensure that Council remains financially sustainable into the future. A financially sustainable Council is one whose long term financial performance and position is sustainable where planned long term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services<sup>5</sup>.

The objectives of the Cootamundra-Gundagai Regional Council are:

- to have a sound financial strategy that will ensure Council's financial sustainability is protected and improved,
- to accommodate asset maintenance and asset renewal and replacement activity and be fully integrated with Council's Asset Management Plans, and
- to accommodate service levels proposed in Council's Delivery Program and Operational Plan.

## How do we get there: Financial Strategy

This Long Term Financial Plan projects modest surpluses, with the exception of the 2020/21 year when capital grants relating to the Gundagai Sewerage Treatment Plant positively skew the result.

Achieving these results is built upon the following key points:

### Operational Savings

An ongoing expenditure review has resulted in a reduction in budgeted operational expenditure of \$3.8m. These budgeted savings have been achieved without a reduction in service levels. This process will continue, with additional improvements intended for adoption through the Quarterly Budget Review process.

### Best Practice Water Management

NSW Public Works Advisory are currently updating our Integrated Water Cycle Management (IWCM) plan to reflect the merged council operation. This will include a comprehensive 30-year programme of capital works, which will inform future fee structures.

The IWCM is a major step towards meeting the Best Practice Water & Sewer Guidelines, and is required in order to access funding through the NSW Safe & Secure Water Program.

### Special Rate Variation (SRV)

In January 2020 council engaged Dr. Joseph Drew from The University of Technology Sydney to prepare a submission for the Local Government Boundaries Commission proposal to re-establish the pre-merger councils. In preparing the submission, Dr Drew conducted a full review of councils finances. The review observed that councils rates are significantly lower than the average of our class (OLG Group 11), and recommends Special Rate Variations of 17.5% in each of the 2021/22 and 2022/23 years, and 10% in the 2023/24 year, before returning to the rate peg the following year.

The effect of this SRV is to return the consolidated result to a surplus before capital grants in 2022/23, with the same for General Fund from 2025/26.

### Overhaul of User Fees and Charges

Dr Drew's report also identified a need to increase fees and charges to help meet the costs of required infrastructure upgrades. It recommended the alignment of the fee structures that have been in place for the Water and Sewer operations in the two former councils since amalgamation. Waste charges have been aligned where the operations in the former areas were compatible, and increased to prepare for tip remediation works.

Further information on the Boundaries Commission Inquiry, and the work of Dr Joseph Drew can be found at <https://www.cgrc.nsw.gov.au/boundaries-commission-inquiry/>

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<sup>5</sup> Definition of Financial Sustainability that was endorsed at the National General Assembly of Local Government in Canberra in November 2006.

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# Financial Modelling

## Scenario 1: Budget Repair

### Budget Overview for scenario 1:

This represents current operational status, with a reduction to operating expenditure of \$3.1m. The recommended special rate variation is included. A rationalisation of the depot operations in Cootamundra is also included in the later years of the plan.

The forecast consolidated operating profit is \$15.9 million in 2020/21, largely due to the grant income expected as partial funding for the Gundagai Sewerage Treatment Plant. The result before capital income is a small loss of \$221,035. A modest surplus is forecast for 2021/22, with generally improving results thereafter.

Under this scenario unrestricted cash remains stable around \$1m - \$2m.

The financial model for this scenario is included in the appendix of this long term financial plan.

## Scenario 2: Base Case

### Budget Overview for scenario 2:

The base case also includes reduced operational expenditure of \$3.1m. It excludes an SRV and the Cootamundra depot rationalisation, that cannot be funded under this scenario. This results in general fund operating deficits from years 2 – 9, and negative unrestricted cash from 2022/23. This scenario is clearly unsustainable and demonstrates the need for the adoption of scenario 1, and ongoing review of council operations. The water, sewer and waste fund operations appear sustainable based on current data, but will need to be reviewed when comprehensive long term capital works programs are developed. Planning Assumptions

It is impossible to be precise about forward projects for individual line items, and such information is not necessary for a reliable useful long term financial plan. However, it is necessary to understand the calculation of outcomes for financial indicators in order to identify the drivers of variations in performance between years. The following planning assumptions are constant in all financial modelling scenarios.

### Capital Works Program

The capital works program is structured to provide significant asset renewal funding to community infrastructure; primarily roads, bridges and footpaths. The works program is developed through analysis of the state of Council's assets, with decisions targeted to reduce total expenditure over the life of the asset by renewing assets at the optimal time.

The program budget is based upon maintaining current expenditure levels for all ten years of the plan. A full revaluation of transport assets is due to be finalised in June, and could recommend significant changes to required capital expenditure. It is hoped that this information will be available in time for it to be included in the budget prior to adoption.

### Borrowings

Council is proposing to borrow \$4 million to complete the Gundagai Sewerage Treatment Plant replacement project.

### Special Rate Variation

In order to ensure that Council can provide the infrastructure and services expected by the community, Council has modelled a financial scenario that includes a special rate variation to increase the rate base.

### Features of the long term financial plan identified as risks and volatile factors include:

#### Operating Revenue

Operating revenue from grants is expected to remain constant over the planning period, this includes estimated annual grant income from major sources as follows. Any government policy decisions to reduce



the relative value of these significant operating grants would significantly impact Council's road asset maintenance and renewal program.

| Grant                      | Average annual income<br>(today's dollars) | Comment   |
|----------------------------|--|---|
| Roads to Recovery          | \$885,000                                  |   |
| Regional Roads Block Grant | \$875,000                                  | Council maintains and renews 100km of regional roads. |
| Financial Assistance Grant | \$5.3 million                              | Indexed from previous year.                           |

Operating revenue from state government contracts is expected to generate \$1.9 million in 2020/21, before increasing to around \$2.5 million throughout the ten year planning period. Due to Council's reliance on this revenue stream, any change in government policy in relation to these contracts could have significant impact on Council's operations.

### Employee Costs

The current budget includes full time equivalent employees of 163 including staff engaged specifically for project related work. It is assumed the cost of the latter are paid for by grant income and don't extend beyond the 2020/21 financial year.

Wage costs are forecast to grow at 2.5% per annum based on the current Award provisions.

### Depreciation and Asset Renewals

Depreciation expenses have been calculated based on previous actual depreciation. All classes of assets are revalued regularly.

### Other Operating Expenses

Based on ongoing reviews of expenditure, operating expenditure has been cut by \$3.8 million.

