

Long-Term Financial Plan

1 July 2026 – 30 June 2036

Bulk water | Retail water
Flood mitigation | Weed biosecurity
Property

Detailed Version
31 March 2026

ROUS Taking care
of what
matters.

Document owner: Finance Manager

Version	Description	Person responsible	Reviewed by	Approved by / Date
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1. Introduction

1.1. The Long-Term Financial Plan

- I. Is a regulatory requirement under the *Local Government Act 1993* and the Local Government (General) Regulation 2021 and forms part of Rous County Council's (Rous) Resourcing Strategy within its Integrated Planning and Reporting (IP&R) Framework. A key aspect of this framework is the preparation of a ten-year Resourcing Strategy to identify what is needed to implement the Business Activity Strategic Plan (BASP), Delivery Program (DP) and Operational Plan (OP). The Resourcing Strategy consists of the Asset Management Plan (AMP), Workforce Management Plan (WMP) and Long-Term Financial Plan (LTFF). This document provides an overview of Council's LTFF.
- II. Is based on a financial planning period of ten years from 2026/27 to 2035/36. It is relevant to note that Rous also prepares 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 BASP (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 DP and OP.

1.2. About Rous County Council

Rous County Council (Rous) was formed on 1 July 2016 with the amalgamation of the former entities: Rous Water, Far North Coast Weeds and Richmond River County Council.

Rous performs three major functions:

- Bulk water supply
- Weed biosecurity
- Flood mitigation.

These functions are accounted for within six reporting units:

Bulk water supply: Regional water supply authority providing water in bulk to the local government areas of Ballina, Byron, Lismore and Richmond Valley.

Retail water supply: Water supply to retail customers directly from the bulk water supply mains.

Weed biosecurity: Weed biosecurity services are undertaken across the four constituent council areas and provided to the councils of Kyogle and Tweed Shire under service level agreement arrangements.

Flood mitigation: Flood mitigation services are provided across the non-urban areas of Ballina, Lismore and Richmond Valley councils. Rous is responsible for construction, maintenance, and replacement of flood mitigation infrastructure.

Property: Includes property management of the Perradenya Residential Estate, rural properties, commercial properties and sub-leasing of the Rous administration building.

Two councillors are elected to Rous from each constituent council. They take up a position as a Rous councillor for the same term as they have been elected to represent their constituent council.

1.3. Vision, Mission, Values and Priorities

The following corporate objectives have been developed to enable Rous to achieve its IP&R goals.

Vision

To be the best guide and partner to our region for its water, biosecurity and rural flood mitigation needs.

Mission

By leveraging our assets, specialist experience and collaborative approach, we aim to take care of what matters in everything that we do.

Values

Our values inform the way we operate, collaborate and make decisions. We use four values as a guide to ensure our team excels with integrity:

- Respect always
- Safety first
- Together as one
- Accountability

Priorities

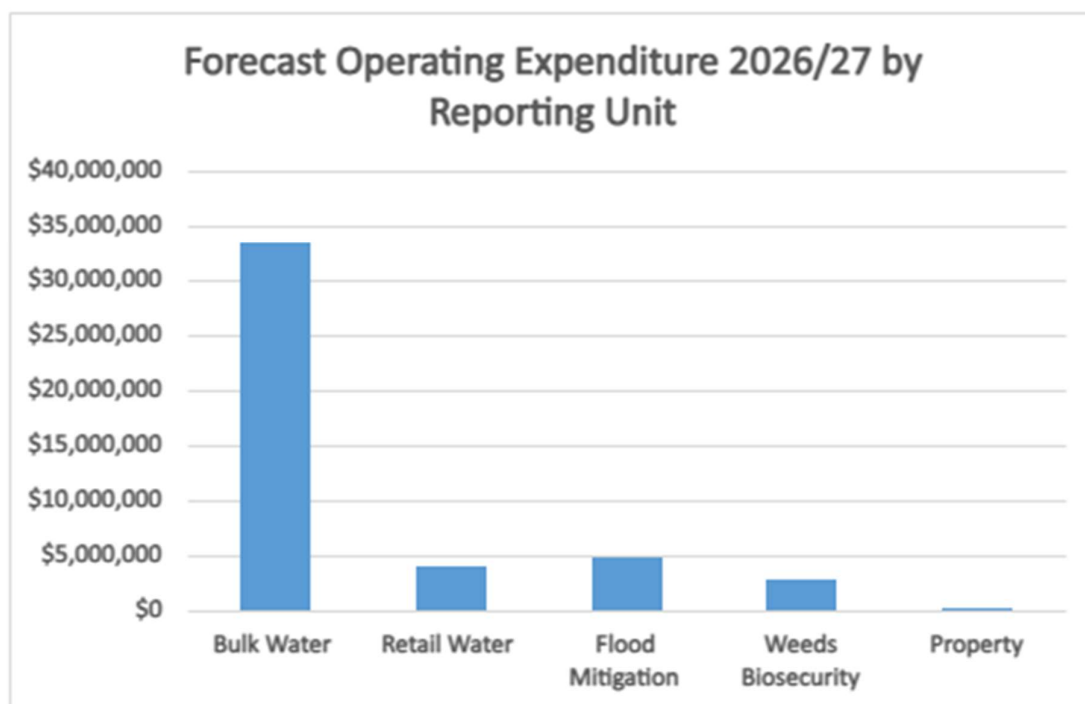
- Be prepared and resilient.
- Transform the way we work.
- Be a future focused trusted business.

