



Long-Term Financial Plan

1 July 2024 – 30 June 2034

Bulk water | Retail water
Flood mitigation | Weed biosecurity
Property

Concise version

23 May 2024

Version	Description	Person responsible	Reviewed by	Approved by / Date
0.1	Draft	J. Patino	G. Ward	Council 31/03/2024
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NOTE: the full version of the Long-Term Financial Plan can be [found here](#).

1. Introduction

1.1. The Long-Term Financial Plan (LTFP)

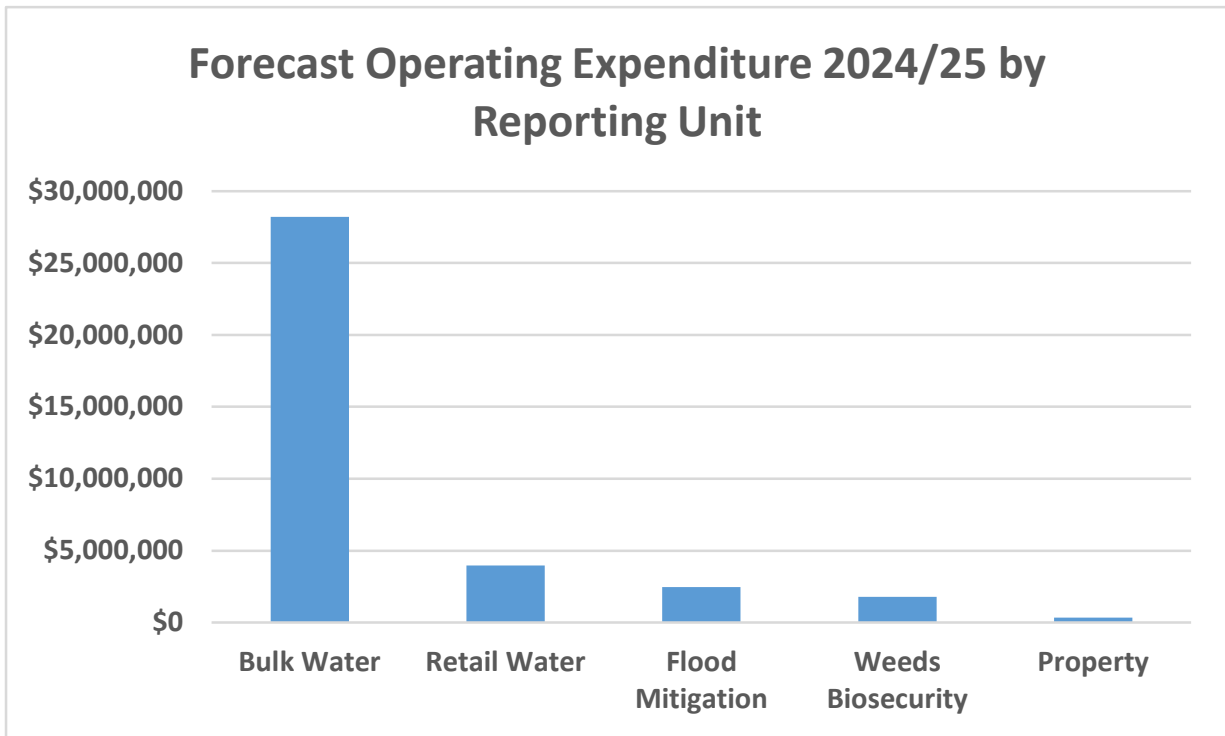
- i. Is a regulatory requirement and forms part of Rous County Council's (Rous) Resourcing Strategy within its Integrated Planning and Reporting (IP&R) Framework.
- ii. Is based on a financial planning period of ten years from 2024/25 to 2033/34. It is relevant to note that Rous also prepare a 30-year financial plan (not presented as part of this document) that provides an intergenerational financial outlook and meets the guidelines of the Integrated Water Cycle Management Strategy (IWCMS) administered by the NSW Department of Planning, Industry and Environment – Water (DPIE).
- iii. Is designed to assist financial decision making. It includes revenue and expenditure forecasts and asset projections, all of which are based on several assumptions.
- iv. Is used to test whether Rous has the financial capacity to satisfy the goals set out in the Business Activity Strategic Plan (part of the IP&R Framework).
- v. Measures short, medium, and long-term sustainability.
- vi. Is expected to identify if there is an unacceptable risk in one or more of these time horizons, with sufficient foresight to enable a remedial strategy to be agreed.
- vii. Is updated annually in conjunction with the Delivery Program and Operational Plan.

2. Rous' financial position

Rous has five distinct reporting units that are combined to form one entity referred to as the consolidated organisation. The 'bulk water reporting unit' is the dominant entity and in a financial sense comprises over 76% of the consolidated organisation.

Graph 1: Forecast operating expenditure 2024/25 shows the forecast operating expenditure of each of the reporting units in the 2024/25 financial year.

Graph 1: Forecast operating expenditure 2024/25



The chart illustrates how the bulk water reporting unit dominates the financial landscape of the consolidated organisation. Therefore, it is relevant to note that a summary of the financial position of the consolidated organisation tends to primarily reflect this unit.

Main income source: Constituent council contributions for the supply of bulk water

This income source is considered to be reliable and secure. The contributions payable by each constituent council are calculated based on the previous year’s water consumption. The actual income to be received by Rous in the forthcoming financial year is known by approximately March of the preceding financial year.

The reliable nature of the income allows Rous to plan for sufficient funds to be raised to meet known expenditures, and to create a cash reserve buffer for unexpected financial events. Given the asset-intensive nature of the bulk water business, financial planning is very important.

Expenditure can vary with the main costs relating to labour, chemicals, electricity and maintenance of an extensive array of assets.

Control and management of assets valued >\$770 million

These assets include dams, treatment plants, pipes, land, buildings and plant and equipment. Both financial and operating planning are critical to ensure that essential services are maintained to satisfactory standards.

Main water source is Rocky Creek Dam, but new water sources are needed

Rocky Creek Dam and associated treatment and reticulation infrastructure currently carry no debt. However, due to the regional population growth and climate change, Rous will need to invest in new water sources or demand for water will exceed supply.

The LTFP anticipates significant expenditure on new groundwater sources, referred to as the Future Water Program (FWP). Expenditure is currently estimated at \$103 million over the next ten years. The FWP includes years of investigations into the best water source alternatives, increases

to the price of bulk water to accommodate external borrowings and research into possible grant funding from higher government tiers.