### Loan Repayments

Loan servicing costs including loan repayments and interest expense have been allowed for current loans outstanding for the following purposes:

| Loan                          | Principal Repayment<br>2020-21 | Interest Expense<br>2020-21 | Closing Balance<br>30 June 2021 | Remaining<br>years |
|-------------------------------|--------------------------------|-----------------------------|---------------------------------|--------------------|
| Indoor pool construction      | \$164,206                      | \$34,778                    | \$358,099                       | 2                  |
| Sheridan Street redevelopment | \$303,773                      | \$64,336                    | \$1,346,658                     | 4                  |
| Water Mains - Cootamundra     | \$364,988                      | \$76,666                    | \$3,635,001                     | 9                  |
| Grader Purchase               | \$41,408                       | \$11,503                    | \$423,430                       | 9                  |

The interest expense for the Gundagai main street development and the Cootamundra indoor pool is partly subsidised by the NSW Governments through the *Local Infrastructure Renewal Scheme (LIRS)*. New borrowing of \$4 million is planned for the completion of the Gundagai Sewerage Treatment Plant replacement project. Repayments are budgeted to be the same as the Water Mains loan listed above.

# Sensitivity Analysis

Long term financial plans are inherently uncertain. They contain a wide range of assumptions about interest rates and potential effect of inflation on revenues and expenditures. Some of these assumptions will have a relatively limited impact if they are wrong. Others can have a major impact on future financial plans. The following table analyses the sensitivity of various assumptions.

| Assumption                            | Sensitivity         | Probability<br>(High / Medium / Low) | Impact   |
|---------------------------------------|---------------------|--------------------------------------|--|
| Annual rate increase                  | Minus 1%            | M                                    | 1% reduction in rates increase assumption for 4 years from 2027 reduces income by \$501,921 per annum by 2030.   |
| Financial Assistance Grant            | One off increase 5% | L                                    | Operating surplus increases by \$184,800 in first year, this compounds to an increase in operating surplus of \$205,000 by year 10.  |
|                                       | One off decrease 3% | H                                    | Operating surplus decreases by \$238,000 in first year, this compounds to a decrease in operating surplus of \$264,000 by year 10.   |
| State Roads Contracts                 | Plus or minus 10%   | H                                    | \$190,000 impact on income and expenses in first year.<br><br>A significant increase or decrease will affect Council's workforce management and plant management planning. |
| Transport Assets Revaluation outcomes | Plus or minus 10%   | H                                    | \$429,000 impact on required annual capital expenditure.   |

## Financial Statements

Council has projected budgets for the consolidated financial statements. The financial statements set out the financial performance, financial position and cashflows projected for the next ten years. These are the consolidated financial statements which include Council's General Fund, Water Fund, Sewer Fund and Waste Fund.

The format of the financial statements is standard across NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and legislative requirements set down by the Office of Local Government.

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# Income Statements by Fund

## Consolidated - Financial Statement Operating plan



|   | Operational Plan<br>2020/21 | Delivery<br>Program<br>2021/22 | Delivery<br>Program<br>2022/23 | Delivery<br>Program<br>2023/24 | Long Term<br>Financial<br>Plan<br>2024/25 | Long Term<br>Financial<br>Plan<br>2025/26 | Long Term<br>Financial<br>Plan<br>2026/27 | Long Term<br>Financial<br>Plan<br>2027/28 | Long Term<br>Financial<br>Plan<br>2028/29 | Long Term<br>Financial<br>Plan<br>2029/30 |
|---|-----------------------------|--------------------------------|--------------------------------|--------------------------------|---|---|---|---|---|---|
| <b>Income from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Rates and annual charges  | 14,895,445                  | 16,353,077                     | 18,066,866                     | 19,266,825                     | 19,243,592                                | 19,648,780                                | 20,064,315                                | 20,490,468                                | 20,927,515                                | 21,375,742                                |
| User charges and fees   | 7,873,231                   | 8,512,026                      | 8,654,344                      | 8,813,964                      | 8,955,914                                 | 9,101,059                                 | 9,249,482                                 | 9,401,272                                 | 9,556,519                                 | 9,715,314                                 |
| Interest and investment revenue   | 209,800                     | 258,632                        | 279,081                        | 319,461                        | 352,189                                   | 407,399                                   | 443,676                                   | 500,439                                   | 578,104                                   | 651,258                                   |
| Other revenues  | 346,850                     | 350,349                        | 353,882                        | 357,452                        | 361,058                                   | 364,700                                   | 368,380                                   | 372,096                                   | 375,851                                   | 379,643                                   |
| Operating grants and contributions  | 10,209,458                  | 8,138,158                      | 8,219,121                      | 8,300,895                      | 8,383,488                                 | 8,466,908                                 | 8,551,164                                 | 8,636,264                                 | 8,722,216                                 | 8,809,029                                 |
| Capital grants and contributions  | 16,123,054                  | 1,075,770                      | 76,548                         | 77,334                         | 78,128                                    | 78,930                                    | 79,741                                    | 80,560                                    | 81,387                                    | 82,223                                    |
| Recovery of corporate overhead expenditure  | 1,877,561                   | 1,894,691                      | 1,912,018                      | 1,929,544                      | 1,947,272                                 | 1,965,204                                 | 1,983,341                                 | 2,001,688                                 | 2,020,245                                 | 2,039,016                                 |
| Easement rental income  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net gain from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Income</b>   | <b>51,535,399</b>           | <b>36,582,702</b>              | <b>37,561,861</b>              | <b>39,065,475</b>              | <b>39,321,641</b>                         | <b>40,032,980</b>                         | <b>40,740,099</b>                         | <b>41,482,787</b>                         | <b>42,261,837</b>                         | <b>43,052,225</b>                         |
| <b>Expenses from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Employee benefits and on-costs  | 12,460,981                  | 12,917,454                     | 13,230,431                     | 13,551,865                     | 13,881,304                                | 14,218,948                                | 14,565,000                                | 14,919,670                                | 15,283,173                                | 15,655,729                                |
| Borrowing costs   | 280,667                     | 242,245                        | 199,803                        | 161,455                        | 127,890                                   | 97,019                                    | 76,587                                    | 55,638                                    | 34,159                                    | 12,137                                    |
| Materials and contracts   | 8,718,842                   | 8,793,295                      | 8,869,465                      | 8,951,032                      | 9,033,453                                 | 9,116,736                                 | 9,200,892                                 | 9,285,928                                 | 9,371,854                                 | 9,458,681                                 |
| Depreciation and amortisation   | 8,940,130                   | 8,887,745                      | 8,887,745                      | 8,887,745                      | 8,887,745                                 | 8,887,745                                 | 8,887,745                                 | 8,887,745                                 | 8,887,745                                 | 8,887,745                                 |
| Other expenses  | 3,355,199                   | 3,401,231                      | 3,433,229                      | 3,465,546                      | 3,498,243                                 | 3,531,267                                 | 3,564,622                                 | 3,598,310                                 | 3,632,335                                 | 3,666,701                                 |
| Corporate overhead costs  | 1,877,561                   | 1,894,691                      | 1,912,018                      | 1,929,544                      | 1,947,272                                 | 1,965,204                                 | 1,983,341                                 | 2,001,688                                 | 2,020,245                                 | 2,039,016                                 |
| Easement rental expenditure   | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net loss from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Expenses</b>   | <b>35,633,380</b>           | <b>36,136,662</b>              | <b>36,532,691</b>              | <b>36,947,188</b>              | <b>37,375,908</b>                         | <b>37,816,920</b>                         | <b>38,278,187</b>                         | <b>38,748,979</b>                         | <b>39,229,512</b>                         | <b>39,720,009</b>                         |
| <b>Net Operating Result</b>   | <b>15,902,019</b>           | <b>446,041</b>                 | <b>1,029,170</b>               | <b>2,118,288</b>               | <b>1,945,734</b>                          | <b>2,216,060</b>                          | <b>2,461,912</b>                          | <b>2,733,808</b>                          | <b>3,032,325</b>                          | <b>3,332,217</b>                          |
| <b>Net operating result before grants and contributions provided for capital purposes</b> | <b>(221,035)</b>            | <b>(629,729)</b>               | <b>952,622</b>                 | <b>2,040,954</b>               | <b>1,867,606</b>                          | <b>2,137,130</b>                          | <b>2,382,171</b>                          | <b>2,653,249</b>                          | <b>2,950,938</b>                          | <b>3,249,994</b>                          |