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 73% of the consolidated organisation.

Graph 1: Forecast operating expenditure 2026/27 shows the forecast operating expenditure of each of the reporting units in the 2026/27 financial year.

Graph 1: Forecast operating expenditure 2026/27



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 >\$858M

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 \$66.4 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 2022/23, 2023/24 and 2024/25. This information is useful to assess Rous' previous performance and financial position.

Table 1: Historical performance

	Actuals		
	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Operating Result			
Operating Revenue	36,088	38,425	41,128
Operating Expenditure	31,883	38,573	43,127
Operating Result	4,205	(148)	(1,999)
Adjusted Operating Result excluding Capital Grants and Contributions	(971)	(5,250)	(8,646)
Cash and Investments			
Total Cash and Investments	37,772	34,211	27,918
Other Balance Sheet			
Infrastructure, Property, Plant and Equipment	569,037	598,128	624,044
Outstanding Loan Principal	25,355	21,530	27,910
Performance Indicators			
Operating Performance Ratio (Benchmark >0.00%)	-0.88%	-14.73%	-17.21%
Own Source Operating Revenue Ratio (Benchmark >60.00%)	79.50%	79.73%	76.61%
Unrestricted Current Ratio (Benchmark >1.50x)	4.02x	3.62x	3.06x
Debt Service Cover Ratio (Benchmark >2.00x)	1.71x	0.95x	0.85x
Cash Expense Cover Ratio (Benchmark >3.00 months)	15.24 months	11.59 months	9.60 months
Performance Indicators (including Capital Revenue)			
Operating Performance Ratio (Benchmark >0.00%)	11.65%	-0.39%	1.73%
Debt Service Cover Ratio (Benchmark >2.00x)	2.71x	1.98x	2.14x

3. Financial modelling

3.1. Methodology

The LTFP forecasts the ten years from 2026/27 to 2035/36, 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 program.
- 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 to measure 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 2026.

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

The LTFP has been shaped to reflect the primary structure, known as the ‘consolidated organisation’ (the organisation as a whole), and the various functions which are known as reporting units.

The reporting units are:

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

It is intended that each reporting unit operates on a stand-alone basis. The following pages summarise the shape of the information. The basic format is replicated for each reporting unit to show important financial information, including financial terms and ratios while the capital works program and balance sheet are shown for the consolidated organisation.