In summary, it is a challenging time for the organisation both operationally and financially. In addition to managing all existing operations, alternative water supply options and financial management strategies are ongoing. A focus of financial planning is for Rous to continue to meet its service charter and remain financially sustainable into the future.

2.1. Historical financial data

Table 1: Historical performance provides consolidated historical financial information for the three-year period 2020/21, 2021/22 and 2022/23. This information is useful to assess Rous's previous performance and financial position.

Table 1: Historical performance

	Actuals		
	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)
Operating Result			
Operating Revenue	30,575	34,562	36,088
Operating Expenditure	26,251	31,199	31,883
Operating Result	4,324	3,363	4,205
Adjusted Operating Result excluding Capital Grants and Contributions	(911)	(2,268)	(971)
Cash and Investments			
Total Cash and Investments	49,380	40,554	37,772
Other Balance Sheet			
Infrastructure, Property, Plant and Equipment	497,086	510,498	569,037
Outstanding Loan Principal	32,358	28,960	25,355
Performance Indicators			
Operating Performance Ratio (Benchmark >0.00%)	-4.92%	-5.58%	-0.88%
Own Source Operating Revenue Ratio (Benchmark >60.00%)	78.85%	73.82%	79.50%
Unrestricted Current Ratio (Benchmark >1.50x)	7.03x	4.26x	4.02x
Debt Service Cover Ratio (Benchmark >2.00x)	1.59x	1.65x	1.71x
Cash Expense Cover Ratio (Benchmark >3.00 months)	25.80 months	19.90 months	15.24 months
Performance Indicators (including Capital Revenue)			
Operating Performance Ratio (Benchmark >0.00%)	14.14%	9.73%	11.65%
Debt Service Cover Ratio (Benchmark >2.00x)	2.80x	2.73x	2.71x

3. Financial modelling

3.1. Methodology

The LTFP forecasts the ten years from 2024/25 to 2033/34, which meets the requirements of the Office of Local Governments Integrated Planning and Reporting.

The plan presented aims to:

- Determine the funding requirements of both the operational and capital works programs.
- Identify funding sources to meet those funding requirements.
- Document other life-cycle costs associated with system assets and business operations.
- Ensure appropriate levels of cash and liquidity are maintained.
- Forecast the long-term pricing structure.
- Forecast the estimated financial position of the organisation.
- Measure financial performance indicators against industry accepted benchmarks.

The development of this LTFP is continually refined and adjusted to reflect the most current information. Therefore, it is important to note that this document presents the LTFP as at the time of development, being the adopted changes in the Quarterly Budget Review Statement for the quarter ended 31 March 2024.

The estimates shown in the LTFP are expressed in 'future dollars'. This means that the figures in the LTFP are inflated to reflect the actual dollar value that will be received or expended in that year. This is calculated based on the assumed level of inflation based on the Consumer Price Index.

The LTFP is premised on various combinations of historical and current information as well as known and estimated future events.

The accuracy of forecasting contained in the LTFP tends to decline annually as the closer the forecast is to the current day, the more accurate the estimated income or expense. This is because the number of unknown variables reduces annually.

Every effort is made to update the LTFP regularly so that the current base case for each reporting unit and the consolidated organisation is as accurate as reasonably possible at all times.

Due to size and scale, the bulk water supply reporting unit has been selected as the 'host' entity, which accepts all direct costs associated with corporate overheads such as management, finance, information services, human resources, etc. These costs are then apportioned to other reporting units, based on size and scale, existing practice and a sustainable path to full cost recovery.

3.2. How to read the LTFP

This version of the LTFP has been shaped to reflect the primary structure of the organisation on a consolidated basis. A detailed version of the LTFP exists that explores the various functions of the organisation, which are known as reporting units. The detailed version is [available here](#).

The reporting units are:

- Bulk water supply
- Retail water supply
- Flood mitigation
- Weed biosecurity
- Property.

The LTFP can be viewed over three time periods:

1. One-year Operational Plan – 2024/25 budget and is the primary focus (presented in blue in the report tables).
2. Four-year Delivery Program – designated time under the *Local Government Act 1993* that is intended to provide a medium-term financial vision for the organisation (presented in yellow for years two to four in the report tables).
3. Ten-year LTFP – expands on the Delivery Program to provide a broader perspective of where the organisation is heading and what the threats and opportunities may be over ten years (presented in white for the remaining years within this report).

Table 2: Colour scheme

LTFP category	Time period	Colour scheme
Operational Plan	2024/25	Blue
Delivery Program	2025/26 – 2027/28	Yellow
LTFP	2028/29 – 2033/34	White

It will be noted that the **net cash movement** (*Table 4: Consolidated organisation operating performance*) forecasts a zero in all years. This is because the annual cash movement is balanced via a transfer to or from reserve. Therefore, the **net reserve movement** indicates whether the cash reserve has increased or decreased over the period.

It is important that the reserve balance for the organisation is sufficient to meet current operating requirements, forward capital works and debt servicing. Adequate cash reserves ensure the necessary liquidity to meet short-term obligations, i.e., creditor payments, loan servicing costs and payroll expenditure.

Further, it is prudent that the cash reserve is at a level that includes tolerance for unforeseen events (budget shocks) that may impact Council’s ability to maintain service levels. Council has adopted a [‘Financial Reserves’ policy](#) that sets a target for a minimum reserve balance for each reporting unit. This policy assists discussion when considering financial strategies and is referred to in different financial reports.

3.3. Budget assumptions

The budget contains numerous assumptions that are embedded within the figures. This document does not endeavour to summarise them all.

Primary assumption: That Rous will continue to function in 2024/25 and beyond in a similar fashion to the current financial year.

Table 3: Main budget assumptions provides a summary of the budget assumptions and presents the forecast price path of the primary income source for bulk water supply, retail water, flood mitigation and weed biosecurity.

The projected price path will have a significant impact on the customers of Rous, namely, constituent councils.

