Long Term Financial Plan

2026 - 2036

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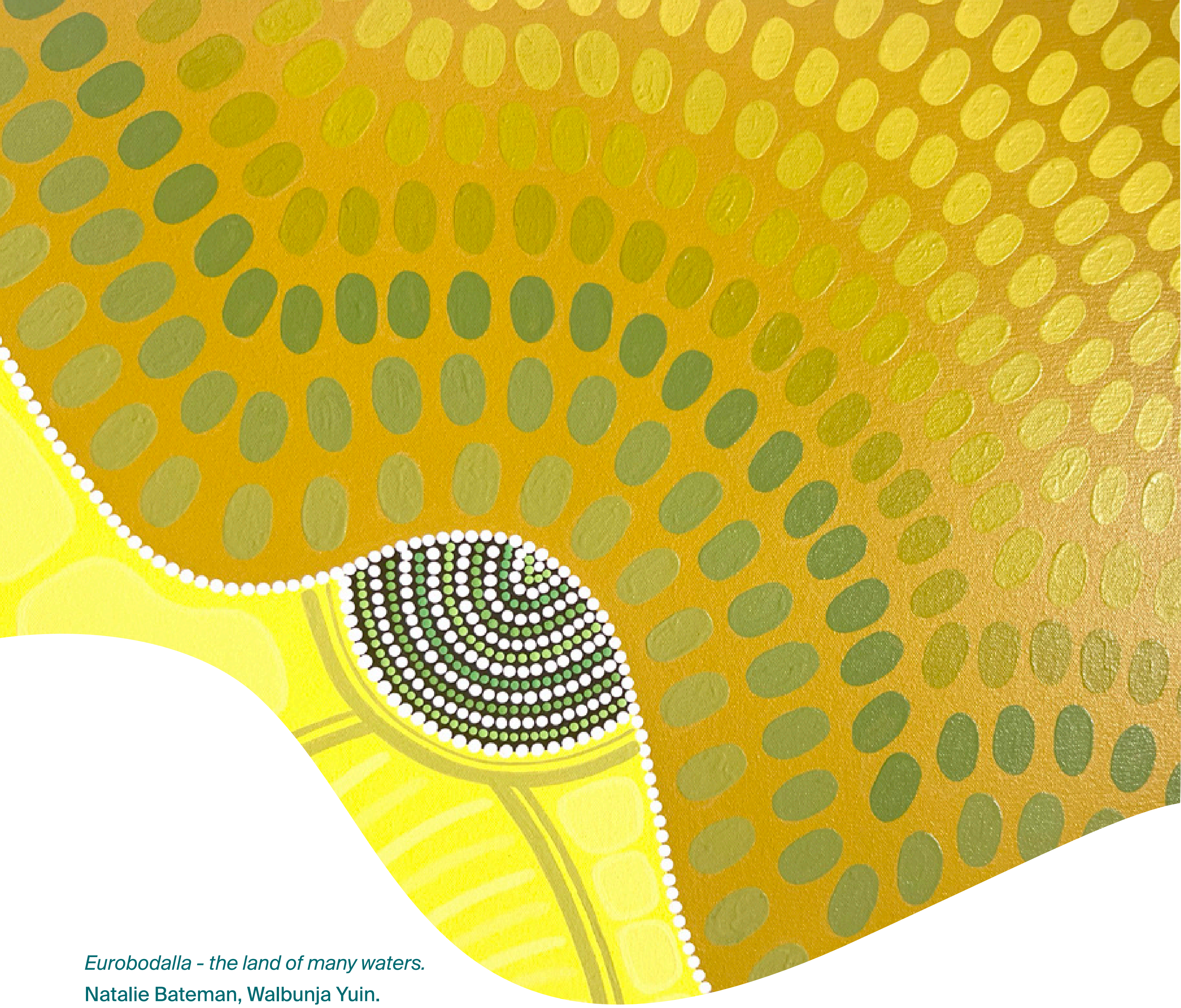


Eurobodalla - the land of many waters.
Natalie Bateman, Walbunja Yuin.

Acknowledgement of Country

Eurobodalla Shire Council recognises Aboriginal people as the original inhabitants and custodians of all land and water in the Eurobodalla and respects their enduring cultural and spiritual connection to it. Eurobodalla Shire Council acknowledges the Traditional Owners of the land in which we live. Council pays respect to Elders past, present and aspiring.

We are on Yuin Country.

Front cover image:

CONTENTS

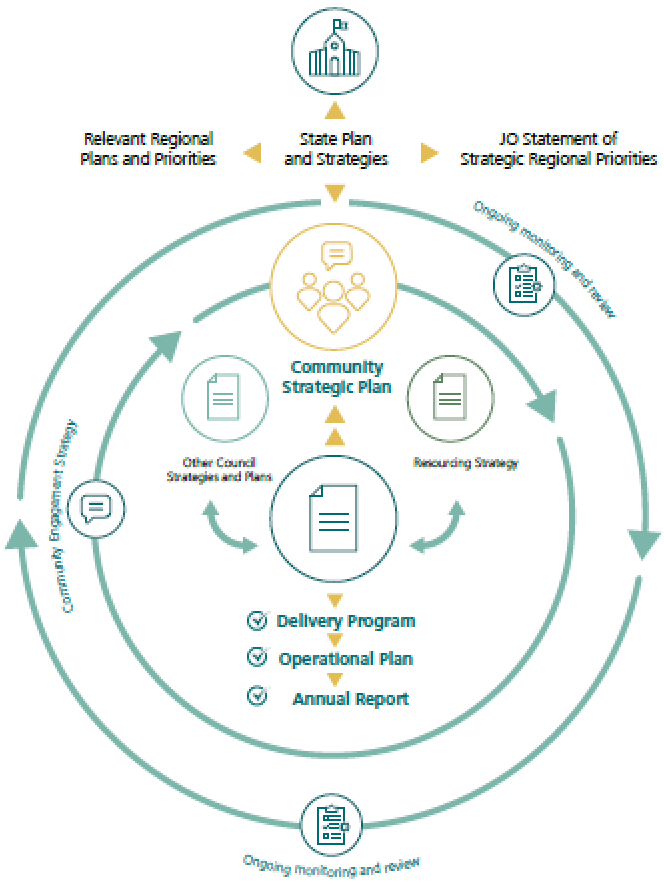
INTEGRATED PLANNING AND REPORTING FRAMEWORK

The Integrated Planning and Reporting (IP&R) Framework comprises a Community Strategic Plan (CSP), a four-year Delivery Program (DP) and a one-year Operational Plan (OP), including the annual budget. These documents are supported by a Resourcing Strategy, which identifies the resources required to implement the strategies set out in the CSP, in accordance with section 403 of the *Local Government Act 1993* (NSW).

The Resourcing Strategy outlines how Council will utilise its financial, asset and workforce resources to deliver the CSP priorities over a 10-year period. It consists of three key documents:

- the Long-Term Financial Plan (LTFP),
- the Workforce Management Strategy, and
- the Asset Management Strategy and associated Asset Management Plans.

The LTFP is a critical component of Council's strategic planning framework and focuses on matters identified in the CSP that fall within Council's responsibility. It provides a long-term financial view to support informed decision-making and financial sustainability.



PURPOSE

The purpose of the Long-Term Financial Plan (LTFP) is to provide a strategic guide for future financial decision-making. It does not detail individual programs of work or service delivery. Rather, the LTFP is a planning tool that tests the community's aspirations and goals against Council's long-term financial capacity and sustainability.

The LTFP informs decision-making during the development, implementation, and review of Council's Delivery Program (DP) and Operational Plan (OP). It is a dynamic document that is reviewed annually to reflect changes in community expectations, external influences, emerging information, and Council decisions as they occur.

This Plan covers a 10-year period from 2026–27 to 2035–36.

The LTFP includes:

- An overview of Council's long-term financial position
- Key underlying assumptions
- Council's projected financial statements
- Performance monitoring arrangements
- Scenario analysis
- Sensitivity analysis

OVERVIEW

Council’s operations are reported on a consolidated basis; however, for financial management and reporting purposes, its activities are structured across three funds: the General Fund (which includes general, waste, and environmental services), the Water Fund, and the Sewer Fund. Separate rates and charges are levied to fund general, environmental, waste, water, and sewer services. Each fund operates under different financial and regulatory considerations. For example, general fund rates are subject to rate pegging, whereas water and sewer operations operate under user pay pricing structures, with any surpluses held as restricted funds for their intended purposes.

The General Fund encompasses Council’s general, environmental, and waste functions. General rates (residential, business, and farmland) are subject to rate pegging, whereby the NSW Independent Pricing and Regulatory Tribunal (IPART) determines the maximum percentage increase in general income each year. Under the *Local Government Act 1993*, councils may apply to IPART for a Special Rate Variation (SRV) to increase general income above the rate peg.