Table 2: Financial terms

Financial term	Definition
Operating income	<i>Gross income that flows into the reporting unit typically on a recurrent basis. Includes items such as water sales, contributions, and interest on investments.</i>
Operating expense	<i>Recurrent expenses such as salaries and wages, electricity, maintenance, and depreciation. (Note that in respect to maintenance expenditure on assets there can be a fine line as to whether this expense is operating or capital in nature. Where the expense is to allow the asset to continue to provide normal service, it would be ‘operating’. Where the expense looks to extend the useful life of an asset it would typically be classified as capital.)</i>
Operating result	<i>Operating income less operating expense.</i> Each reporting unit looks to achieve a surplus of income over expense to be sustainable. It is acceptable to have a loss from time to time, however ideally, each reporting unit aims to achieve a surplus on a recurrent basis.
Operating result excluding non-cash	<i>Equals the operating result excluding non-cash items such as depreciation.</i> It is common to achieve an operating loss but a cash surplus. This is because, while cash income has exceeded expense, it has not been sufficient to meet the estimated reduction to the useful life in assets (depreciation). A cash surplus indicates the amount of discretionary funds that Council has available to apply.
Capital income	<i>Often a one-off type of event such as loan borrowings or a grant / contribution that will be applied to capital expenditure.</i> This category also includes developer contributions that are received annually.
Capital expense	<i>Application of funds to acquire or improve an asset.</i> For example, the initial purchase of a building and then expense to expand the building would be classified as capital.

Financial term	Definition
Transfer to reserve	<i>Excess funds placed into an agreed cash reserve.</i> Reserve transfers (to or from reserve) in the financial plan are the net movement of operating/capital income and operating/capital expense. Transfers to or from reserve remain within the same reporting unit.
Transfer from reserve	<i>Extraction of cash funds from a reserve to enable approved expenditure.</i>
Estimated reserve balance	<i>Estimated cash balance of funds on hand.</i> Accumulated funds held for approved purposes. (Council's 'Financial Reserves' policy.)

Table 3: Ratio definitions

* Benchmark: Office of Local Government / NSW TCorp.

Ratio name	Ratio calculation	Ratio purpose	*Benchmark
Operating performance ratio (Medium-term outlook)	<i>Net operating result from continuing operations (excluding capital items) as a percentage of operating revenue (excluding capital items).</i>	<i>Measures whether the Council is sustainable in terms of its operating result. It is an indication of continued capacity to meet on-going expenditure requirements. Recurrent operating deficits are unsustainable.</i>	>0%
Own source operating revenue (Medium-term outlook)	<i>Shows the percentage of operating income from own sources. Indicates the degree of reliance on external funding sources (e.g., grants and contributions).</i>	<i>Measures fiscal flexibility. Financial flexibility increases as the level of own source revenue increases. Provides greater ability to manage external shocks or challenges and maintain sustainability.</i>	> 60%
Unrestricted current ratio (Short to medium-term outlook)	<i>Unrestricted current assets divided by unrestricted current liabilities.</i>	<i>Provides an indication of the liquidity of the entity or its ability to meet commitments in the short to medium term.</i>	>1.50x
Debt service cover ratio (Short to medium-term outlook)	<i>Operating result excluding loan interest and depreciation divided by loan repayments (principal and interest).</i>	<i>Measure of whether Council has excessive debt servicing costs relative to the adjusted operating result.</i>	>2.00x
Building and infrastructure renewals ratio (Medium to long-term outlook)	<i>Asset renewals divided by depreciation, amortisation and impairment.</i>	<i>Provides an indication of the rate at which assets are being renewed to an equivalent capacity/performance.</i>	>100.00%

Table 4: Capital works program definition

Capital works program	<p><i>Presents the proposed capital works expenditure over ten years.</i></p> <p>The table includes capital works projects by category over the 10-year period. It is common for a proposed capital works program to be partially completed at the end of a financial year. In this instance, the unexpended budget is carried forward to the next year to enable the work to be completed.</p>
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Table 5: Balance sheet definition

Balance sheet	<p><i>Shows the forecast financial position for the next ten years.</i></p> <p>The forecast balance sheet incorporates numerous assumptions, and it must be accepted that they provide an indication of where the organisation is heading at best.</p>
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The LTFP can be viewed over three time periods:

1. One-year Operational Plan – 2026/27 budget and is the primary focus (presented in blue in the report tables).
2. Delivery Program – remainder of the four-year delivery program for the current Council from 1 July 2025 to 30 June 2029, which is the 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 and three 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 6: Colour scheme

LTFP category	Time period	Colour scheme
Operational Plan	2026/27	
Delivery Program	2027/28 – 2028/29	
LTFP	2029/30 – 2035/36	

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 2026/27 and beyond in a similar fashion to the current financial year.