## General fund - Financial Statement



|   | Operational Plan<br>2020/21 | Delivery<br>Program<br>2021/22 | Delivery<br>Program<br>2022/23 | Delivery<br>Program<br>2023/24 | Long Term<br>Financial<br>Plan<br>2024/25 | Long Term<br>Financial<br>Plan<br>2025/26 | Long Term<br>Financial<br>Plan<br>2026/27 | Long Term<br>Financial<br>Plan<br>2027/28 | Long Term<br>Financial<br>Plan<br>2028/29 | Long Term<br>Financial<br>Plan<br>2029/30 |
|---|-----------------------------|--------------------------------|--------------------------------|--------------------------------|---|---|---|---|---|---|
| <b>Income from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Rates and annual charges  | 7,554,827                   | 8,892,597                      | 10,464,633                     | 11,519,818                     | 11,391,686                                | 11,689,452                                | 11,994,975                                | 12,308,458                                | 12,630,107                                | 12,960,136                                |
| User charges and fees   | 4,153,911                   | 4,726,450                      | 4,773,715                      | 4,821,452                      | 4,869,666                                 | 4,918,363                                 | 4,967,547                                 | 5,017,222                                 | 5,067,394                                 | 5,118,068                                 |
| Interest and investment revenue   | 35,000                      | 142,453                        | 155,926                        | 186,609                        | 209,885                                   | 248,357                                   | 273,945                                   | 320,097                                   | 378,713                                   | 440,444                                   |
| Other revenues  | 340,850                     | 344,259                        | 347,701                        | 351,178                        | 354,690                                   | 358,237                                   | 361,819                                   | 365,437                                   | 369,092                                   | 372,783                                   |
| Operating grants and contributions  | 10,101,458                  | 8,029,498                      | 8,109,793                      | 8,190,891                      | 8,272,800                                 | 8,355,528                                 | 8,439,083                                 | 8,523,474                                 | 8,608,709                                 | 8,694,796                                 |
| Capital grants and contributions  | 5,313,054                   | 1,065,650                      | 66,307                         | 66,970                         | 67,639                                    | 68,316                                    | 68,999                                    | 69,689                                    | 70,386                                    | 71,090                                    |
| Recovery of corporate overhead expenditure  | 1,877,561                   | 1,894,691                      | 1,912,018                      | 1,929,544                      | 1,947,272                                 | 1,965,204                                 | 1,983,341                                 | 2,001,688                                 | 2,020,245                                 | 2,039,016                                 |
| Easement rental income  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net gain from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Income</b>   | <b>29,376,661</b>           | <b>25,095,597</b>              | <b>25,830,092</b>              | <b>27,066,462</b>              | <b>27,113,638</b>                         | <b>27,603,456</b>                         | <b>28,089,709</b>                         | <b>28,606,065</b>                         | <b>29,144,645</b>                         | <b>29,696,332</b>                         |
| <b>Expenses from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Employee benefits and on-costs  | 10,700,609                  | 11,045,108                     | 11,316,007                     | 11,593,625                     | 11,878,132                                | 12,169,697                                | 12,468,498                                | 12,774,714                                | 13,088,531                                | 13,410,138                                |
| Borrowing costs   | 86,487                      | 68,413                         | 44,461                         | 25,070                         | 10,943                                    | -   | -   | -   | -   | -   |
| Materials and contracts   | 4,684,527                   | 4,731,372                      | 4,778,686                      | 4,826,473                      | 4,874,738                                 | 4,923,485                                 | 4,972,720                                 | 5,022,447                                 | 5,072,671                                 | 5,123,398                                 |
| Depreciation and amortisation   | 7,894,034                   | 7,894,034                      | 7,894,034                      | 7,894,034                      | 7,894,034                                 | 7,894,034                                 | 7,894,034                                 | 7,894,034                                 | 7,894,034                                 | 7,894,034                                 |
| Other expenses  | 2,987,250                   | 3,017,123                      | 3,047,294                      | 3,077,767                      | 3,108,544                                 | 3,139,630                                 | 3,171,026                                 | 3,202,736                                 | 3,234,764                                 | 3,267,111                                 |
| Corporate overhead costs  | 432,000                     | 436,320                        | 440,683                        | 445,090                        | 449,541                                   | 454,036                                   | 458,577                                   | 463,162                                   | 467,794                                   | 472,472                                   |
| Easement rental expense   | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net loss from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Expenses</b>   | <b>26,784,907</b>           | <b>27,192,370</b>              | <b>27,521,164</b>              | <b>27,862,059</b>              | <b>28,215,931</b>                         | <b>28,580,882</b>                         | <b>28,964,855</b>                         | <b>29,357,094</b>                         | <b>29,757,794</b>                         | <b>30,167,154</b>                         |
| <b>Net Operating Result</b>   | <b>2,591,754</b>            | <b>(2,096,773)</b>             | <b>(1,691,073)</b>             | <b>(795,597)</b>               | <b>(1,102,293)</b>                        | <b>(977,427)</b>                          | <b>(875,145)</b>                          | <b>(751,030)</b>                          | <b>(613,149)</b>                          | <b>(470,821)</b>                          |
| <b>Net operating result before grants and contributions provided for capital purposes</b> | <b>(2,721,300)</b>          | <b>(3,162,423)</b>             | <b>(1,757,379)</b>             | <b>(862,567)</b>               | <b>(1,169,932)</b>                        | <b>(1,045,742)</b>                        | <b>(944,144)</b>                          | <b>(820,718)</b>                          | <b>(683,535)</b>                          | <b>(541,911)</b>                          |