Balancing community expectations for service delivery with the cost of maintaining and renewing infrastructure remains a key challenge for Council’s general operations. The cost of delivering services and sustaining infrastructure continues to increase at a faster rate than Council’s income. During the LTFP period, Council plans to deliver several major capital projects including the new Animal Shelter in Moruya, Moruya Housing Precinct and Hospital Infrastructure, the Tomakin Sewage Treatment Plant augmentation, the West Rosedale Housing Infrastructure Project, Capital works at Brou Landfill, and construction of new processing facility for Food, Organics and Garden Organics (FOGO). While Council maintains a reasonably strong cash position and has sought—and in some cases secured—grant funding to support the initial construction of these assets, the most significant long-term financial impact arises from the ongoing maintenance and renewal obligations associated with this expanding asset base.

This LTFP has been developed with a strong focus on prioritising critical services and infrastructure and ensuring Council continues to live within its financial capacity. Although Council has successfully stabilised its unrestricted cash position, increasing costs and ongoing financial pressures continue to affect business as usual operations and require deliberate and ongoing management. These challenges include:

- Limited growth in operating income under the current IPART rate pegging
- Rising costs and inflationary pressures increasing the cost-of-service delivery
- Workforce constraints, including staff retention, market salary pressures, and contractor availability

- Significant growth in Council's asset base and the associated renewal and maintenance costs
- Cost shifting from State and Federal Government

The General Fund is projected to record an operating deficit (before capital grants and contributions), which gradually improves over the duration of the LTFP. These projections are based on the service mix and service levels outlined in the adopted Delivery Program and Operational Plan. Any additional services or increases in service levels beyond those currently planned will require full funding, service reprioritisation, or changes to existing service delivery.

To minimise the financial impact of unforeseen events or factors outside Council's control, adequate funds are maintained in unrestricted cash reserves. Council's Cash Reserves Policy formalises the purpose and calculation of cash reserves and outlines Council's agreed approach to maintaining sufficient reserves to support its strategic objectives and risk management requirements.

While the General Fund records an operating deficit before capital, Council's overall financial cash reserves are adequate to meet its current and forecast obligations. An operating deficit before capital does not take account of existing reserve balances, the timing of operating grants, or depreciation, which is a significant non-cash expense. In assessing financial sustainability, it is essential that Council maintains sufficient liquidity—that is, the ability to meet short-term obligations as they fall due. Unrestricted cash represents cash and investments that are not legislatively or internally restricted for specific purposes. As outlined in the consolidated cash flow statement, Council's unrestricted cash remains within the target range established under the Cash Reserves Policy ($5 million to $10 million) and is projected to increase over the life of the LTFP.

Council's Water and Sewer Funds operate under separate pricing structures and have greater flexibility to recover the full cost of service provision, including both operating and capital costs. Key considerations for these funds include maintaining a stable pricing path for users and meeting the requirements of the Regulatory and Assurance Framework for Local Water Utilities administered by the Department of Planning and Environment. Both the Water and Sewer Funds are in a satisfactory financial position. Significant capital works are planned during this LTFP period, including completion of the Southern Water Storage Facility, the Southern Water Treatment Plant, and the renewal of several existing sewage treatment plants. While these projects impact the forecast results, cash balances for these funds remain adequate throughout the LTFP period.

From a consolidated perspective, Council is forecast to record an operating deficit (before capital grants and contributions) over the first eight years of the LTFP, transitioning to an operating surplus in year nine. Consolidated cash balances remain adequate across the entire forecast period.

ASSUMPTIONS

In planning for the financial year 2026-27 and beyond, several key assumptions have been made to forecast revenue, expenditures, and overall financial health.

The following assumptions have been used in the modelling contained in the LTFP.

Service Level - The service mix and level of service is assumed to be maintained over the planning period as outlined in the current CSP endorsed 25 February 2025. The LTFP assumes that core service delivery remains unchanged.

Rates and Annual Charges - The indexation factor applied is based on guidance provided by IPART which is based on the Local Government Price Index and informs the rate peg. The guidance is a 2.5% increase for future years beyond the 2026-27 rate peg of 3.1% which is what has been used in the LTFP.

The general fund assumes 3.1% for 2026-27, and 2.5% thereafter over the LTFP period. Historically the IPART Rate Peg has been 2.6% in 2020-21, 2.0% in 2021-22, 1.7% in 2022-23, 4.3% in 2023-24, 5.5% in 2024-25 and 4.1% in 2025-26.

The model assumes annual water charges increase by 5.19% in year 1, followed by 5.16% in year 2, 4.91% in year 3 and 3.5% in years 4-10. Annual sewer charges increase by 4.24% in year 1, 4.07% in year 2, 4.3% in year 3 and 2.5% in years 4-10. Waste collection charges increase by 5% in year 1, followed by 5.5% in year 2, 6% in years 3-5, 4.5% in year 6 and 3.5% in years 7-10.

A ratepayer base growth of 0.5% has been applied across all rates and annual charges.

User Fees and Other - Assumes 3.1% for 2026-27 and 2.5% in outer years.

Investment Revenue - Investment revenue is based on the estimate of the returns expected on Council's investment portfolio, primarily being term deposits in accordance with the Minister's investment order, and Council's Investment Policy.

Operating Grants and Contributions - A conservative approach is taken, as only known grant funds are included.

Capital Grants and Contributions - A conservative approach is taken, including known or recurrent funding in the 10-year period.

Net Loss/Gain on Disposal of Assets - Disposal of plant and investments are assumed to be for nil gain as they are assets that meet operational needs and are not of a commercial nature. The modelling assumes a small loss ($832k) on the disposal of assets due to the remaining book value of renewed infrastructure assets.

Interest Expense - Borrowings are utilised to finance Council's infrastructure programs and enable the benefits and costs of long-life assets to be shared equitably between current and future generations of ratepayers. This is commonly termed ‘intergenerational equity’. Borrowings are assumed to attract an average interest rate of 6% over the 10 years.

In 2024–25, Council obtained loan funding to complete the Southern Water Storage Facility. Based on cash-flow projections, this plan assumes that in 2034–35 Council will repay $20 million of the $40 million initially borrowed. No new borrowings have been assumed for the General Fund over the life of the plan.

Depreciation - Depreciation is estimated based on current infrastructure and the projected asset expenditure in the future and is calculated using the straight-line basis over the estimated useful life of the asset. Modelling assumes ‘like for like’ replacement of assets when they have reached the end of their useful lives.

Employee Costs - Salary and wages costs are estimated based on Council’s approved organisational structure and the applicable rates of pay under the Local Government Award. As the new Local Government Award has not yet been released, a 4% increase has been assumed for planning purposes and will be reviewed once the Award determination is confirmed. For the remaining years of the Plan, salary and wages have been indexed at 2.5%.

Materials, Contracts and Other Costs - Assumes 2.5% indexation. Some maintenance programs and contracts are adjusted for growth in the relevant services.

PROJECTED FINANCIAL STATEMENTS

INCOME STATEMENT - The Income statement, also known as the profit and loss statement, primarily focuses on Council's revenues and expenses.

BALANCE SHEET - The balance sheet, also known as the statement of financial position, reports Council's assets, liabilities and equity. It provides a snapshot of what Council owns and owes as at the date of the report.

CASH FLOW STATEMENT - The cash flow statement, also known as statement of cash flows, show the source of cash and helps monitor incoming and outgoing money.

The following pages present the projected financial statements for the Consolidated Council entity, including the General Fund, Water Fund, and Sewer Fund.