Table 7: Main budget assumptions below 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 7: Main budget assumptions

Main Assumptions and Projected Price Paths										
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Consumer Price Index	100.00%	100.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%	102.00%
Rate Pegging	103.10%	104.00%	104.00%	104.00%	104.00%	104.00%	104.00%	104.00%	104.00%	104.00%
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	104.00%	103.50%	103.50%	103.00%	103.00%	103.00%	103.00%	103.00%	103.00%	103.00%
Bulk Water Cost for Retail	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	103.00%	103.00%	103.00%	103.00%
Loan Interest Rate	5.50%	5.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Investment Interest Rate	3.50%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Flood Council Contributions	104.00%	104.00%	103.00%	103.00%	103.00%	103.00%	103.00%	103.00%	103.00%	103.00%
Weeds Council Contributions	104.00%	107.00%	107.00%	107.00%	104.00%	104.00%	104.00%	104.00%	104.00%	104.00%
Bulk Water Council Contributions	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	103.00%	103.00%	103.00%	103.00%
Retail Water	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%	103.00%	103.00%	103.00%	103.00%

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 until 2027/28 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: Consolidated and for individual reporting units

The tables shown in this section of the LTFP are current as of March 2026. The commentary that accompanies the tables is intended to be general in nature for the consolidated organisation, while providing more specific details for each reporting unit.

4.1. Consolidated organisation

Table 8: 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 8: Consolidated organisation operating performance

Rous County Council - Whole of Organisation

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Operating Income										
Flood Mitigation	11,625,900	1,350,600	1,380,300	1,415,600	1,451,700	1,490,600	1,531,100	1,572,800	1,615,400	1,659,700
Weeds Biosecurity	2,508,600	2,377,800	2,403,900	2,505,600	2,581,900	2,660,200	2,744,600	2,831,200	2,916,700	3,005,300
Retail Water Supply	4,551,900	4,827,600	5,143,100	5,488,000	5,857,600	6,254,100	6,477,600	6,707,100	6,946,500	7,191,100
Property	77,100	81,300	80,400	82,200	83,800	85,500	87,400	89,000	90,300	91,800
Bulk Water Supply	35,912,400	35,992,600	37,967,000	40,200,300	42,715,200	49,715,300	51,884,900	51,332,600	51,856,400	50,823,400
Fleet Operations	109,300	114,600	116,900	117,400	118,400	121,700	125,600	131,000	134,700	134,000
Total Operating Income	54,785,200	44,744,500	47,091,600	49,809,100	52,808,600	60,327,400	62,851,200	62,663,700	63,560,000	62,905,300
Operating Expense										
Flood Mitigation	4,912,600	2,041,800	2,083,700	2,194,200	2,189,100	2,230,500	2,272,600	2,315,700	2,394,500	2,394,300
Weeds Biosecurity	2,949,900	2,568,800	2,708,600	2,524,200	2,590,900	2,681,600	2,759,600	2,823,300	2,888,800	2,956,300
Retail Water Supply	4,173,100	4,374,800	4,605,900	4,850,100	5,108,300	5,381,500	5,546,000	5,715,100	5,860,100	6,009,200
Property	263,700	248,800	196,100	199,400	203,500	207,100	211,800	215,300	218,900	222,700
Bulk Water Supply	33,547,500	33,737,900	34,028,900	33,962,700	33,941,500	34,554,100	36,101,200	37,207,300	38,161,700	38,792,200
Fleet Operations (*net of internal income)	(105,200)	(88,900)	(55,400)	(28,600)	(1,100)	26,900	55,400	84,300	113,900	144,100
Total Operating Expense	45,741,600	42,883,200	43,567,800	43,702,000	44,032,200	45,081,700	46,946,600	48,361,000	49,637,900	50,518,800
Operating Result	9,043,600	1,861,300	3,523,800	6,107,100	8,776,400	15,245,700	15,904,600	14,302,700	13,922,100	12,386,500
Less Depreciation	10,050,300	10,303,800	10,534,100	10,808,900	11,066,200	11,376,800	11,781,800	12,124,600	12,559,100	12,914,000
Operating Result Excluding Non Cash	19,093,900	12,165,100	14,057,900	16,916,000	19,842,600	26,622,500	27,686,400	26,427,300	26,481,200	25,300,500
Add: Loan Drawdown	10,000,000	10,000,000	0	0	0	0	0	0	0	0
Less: Loan Repayments	4,398,900	2,631,600	2,275,200	2,382,900	2,496,000	2,614,800	2,739,700	2,870,900	3,008,800	3,153,800
Less: Capital Expense	24,198,700	17,345,300	17,888,300	15,815,900	14,931,300	20,545,000	27,161,600	18,248,500	22,111,400	23,707,200
Relevant Balance Sheet Adjustments	(1,240,500)	0	0	0	0	0	250,000	0	0	0
Add: Reserve Transfers	744,200	(2,188,200)	6,105,600	1,282,800	(2,415,300)	(3,462,700)	1,964,900	(5,307,900)	(1,361,000)	1,560,500
Estimated Reserves Whole Organisation										
Description	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Estimated Reserves Whole Organisation	23,137,000	25,325,200	19,219,600	17,936,800	20,352,100	23,814,800	21,849,900	27,157,800	28,518,800	26,958,300
Net Reserve Movement	(744,200)	2,188,200	(6,105,600)	(1,282,800)	2,415,300	3,462,700	(1,964,900)	5,307,900	1,361,000	(1,560,500)