Table 3: Main budget assumptions

Main Assumptions and Projected Price Paths	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Consumer Price Index	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Rate Pegging	104.60%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%
Depreciation Movement	101.50%	101.50%	101.50%	101.50%	101.50%	101.50%	101.50%	101.50%	101.50%	101.50%
Salary and Wages	102.00%	103.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%
Bulk Water Cost for Retail	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	101.00%	102.00%
Loan Interest Rate	6.50%	6.00%	5.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	4.95%
Investment Interest Rate	4.50%	4.00%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.05%
Flood Council Contributions	108.00%	105.00%	104.00%	104.00%	103.00%	103.00%	102.50%	102.50%	102.50%	102.50%
Weeds Council Contributions	104.60%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%
Bulk Water Council Contributions	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	102.00%	102.00%
Retail Water	108.00%	108.00%	108.00%	108.00%	108.00%	108.00%	108.00%	108.00%	102.00%	102.50%

3.4. Other assumptions

Cost of living: Assumptions around rate pegging and salary and wages are based on different indices published by the Australian Bureau of Statistics and other financial journals. Consumer Price Index increases have been frozen throughout the LTFP in an effort to reduce operating expenditure. The estimates are updated as new information is received.

Depreciation: The assumption of 1.5% is an approximate average for the useful life of an asset, with only basic intervention, of 66 years. Obviously, the actual lifespan varies depending on the asset and the reality is that the depreciation figures included in the LTFP are primarily based on the depreciation figures used in the annual financial statements. The figures in the financial statements represent the culmination of detailed work, per reporting unit, from individual asset registers.

Loan interest rate: Premised on research with different banks and financial institutions.

Investment interest rate: The rates are based on market-based predictions of the future.

Contribution price paths: The proposed price path for each reporting unit is determined by assessing the financial performance and position of each ‘business’. The aim is to ensure that each business remains financially sustainable over the long term without any reduction to service levels nor any unnecessary accumulation of cash reserves. It is assumed that the constituent council’s will be in a position to service their payments to Rous when they fall due.

Future Water Program (FWP): Based on Rous’s decision in 2021, the current version of the plan includes new groundwater sources at Alstonville, Woodburn and Tyagarah.

Estimates of capital and operational expense associated with the FWP are continually being refined and modified.

This is due to both the high likelihood of financial adjustments being required and the impact of those changes on the organisations financial plan.

Population growth: Most Rous revenue streams are calculated by methods that are independent of growth. However, growth is very important when forecasting developer contribution income and strategic asset expenditure.

Assessing growth for Rous involves research on each constituent council individually as they all have different projections. The results for each council are amalgamated to provide the Rous forecast.

4. Financial Plan

The tables shown in this section of the LTFP are current as of March 2024. The commentary that accompanies the tables is intended to be very general in nature, giving an overview perspective only. A detailed version of the LTFP is [available here](#) and commentary will be contained in the report that accompanies the LTFP when presented to Council.

Table 4: Consolidated organisation operating performance shows the forecast operating performance of the consolidated organisation, including capital movements, reserve transfers and the estimated cash reserve balance at year’s end.

Table 4: Consolidated organisation operating performance

Rous County Council - Whole of Organisation

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
Operating Income										
Flood Mitigation	1,910,300	1,224,900	1,270,300	1,315,900	1,353,100	1,389,800	1,421,700	1,456,200	1,492,400	1,526,300
Weeds Biosecurity	1,632,500	1,611,800	1,627,200	1,641,700	1,663,000	1,685,100	1,707,800	1,730,400	1,752,600	1,773,700
Retail Water Supply	3,966,700	4,214,300	4,485,200	4,778,400	5,099,400	5,447,800	5,818,300	6,221,100	6,353,800	6,496,400
Property	162,600	96,900	140,200	166,300	166,100	165,800	165,400	165,000	164,500	164,500
Bulk Water Supply	31,058,300	33,171,200	33,359,300	35,362,700	42,607,200	44,995,700	47,594,000	50,253,600	51,254,900	52,274,800
Fleet Operations	123,500	117,500	115,100	109,500	108,800	110,400	114,200	118,100	122,200	122,200
Total Operating Income	38,853,900	40,436,600	40,997,300	43,374,500	50,997,600	53,794,600	56,821,400	59,944,400	61,140,400	62,357,900
Operating Expense										
Flood Mitigation	2,461,600	1,744,600	1,739,800	1,761,300	1,789,000	1,887,900	1,870,300	1,898,900	1,902,900	1,932,400
Weeds Biosecurity	1,794,400	1,553,300	1,429,400	1,442,900	1,458,600	1,481,000	1,509,500	1,561,300	1,596,600	1,616,200
Retail Water Supply	3,959,000	4,379,300	4,532,300	4,737,300	4,954,600	5,184,900	5,428,600	5,686,900	5,770,500	5,887,300
Property	333,400	230,300	220,500	160,400	153,800	155,300	157,700	159,300	162,100	163,800
Bulk Water Supply	28,211,300	26,904,200	28,969,400	29,594,400	29,684,300	28,905,300	28,857,500	30,837,500	30,893,200	31,040,100
Fleet Operations (*net of internal income)	225,300	234,100	242,100	250,200	258,500	266,900	275,500	284,200	293,000	302,000
Total Operating Expense	36,985,000	35,045,800	37,133,500	37,946,500	38,298,800	37,881,300	38,099,100	40,428,100	40,618,300	40,941,800
Operating Result	1,868,900	5,390,800	3,863,800	5,428,000	12,698,800	15,913,300	18,722,300	19,516,300	20,522,100	21,416,100
Less Depreciation	8,756,500	9,039,400	9,333,300	9,834,800	10,099,500	10,268,300	10,489,800	10,852,500	11,357,700	11,606,200
Operating Result Excluding Non Cash	10,625,400	14,430,200	13,197,100	15,262,800	22,798,300	26,181,600	29,212,100	30,368,800	31,879,800	33,022,300
Add: Loan Drawdown	30,000,000	0	10,000,000	10,000,000	0	0	0	0	0	0
Less: Loan Repayments	4,256,900	4,661,900	4,350,600	2,605,000	2,255,000	2,369,800	2,491,100	2,619,200	2,754,500	2,897,400
Less: Capital Expense	38,305,600	15,516,400	16,421,800	19,442,500	21,901,900	15,527,000	9,101,200	26,070,500	29,147,600	10,569,600
Add: Reserve Transfers	1,937,100	5,748,100	(2,424,700)	(3,215,300)	1,358,600	(8,284,800)	(17,619,800)	(1,679,100)	22,300	(19,555,300)
Estimated Reserves Whole Organisation										
Description	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
Estimated Reserves Whole Organisation	19,704,900	13,956,800	16,381,500	19,596,800	18,238,200	26,523,000	44,142,800	45,821,900	45,799,600	65,354,900
Net Reserve Movement	(1,937,100)	(5,748,100)	2,424,700	3,215,300	(1,358,600)	8,284,800	17,619,800	1,679,100	(22,300)	19,555,300

Key points on operating performance

Recent history

An operating loss before capital grants and contributions has occurred in each of the last three years. Capital revenue through Section 64 contributions is Council's second largest source of revenue and with this revenue included, surpluses have occurred.