## Water - Financial Statement



|   | Operational Plan<br>2020/21 | Delivery<br>Program<br>2021/22 | Delivery<br>Program<br>2022/23 | Delivery<br>Program<br>2023/24 | Long Term<br>Financial<br>Plan<br>2024/25 | Long Term<br>Financial<br>Plan<br>2025/26 | Long Term<br>Financial<br>Plan<br>2026/27 | Long Term<br>Financial<br>Plan<br>2027/28 | Long Term<br>Financial<br>Plan<br>2028/29 | Long Term<br>Financial<br>Plan<br>2029/30 |
|---|-----------------------------|--------------------------------|--------------------------------|--------------------------------|---|---|---|---|---|---|
| <b>Income from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Rates and annual charges  | 1,950,664                   | 1,989,677                      | 2,049,368                      | 2,110,849                      | 2,174,174                                 | 2,239,399                                 | 2,306,581                                 | 2,375,779                                 | 2,447,052                                 | 2,520,464                                 |
| User charges and fees   | 2,703,000                   | 2,757,060                      | 2,839,772                      | 2,939,164                      | 3,027,339                                 | 3,118,159                                 | 3,211,704                                 | 3,308,055                                 | 3,407,296                                 | 3,509,515                                 |
| Interest and investment revenue   | 59,000                      | 50,947                         | 48,758                         | 48,101                         | 51,436                                    | 57,571                                    | 62,698                                    | 68,278                                    | 77,027                                    | 84,206                                    |
| Other revenues  | 6,000                       | 6,090                          | 6,181                          | 6,274                          | 6,368                                     | 6,464                                     | 6,561                                     | 6,659                                     | 6,759                                     | 6,860                                     |
| Operating grants and contributions  | 55,000                      | 55,660                         | 56,328                         | 57,004                         | 57,688                                    | 58,380                                    | 59,081                                    | 59,790                                    | 60,507                                    | 61,233                                    |
| Capital grants and contributions  | 10,000                      | 10,120                         | 10,241                         | 10,364                         | 10,489                                    | 10,615                                    | 10,742                                    | 10,871                                    | 11,001                                    | 11,133                                    |
| Recovery of corporate overhead expenditure  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Easement rental income  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net gain from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Income</b>   | <b>4,783,664</b>            | <b>4,869,554</b>               | <b>5,010,648</b>               | <b>5,171,756</b>               | <b>5,327,494</b>                          | <b>5,490,587</b>                          | <b>5,657,366</b>                          | <b>5,829,431</b>                          | <b>6,009,643</b>                          | <b>6,193,412</b>                          |
| <b>Expenses from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Employee benefits and on-costs  | 533,217                     | 544,948                        | 555,691                        | 567,389                        | 579,400                                   | 591,733                                   | 604,397                                   | 617,398                                   | 630,745                                   | 644,447                                   |
| Borrowing costs   | 97,090                      | 86,916                         | 77,671                         | 68,192                         | 58,474                                    | 48,510                                    | 38,293                                    | 27,819                                    | 17,079                                    | 6,068                                     |
| Materials and contracts   | 2,380,675                   | 2,403,550                      | 2,426,688                      | 2,450,094                      | 2,473,771                                 | 2,497,721                                 | 2,521,948                                 | 2,546,455                                 | 2,571,246                                 | 2,596,324                                 |
| Depreciation and amortisation   | 479,343                     | 478,988                        | 478,988                        | 478,988                        | 478,988                                   | 478,988                                   | 478,988                                   | 478,988                                   | 478,988                                   | 478,988                                   |
| Other expenses  | 160,800                     | 176,903                        | 178,672                        | 180,459                        | 182,263                                   | 184,086                                   | 185,927                                   | 187,786                                   | 189,664                                   | 191,561                                   |
| Corporate overhead costs  | 616,510                     | 623,908                        | 631,395                        | 638,972                        | 646,639                                   | 654,399                                   | 662,252                                   | 670,199                                   | 678,241                                   | 686,380                                   |
| Easement rental expense   | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net loss from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Expenses</b>   | <b>4,267,635</b>            | <b>4,315,212</b>               | <b>4,349,106</b>               | <b>4,384,093</b>               | <b>4,419,535</b>                          | <b>4,455,437</b>                          | <b>4,491,805</b>                          | <b>4,528,645</b>                          | <b>4,565,964</b>                          | <b>4,603,769</b>                          |
| <b>Net Operating Result</b>   | <b>516,029</b>              | <b>554,342</b>                 | <b>661,542</b>                 | <b>787,662</b>                 | <b>907,959</b>                            | <b>1,035,150</b>                          | <b>1,165,562</b>                          | <b>1,300,786</b>                          | <b>1,443,679</b>                          | <b>1,589,643</b>                          |
| <b>Net operating result before grants and contributions provided for capital purposes</b> | <b>506,029</b>              | <b>544,222</b>                 | <b>651,301</b>                 | <b>777,298</b>                 | <b>897,470</b>                            | <b>1,024,536</b>                          | <b>1,154,820</b>                          | <b>1,289,915</b>                          | <b>1,432,678</b>                          | <b>1,578,510</b>                          |