INCOME STATEMENT – CONSOLIDATED

Income Statement - Consolidated Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Revenue												
Rates & Annual Charges	79,884	83,973	87,533	91,117	94,939	98,211	101,602	104,931	108,239	111,648	115,161	118,782
User Charges & Fees	35,751	29,887	31,673	32,694	33,757	34,742	35,756	36,801	37,877	38,986	40,127	41,304
Other Revenue	3,946	5,134	4,206	4,311	4,419	4,529	4,643	4,759	4,878	5,000	5,125	5,253
Operating Grants & Contributions	14,935	16,808	17,099	17,146	17,291	17,378	17,687	18,065	18,453	18,850	19,258	19,675
Capital Grants & Contributions incl. Developer Contributions	41,350	40,382	24,856	14,787	16,552	16,903	16,762	17,082	15,507	15,893	16,290	16,696
Interest & Investment Income	7,035	6,328	8,608	6,834	6,470	5,789	5,951	7,121	8,345	9,730	11,493	12,306
Other Income	2,794	3,102	3,149	3,228	3,308	3,391	3,476	3,563	3,652	3,743	3,837	3,933
Total Revenue	185,694	185,614	177,123	170,117	176,737	180,943	185,877	192,322	196,951	203,850	211,290	217,947
Less Expenses												
Employee Benefits & On-Costs	54,587	50,681	49,430	50,200	51,455	52,742	54,060	55,412	56,797	58,217	59,672	61,164
Materials & Services	47,921	46,220	45,426	45,298	46,842	49,226	50,340	51,525	53,275	53,984	55,261	56,569
Depreciation, amortisation and impairment of non-financial assets	46,980	49,781	56,583	58,871	61,190	63,612	65,535	67,265	69,072	70,858	72,689	74,524
Borrowing Costs	2,585	2,282	4,295	3,958	3,615	3,299	3,049	2,773	2,513	1,991	1,768	2,451
Other Expenses	2,077	2,477	2,524	2,587	2,652	2,718	2,786	2,855	2,927	3,000	3,075	3,152
(Profit)/Loss on Disposal of Assets	4,473	408	832	849	866	883	901	919	937	956	975	995
Total Expenses	158,623	151,848	159,088	161,763	166,620	172,480	176,670	180,749	185,522	189,006	193,440	198,854
Net Operating Result for the Year	**27,071**	**33,766**	**18,035**	**8,353**	**10,118**	**8,463**	**9,207**	**11,573**	**11,429**	**14,843**	**17,851**	**19,093**
Net Operating Result Before Grants and Contributions provided for Capital Purposes	**(14,279)**	**(6,616)**	**(6,820)**	**(6,433)**	**(6,435)**	**(8,439)**	**(7,555)**	**(5,509)**	**(4,078)**	**(1,050)**	**1,561**	**2,397**

*curent year based on December Quarterly Budget Review Statement

BALANCE SHEET – CONSOLIDATED

Balance Sheet - Consolidated Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Assets												
Current Assets												
Cash & cash equivalants	24,526	14,137	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Investments	147,030	147,030	123,315	117,527	104,199	108,193	136,815	168,563	202,911	246,506	293,143	339,380
Receivables - Current	16,357	16,357	16,357	16,357	16,357	16,357	16,357	16,357	16,357	16,357	16,357	16,357
Inventories	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595
Contract Assets	315	315	315	315	315	315	315	315	315	315	315	315
Other - Current	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030
Total Current Assets	190,854	180,465	152,612	146,824	133,497	137,490	166,113	197,861	232,209	275,804	322,441	368,678
Non-Current Assets												
Investments - Non-current	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Receivables - Non-current	5	5	5	5	5	5	5	5	5	5	5	5
Infrastructure, Property, Plant & Equipment	2,312,240	2,349,093	2,387,278	2,394,007	2,410,203	2,408,832	2,384,015	2,358,474	2,325,568	2,292,438	2,259,213	2,227,567
Right of Use Assets	374	374	374	374	374	374	374	374	374	374	374	374
Non-current assets classified as "held for sale"	30	30	30	30	30	30	30	30	30	30	30	30
Total Non-Current Assets	2,320,650	2,357,503	2,395,688	2,402,417	2,418,613	2,417,242	2,392,425	2,366,884	2,333,978	2,300,848	2,267,623	2,235,977
TOTAL ASSETS	2,511,504	2,537,968	2,548,301	2,549,241	2,552,110	2,554,732	2,558,538	2,564,745	2,566,187	2,576,652	2,590,064	2,604,655
LIABILITIES												
Current Liabilities												
Payables	16,043	16,043	16,043	16,043	16,043	16,043	16,043	16,043	16,043	16,043	16,043	16,043
Contract Liabilities	21,301	21,301	21,301	21,301	21,301	21,301	21,301	21,301	21,301	21,301	21,301	21,301
Lease Liabilities	188	188	188	188	188	188	188	188	188	188	188	188
Borrowings	8,197	7,302	7,702	7,413	7,249	5,841	5,401	5,367	9,987	4,378	24,439	4,502
Employee Benefit Provisions	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445
Total Current Liabilities	58,175	57,280	57,680	57,391	57,226	55,819	55,379	55,345	59,964	54,356	74,416	54,479
Non-Current Liabilities												
Lease Liabilities	339	339	339	339	339	339	339	339	339	339	339	339
Borrowings	86,925	80,519	72,416	65,292	58,208	53,775	48,814	43,481	28,875	30,105	5,606	21,041
Employee Benefit Provisions	898	898	898	898	898	898	898	898	898	898	898	898
Provisions	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607
Total Non-Current Liabilities	98,769	92,363	84,261	77,136	70,052	65,619	60,658	55,325	40,719	41,950	17,450	32,886
TOTAL LIABILITIES	156,944	149,643	141,940	134,527	127,279	121,438	116,037	110,670	100,683	96,305	91,867	87,365
Net Assets	**2,354,559**	**2,388,325**	**2,406,360**	**2,414,714**	**2,424,831**	**2,433,295**	**2,442,502**	**2,454,075**	**2,465,504**	**2,480,347**	**2,498,197**	**2,517,290**
EQUITY												
Retained Earnings	1,155,354	1,189,120	1,207,155	1,215,509	1,225,626	1,234,089	1,243,296	1,254,870	1,266,298	1,281,142	1,298,992	1,318,085
Revaluation Reserves	1,199,205	1,199,205	1,199,205	1,199,205	1,199,205	1,199,205	1,199,205	1,199,205	1,199,205	1,199,205	1,199,205	1,199,205
Total Equity	**2,354,559**	**2,388,325**	**2,406,360**	**2,414,714**	**2,424,831**	**2,433,295**	**2,442,502**	**2,454,075**	**2,465,504**	**2,480,347**	**2,498,197**	**2,517,290**

*curent year based on December Quarterly Budget Review Statement

CASH FLOW STATEMENT – CONSOLIDATED

Cash Flow Statement - Consolidated Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Cash Flows from Operating Activities												
Receipts												
Rates & Annual Charges	79,506	83,973	87,533	91,117	94,939	98,211	101,602	104,931	108,239	111,648	115,161	118,782
User Charges & Fees	44,036	29,887	31,673	32,694	33,757	34,742	35,756	36,801	37,877	38,986	40,127	41,304
Interest Received	7,552	6,328	8,608	6,834	6,470	5,789	5,951	7,121	8,345	9,730	11,493	12,306
Grants & Contributions	59,770	47,826	32,356	22,094	23,759	23,944	23,854	24,288	22,829	23,334	23,853	24,383
Other	22,351	8,237	7,355	7,539	7,727	7,921	8,119	8,322	8,530	8,743	8,961	9,185
Payments												
Payments to employees	(54,369)	(50,681)	(49,430)	(50,200)	(51,455)	(52,742)	(54,060)	(55,412)	(56,797)	(58,217)	(59,672)	(61,164)
Payments for materials and services	(66,281)	(48,696)	(47,949)	(47,885)	(49,493)	(51,944)	(53,125)	(54,380)	(56,202)	(56,984)	(58,336)	(59,721)
Borrowing costs	(2,684)	(2,282)	(4,295)	(3,958)	(3,615)	(3,299)	(3,049)	(2,773)	(2,513)	(1,991)	(1,768)	(2,451)
Net Cash provided (or used in) Operating Activities	89,881	74,591	65,852	58,235	62,089	62,623	65,048	68,898	70,307	75,248	79,820	82,624
Cash Flows from Investing Activities												
Investing Fund Flows												
Redemption of Term Deposits	63,000		-	-	-	-	-	-	-	-	-	-
Asset & Investment Sales	710	801	544	940	602	702	861	723	394	507	679	1,847
Deferred Debtor Receipts	6	-	-	-	-	-	-	-	-	-	-	-
Acquisition of Term Deposits	(86,010)	-	-	-	-	-	-	-	-	-	-	-
Purchase of Assets	(109,475)	(78,479)	(86,546)	(57,550)	(68,770)	(53,490)	(31,885)	(32,505)	(26,367)	(27,782)	(29,423)	(33,732)
Net Cash provided (or used in) Investing Activities	(131,769)	(77,678)	(86,002)	(56,610)	(68,168)	(52,788)	(31,024)	(31,783)	(25,973)	(27,275)	(28,745)	(31,886)
Cash Flows from Financing Activities												
Proceeds from Borrowings	40,000	-	-	-	-	-	-	-	-	-	20,000	-
Repayments of Borrowings	(8,126)	(7,302)	(7,702)	(7,413)	(7,249)	(5,841)	(5,401)	(5,367)	(9,987)	(4,378)	(24,439)	(4,502)
Net Cash Flow provided (used in) Financing Activities	31,874	(7,302)	(7,702)	(7,413)	(7,249)	(5,841)	(5,401)	(5,367)	(9,987)	(4,378)	(4,439)	(4,502)
Net Increase/(Decrease) in Cash, Cash Equivalents & Investments	**(10,014)**	**(10,389)**	**(27,852)**	**(5,788)**	**(13,328)**	**3,994**	**28,622**	**31,748**	**34,348**	**43,595**	**46,637**	**46,237**
plus: Cash, Cash Equivalents & Investments - beginning of year	189,570	179,556	169,167	141,315	135,527	122,199	126,193	154,815	186,563	220,911	264,506	311,143
Cash, Cash Equivalents & Investments - end of the year	**179,556**	**169,167**	**141,315**	**135,527**	**122,199**	**126,193**	**154,815**	**186,563**	**220,911**	**264,506**	**311,143**	**357,380**
Representing:												
External Restrictions	39,941	29,173	22,187	22,959	23,997	25,182	26,497	27,933	29,218	31,025	33,344	35,720
InternalRestrictions	64,519	59,719	66,447	67,897	70,329	78,406	88,011	98,960	113,616	128,942	144,310	159,247
Unrestricted Cash - General Fund (including Environment Fund)	10,497	12,396	9,743	9,674	9,604	9,532	9,458	9,382	9,304	9,225	9,143	9,059
Restricted Cash - Water Fund	40,676	37,049	17,530	14,542	9,915	5,250	11,215	17,402	25,311	34,370	44,561	53,323
Restricted Cash - Sewer Fund	23,923	30,831	25,408	20,454	8,354	7,823	19,634	32,886	43,461	60,945	79,785	100,031
	179,556	**169,167**	**141,315**	**135,527**	**122,199**	**126,193**	**154,815**	**186,563**	**220,911**	**264,506**	**311,143**	**357,380**