The Bulk Water price continues to increase to improve Council's financial performance and allow for the additional capital works associated with the Future Water Program.

Rous is currently providing administrative services to the Northern Rivers Joint Organisation under a fee for service arrangement.

Ten-year forecast

The forecast is for a continuation of operating deficits (excluding capital revenue) until 2028/29.

There are numerous factors influencing this forecast, but the predominant issue is a need to borrow funds externally to pay for new capital works within 'Bulk water'. The plan anticipates raising loans of \$50 million over the next ten years. The price of bulk water is increased to raise funds to repay the debt, however there is a lag where recurrent operating losses are anticipated until revenue reaches a satisfactory level. Cash reserves remain reasonably stable despite funds being applied to capital works and then replenished by new borrowings.

It is not preferable to forecast operating deficits on a recurrent basis, however it is sustainable because income from constituent council contributions for bulk water is elevated to match the new operating and capital expense requirements. Some of the pressure is released in 2027/2028 when the majority of the existing loans expire, which results in saving of approximately \$4 million per annum in loan repayments. The outlook for the whole organisation tends to be dominated by the bulk water reporting unit and more detailed information is provided in that section of the document.

Forecast ratios

Several ratios do not meet the Office of Local Government benchmarks predominantly due to the increased costs of the FWP, the associated loan borrowings and a focus on constructing new assets rather than renewing existing assets.

The selected ratios below are from those required by the Local Government Code of Accounting Practice. A definition for each ratio is included in the detailed version of the LTFP [available here](#). Rous's forecast performance against the benchmarks are detailed in *Table 5: Consolidated organisation forecast ratios*.

Table 5: Consolidated organisation forecast ratios

	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
Rous County Council - Whole of Organisation	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Financial Ratios	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio Expressed as a Percentage <u>Operating Income less Operating Expense</u> Operating Income	(12.40)	(5.24)	(5.18)	(1.24)	14.70	20.22	24.24	23.98	24.98	25.72
Benchmark	>0	>0	>0	>0	>0	>0	>0	>0	>0	>0
Result	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This benchmark is met from 2028/29 onwards primarily due to the Bulk Water price path which enables operating revenue to exceed operating expenditure.									
Own Source Operating Revenue Expressed as a Percentage <u>Operating Income less Grants and Contributions</u> Total Operating Income	93.12	97.54	97.67	97.80	87.02	87.73	88.41	89.03	89.22	89.41
Benchmark	>60	>60	>60	>60	>60	>60	>60	>60	>60	>60
Result	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This benchmark is met in every year as Rous' revenue is primarily from non-Grant sources.									
Debt Service Cover Ratio <u>Operating Result excluding Loan Interest and Depreciation</u> Loan Repayments Principal/Interest	1.07 6,549,900	1.36 9,859,400	1.44 10,346,200	2.18 12,477,800	3.76 19,682,100	4.34 22,737,300	4.85 25,426,200	5.01 26,226,500	5.22 27,365,900	5.37 28,121,100
Benchmark	>2	>2	>2	>2	>2	>2	>2	>2	>2	>2
Result	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This benchmark is met from 2027/28 onwards as existing loans are repaid and operating results improve.									
Unrestricted Current Ratio <u>Current Assets less External Restrictions</u> Current Liabilities Less Specific Purpose Liabilities	2.22 25,881,200	1.81 20,256,700	2.37 22,807,600	2.78 26,151,500	2.58 24,923,900	3.36 33,342,500	5.01 51,098,700	5.04 52,916,900	4.92 53,036,500	6.55 72,736,500
Benchmark	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5
Result	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This ratio exceeds the benchmark in all years.									
Buildings and Infrastructure Renewals ratio <u>Asset Renewals</u> Depreciation, Amortisation and Impairment	67.95 5,950,180	62.01 5,605,175	55.15 5,147,300	78.85 7,755,000	151.60 15,310,900	82.95 8,517,500	22.12 2,319,900	92.05 9,990,200	32.51 3,692,350	20.31 2,357,200
Benchmark	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%
Result	Fail	Fail	Fail	Fail	Pass	Fail	Fail	Fail	Fail	Fail
Comment	The benchmark is generally not met due to a focus on new assets. Renewal expenditure varies depending on the life cycle of existing assets which are generally long-lived and do not require renewal in the short-term.									

Table 5a: Select consolidated organisation forecast ratios (total revenue)

	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Financial Ratios (including Capital Revenue)	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Rous County Council - Whole of Organisation										
Operating Performance Ratio Expressed as a Percentage	4.81	13.33	9.42	12.51	24.90	29.58	32.95	32.56	33.57	34.34
<u>Operating Income less Operating Expense</u>										
Operating Income										
Benchmark	>0	>0	>0	>0	>0	>0	>0	>0	>0	>0
Result	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This ratio exceeds the benchmark in all years.									
Debt Service Cover Ratio	2.04	2.35	2.23	3.22	4.92	5.55	6.10	6.30	6.56	6.75
<u>Operating Result excluding Loan Interest and Depreciation</u>	12,499,800	16,996,000	16,040,100	18,371,000	25,781,600	29,050,100	31,959,300	32,987,900	34,363,600	35,363,200
Loan Repayments Principal/Interest	6,131,300	7,227,700	7,193,600	5,713,200	5,238,300	5,238,300	5,238,300	5,238,300	5,238,300	5,238,300
Benchmark	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5
Result	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This ratio exceeds the benchmark in all years.									

Forecast balance sheet

That fixed assets, specifically infrastructure assets and borrowings, will increase significantly over the next ten years. This forecast reflects the FWP and the associated groundwater infrastructure that will be constructed.

Council's borrowing capacity has been assessed in developing the plans as infrastructure expansion requires significant investment.

Over time the net equity (surplus of asset values over liabilities) of the organisation grows, which reflects, amongst other things, repayment of outstanding loans.

This information is shown in *Table 6: Consolidated organisation forecast balance sheet*.