## Sewer - Financial Statement



|   | Operational Plan<br>2020/21 | Delivery<br>Program<br>2021/22 | Delivery<br>Program<br>2022/23 | Delivery<br>Program<br>2023/24 | Long Term<br>Financial<br>Plan<br>2024/25 | Long Term<br>Financial<br>Plan<br>2025/26 | Long Term<br>Financial<br>Plan<br>2026/27 | Long Term<br>Financial<br>Plan<br>2027/28 | Long Term<br>Financial<br>Plan<br>2028/29 | Long Term<br>Financial<br>Plan<br>2029/30 |
|---|-----------------------------|--------------------------------|--------------------------------|--------------------------------|---|---|---|---|---|---|
| <b>Income from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Rates and annual charges  | 2,739,462                   | 2,780,554                      | 2,822,262                      | 2,864,596                      | 2,864,596                                 | 2,864,596                                 | 2,864,596                                 | 2,864,596                                 | 2,864,596                                 | 2,864,596                                 |
| User charges and fees   | 569,200                     | 576,030                        | 582,943                        | 589,938                        | 589,938                                   | 589,938                                   | 589,938                                   | 589,938                                   | 589,938                                   | 589,938                                   |
| Interest and investment revenue   | 59,800                      | 65,232                         | 74,398                         | 84,751                         | 90,868                                    | 101,471                                   | 107,032                                   | 112,064                                   | 122,364                                   | 126,608                                   |
| Other revenues  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Operating grants and contributions  | 53,000                      | 53,000                         | 53,000                         | 53,000                         | 53,000                                    | 53,000                                    | 53,000                                    | 53,000                                    | 53,000                                    | 53,000                                    |
| Capital grants and contributions  | 10,800,000                  | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Recovery of corporate overhead expenditure  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Easement rental income  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net gain from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Income</b>   | <b>14,221,462</b>           | <b>3,474,816</b>               | <b>3,532,603</b>               | <b>3,592,286</b>               | <b>3,598,402</b>                          | <b>3,609,005</b>                          | <b>3,614,566</b>                          | <b>3,619,599</b>                          | <b>3,629,898</b>                          | <b>3,634,142</b>                          |
| <b>Expenses from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Employee benefits and on-costs  | 698,790                     | 714,409                        | 730,420                        | 746,830                        | 763,651                                   | 780,892                                   | 798,564                                   | 816,679                                   | 835,246                                   | 854,277                                   |
| Borrowing costs   | 97,090                      | 86,916                         | 77,671                         | 68,192                         | 58,474                                    | 48,510                                    | 38,293                                    | 27,819                                    | 17,079                                    | 6,068                                     |
| Materials and contracts   | 335,975                     | 335,699                        | 336,381                        | 337,072                        | 337,771                                   | 338,478                                   | 339,193                                   | 339,917                                   | 340,650                                   | 341,392                                   |
| Depreciation and amortisation   | 422,756                     | 422,756                        | 422,756                        | 422,756                        | 422,756                                   | 422,756                                   | 422,756                                   | 422,756                                   | 422,756                                   | 422,756                                   |
| Other expenses  | 195,800                     | 195,800                        | 195,800                        | 195,800                        | 195,800                                   | 195,800                                   | 195,800                                   | 195,800                                   | 195,800                                   | 195,800                                   |
| Corporate overhead costs  | 451,000                     | 456,412                        | 461,889                        | 467,432                        | 473,041                                   | 478,717                                   | 484,462                                   | 490,275                                   | 496,159                                   | 502,113                                   |
| Easement rental expense   | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net loss from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Expenses</b>   | <b>2,201,411</b>            | <b>2,211,992</b>               | <b>2,224,917</b>               | <b>2,238,082</b>               | <b>2,251,492</b>                          | <b>2,265,153</b>                          | <b>2,279,069</b>                          | <b>2,293,246</b>                          | <b>2,307,690</b>                          | <b>2,322,406</b>                          |
| <b>Net Operating Result</b>   | <b>12,020,051</b>           | <b>1,262,824</b>               | <b>1,307,686</b>               | <b>1,354,204</b>               | <b>1,346,911</b>                          | <b>1,343,853</b>                          | <b>1,335,498</b>                          | <b>1,326,352</b>                          | <b>1,322,208</b>                          | <b>1,311,736</b>                          |
| <b>Net operating result before grants and contributions provided for capital purposes</b> | <b>1,220,051</b>            | <b>1,262,824</b>               | <b>1,307,686</b>               | <b>1,354,204</b>               | <b>1,346,911</b>                          | <b>1,343,853</b>                          | <b>1,335,498</b>                          | <b>1,326,352</b>                          | <b>1,322,208</b>                          | <b>1,311,736</b>                          |

## Waste Services - Financial Statement

### Operating plan



|   | Operational Plan<br>2020/21 | Delivery<br>Program<br>2021/22 | Delivery<br>Program<br>2022/23 | Delivery<br>Program<br>2023/24 | Long Term<br>Financial<br>Plan<br>2024/25 | Long Term<br>Financial<br>Plan<br>2025/26 | Long Term<br>Financial<br>Plan<br>2026/27 | Long Term<br>Financial<br>Plan<br>2027/28 | Long Term<br>Financial<br>Plan<br>2028/29 | Long Term<br>Financial<br>Plan<br>2029/30 |
|---|-----------------------------|--------------------------------|--------------------------------|--------------------------------|---|---|---|---|---|---|
| <b>Income from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Rates and annual charges  | 2,650,492                   | 2,690,249                      | 2,730,603                      | 2,771,562                      | 2,813,136                                 | 2,855,333                                 | 2,898,163                                 | 2,941,635                                 | 2,985,760                                 | 3,030,546                                 |
| User charges and fees   | 447,120                     | 452,485                        | 457,915                        | 463,410                        | 468,971                                   | 474,599                                   | 480,294                                   | 486,058                                   | 491,890                                   | 497,793                                   |
| Interest and investment revenue   | 56,000                      | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Other revenues  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Operating grants and contributions  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Capital grants and contributions  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Recovery of corporate overhead expenditure  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Easement rental income  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net gain from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Income</b>   | <b>3,153,612</b>            | <b>3,142,735</b>               | <b>3,188,518</b>               | <b>3,234,972</b>               | <b>3,282,107</b>                          | <b>3,329,931</b>                          | <b>3,378,457</b>                          | <b>3,427,693</b>                          | <b>3,477,650</b>                          | <b>3,528,339</b>                          |
| <b>Expenses from continuing operations</b>  |                             |                                |                                |                                |   |   |   |   |   |   |
| Employee benefits and on-costs  | 528,365                     | 612,989                        | 628,314                        | 644,021                        | 660,122                                   | 676,625                                   | 693,541                                   | 710,879                                   | 728,651                                   | 746,867                                   |
| Borrowing costs   | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Materials and contracts   | 1,317,665                   | 1,322,674                      | 1,327,710                      | 1,337,394                      | 1,347,175                                 | 1,357,053                                 | 1,367,031                                 | 1,377,108                                 | 1,387,286                                 | 1,397,566                                 |
| Depreciation and amortisation   | 143,997                     | 91,967                         | 91,967                         | 91,967                         | 91,967                                    | 91,967                                    | 91,967                                    | 91,967                                    | 91,967                                    | 91,967                                    |
| Other expenses  | 11,349                      | 11,406                         | 11,463                         | 11,520                         | 11,635                                    | 11,752                                    | 11,869                                    | 11,988                                    | 12,108                                    | 12,229                                    |
| Corporate overhead costs  | 378,051                     | 378,051                        | 378,051                        | 378,051                        | 378,051                                   | 378,051                                   | 378,051                                   | 378,051                                   | 378,051                                   | 378,051                                   |
| Easement rental expense   | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| Net loss from the disposal of assets  | -                           | -                              | -                              | -                              | -   | -   | -   | -   | -   | -   |
| <b>Total Expenses</b>   | <b>2,379,427</b>            | <b>2,417,086</b>               | <b>2,437,504</b>               | <b>2,462,953</b>               | <b>2,488,950</b>                          | <b>2,515,448</b>                          | <b>2,542,459</b>                          | <b>2,569,993</b>                          | <b>2,598,063</b>                          | <b>2,626,680</b>                          |
| <b>Net Operating Result</b>   | <b>774,185</b>              | <b>725,649</b>                 | <b>751,014</b>                 | <b>772,019</b>                 | <b>793,157</b>                            | <b>814,483</b>                            | <b>835,998</b>                            | <b>857,699</b>                            | <b>879,587</b>                            | <b>901,659</b>                            |
| <b>Net operating result before grants and contributions provided for capital purposes</b> | <b>774,185</b>              | <b>725,649</b>                 | <b>751,014</b>                 | <b>772,019</b>                 | <b>793,157</b>                            | <b>814,483</b>                            | <b>835,998</b>                            | <b>857,699</b>                            | <b>879,587</b>                            | <b>901,659</b>                            |