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 a surplus was achieved in 2022/23, while 2023/24 resulted in a small deficit and a larger deficit was recorded in 2024/25 primarily due to losses on the sale of assets.

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 \$20 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 \$3.3 million per annum in loan repayments compared to 2025/26. 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 are from those previously required by the Local Government Code of Accounting Practice and are defined above in *Table 3: Ratio definitions*. Rous's forecast performance against the benchmarks is detailed in *Table 9: Consolidated organisation forecast ratios*.

Table 9: Consolidated organisation forecast ratios (excluding capital grants and contributions)

	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
Rous County Council - Whole of Organisation	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Financial Ratios	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio Expressed as a Percentage	(12.49)	(7.46)	(3.35)	2.40	7.64	11.33	10.36	10.38	10.78	11.74
Operating Income less Operating Expense										
Operating Income										
Benchmark	>0	>0	>0	>0	>0	>0	>0	>0	>0	>0
Result	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This benchmark is met from 2029/30 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	88.84	95.68	95.96	96.11	96.27	96.42	96.45	96.48	96.51	96.54
Operating Income less Grants and Contributions										
Total Operating Income										
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	1.08	1.85	2.35	2.88	3.41	3.87	3.86	3.94	4.07	4.26
Operating Result excluding Loan Interest and Depreciation	7,552,800	10,229,400	11,907,000	14,558,900	17,271,700	19,580,100	19,529,300	19,917,200	20,609,200	21,537,400
Loan Repayments Principal/Interest	6,981,200	5,535,200	5,060,300	5,060,400	5,060,400	5,060,400	5,060,400	5,060,400	5,060,400	5,060,400
Benchmark	>2	>2	>2	>2	>2	>2	>2	>2	>2	>2
Result	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This benchmark is met from 2028/29 onwards as existing loans are repaid and operating results improve.									
Unrestricted Current Ratio	2.66	2.92	2.32	2.16	2.32	2.56	2.35	2.71	2.76	2.58
Current Assets less External Restrictions	29,739,700	32,060,000	26,089,000	24,943,600	27,498,800	31,104,400	29,285,400	34,741,800	36,254,400	34,848,500
Current Liabilities Less Specific Purpose Liabilities	11,160,500	10,974,700	11,256,300	11,546,800	11,846,600	12,155,900	12,475,200	12,805,000	13,146,200	13,498,600
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	148.90	94.21	113.25	65.10	67.45	85.01	85.94	45.49	27.21	81.09
Asset Renewals	14,964,950	9,707,475	11,929,800	7,036,650	7,464,300	9,671,000	10,125,050	5,516,000	3,417,000	10,471,800
Depreciation, Amortisation and Impairment	10,050,300	10,303,800	10,534,100	10,808,900	11,066,200	11,376,800	11,781,800	12,124,600	12,559,100	12,914,000
Benchmark	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%
Result	Pass	Fail	Pass	Fail	Fail	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 9a: Select consolidated organisation forecast ratios (total revenue)