Table 6: Consolidated organisation forecast balance sheet

	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
ASSETS										
Current Assets										
Cash and Cash Equivalents	5,215,600	6,230,000	6,539,600	6,326,200	6,378,600	6,266,400	6,862,500	6,378,300	6,506,700	5,763,200
Investments	14,489,300	7,726,800	9,841,900	13,270,600	11,859,600	20,256,600	37,280,300	39,443,600	39,292,900	59,591,700
Receivables	4,424,100	4,512,700	4,603,100	4,695,200	4,789,100	4,885,000	4,982,700	5,082,300	5,184,000	5,287,600
Inventories	413,000	421,200	429,700	438,300	447,000	455,900	465,000	474,300	483,700	493,400
Other	0	0	0	0	0	0	0	0	0	0
Investment Property	0	0	0	0	0	0	0	0	0	0
Non-Current Assets Classified as Held for Sale	1,339,200	1,366,000	1,393,300	1,421,200	1,449,600	1,478,600	1,508,200	1,538,400	1,569,200	1,600,600
Total Current Assets	25,881,200	20,256,700	22,807,600	26,151,500	24,923,900	33,342,500	51,098,700	52,916,900	53,036,500	72,736,500
Non-Current Assets										
Investments	0	0	0	0	0	0	0	0	0	0
Receivables	0	0	0	0	0	0	0	0	0	0
Inventories	1,440,300	1,469,100	1,498,500	1,528,500	1,559,100	1,590,300	1,622,100	1,654,500	1,687,600	1,721,300
Infrastructure	576,779,600	581,827,600	589,246,000	599,076,300	611,122,800	616,797,200	615,831,000	631,478,200	649,704,200	649,110,700
Property, Plant and Equipment	31,058,400	31,514,100	32,089,500	32,762,400	33,426,200	33,955,100	34,490,200	35,031,700	35,579,700	36,134,400
Investments Accounted for Using Equity Method	0	0	0	0	0	0	0	0	0	0
Investment Property	0	0	0	0	0	0	0	0	0	0
Intangible Assets	3,431,400	5,064,300	4,864,000	4,659,700	4,451,300	4,238,700	4,021,900	3,800,700	3,575,100	3,345,000
Other	438,500	447,300	456,200	465,300	474,600	484,100	493,800	503,700	513,800	524,100
Total Non-Current Assets	613,148,200	620,322,400	628,154,200	638,492,200	651,034,000	657,065,400	656,459,000	672,468,800	691,060,400	690,835,500
TOTAL ASSETS	639,029,400	640,579,100	650,961,800	664,643,700	675,957,900	690,407,900	707,557,700	725,385,700	744,096,900	763,572,000
LIABILITIES										
Current Liabilities										
Payables	3,743,200	3,818,200	3,894,600	3,972,500	4,051,900	4,133,000	4,215,700	4,300,100	4,386,100	4,473,900
Contract Liabilities	528,500	539,100	549,900	560,900	572,100	583,500	595,200	607,100	619,200	631,600
Lease Liabilities	267,100	0	0	0	0	0	0	0	0	0
Borrowings	4,661,900	4,350,600	2,605,000	2,255,000	2,369,800	2,491,100	2,619,200	2,754,500	2,897,400	3,048,400
Provisions	2,462,500	2,511,800	2,562,000	2,613,200	2,665,500	2,718,800	2,773,200	2,828,700	2,885,300	2,943,000
Income Received in Advance	0	0	0	0	0	0	0	0	0	0
Total Current Liabilities	11,663,200	11,219,700	9,611,500	9,401,600	9,659,300	9,926,400	10,203,300	10,490,400	10,788,000	11,096,900
Non-Current Liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	42,611,200	38,260,700	45,655,700	53,400,600	51,031,100	48,539,900	45,920,700	43,166,200	40,268,800	37,220,300
Provisions	70,400	71,800	73,200	74,700	76,200	77,700	79,300	80,900	82,500	84,200
Total Non-Current Liabilities	42,681,600	38,332,500	45,728,900	53,475,300	51,107,300	48,617,600	46,000,000	43,247,100	40,351,300	37,304,500
TOTAL LIABILITIES	54,344,800	49,552,200	55,340,400	62,876,900	60,766,600	58,544,000	56,203,300	53,737,500	51,139,300	48,401,400
NET ASSETS	584,684,600	591,026,900	595,621,400	601,766,800	615,191,300	631,863,900	651,354,400	671,648,200	692,957,600	715,170,600

Forecast statement of cash flows

That cash levels are significantly impacted by additional loan borrowings (which are required to fund the FWP) and the impact of repaying these borrowed funds.

The forecast predicts how changes in balance sheet accounts and income effect cash and cash equivalents. It provides information that enables users to evaluate the changes in net assets, financial structure (including liquidity and solvency) and the amounts and timing of cash flows to adapt to changing circumstances and opportunities.

This report is particularly useful in assessing the overall health of the forecasts in the LTFFP. Operating activities produce surplus results while investing activities depict a season of significant capital expenditure. The financing activities further highlights the model's reliance on borrowings and the impact of repaying these funds.

This information is shown in *Table 7: Consolidated organisation forecast statement of cash flows*.