# Cashflow Statement

## Cash flow report



| Operational Plan                             | 2020/21       | Delivery Program | 2021/22       | Delivery Program | 2022/23       | Delivery Program | 2023/24       | Long Term Financial Plan | 2024/25       | Long Term Financial Plan | 2025/26 | Long Term Financial Plan | 2026/27 | Long Term Financial Plan | 2027/28 | Long Term Financial Plan | 2028/29 | Long Term Financial Plan | 2029/30 |
|--|---------------|------------------|---------------|------------------|---------------|------------------|---------------|--------------------------|---------------|--------------------------|---------|--------------------------|---------|--------------------------|---------|--------------------------|---------|--------------------------|---------|
|  |               |                  |               |                  |               |                  |               |                          |               |                          |         |                          |         |                          |         |                          |         |                          |         |
|  | 14,650        | 17,415           | 16,934        | 18,117           | 20,097        | 21,847           | 22,825        | 22,643                   | 23,603        | 26,262                   |         |                          |         |                          |         |                          |         |                          |         |
| <b>Cash in bank at the start of the year</b> |               |                  |               |                  |               |                  |               |                          |               |                          |         |                          |         |                          |         |                          |         |                          |         |
| <b>Funds received</b>                        |               |                  |               |                  |               |                  |               |                          |               |                          |         |                          |         |                          |         |                          |         |                          |         |
| Rates and annual charges                     | 14,895        | 16,353           | 18,067        | 19,267           | 19,244        | 19,649           | 20,064        | 20,490                   | 20,928        | 21,376                   |         |                          |         |                          |         |                          |         |                          |         |
| User fees and charges                        | 7,873         | 8,512            | 8,654         | 8,814            | 8,956         | 9,101            | 9,249         | 9,401                    | 9,557         | 9,715                    |         |                          |         |                          |         |                          |         |                          |         |
| Grant income                                 | 26,333        | 9,214            | 8,296         | 8,378            | 8,462         | 8,546            | 8,631         | 8,717                    | 8,804         | 8,891                    |         |                          |         |                          |         |                          |         |                          |         |
| Interest income                              | 210           | 259              | 279           | 319              | 352           | 407              | 444           | 500                      | 578           | 651                      |         |                          |         |                          |         |                          |         |                          |         |
| Sale of assets                               | 697           | 528              | 495           | 952              | 798           | 718              | 581           | 499                      | 567           | 648                      |         |                          |         |                          |         |                          |         |                          |         |
| Proceeds from loans                          | 4,000         | -                | -             | -                | -             | -                | -             | -                        | -             | -                        |         |                          |         |                          |         |                          |         |                          |         |
| Other income                                 | 347           | 350              | 354           | 357              | 361           | 365              | 368           | 372                      | 376           | 380                      |         |                          |         |                          |         |                          |         |                          |         |
| <b>Total funds received</b>                  | <b>54,354</b> | <b>35,216</b>    | <b>36,145</b> | <b>38,088</b>    | <b>38,172</b> | <b>38,786</b>    | <b>39,337</b> | <b>39,980</b>            | <b>40,809</b> | <b>41,661</b>            |         |                          |         |                          |         |                          |         |                          |         |
| <b>Funds spent</b>                           |               |                  |               |                  |               |                  |               |                          |               |                          |         |                          |         |                          |         |                          |         |                          |         |
| Salaries and wages                           | 12,461        | 12,917           | 13,230        | 13,552           | 13,881        | 14,219           | 14,565        | 14,920                   | 15,283        | 15,656                   |         |                          |         |                          |         |                          |         |                          |         |
| Materials and contracts                      | 8,719         | 8,793            | 8,869         | 8,951            | 9,033         | 9,117            | 9,201         | 9,286                    | 9,372         | 9,459                    |         |                          |         |                          |         |                          |         |                          |         |
| Other  | 3,355         | 3,401            | 3,433         | 3,466            | 3,498         | 3,531            | 3,565         | 3,598                    | 3,632         | 3,667                    |         |                          |         |                          |         |                          |         |                          |         |
| Repayment of loans                           | 1,464         | 1,464            | 1,464         | 1,273            | 1,273         | 905              | 905           | 905                      | 905           | 905                      |         |                          |         |                          |         |                          |         |                          |         |
| Capital works                                | 25,591        | 9,122            | 7,965         | 8,866            | 8,736         | 10,037           | 11,284        | 10,311                   | 8,957         | 8,304                    |         |                          |         |                          |         |                          |         |                          |         |
| <b>Total funds spent</b>                     | <b>51,589</b> | <b>35,697</b>    | <b>34,961</b> | <b>36,107</b>    | <b>36,422</b> | <b>37,809</b>    | <b>39,519</b> | <b>39,020</b>            | <b>38,149</b> | <b>37,990</b>            |         |                          |         |                          |         |                          |         |                          |         |
| <b>Net funds saved / (used)</b>              | <b>2,765</b>  | <b>(481)</b>     | <b>1,183</b>  | <b>1,981</b>     | <b>1,750</b>  | <b>977</b>       | <b>(182)</b>  | <b>960</b>               | <b>2,659</b>  | <b>3,671</b>             |         |                          |         |                          |         |                          |         |                          |         |
| <b>Cash in bank at the end of the year</b>   | <b>17,415</b> | <b>16,934</b>    | <b>18,117</b> | <b>20,097</b>    | <b>21,847</b> | <b>22,825</b>    | <b>22,643</b> | <b>23,603</b>            | <b>26,262</b> | <b>29,933</b>            |         |                          |         |                          |         |                          |         |                          |         |
| <b>Funds set aside for:</b>                  |               |                  |               |                  |               |                  |               |                          |               |                          |         |                          |         |                          |         |                          |         |                          |         |
| Water network                                | 2,138         | 1,806            | 1,771         | 1,854            | 2,247         | 2,757            | 3,387         | 4,142                    | 5,029         | 6,052                    |         |                          |         |                          |         |                          |         |                          |         |
| Sewer network                                | 4,590         | 5,160            | 5,757         | 6,382            | 6,980         | 7,556            | 8,104         | 8,623                    | 9,117         | 9,580                    |         |                          |         |                          |         |                          |         |                          |         |
| Waste services                               | 3,013         | 3,691            | 4,484         | 5,048            | 5,543         | 6,059            | 6,597         | 7,157                    | 7,739         | 8,342                    |         |                          |         |                          |         |                          |         |                          |         |
| Grant funds for specific projects            | 152           | 152              | 152           | 152              | 152           | 152              | 152           | 152                      | 152           | 152                      |         |                          |         |                          |         |                          |         |                          |         |
| Grant funds for general use                  | -             | -                | -             | -                | -             | -                | -             | -                        | -             | -                        |         |                          |         |                          |         |                          |         |                          |         |
| Town improvement (Gundagai)                  | 1,415         | 1,295            | 1,175         | 1,055            | 935           | 815              | 695           | 575                      | 455           | 335                      |         |                          |         |                          |         |                          |         |                          |         |
| Plant and vehicle replacement                | 64            | 430              | 840           | 1,067            | 1,144         | 860              | 202           | 445                      | 118           | 535                      |         |                          |         |                          |         |                          |         |                          |         |
| Employee leave entitlement                   | 1,385         | 1,385            | 1,385         | 1,385            | 1,385         | 1,385            | 1,385         | 1,385                    | 1,385         | 1,385                    |         |                          |         |                          |         |                          |         |                          |         |
| Merger implementation works                  | -             | -                | -             | -                | -             | -                | -             | -                        | -             | -                        |         |                          |         |                          |         |                          |         |                          |         |