*curent year based on December Quarterly Budget Review Statement

INCOME STATEMENT – GENERAL FUND (including Environment & Waste)

Income Statement - General Fund (including Environment & Waste)

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Revenue												
Rates & Annual Charges	45,598	47,716	49,498	51,234	53,077	54,990	56,976	58,854	60,663	62,523	64,436	66,403
User Charges & Fees	21,775	16,204	17,202	17,632	18,073	18,525	18,988	19,462	19,949	20,448	20,959	21,483
Other Revenue	3,813	4,988	4,056	4,157	4,261	4,368	4,477	4,589	4,703	4,821	4,942	5,065
Operating Grants & Contributions	14,917	16,808	17,039	17,085	17,229	17,346	17,687	18,065	18,453	18,850	19,258	19,675
Capital Grants & Contributions incl. Developer Contributions	31,600	26,480	21,021	10,856	12,523	12,773	12,528	12,743	11,059	11,335	11,617	11,906
Interest & Investment Income	5,869	5,408	5,224	4,807	4,883	5,072	5,496	5,859	6,306	7,019	7,762	8,502
Other Income	2,794	3,102	3,149	3,228	3,308	3,391	3,476	3,563	3,652	3,743	3,837	3,933
Total Revenue	126,365	120,707	117,189	108,999	113,354	116,464	119,628	123,135	124,786	128,739	132,810	136,967
Less Expenses												
Employee Benefits & On-Costs	46,122	40,953	40,158	40,697	41,714	42,757	43,826	44,922	46,045	47,196	48,376	49,585
Materials & Services	31,779	29,357	27,490	26,914	27,999	29,912	30,542	31,232	32,476	32,665	33,408	34,170
Depreciation, amortisation and impairment of non-financial assets	30,163	31,635	34,273	35,577	37,100	38,679	39,784	40,876	42,031	43,155	44,308	45,447
Borrowing Costs	1,114	912	777	652	542	444	390	341	295	256	218	179
Other Expenses	2,000	2,256	2,297	2,355	2,414	2,474	2,536	2,599	2,664	2,731	2,799	2,869
(Profit)/Loss on Disposal of Assets	2,932	-	-	-	-	-	-	-	0	-	-	-
Total Expenses	114,109	105,113	104,996	106,195	109,768	114,267	117,078	119,970	123,512	126,003	129,109	132,250
Net Operating Result for the Year	**12,256**	**15,594**	**12,193**	**2,804**	**3,586**	**2,197**	**2,550**	**3,165**	**1,274**	**2,736**	**3,701**	**4,717**
Net Operating Result Before Grants and Contributions provided for Capital Purposes	**(19,345)**	**(10,886)**	**(8,828)**	**(8,052)**	**(8,938)**	**(10,575)**	**(9,978)**	**(9,578)**	**(9,785)**	**(8,599)**	**(7,916)**	**(7,190)**

*curent year based on December Quarterly Budget Review Statement

BALANCE SHEET – GENERAL FUND (including Environment & Waste)

Balance Sheet - General Fund (including Environment & Waste)

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Assets												
Current Assets												
Cash & cash equivalants	24,526	10,858	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Investments	82,431	82,431	80,378	82,530	85,929	95,120	105,966	118,275	134,138	151,192	168,798	186,027
Receivables - Current	11,174	11,174	11,174	11,174	11,174	11,174	11,174	11,174	11,174	11,174	11,174	11,174
Inventories	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595
Contract Assets	315	315	315	315	315	315	315	315	315	315	315	315
Other - Current	960	960	960	960	960	960	960	960	960	960	960	960
Total Current Assets	121,001	107,332	104,422	106,574	109,974	119,164	130,010	142,319	158,183	175,236	192,842	210,071
Non-Current Assets												
Investments - Non-current	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Receivables - Non-current	5	5	5	5	5	5	5	5	5	5	5	5
Infrastructure, Property, Plant & Equipment	1,541,119	1,566,254	1,577,745	1,575,010	1,571,996	1,563,129	1,553,423	1,542,927	1,527,136	1,511,649	1,496,541	1,482,789
Right of Use Assets	374	374	374	374	374	374	374	374	374	374	374	374
Non-current assets classified as "held for sale"	30	30	30	30	30	30	30	30	30	30	30	30
Total Non-Current Assets	1,549,529	1,574,665	1,586,155	1,583,420	1,580,406	1,571,539	1,561,833	1,551,337	1,535,546	1,520,060	1,504,951	1,491,200
TOTAL ASSETS	1,670,530	1,681,997	1,690,577	1,689,994	1,690,379	1,690,703	1,691,843	1,693,657	1,693,729	1,695,295	1,697,793	1,701,270
LIABILITIES												
Current Liabilities												
Payables	11,463	11,463	11,463	11,463	11,463	11,463	11,463	11,463	11,463	11,463	11,463	11,463
Contract Liabilities	13,477	13,477	13,477	13,477	13,477	13,477	13,477	13,477	13,477	13,477	13,477	13,477
Lease Liabilities	188	188	188	188	188	188	188	188	188	188	188	188
Borrowings	4,128	4,128	3,613	3,387	3,201	1,873	1,410	1,352	1,202	1,169	1,204	1,239
Employee Benefit Provisions	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445	12,445
Total Current Liabilities	41,701	41,701	41,186	40,960	40,774	39,446	38,983	38,925	38,775	38,742	38,777	38,812
Non-Current Liabilities												
Lease Liabilities	339	339	339	339	339	339	339	339	339	339	339	339
Borrowings	22,018	17,891	14,793	11,632	8,618	8,072	7,125	5,830	4,780	3,643	2,405	1,130
Employee Benefit Provisions	898	898	898	898	898	898	898	898	898	898	898	898
Provisions	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607	10,607
Total Non-Current Liabilities	33,863	29,735	26,638	23,477	20,462	19,916	18,969	17,675	16,624	15,487	14,249	12,975
TOTAL LIABILITIES	75,563	71,436	67,823	64,436	61,236	59,363	57,952	56,600	55,398	54,229	53,026	51,787
Net Assets	1,594,966	1,610,561	1,622,754	1,625,558	1,629,143	1,631,341	1,633,891	1,637,057	1,638,331	1,641,066	1,644,767	1,649,484
EQUITY												
Retained Earnings	743,084	758,678	770,871	773,675	777,261	779,458	782,008	785,174	786,448	789,183	792,884	797,601
Revaluation Reserves	851,883	851,883	851,883	851,883	851,883	851,883	851,883	851,883	851,883	851,883	851,883	851,883
Total Equity	1,594,966	1,610,561	1,622,754	1,625,558	1,629,143	1,631,341	1,633,891	1,637,057	1,638,331	1,641,066	1,644,767	1,649,484

*curent year based on December Quarterly Budget Review Statement

CASH FLOW STATEMENT – GENERAL FUND (including Environment & Waste)

Cash Flow Statement - General Fund (including Environment & Waste)