Table 7: Consolidated organisation forecast statement of cash flows

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Consolidated										
Cash Flows from Operating Activities										
<u>Receipts</u>										
User Charges and Fees	27,461,400	29,359,100	31,391,700	33,568,700	35,900,400	38,398,000	41,073,200	43,938,800	44,808,000	45,721,000
Investment and Interest Revenue Received	858,500	801,900	707,000	640,000	666,200	691,800	767,000	738,500	770,200	770,200
Grants and Contributions	10,094,100	9,905,900	8,524,700	8,787,500	14,048,200	14,317,400	14,589,100	14,870,100	15,160,200	15,459,600
Other	1,466,600	1,396,400	1,400,600	1,405,000	1,409,500	1,414,100	1,418,800	1,423,700	1,428,700	1,433,800
<u>Payments</u>										
Employee Benefits and On-Costs	(12,486,600)	(12,547,400)	(12,085,400)	(12,265,300)	(12,435,700)	(12,588,800)	(12,798,300)	(13,041,500)	(13,287,100)	(13,537,800)
Materials and Services	(16,869,700)	(14,033,700)	(16,160,200)	(16,184,900)	(16,396,400)	(15,953,000)	(16,055,000)	(18,113,700)	(17,720,200)	(17,751,500)
Borrowing Costs	(1,874,400)	(2,565,800)	(2,843,000)	(3,108,200)	(2,983,300)	(2,868,500)	(2,747,200)	(2,619,100)	(2,483,800)	(2,340,900)
Other	1,975,500	2,113,800	2,261,700	2,420,000	2,589,400	2,770,600	2,964,500	3,172,000	3,203,800	3,267,900
Net Cash Flows from Operating Activities	10,625,400	14,430,200	13,197,100	15,262,800	22,798,300	26,181,600	29,212,100	30,368,800	31,879,800	33,022,300
Cash Flows from Investing Activities										
<u>Receipts</u>										
Redemption of Term Deposits	15,000,000	8,000,000	10,000,000	13,500,000	12,500,000	20,500,000	37,500,000	39,500,000	39,500,000	60,000,000
Sale of Investment Property	0	0	0	0	0	0	0	0	0	0
Sale of Real Estate Assets	0	0	0	0	0	0	0	0	0	0
Sale of Infrastructure, Property, Plant and Equipment	0	0	0	0	0	0	0	0	0	0
<u>Payments</u>										
Acquisition of Term Deposits	(15,000,000)	(8,000,000)	(10,000,000)	(13,500,000)	(12,500,000)	(20,500,000)	(37,500,000)	(39,500,000)	(39,500,000)	(60,000,000)
Purchase of Infrastructure, Property, Plant and Equipment	(35,704,800)	(13,901,100)	(16,369,800)	(19,389,500)	(21,847,900)	(15,472,000)	(9,045,200)	(26,013,500)	(29,089,600)	(10,510,600)
Purchase of Real Estate Assets	(50,000)	(51,000)	(52,000)	(53,000)	(54,000)	(55,000)	(56,000)	(57,000)	(58,000)	(59,000)
Purchase of Intangible Assets	(2,550,800)	(1,564,300)	0	0	0	0	0	0	0	0
Net Cash Flows from Investing Activities	(38,305,600)	(15,516,400)	(16,421,800)	(19,442,500)	(21,901,900)	(15,527,000)	(9,101,200)	(26,070,500)	(29,147,600)	(10,569,600)
Cash Flows from Financing Activities										
<u>Receipts</u>										
Proceeds from Borrowings	30,000,000	0	10,000,000	10,000,000	0	0	0	0	0	0
<u>Payments</u>										
Repayment of Borrowings	(4,256,900)	(4,661,900)	(4,350,600)	(2,605,000)	(2,255,000)	(2,369,800)	(2,491,100)	(2,619,200)	(2,754,500)	(2,897,400)
Net Cash Flows from Financing Activities	25,743,100	(4,661,900)	5,649,400	7,395,000	(2,255,000)	(2,369,800)	(2,491,100)	(2,619,200)	(2,754,500)	(2,897,400)
Net Change in Cash and Cash Equivalents	(1,937,100)	(5,748,100)	2,424,700	3,215,300	(1,358,600)	8,284,800	17,619,800	1,679,100	(22,300)	19,555,300
Cash and Cash Equivalents at Beginning of Year	21,642,000	19,704,900	13,956,800	16,381,500	19,596,800	18,238,200	26,523,000	44,142,800	45,821,900	45,799,600
Cash and Cash Equivalents at End of the Year	19,704,900	13,956,800	16,381,500	19,596,800	18,238,200	26,523,000	44,142,800	45,821,900	45,799,600	65,354,900

5. Capital works program: 10-year forecast

The capital works program is forecast for the current year and the following ten years in *Table 8: Capital works program*. The current year is taken directly from this year's budget while later years are based on directions from Council and information in Council's asset registers.

As with all aspects of the LTFP, the program is based on the best information available at the time of preparation. The current elected council cannot bind future councils, so it is quite feasible, indeed likely, that the program will change as Council priorities alter and new information is received.

Table 8: Capital works program

	Long Term Financial Plan									
	Operational Plan	Delivery Program								
Capital Works Program	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Bulk Water										
Future Water Program	8,590,000	9,000,000	10,500,000	10,000,000	4,000,000	6,520,000	6,734,300	14,239,200	25,157,600	8,681,300
Gallans Road	19,500,000	1,000,000	0	0	0	0	0	0	0	0
Digital Transformation	2,575,800	1,564,300	0	0	0	0	0	0	0	0
ICT	282,000	338,500	266,000	179,000	217,000	668,500	666,500	590,800	233,000	233,000
Other Bulk Water Capital Works	6,774,100	2,948,000	4,463,200	8,258,400	16,665,900	7,034,600	831,500	10,368,600	2,481,100	775,200
Retail Water										
Reticulation Renewal	0	0	400,000	0	0	400,000	0	0	400,000	0
Other Retail Water Capital Works	168,200	90,800	92,600	94,500	96,400	98,300	100,300	102,300	104,300	106,400
Flood Mitigation										
Flood Mitigation Capital Works	219,500	225,800	236,700	332,600	358,600	405,600	367,600	367,600	368,600	369,700
Weed Biosecurity										
Weed Biosecurity Capital Works	21,000	0	22,000	44,000	44,000	20,000	20,000	20,000	20,000	20,000
Property										
Property Capital Works	50,000	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000	59,000
Fleet										
Fleet Capital Works	125,000	298,000	389,300	481,000	466,000	325,000	325,000	325,000	325,000	325,000
TOTAL	38,305,600	15,516,400	16,421,800	19,442,500	21,901,900	15,527,000	9,101,200	26,070,500	29,147,600	10,569,600

6. Scenario modelling

A number of scenarios have been modelled to inform how significant changes to the forecast assumptions and projects would impact the LTFP.

6.1. No capital grants scenario

What the model forecasts: The impact of Rous receiving no capital grants for future capital works.

What the model means: Forecast grant revenue could be reduced by \$30 million and the current price path could still be maintained. The price path required is shown in *Table 9: Price path – No capital grants scenario*.

Table 9: Price path – No capital grants scenario

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Proposed % Increase	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	2.0%	2.0%

No changes would be made to the Bulk Water price path if this scenario eventuated. Rous would produce an operating surplus from 2024/25 onwards with estimated reserves of \$35.4 million at the end of 2033/34.

Refer to *Table 10: Consolidated operating performance – No capital grants scenario*.