# Capital Budget

## Capital expenditure & funding Operating plan



|                                  | Operational Plan<br>2020/21 | Delivery<br>Program<br>2021/22 | Delivery<br>Program<br>2022/23 | Delivery<br>Program<br>2023/24 | Long Term<br>Financial Plan<br>2024/25 | Long Term<br>Financial Plan<br>2025/26 | Long Term<br>Financial Plan<br>2026/27 | Long Term<br>Financial Plan<br>2027/28 | Long Term<br>Financial Plan<br>2028/29 | Long Term<br>Financial Plan<br>2029/30 |
|----------------------------------|-----------------------------|--------------------------------|--------------------------------|--------------------------------|--|--|--|--|--|--|
| <b>Capital expenditure</b>       |                             |                                |                                |                                |  |  |  |  |  |  |
| Plant and equipment              | 2,484,000                   | 1,706,288                      | 1,629,854                      | 2,271,500                      | 2,267,288                              | 2,548,000                              | 2,785,000                              | 1,802,288                              | 2,438,500                              | 1,775,000                              |
| Office equipment                 | 40,000                      | 40,400                         | 40,804                         | 41,212                         | 41,624                                 | 42,040                                 | 42,461                                 | 42,885                                 | 43,314                                 | 43,747                                 |
| Buildings                        | 1,344,395                   | 100,000                        | 100,000                        | 100,000                        | 100,000                                | 100,000                                | 100,000                                | 100,000                                | 100,000                                | 100,000                                |
| Land improvements                | 25,000                      | 25,000                         | 25,000                         | 25,000                         | -                                      | -                                      | -                                      | -                                      | -                                      | -                                      |
| Waste infrastructure             | 455,000                     | 140,000                        | 50,000                         | 300,000                        | 390,000                                | 390,000                                | 390,000                                | 390,000                                | 390,000                                | 390,000                                |
| Roads, bridges and footpaths     | 7,450,000                   | 5,090,000                      | 4,290,000                      | 4,290,000                      | 4,290,000                              | 4,290,000                              | 4,290,000                              | 4,290,000                              | 4,290,000                              | 4,290,000                              |
| Stormwater drainage              | 160,000                     | 170,000                        | 170,000                        | 170,000                        | 170,000                                | 180,000                                | 180,000                                | 180,000                                | 180,000                                | 180,000                                |
| Recreation assets                | 35,000                      | 100,000                        | 100,000                        | 100,000                        | 100,000                                | 100,000                                | 100,000                                | 100,000                                | 100,000                                | 100,000                                |
| Water supply network             | 1,000,000                   | 1,000,000                      | 800,000                        | 800,000                        | 600,000                                | 600,000                                | 600,000                                | 600,000                                | 600,000                                | 600,000                                |
| Sewerage network                 | 12,597,339                  | 750,000                        | 759,000                        | 768,108                        | 777,325                                | 786,653                                | 796,093                                | 805,646                                | 815,314                                | 825,098                                |
| Other assets                     | -                           | -                              | -                              | -                              | -                                      | 1,000,000                              | 2,000,000                              | 2,000,000                              | -                                      | -                                      |
| <b>Total Capital Expenditure</b> | <b>25,590,734</b>           | <b>9,121,688</b>               | <b>7,964,658</b>               | <b>8,865,820</b>               | <b>8,736,237</b>                       | <b>10,036,694</b>                      | <b>11,283,554</b>                      | <b>10,310,820</b>                      | <b>8,957,128</b>                       | <b>8,303,845</b>                       |
| <b>Capital Funding</b>           |                             |                                |                                |                                |  |  |  |  |  |  |
| Rates & Other Untied Funding     | 618,680                     | 4,279,630                      | 4,479,256                      | 4,478,878                      | 4,453,496                              | 5,453,110                              | 6,452,720                              | 6,452,326                              | 4,451,927                              | 4,451,525                              |
| Capital Grants & Contributions   | 16,123,054                  | 1,075,770                      | 76,548                         | 77,334                         | 78,128                                 | 78,930                                 | 79,741                                 | 80,560                                 | 81,387                                 | 82,223                                 |
| Reserves:                        |                             |                                |                                |                                |  |  |  |  |  |  |
| - External Restrictions/Reserves | 2,365,000                   | 2,060,000                      | 1,779,000                      | 2,038,108                      | 1,937,325                              | 1,956,653                              | 1,966,093                              | 1,975,646                              | 1,985,314                              | 1,995,098                              |
| - Internal Restrictions/Reserves | 2,065,000                   | 1,178,288                      | 1,134,854                      | 1,319,500                      | 1,469,288                              | 1,830,000                              | 2,204,500                              | 1,303,288                              | 1,871,500                              | 1,127,450                              |
| New Loans                        | 4,000,000                   |                                |                                |                                |  |  |  |  |  |  |
| Receipts from Sale of Assets     |                             | 528,000                        | 495,000                        | 952,000                        | 798,000                                | 718,000                                | 580,500                                | 499,000                                | 567,000                                | 647,550                                |
| - Plant & Equipment              | 419,000                     |                                |                                |                                |  |  |  |  |  |  |
| - Land & Buildings               |                             |                                |                                |                                |  |  |  |  |  |  |
| <b>Total Capital Funding</b>     | <b>25,590,734</b>           | <b>9,121,688</b>               | <b>7,964,658</b>               | <b>8,865,820</b>               | <b>8,736,237</b>                       | <b>10,036,694</b>                      | <b>11,283,554</b>                      | <b>10,310,820</b>                      | <b>8,957,128</b>                       | <b>8,303,845</b>                       |
| <b>Net capital funding</b>       | <b>-</b>                    | <b>-</b>                       | <b>-</b>                       | <b>-</b>                       | <b>-</b>                               | <b>-</b>                               | <b>-</b>                               | <b>-</b>                               | <b>-</b>                               | <b>-</b>                               |