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Cash Flows from Operating Activities												
Receipts												
Rates & Annual Charges	45,598	47,716	49,498	51,234	53,077	54,990	56,976	58,854	60,663	62,523	64,436	66,403
User Charges & Fees	21,775	16,204	17,202	17,632	18,073	18,525	18,988	19,462	19,949	20,448	20,959	21,483
Interest Received	5,869	5,408	5,224	4,807	4,883	5,072	5,496	5,859	6,306	7,019	7,762	8,502
Grants & Contributions	39,567	35,343	29,916	19,593	21,196	21,348	21,226	21,594	20,068	20,504	20,952	21,410
Other	6,606	8,090	7,205	7,385	7,570	7,759	7,953	8,152	8,355	8,564	8,778	8,998
Payments												
Payments to employees	(46,122)	(40,953)	(40,158)	(40,697)	(41,714)	(42,757)	(43,826)	(44,922)	(46,045)	(47,196)	(48,376)	(49,585)
Payments for materials and services	(33,779)	(31,613)	(29,787)	(29,269)	(30,412)	(32,386)	(33,078)	(33,832)	(35,140)	(35,396)	(36,207)	(37,039)
Borrowing costs	(1,114)	(912)	(777)	(652)	(542)	(444)	(390)	(341)	(295)	(256)	(218)	(179)
Net Cash provided (or used in) Operating Activities	38,401	39,284	38,322	30,033	32,129	32,107	33,345	34,827	33,860	36,210	38,086	39,993
Cash Flows from Investing Activities												
Investing Fund Flows												
Asset & Investment Sales	823	771	487	766	546	614	808	691	432	489	657	1,746
Deferred Debtor Receipts	6	-	-	-	-	-	-	-	-	-	-	-
Purchase of Assets	(50,219)	(49,596)	(38,106)	(25,259)	(26,075)	(21,657)	(21,897)	(21,856)	(17,228)	(18,477)	(19,934)	(23,271)
Net Cash provided (or used in) Investing Activities	(49,389)	(48,824)	(37,620)	(24,494)	(25,529)	(21,042)	(21,088)	(21,165)	(16,796)	(17,988)	(19,277)	(21,525)
Cash Flows from Financing Activities												
Repayments of Borrowings	(6,052)	(4,128)	(3,613)	(3,387)	(3,201)	(1,873)	(1,410)	(1,352)	(1,202)	(1,169)	(1,204)	(1,239)
Net Cash Flow provided (used in) Financing Activities	(6,052)	(4,128)	(3,613)	(3,387)	(3,201)	(1,873)	(1,410)	(1,352)	(1,202)	(1,169)	(1,204)	(1,239)
Net Increase/(Decrease) in Cash, Cash Equivalents & Investments	**(17,040)**	**(13,669)**	**(2,911)**	**2,153**	**3,399**	**9,191**	**10,846**	**12,309**	**15,863**	**17,053**	**17,606**	**17,229**
plus: Cash, Cash Equivalents & Investments - beginning of year	131,997	114,957	101,288	98,378	100,530	103,929	113,120	123,966	136,275	152,138	169,192	186,798
Cash, Cash Equivalents & Investments - end of the year	**114,957**	**101,288**	**98,378**	**100,530**	**103,929**	**113,120**	**123,966**	**136,275**	**152,138**	**169,192**	**186,798**	**204,027**
Representing:												
External Restrictions	39,941	29,173	22,187	22,959	23,997	25,182	26,497	27,933	29,218	31,025	33,344	35,720
InternalRestrictions	64,519	59,719	66,447	67,897	70,329	78,406	88,011	98,960	113,616	128,942	144,310	159,247
Unrestricted Cash - General Fund (including Environment Fund)	10,497	12,396	9,743	9,674	9,604	9,532	9,458	9,382	9,304	9,225	9,143	9,059
	114,957	**101,288**	**98,378**	**100,530**	**103,929**	**113,120**	**123,966**	**136,275**	**152,138**	**169,192**	**186,798**	**204,027**

*curent year based on December Quarterly Budget Review Statement

INCOME STATEMENT – WATER FUND

Income Statement - Water Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Revenue												
Rates & Annual Charges	9,077	9,556	10,095	10,670	11,250	11,701	12,169	12,655	13,161	13,688	14,235	14,804
User Charges & Fees	12,911	12,673	13,410	13,956	14,532	15,036	15,557	16,097	16,656	17,234	17,832	18,451
Other Revenue	13	54	56	57	59	60	61	63	65	66	68	70
Operating Grants & Contributions	14	-	59	61	62	32	(0)	(0)	(0)	(0)	(0)	(0)
Capital Grants & Contributions incl. Developer Contributions	6,774	11,589	1,590	1,630	1,670	1,712	1,755	1,799	1,844	1,890	1,937	1,986
Interest & Investment Income	146	254	1,881	815	646	389	133	349	548	805	1,088	393
Total Revenue	28,933	34,126	27,092	27,188	28,220	28,929	29,675	30,963	32,274	33,683	35,160	35,703
Less Expenses												
Employee Benefits & On-Costs	3,603	4,206	4,205	4,311	4,418	4,529	4,642	4,758	4,877	4,999	5,124	5,252
Materials & Services	7,793	8,018	9,015	9,241	9,472	9,709	9,951	10,200	10,455	10,717	10,984	11,259
Depreciation, amortisation and impairment of non-financial assets	7,266	7,614	10,027	10,520	10,832	11,153	11,470	11,757	12,051	12,353	12,662	12,979
Borrowing Costs	29	25	2,268	2,150	2,014	1,890	1,781	1,651	1,523	1,402	1,268	2,041
Other Expenses	29	221	227	232	238	244	250	256	263	269	276	283
(Profit)/Loss on Disposal of Assets	329	408	416	424	433	442	450	459	469	478	488	497
Total Expenses	19,048	20,493	26,158	26,877	27,407	27,966	28,545	29,083	29,638	30,218	30,802	32,311
Net Operating Result for the Year	**9,885**	**13,633**	**933**	**311**	**813**	**963**	**1,130**	**1,881**	**2,635**	**3,465**	**4,358**	**3,392**
Net Operating Result Before Grants and Contributions provided for Capital Purposes	**3,111**	**2,045**	**(657)**	**(1,319)**	**(858)**	**(749)**	**(625)**	**82**	**791**	**1,575**	**2,421**	**1,406**

*curent year based on December Quarterly Budget Review Statement

BALANCE SHEET – WATER FUND

Balance Sheet - Water Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Assets												
Current Assets												
Investments	40,676	37,049	17,558	14,599	10,001	5,379	11,344	17,531	25,440	34,499	44,690	53,452
Receivables - Current	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860	3,860
Other - Current	54	54	54	54	54	54	54	54	54	54	54	54
Total Current Assets	44,590	40,963	21,472	18,513	13,915	9,293	15,258	21,445	29,354	38,413	48,604	57,366
Non-Current Assets												
Infrastructure, Property, Plant & Equipment	391,791	407,877	426,231	427,431	430,772	434,289	427,383	421,008	413,714	406,120	398,287	390,917
Total Non-Current Assets	391,791	407,877	426,231	427,431	430,772	434,289	427,383	421,008	413,714	406,120	398,287	390,917
TOTAL ASSETS	436,381	448,840	447,703	445,944	444,688	443,581	442,641	442,453	443,068	444,533	446,891	448,283
LIABILITIES												
Current Liabilities												
Payables	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563	3,563
Contract Liabilities	7,325	7,325	7,325	7,325	7,325	7,325	7,325	7,325	7,325	7,325	7,325	7,325
Borrowings	2,070	1,174	2,070	2,070	2,070	2,070	2,070	2,070	2,020	2,000	22,000	2,000
Total Current Liabilities	12,957	12,062	12,957	12,957	12,957	12,957	12,957	12,957	12,908	12,887	32,887	12,887
Non-Current Liabilities												
Borrowings	38,438	38,159	35,194	33,125	31,055	28,985	26,915	24,846	22,875	20,895	(1,105)	16,895
Total Non-Current Liabilities	38,438	38,159	35,194	33,125	31,055	28,985	26,915	24,846	22,875	20,895	(1,105)	16,895
TOTAL LIABILITIES	51,395	50,221	48,151	46,082	44,012	41,942	39,873	37,803	35,783	33,783	31,783	29,783
Net Assets	**384,985**	**398,619**	**399,552**	**399,863**	**400,676**	**401,639**	**402,769**	**404,650**	**407,285**	**410,750**	**415,108**	**418,500**
EQUITY												
Retained Earnings	250,099	263,732	264,665	264,976	265,789	266,752	267,882	269,763	272,398	275,863	280,221	283,614
Revaluation Reserves	134,887	134,887	134,887	134,887	134,887	134,887	134,887	134,887	134,887	134,887	134,887	134,887
Total Equity	**384,985**	**398,619**	**399,552**	**399,863**	**400,676**	**401,639**	**402,769**	**404,650**	**407,285**	**410,750**	**415,108**	**418,500**