Table 10: Consolidated operating performance – No capital grants scenario

Rous County Council - Whole of Organisation

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
Operating Income										
Flood Mitigation	1,910,300	1,224,900	1,270,300	1,315,900	1,353,100	1,389,800	1,421,700	1,456,200	1,492,400	1,526,300
Weeds Biosecurity	1,632,500	1,611,800	1,627,200	1,641,700	1,663,000	1,685,100	1,707,800	1,730,400	1,752,600	1,773,700
Retail Water Supply	3,966,700	4,214,300	4,485,200	4,778,400	5,099,400	5,447,800	5,818,300	6,221,100	6,353,800	6,496,400
Property	162,600	96,900	140,200	166,300	166,100	165,800	165,400	165,000	164,500	164,500
Bulk Water Supply	31,058,300	33,171,200	33,359,300	35,362,700	37,607,200	39,995,700	42,594,000	45,253,600	46,254,900	47,274,800
Fleet Operations	123,500	117,500	115,100	109,500	108,800	110,400	114,200	118,100	122,200	122,200
Total Operating Income	38,853,900	40,436,600	40,997,300	43,374,500	45,997,600	48,794,600	51,821,400	54,944,400	56,140,400	57,357,900
Operating Expense										
Flood Mitigation	2,461,600	1,744,600	1,739,800	1,761,300	1,789,000	1,887,900	1,870,300	1,898,900	1,902,900	1,932,400
Weeds Biosecurity	1,794,400	1,553,300	1,429,400	1,442,900	1,458,600	1,481,000	1,509,500	1,561,300	1,596,600	1,616,200
Retail Water Supply	3,959,000	4,379,300	4,532,300	4,737,300	4,954,600	5,184,900	5,428,600	5,686,900	5,770,500	5,887,300
Property	333,400	230,300	220,500	160,400	153,800	155,300	157,700	159,300	162,100	163,800
Bulk Water Supply	28,211,300	26,904,200	28,969,400	29,594,400	29,684,300	28,905,300	28,857,500	30,837,500	30,893,200	31,040,100
Fleet Operations (*net of internal income)	225,300	234,100	242,100	250,200	258,500	266,900	275,500	284,200	293,000	302,000
Total Operating Expense	36,985,000	35,045,800	37,133,500	37,946,500	38,298,800	37,881,300	38,099,100	40,428,100	40,618,300	40,941,800
Operating Result	1,868,900	5,390,800	3,863,800	5,428,000	7,698,800	10,913,300	13,722,300	14,516,300	15,522,100	16,416,100
Less Depreciation	8,756,500	9,039,400	9,333,300	9,834,800	10,099,500	10,268,300	10,489,800	10,852,500	11,357,700	11,606,200
Operating Result Excluding Non Cash	10,625,400	14,430,200	13,197,100	15,262,800	17,798,300	21,181,600	24,212,100	25,368,800	26,879,800	28,022,300
Add: Loan Drawdown	30,000,000	0	10,000,000	10,000,000	0	0	0	0	0	0
Less: Loan Repayments	4,256,900	4,661,900	4,350,600	2,605,000	2,255,000	2,369,800	2,491,100	2,619,200	2,754,500	2,897,400
Less: Capital Expense	38,305,600	15,516,400	16,421,800	19,442,500	21,901,900	15,527,000	9,101,200	26,070,500	29,147,600	10,569,600
Add: Reserve Transfers	1,937,100	5,748,100	(2,424,700)	(3,215,300)	6,358,600	(3,284,800)	(12,619,800)	3,320,900	5,022,300	(14,555,300)
Estimated Reserves Whole Organisation										
Description	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
Estimated Reserves Whole Organisation	19,704,900	13,956,800	16,381,500	19,596,800	13,238,200	16,523,000	29,142,800	25,821,900	20,799,600	35,354,900
Net Reserve Movement	(1,937,100)	(5,748,100)	2,424,700	3,215,300	(6,358,600)	3,284,800	12,619,800	(3,320,900)	(5,022,300)	14,555,300

6.2. NSW Treasury Corporation loans scenario

What the model forecasts: The impacts of forecast interest rates decreasing to the levels on offer from NSW Treasury Corporation.

What the model means: Savings would be made on finance costs associated with the planned loan borrowings of \$50 million resulting in an improved financial performance. The price path required is shown in *Table 11: Price path – NSW Treasury Corporation loans scenario*.

Table 11: Price path – NSW Treasury Corporation loans scenario

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Proposed % Increase	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	2.0%	2.0%

No changes would be made to the Bulk Water price path if this scenario eventuated. Rous would produce an operating surplus from 2024/25 onwards with estimated reserves of \$65.9 million at the end of 2033/34

Refer to *Table 12: Consolidated operating performance – NSW Treasury Corporation loans scenario*.

Table 12: Consolidated operating performance – NSW Treasury Corporation loans scenario

Rous County Council - Whole of Organisation

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
Operating Income										
Flood Mitigation	1,910,300	1,224,900	1,270,300	1,315,900	1,353,100	1,389,800	1,421,700	1,456,200	1,492,400	1,526,300
Weeds Biosecurity	1,632,500	1,611,800	1,627,200	1,641,700	1,663,000	1,685,100	1,707,800	1,730,400	1,752,600	1,773,700
Retail Water Supply	3,966,700	4,214,300	4,485,200	4,778,400	5,099,400	5,447,800	5,818,300	6,221,100	6,353,800	6,496,400
Property	162,600	96,900	140,200	166,300	166,100	165,800	165,400	165,000	164,500	164,500
Bulk Water Supply	31,058,300	33,171,200	33,359,300	35,362,700	42,607,200	44,995,700	47,594,000	50,253,600	51,254,900	52,274,800
Fleet Operations	123,500	117,500	115,100	109,500	108,800	110,400	114,200	118,100	122,200	122,200
Total Operating Income	38,853,900	40,436,600	40,997,300	43,374,500	50,997,600	53,794,600	56,821,400	59,944,400	61,140,400	62,357,900
Operating Expense										
Flood Mitigation	2,461,600	1,744,600	1,739,800	1,761,300	1,789,000	1,887,900	1,870,300	1,898,900	1,902,900	1,932,400
Weeds Biosecurity	1,794,400	1,553,300	1,429,400	1,442,900	1,458,600	1,481,000	1,509,500	1,561,300	1,596,600	1,616,200
Retail Water Supply	3,959,000	4,379,300	4,532,300	4,737,300	4,954,600	5,184,900	5,428,600	5,686,900	5,770,500	5,887,300
Property	333,400	230,300	220,500	160,400	153,800	155,300	157,700	159,300	162,100	163,800
Bulk Water Supply	28,886,300	26,607,100	28,675,900	29,355,100	29,449,600	28,675,700	28,634,000	30,621,000	30,684,800	30,840,900
Fleet Operations (*net of internal income)	225,300	234,100	242,100	250,200	258,500	266,900	275,500	284,200	293,000	302,000
Total Operating Expense	37,660,000	34,748,700	36,840,000	37,707,200	38,064,100	37,651,700	37,875,600	40,211,600	40,409,900	40,742,600
Operating Result	1,193,900	5,687,900	4,157,300	5,667,300	12,933,500	16,142,900	18,945,800	19,732,800	20,730,500	21,615,300
Less Depreciation	8,756,500	9,039,400	9,333,300	9,834,800	10,099,500	10,268,300	10,489,800	10,852,500	11,357,700	11,606,200
Operating Result Excluding Non Cash	9,950,400	14,727,300	13,490,600	15,502,100	23,033,000	26,411,200	29,435,600	30,585,300	32,088,200	33,221,500
Add: Loan Drawdown	30,000,000	0	10,000,000	10,000,000	0	0	0	0	0	0
Less: Loan Repayments	4,730,900	4,746,600	4,431,800	2,666,300	2,311,800	2,421,500	2,536,700	2,657,700	2,785,000	2,918,700
Less: Capital Expense	38,305,600	15,516,400	16,421,800	19,442,500	21,901,900	15,527,000	9,101,200	26,070,500	29,147,600	10,569,600
Add: Reserve Transfers	3,086,100	5,535,700	(2,637,000)	(3,393,300)	1,180,700	(8,462,700)	(17,797,700)	(1,857,100)	(155,600)	(19,733,200)
Estimated Reserves Whole Organisation										
Description	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
Estimated Reserves Whole Organisation	18,555,900	13,020,200	15,657,200	19,050,500	17,869,800	26,332,500	44,130,200	45,987,300	46,142,900	65,876,100
Net Reserve Movement	(3,086,100)	(5,535,700)	2,637,000	3,393,300	(1,180,700)	8,462,700	17,797,700	1,857,100	155,600	19,733,200