# Reserves

## Cash and Investments



| Operational Plan  | Delivery Program  | Delivery Program | Delivery Program | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan | Long Term Financial Plan |
|---|---|------------------|------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|   | 2020/21   | 2021/22          | 2022/23          | 2023/24                  | 2024/25                  | 2025/26                  | 2026/27                  | 2027/28                  | 2028/29                  | 2029/30                  |                          |                          |                          |                          |                          |                          |
| Externally Restricted <sup>(1)</sup>                      | Developers Contributions                                    | 10,000           | 10,000           | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   | 10,000                   |
|   | Sheridan Street Upgrade Loan Funds                          | -                | -                | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
|   | Specific Purpose Unexpended Grants & Contributions          | 152,000          | 152,000          | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  | 152,000                  |
|   | Water network infrastructure                                | 2,137,809        | 1,805,559        | 1,771,265                | 1,853,612                | 2,246,537                | 2,756,690                | 3,387,037                | 4,142,135                | 5,029,386                | 6,051,590                | 7,116,901                | 8,342,150                | 9,779,868                | 11,344,444               | 13,061,555               |
|   | Sewer network infrastructure                                | 4,590,468        | 5,160,468        | 5,757,085                | 6,381,634                | 6,979,954                | 7,555,923                | 8,103,882                | 8,622,667                | 9,116,901                | 9,579,868                | 10,032,835               | 10,485,802               | 10,938,769               | 11,391,736               | 11,844,703               |
|   | Gundagai Town Improvement District                          | 1,415,000        | 1,295,000        | 1,175,000                | 1,055,000                | 935,000                  | 815,000                  | 695,000                  | 575,000                  | 455,000                  | 335,000                  | 215,000                  | 100,000                  | -                        | -                        | -                        |
|   | Domestic Waste Management                                   | 3,013,182        | 3,690,798        | 4,483,779                | 5,047,765                | 5,542,889                | 6,059,340                | 6,597,305                | 7,156,971                | 7,738,525                | 8,342,150                | 8,959,765                | 9,577,380                | 10,194,995               | 10,812,610               | 11,430,225               |
|   | Stormwater infrastructure renewal                           | 263,000          | 263,000          | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  | 263,000                  |
|   | Total Externally Restricted                                 | 11,581,459       | 12,376,825       | 13,612,130               | 14,763,011               | 15,969,380               | 17,451,953               | 19,048,224               | 20,761,773               | 22,604,812               | 24,573,609               | 26,542,400               | 28,511,187               | 30,479,974               | 32,448,761               | 34,417,548               |
|   | (1) Funds that must be spent for a specific purpose         |                  |                  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Internally Restricted <sup>(2)</sup>                      | Merger Implementation Fund                                  | -                | -                | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
|   | Stronger Communities Fund                                   | -                | -                | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
|   | Aerodrome Bitumen Resurfacing                               | 245,000          | 245,000          | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  | 245,000                  |
|   | Bradman's Birthplace  | 53,000           | 53,000           | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   | 53,000                   |
|   | Coolac bypass   | 102,000          | 77,000           | 52,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   | 24,000                   |
|   | Cootamundra Caravan Park                                    | 92,000           | 92,000           | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   | 92,000                   |
|   | Council Election Reserve                                    | -                | -                | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
|   | Development   | 594,000          | 594,000          | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  | 594,000                  |
|   | Employee Leave Entitlements                                 | 1,385,000        | 1,385,000        | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                | 1,385,000                |
|   | Financial Assistance Grant                                  | -                | -                | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
| Unrestricted (ie. available after the above Restrictions) | Heritage Centre   | 14,000           | 14,000           | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   | 14,000                   |
|   | Incomplete Works  | 33,000           | 33,000           | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   | 33,000                   |
|   | Plant Replacement   | 64,264           | 430,020          | 840,271                  | 1,066,649                | 1,143,713                | 860,230                  | 202,093                  | 444,686                  | 118,244                  | 534,679                  | 1,069,244                | 1,603,819                | 2,138,394                | 2,672,969                | 3,207,544                |
|   | Quarries & Pit Restoration                                  | 16,000           | 16,000           | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   | 16,000                   |
|   | Saleyards   | 35,000           | 35,000           | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   | 35,000                   |
|   | Special Projects  | -                | -                | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
|   | Swimming Pool Pump & Equipment                              | -                | -                | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
|   | Cemetery Reserve  | -                | -                | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
|   | Total Internally Restricted                                 | 2,633,264        | 2,974,020        | 3,359,271                | 3,557,649                | 3,634,713                | 3,351,230                | 2,693,093                | 2,935,686                | 2,609,244                | 3,025,679                | 3,312,244                | 3,599,819                | 3,887,394                | 4,174,969                | 4,462,544                |
|   | (2) Funds that Council has earmarked for a specific purpose |                  |                  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Total Cash & Investments                                  | 17,414,879  | 16,933,518       | 18,116,874       | 20,097,442               | 21,847,473               | 22,824,612               | 22,642,811               | 23,603,191               | 26,262,301               | 29,933,113               | 32,854,644               | 35,744,219               | 38,632,183               | 41,520,153               | 44,407,722               | 47,295,294               |

### Externally Restricted <sup>(1)</sup>

Developers Contributions  
Sheridan Street Upgrade Loan Funds  
Specific Purpose Unexpended Grants & Contributions  
Water network infrastructure  
Sewer network infrastructure  
Gundagai Town Improvement District  
Domestic Waste Management  
Stormwater infrastructure renewal

### Total Externally Restricted

(1) Funds that must be spent for a specific purpose

### Internally Restricted <sup>(2)</sup>

Merger Implementation Fund  
Stronger Communities Fund  
Aerodrome Bitumen Resurfacing  
Bradman's Birthplace  
Coolac bypass  
Cootamundra Caravan Park  
Council Election Reserve  
Development  
Employee Leave Entitlements  
Financial Assistance Grant  
Heritage Centre  
Incomplete Works  
Plant Replacement  
Quarries & Pit Restoration  
Saleyards  
Special Projects  
Swimming Pool Pump & Equipment  
Cemetery Reserve

### Total Internally Restricted

(2) Funds that Council has earmarked for a specific purpose

### Unrestricted (ie. available after the above Restrictions)

### Total Cash & Investments