*curent year based on December Quarterly Budget Review Statement

CASH FLOW STATEMENT – WATER FUND

Cash Flow Statement - Water Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Cash Flows from Operating Activities												
Receipts												
Rates & Annual Charges	9,077	9,556	10,095	10,670	11,250	11,701	12,169	12,655	13,161	13,688	14,235	14,804
User Charges & Fees	12,911	12,673	13,410	13,956	14,532	15,036	15,557	16,097	16,656	17,234	17,832	18,451
Interest Received	146	254	1,881	815	646	389	133	349	548	805	1,088	393
Grants & Contributions	6,394	10,983	1,028	1,054	1,080	1,075	1,070	1,096	1,124	1,152	1,181	1,210
Other	13	54	56	57	59	60	61	63	65	66	68	70
Payments												
Payments to employees	(3,603)	(4,206)	(4,205)	(4,311)	(4,418)	(4,529)	(4,642)	(4,758)	(4,877)	(4,999)	(5,124)	(5,252)
Payments for materials and services	(7,822)	(8,239)	(9,242)	(9,473)	(9,710)	(9,953)	(10,201)	(10,456)	(10,718)	(10,986)	(11,260)	(11,542)
Borrowing costs	(29)	(25)	(2,268)	(2,150)	(2,014)	(1,890)	(1,781)	(1,651)	(1,523)	(1,402)	(1,268)	(2,041)
Net Cash provided (or used in) Operating Activities	17,086	21,050	10,755	10,618	11,425	11,889	12,365	13,395	14,435	15,558	16,751	16,092
Cash Flows from Investing Activities												
Investing Fund Flows												
Asset & Investment Sales	-	30	57	174	56	88	53	32	(38)	18	21	101
Purchase of Assets	(44,621)	(23,533)	(28,233)	(11,682)	(14,009)	(14,530)	(4,383)	(5,170)	(4,468)	(4,517)	(4,582)	(5,431)
Net Cash provided (or used in) Investing Activities	(44,621)	(23,503)	(28,176)	(11,508)	(13,953)	(14,442)	(4,330)	(5,139)	(4,506)	(4,499)	(4,560)	(5,330)
Cash Flows from Financing Activities												
Proceeds from Borrowings	40,000	-	-	-	-	-	-	-	-	-	20,000	(0)
Repayments of Borrowings	(70)	(1,174)	(2,070)	(2,070)	(2,070)	(2,070)	(2,070)	(2,070)	(2,020)	(2,000)	(22,000)	(2,000)
Net Cash Flow provided (used in) Financing Activities	39,930	(1,174)	(2,070)	(2,070)	(2,070)	(2,070)	(2,070)	(2,070)	(2,020)	(2,000)	(2,000)	(2,000)
Net Increase/(Decrease) in Cash, Cash Equivalents & Investments	12,395	(3,628)	(19,490)	(2,959)	(4,598)	(4,623)	5,966	6,187	7,909	9,059	10,191	8,762
plus: Cash, Cash Equivalents & Investments - beginning of year	28,282	40,676	37,049	17,558	14,599	10,001	5,379	11,344	17,531	25,440	34,499	44,690
Cash, Cash Equivalents & Investments - end of the year	40,676	37,049	17,558	14,599	10,001	5,379	11,344	17,531	25,440	34,499	44,690	53,452
Representing:												
External Restrictions	26,023	20,720	39	36	58	5	1,078	2,178	3,305	4,461	5,646	6,860
Unrestricted Cash - Water Fund	14,653	16,329	17,519	14,563	9,944	5,374	10,266	15,353	22,135	30,037	39,044	46,592
	40,676	**37,049**	**17,558**	**14,599**	**10,001**	**5,379**	**11,344**	**17,531**	**25,440**	**34,499**	**44,690**	**53,452**

*curent year based on December Quarterly Budget Review Statement

INCOME STATEMENT – SEWER FUND

Income Statement - Sewer Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Revenue												
Rates & Annual Charges	25,210	26,701	27,940	29,213	30,612	31,521	32,457	33,422	34,415	35,437	36,490	37,574
User Charges & Fees	1,065	1,010	1,061	1,106	1,153	1,182	1,211	1,241	1,272	1,304	1,337	1,370
Other Revenue	120	92	95	97	99	102	104	107	110	112	115	118
Operating Grants & Contributions	4	-	-	-	-	-	-	-	-	-	-	-
Capital Grants & Contributions incl. Developer Contributions	2,975	2,313	2,245	2,301	2,359	2,418	2,478	2,540	2,604	2,669	2,735	2,804
Interest & Investment Income	1,020	665	1,503	1,212	941	328	322	914	1,491	1,905	2,643	3,411
Total Revenue	30,395	30,781	32,843	33,930	35,164	35,550	36,573	38,224	39,891	41,428	43,320	45,277
Less Expenses												
Employee Benefits & On-Costs	4,862	5,522	5,066	5,193	5,322	5,455	5,592	5,732	5,875	6,022	6,172	6,327
Materials & Services	8,349	8,844	8,920	9,143	9,371	9,606	9,846	10,092	10,344	10,603	10,868	11,140
Depreciation, amortisation and impairment of non-financial assets	9,551	10,532	12,283	12,775	13,259	13,780	14,281	14,632	14,990	15,350	15,719	16,098
Borrowing Costs	1,442	1,344	1,249	1,157	1,059	964	878	781	694	332	282	231
Other Expenses	49	-	-	-	-	-	-	-	-	-	-	-
(Profit)/Loss on Disposal of Assets	1,212	-	416	424	433	442	450	459	469	478	488	497
Total Expenses	25,466	26,243	27,934	28,691	29,444	30,247	31,047	31,696	32,372	32,785	33,529	34,293
Net Operating Result for the Year	**4,930**	**4,538**	**4,909**	**5,238**	**5,719**	**5,303**	**5,527**	**6,527**	**7,520**	**8,642**	**9,791**	**10,984**
Net Operating Result Before Grants and Contributions provided for Capital Purposes	**1,954**	**2,225**	**2,664**	**2,937**	**3,360**	**2,885**	**3,048**	**3,987**	**4,916**	**5,974**	**7,056**	**8,181**

*curent year based on December Quarterly Budget Review Statement

BALANCE SHEET – SEWER FUND

Balance Sheet - Sewer Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Assets												
Current Assets												
Investments	23,923	30,831	25,379	20,397	8,268	7,694	19,505	32,757	43,333	60,816	79,656	99,902
Receivables - Current	1,324	1,324	1,324	1,324	1,324	1,324	1,324	1,324	1,324	1,324	1,324	1,324
Other - Current	16	16	16	16	16	16	16	16	16	16	16	16
Total Current Assets	25,263	32,170	26,719	21,737	9,608	9,033	20,844	34,097	44,672	62,155	80,996	101,241
Non-Current Assets												
Infrastructure, Property, Plant & Equipment	379,330	374,961	383,302	391,566	407,435	411,414	403,209	394,539	384,718	374,669	364,385	353,861
Total Non-Current Assets	379,330	374,961	383,302	391,566	407,435	411,414	403,209	394,539	384,718	374,669	364,385	353,861
TOTAL ASSETS	404,593	407,131	410,021	413,302	417,043	420,448	424,053	428,636	429,390	436,824	445,380	455,102
LIABILITIES												
Current Liabilities												
Payables	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018
Contract Liabilities	500	500	500	500	500	500	500	500	500	500	500	500
Borrowings	2,000	2,000	2,020	1,957	1,978	1,898	1,921	1,945	6,765	1,209	1,235	1,263
Total Current Liabilities	3,517	3,517	3,537	3,474	3,496	3,415	3,438	3,462	8,282	2,726	2,752	2,780
Non-Current Liabilities												
Borrowings	26,468	24,469	22,429	20,535	18,535	16,718	14,774	12,805	1,220	5,568	4,306	3,016
Total Non-Current Liabilities	26,468	24,469	22,429	20,535	18,535	16,718	14,774	12,805	1,220	5,568	4,306	3,016
TOTAL LIABILITIES	29,986	27,986	25,966	24,009	22,031	20,133	18,212	16,267	9,502	8,293	7,058	5,796
Net Assets	**374,607**	**379,146**	**384,055**	**389,293**	**395,012**	**400,315**	**405,841**	**412,369**	**419,888**	**428,531**	**438,322**	**449,306**
EQUITY												
Retained Earnings	162,172	166,710	171,619	176,858	182,577	187,879	193,406	199,933	207,453	216,095	225,887	236,871
Revaluation Reserves	212,435	212,435	212,435	212,435	212,435	212,435	212,435	212,435	212,435	212,435	212,435	212,435
Total Equity	**374,607**	**379,146**	**384,055**	**389,293**	**395,012**	**400,315**	**405,841**	**412,369**	**419,888**	**428,531**	**438,322**	**449,306**