6.3. Return to cyclical interest rates scenario

What the model forecasts: The impacts of forecast interest rates decreasing to the cyclical levels on offer in previous years.

What the model means: No changes to the planned price path as long-term cost savings on borrowings are balanced out by a reduction in short-term investment revenue. The price path required is shown in *Table 13: Price path – Return to cyclical interest rates scenario*.

Table 13: Price path – Return to cyclical interest rates scenario

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Proposed % Increase	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	2.0%	2.0%

No changes would be made to the Bulk Water price path if this scenario eventuated. Rous would produce an operating surplus from 2024/25 onwards with estimated reserves of \$70.4 million at the end of 2033/34.

Refer to *Table 14: Consolidated operating performance – Return to cyclical interest rates scenario*.

Table 14: Consolidated operating performance – Return to cyclical interest rates scenario

Rous County Council - Whole of Organisation

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
Operating Income										
Flood Mitigation	1,910,300	1,224,900	1,270,300	1,315,900	1,353,100	1,389,800	1,421,700	1,456,200	1,492,400	1,526,300
Weeds Biosecurity	1,632,500	1,611,800	1,627,200	1,641,700	1,663,000	1,685,100	1,707,800	1,730,400	1,752,600	1,773,700
Retail Water Supply	3,966,700	4,214,300	4,485,200	4,778,400	5,099,400	5,447,800	5,818,300	6,221,100	6,353,800	6,496,400
Property	162,600	96,900	140,200	166,300	166,100	165,800	165,400	165,000	164,500	164,500
Bulk Water Supply	31,058,300	33,171,200	33,359,300	35,362,700	42,607,200	44,995,700	47,594,000	50,253,600	51,254,900	52,274,800
Fleet Operations	123,500	117,500	115,100	109,500	108,800	110,400	114,200	118,100	122,200	122,200
Total Operating Income	38,853,900	40,436,600	40,997,300	43,374,500	50,997,600	53,794,600	56,821,400	59,944,400	61,140,400	62,357,900
Operating Expense										
Flood Mitigation	2,461,600	1,744,600	1,739,800	1,761,300	1,789,000	1,887,900	1,870,300	1,898,900	1,902,900	1,932,400
Weeds Biosecurity	1,794,400	1,553,300	1,429,400	1,442,900	1,458,600	1,481,000	1,509,500	1,561,300	1,596,600	1,616,200
Retail Water Supply	3,959,000	4,379,300	4,532,300	4,737,300	4,954,600	5,184,900	5,428,600	5,686,900	5,770,500	5,887,300
Property	333,400	230,300	220,500	160,400	153,800	155,300	157,700	159,300	162,100	163,800
Bulk Water Supply	28,436,300	26,164,100	28,090,900	28,631,600	28,741,300	27,984,600	27,962,100	29,970,700	30,058,300	30,240,900
Fleet Operations (*net of internal income)	225,300	234,100	242,100	250,200	258,500	266,900	275,500	284,200	293,000	302,000
Total Operating Expense	37,210,000	34,305,700	36,255,000	36,983,700	37,355,800	36,960,600	37,203,700	39,561,300	39,783,400	40,142,600
Operating Result	1,643,900	6,130,900	4,742,300	6,390,800	13,641,800	16,834,000	19,617,700	20,383,100	21,357,000	22,215,300
Less Depreciation	8,756,500	9,039,400	9,333,300	9,834,800	10,099,500	10,268,300	10,489,800	10,852,500	11,357,700	11,606,200
Operating Result Excluding Non Cash	10,400,400	15,170,300	14,075,600	16,225,600	23,741,300	27,102,300	30,107,500	31,235,600	32,714,700	33,821,500
Add: Loan Drawdown	30,000,000	0	10,000,000	10,000,000	0	0	0	0	0	0
Less: Loan Repayments	4,878,000	4,886,700	4,612,900	2,885,000	2,515,200	2,607,700	2,703,600	2,803,200	2,906,500	3,013,800
Less: Capital Expense	38,305,600	15,516,400	16,421,800	19,442,500	21,901,900	15,527,000	9,101,200	26,070,500	29,147,600	10,569,600
Add: Reserve Transfers	2,783,200	5,232,800	(3,040,900)	(3,898,100)	675,800	(8,967,600)	(18,302,700)	(2,361,900)	(660,600)	(20,238,100)
Estimated Reserves Whole Organisation										
Description	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate
Estimated Reserves Whole Organisation	18,858,800	13,626,000	16,666,900	20,565,000	19,889,200	28,856,800	47,159,500	49,521,400	50,182,000	70,420,100
Net Reserve Movement	(2,783,200)	(5,232,800)	3,040,900	3,898,100	(675,800)	8,967,600	18,302,700	2,361,900	660,600	20,238,100