*curent year based on December Quarterly Budget Review Statement

CASH FLOW STATEMENT – SEWER FUND

Cash Flow Statement - Sewer Fund

	2024-25 Actuals	2025-26*	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Cash Flows from Operating Activities												
Receipts												
Rates & Annual Charges	25,210	26,701	27,940	29,213	30,612	31,521	32,457	33,422	34,415	35,437	36,490	37,574
User Charges & Fees	1,065	1,010	1,061	1,106	1,153	1,182	1,211	1,241	1,272	1,304	1,337	1,370
Interest Received	1,020	665	1,503	1,212	941	328	322	914	1,491	1,905	2,643	3,411
Grants & Contributions	1,806	1,500	1,412	1,447	1,483	1,520	1,558	1,597	1,637	1,678	1,720	1,763
Other	120	92	95	97	99	102	104	107	110	112	115	118
Payments												
Payments to employees	(4,862)	(5,522)	(5,066)	(5,193)	(5,322)	(5,455)	(5,592)	(5,732)	(5,875)	(6,022)	(6,172)	(6,327)
Payments for materials and services	(8,398)	(8,844)	(8,920)	(9,143)	(9,371)	(9,606)	(9,846)	(10,092)	(10,344)	(10,603)	(10,868)	(11,140)
Borrowing costs	(1,442)	(1,344)	(1,249)	(1,157)	(1,059)	(964)	(878)	(781)	(694)	(332)	(282)	(231)
Net Cash provided (or used in) Operating Activities	**14,520**	**14,258**	**16,775**	**17,584**	**18,535**	**18,627**	**19,338**	**20,676**	**22,012**	**23,480**	**24,983**	**26,539**
Cash Flows from Investing Activities												
Investing Fund Flows												
Purchase of Assets	(15,659)	(5,350)	(20,207)	(20,609)	(28,686)	(17,304)	(5,606)	(5,479)	(4,672)	(4,788)	(4,908)	(5,031)
Net Cash provided (or used in) Investing Activities	**(15,659)**	**(5,350)**	**(20,207)**	**(20,609)**	**(28,686)**	**(17,304)**	**(5,606)**	**(5,479)**	**(4,672)**	**(4,788)**	**(4,908)**	**(5,031)**
Cash Flows from Financing Activities												
Repayments of Borrowings	(1,980)	(2,000)	(2,020)	(1,957)	(1,978)	(1,898)	(1,921)	(1,945)	(6,765)	(1,209)	(1,235)	(1,263)
Net Cash Flow provided (used in) Financing Activities	**(1,980)**	**(2,000)**	**(2,020)**	**(1,957)**	**(1,978)**	**(1,898)**	**(1,921)**	**(1,945)**	**(6,765)**	**(1,209)**	**(1,235)**	**(1,263)**
Net Increase/(Decrease) in Cash, Cash Equivalents & Investments	**(3,120)**	**6,907**	**(5,451)**	**(4,982)**	**(12,129)**	**(574)**	**11,811**	**13,252**	**10,576**	**17,483**	**18,840**	**20,246**
plus: Cash, Cash Equivalents & Investments - beginning of year	27,043	23,923	30,831	25,379	20,397	8,268	7,694	19,505	32,757	43,333	60,816	79,656
Cash, Cash Equivalents & Investments - end of the year	**23,923**	**30,831**	**25,379**	**20,397**	**8,268**	**7,694**	**19,505**	**32,757**	**43,333**	**60,816**	**79,656**	**99,902**
Representing:												
External Restrictions	1,335	1,811	10	28	33	75	556	2,177	3,838	5,541	7,286	9,075
Unrestricted Cash - Sewer Fund	22,588	29,020	25,369	20,369	8,235	7,619	18,948	30,580	39,494	55,275	72,370	90,827
	23,923	**30,831**	**25,379**	**20,397**	**8,268**	**7,694**	**19,505**	**32,757**	**43,333**	**60,816**	**79,656**	**99,902**

*curent year based on December Quarterly Budget Review Statement

PERFORMANCE MONITORING

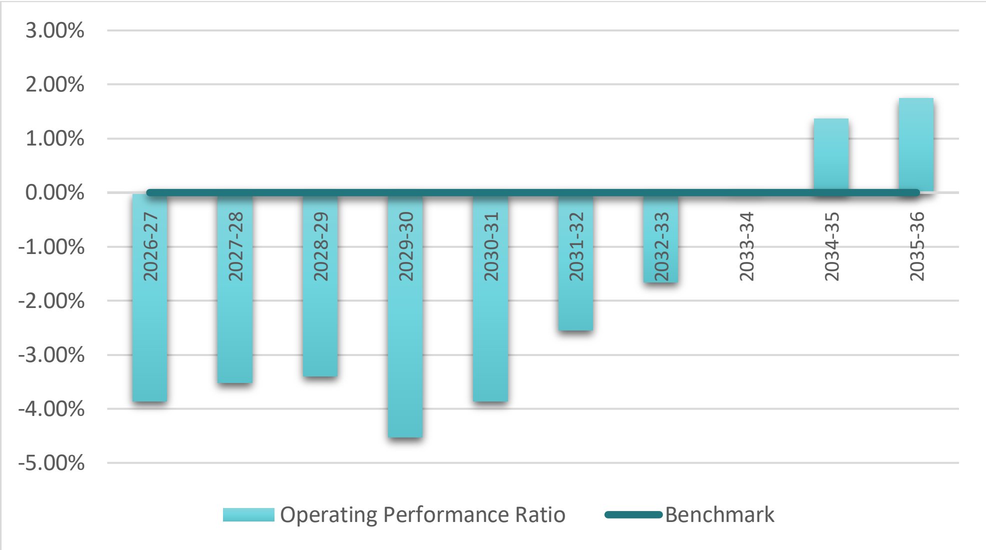
Council notes that the Statement of Performance Measures have been removed from the Local Government Code of Accounting Practice and Financial Reporting. While the Statement is not currently prescribed, it is anticipated that performance measures will be reintroduced in future versions of the Code.

Accordingly, Council will continue to monitor these performance measures for internal management and governance purposes. This approach supports ongoing performance oversight and continuity in performance monitoring pending the outcome of the Office of Local Government's review of performance measures and any future reintroduction into the Code.

These metrics apply to Council's consolidated entity.

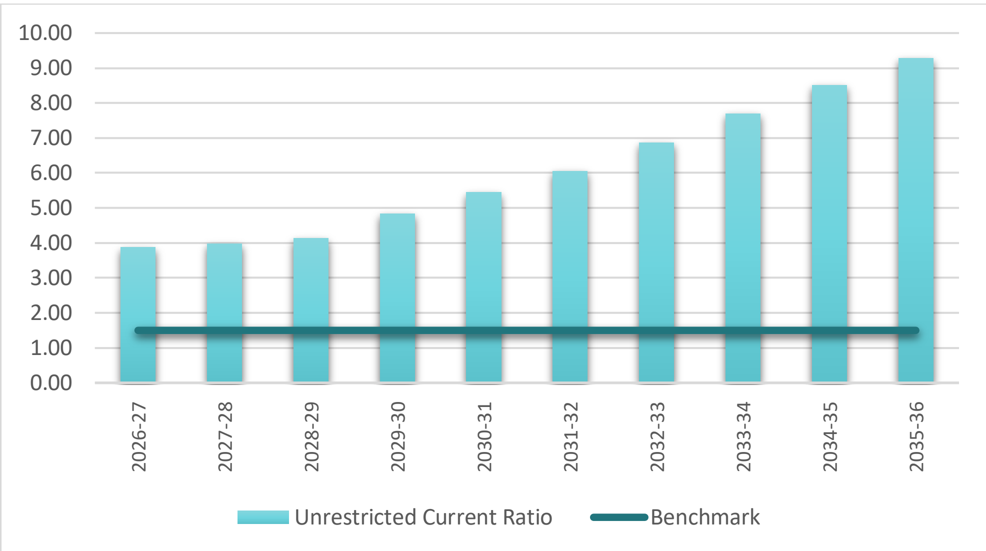
OPERATING PERFORMANCE RATIO - Total continuing operating revenue excluding capital grants and contributions less operating expenses.
Total continuing operating revenue excluding capital grants and contributions

- Indicates Council's achievement of containing operating expenditure within operating revenue and indicates Council's capacity to meet ongoing operating expenditure requirements.
- Benchmark: greater than or equal to 0 (zero)



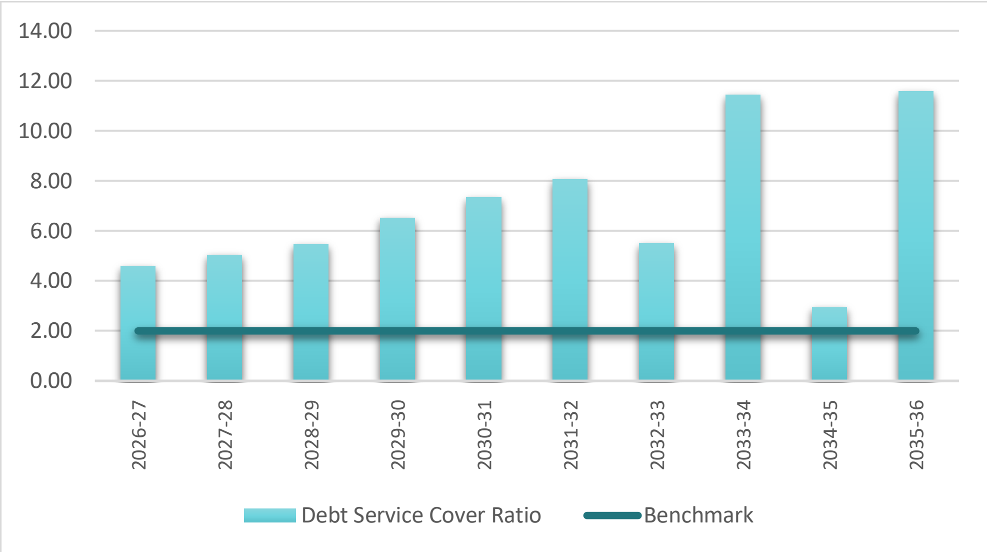
UNRESTRICTED CURRENT RATIO - Current assets less all external restrictions
Current liabilities less specific purpose liabilities

- Provides an indication of Council's ability to meet its short-term financial commitments.
- Benchmark: greater than or equal to 1.5x



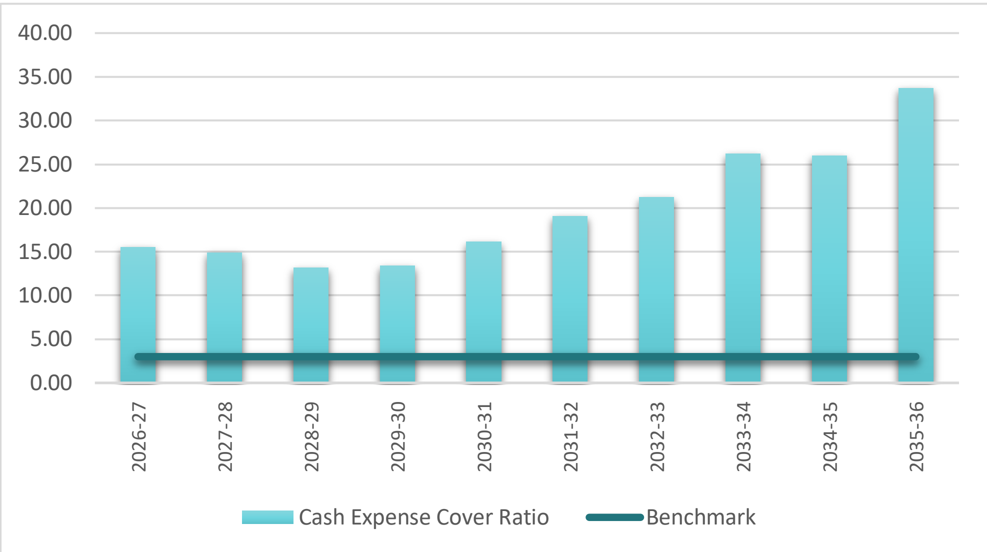
DEBT SERVICE COVER RATIO - Operating result before capital excluding interest and depreciation/impairment/amortisation.
Principal repayments plus borrowing costs

- Indicates the available cash to service Council's debts, including interest, principal and lease repayments.
- Benchmark: greater than or equal to 2x



CASH EXPENSE COVER RATIO - Current year's cash and cash equivalents plus term deposits
Payments from cash flow of operating and financing activities

- Indicates the number of months Council can continue paying for its immediate expenses without additional cash inflow.
- Benchmark: greater than or equal to 3 months



SCENARIO ANALYSIS

A scenario analysis predicts the financial impact of a deliberate policy decision made by Council. Council operates three separate funds, general (including waste and environmental activities), water, and sewer. The following scenarios relate to the general fund (excluding waste and environmental) operations only, the other funds are assumed to remain the same in both scenarios.

Scenario – Targeted Rate Increase

Under this scenario, general rates increase by an additional 1.6% above the assumed 2.5% rate peg across five years of the 10-year plan, resulting in a total annual increase of 4.1% from 2027–28 to 2031–32. This uplift provides a modest but compounding improvement to Council's revenue base over the life of the Long-Term Financial Plan (LTFP). Based on the current rates, the increase is estimated to generate approximately $639k in additional revenue in the 2027-28 year, growing incrementally each year in line with the expanded rate base.

The increased revenue has a direct and positive impact on Council's operating position. While not sufficient in isolation to eliminate the operating deficit, the additional income reduces the gap between recurrent revenues and expenditures, improving the underlying operating result across the planning horizon. Over time, the compounding effect of the higher rate base contributes to a more sustainable financial trajectory.

Importantly, this scenario enhances financial flexibility by providing additional capacity to absorb cost pressures, such as inflation, fuel, and contractor expenses, without further deterioration of the operating result. It also creates opportunities to incrementally increase funding toward asset renewal and maintenance, helping to address backlog and reduce long-term infrastructure risk. Overall, while relatively moderate, the additional rate increase represents a meaningful step toward strengthening Council's financial sustainability.

	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Base Scenario	$ 40,939,407	$ 42,126,406	$ 43,343,897	$ 44,592,646	$ 45,873,441	$ 47,187,085	$ 48,534,404	$ 49,916,245	$ 51,333,474
Targeted Rate Increase	$ 41,578,461	$ 43,446,691	$ 45,392,337	$ 47,418,575	$ 49,528,715	$ 50,933,741	$ 52,374,726	$ 53,852,575	$ 55,368,212
Variance	**$ 639,054**	**$ 1,320,286**	**$ 2,048,440**	**$ 2,825,928**	**$ 3,655,274**	**$ 3,746,656**	**$ 3,840,322**	**$ 3,936,330**	**$ 4,034,738**

SENSITIVITY ANALYSIS

A sensitivity analysis predicts the financial impact of movements in external factors outside of Council's control.

Sensitivity – Fuel Price Increase

This sensitivity analysis considers the impact of fuel price volatility on Council's operating position, recognising fuel as a key input cost across both internal operations and externally delivered services. Increases in fuel costs place immediate pressure on expenditure, with limited opportunity for short-term offsetting savings, thereby exacerbating the operating deficit over the life of the Long-Term Financial Plan (LTFP).

For Council's internal fleet, increases in fuel prices have a direct impact on operating expenditure for plant, light vehicles, and transport-related activities. With a current baseline of approximately $1.7 million per annum, any sustained rise in fuel prices would result in a proportional increase in costs, as illustrated in the table below. This impact flows entirely through the operating result, worsening the deficit unless mitigated through efficiency measures, reduced usage, or budget reallocation.

Table - Impact of Potential Fuel Price Increases on Internal Fleet Costs (Based on FY2024–25 Actuals)

	20% Increase	40% Increase	60% Increase	80% Increase	100% Increase
$ 1,670,185	$ 2,004,222	$ 2,338,259	$ 2,672,296	$ 3,006,333	$ 3,340,370

The impact is more pronounced across contractor-delivered services, where fuel costs are embedded within contract rates and are typically passed through to Council. These pressures affect both operational and capital programs across all funds. As contractors adjust pricing to reflect higher input costs, Council experiences increased expenditure across maintenance, waste services, construction, and capital works delivery. This not only inflates operating costs but can also reduce the overall capital works program, leading to potential deferrals or scope reductions.

Table - Total Contractor Expenses Including Fuel Costs (FY2024–25 Actuals)

	General Fund	Water Fund	Sewer Fund	Waste Fund	Environment Fund
Capital	$ 23,816,568	$ 41,176,617	$ 14,237,747	$ 3,364,977	$ 628,641
Operational	$ 11,026,415	$ 994,710	$ 1,620,135	$ 4,719,227	$ 429,786
Total	**$ 34,842,983**	**$ 42,171,327**	**$ 15,857,882**	**$ 8,084,204**	**$ 1,058,427**

Collectively, sustained fuel cost escalation represents a material risk to financial sustainability. Without corresponding revenue adjustments or cost containment strategies, these increases compound over time, deepening the operating deficit and limiting Council’s capacity to maintain service levels and asset standards. Proactive management, including contract structuring and fleet optimisation, will be critical to mitigating this exposure.

How to contact us

In person	Customer Service Centre Corner Vulcan and Campbell Streets, Moruya Monday to Friday, 8.30am to 4.30pm
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Email	council@esc.nsw.gov.au
Web	www.esc.nsw.gov.au
Councillors	See contact details on our website

Access to information

The best way to find out information about Council is to visit Council's website, read the meeting agenda papers, read the Living in Eurobodalla residents' newsletter, follow us on Facebook or Instagram, subscribe to Council News enewsletter, drop into a library in Narooma, Moruya or Batemans Bay, attend a Councillor Catch Up, or visit the Customer Service Centre in Moruya.