	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Rous County Council - Whole of Organisation	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Financial Ratios (including Capital Revenue)										
Operating Performance Ratio Expressed as a Percentage										
<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	3.10	2.72	3.33	3.87	4.43	5.74	5.93	5.66	5.64	5.38
<u>Operating Result excluding Loan Interest and Depreciation</u>	21,676,200	15,068,700	16,843,000	19,593,500	22,407,000	29,068,100	30,007,100	28,616,800	28,532,800	27,207,100
Loan Repayments Principal/Interest	6,981,200	5,535,200	5,060,300	5,060,400	5,060,400	5,060,400	5,060,400	5,060,400	5,060,400	5,060,400
Benchmark	>2	>2	>2	>2	>2	>2	>2	>2	>2	>2
Result	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This ratio exceeds the benchmark in all years.									

Forecast balance sheet

The forecast is 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 10: Consolidated organisation forecast balance sheet*.

Table 10: Consolidated organisation forecast balance sheet

	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
ASSETS										
Current Assets										
Cash and Cash Equivalents	6,403,000	6,163,500	5,840,000	6,104,900	5,814,900	6,397,000	6,329,400	6,567,400	5,952,000	6,194,600
Investments	16,734,000	19,161,700	13,379,600	11,831,900	14,537,200	17,417,800	15,520,500	20,590,400	22,566,800	20,763,700
Receivables	5,325,600	5,432,200	5,540,900	5,651,800	5,764,700	5,880,000	5,997,700	6,117,600	6,240,000	6,364,700
Inventories	361,800	369,000	376,300	383,800	391,500	399,300	407,300	415,400	423,600	432,100
Other	0	0	0	0	0	0	0	0	0	0
Right of Use Assets	0	0	0	0	0	0	0	0	0	0
Other Assets	915,300	933,600	952,200	971,200	990,500	1,010,300	1,030,500	1,051,000	1,072,000	1,093,400
Total Current Assets	29,739,700	32,060,000	26,089,000	24,943,600	27,498,800	31,104,400	29,285,400	34,741,800	36,254,400	34,848,500
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	2,353,600	2,400,700	2,448,700	2,497,700	2,547,700	2,598,700	2,650,700	2,703,700	2,757,800	2,812,900
Infrastructure	634,388,000	642,171,500	650,026,200	655,514,000	659,966,400	669,797,600	685,848,200	692,792,800	702,961,900	714,333,200
Property, Plant and Equipment	26,486,200	26,326,900	26,407,600	26,506,500	26,497,400	26,411,100	26,315,400	26,068,200	26,023,200	26,015,300
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	95,500	97,400	99,300	101,300	103,300	105,400	107,500	109,700	111,900	114,100
Right of Use Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	663,323,300	670,996,500	678,981,800	684,619,500	689,114,800	698,912,800	714,921,800	721,674,400	731,854,800	743,275,500
TOTAL ASSETS	693,063,000	703,056,500	705,070,800	709,563,100	716,613,600	730,017,200	744,207,200	756,416,200	768,109,200	778,124,000
LIABILITIES										
Current Liabilities										
Payables	4,335,400	4,422,200	4,510,600	4,600,800	4,692,800	4,786,600	4,882,200	4,979,800	5,079,400	5,181,000
Contract Liabilities	1,133,900	1,156,500	1,179,700	1,203,300	1,227,400	1,251,900	1,277,000	1,302,500	1,328,600	1,355,200
Lease Liabilities	0	0	0	0	0	0	0	0	0	0
Borrowings	2,631,600	2,275,200	2,382,900	2,496,000	2,614,800	2,739,700	2,870,900	3,008,800	3,153,800	3,306,200
Provisions	3,059,600	3,120,800	3,183,100	3,246,700	3,311,600	3,377,700	3,445,100	3,513,900	3,584,400	3,656,200
Income Received in Advance	0	0	0	0	0	0	0	0	0	0
Total Current Liabilities	11,160,500	10,974,700	11,256,300	11,546,800	11,846,600	12,155,900	12,475,200	12,805,000	13,146,200	13,498,600
Non-Current Liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	46,790,000	54,514,700	52,132,000	49,636,100	47,021,300	44,281,600	41,410,800	38,402,000	35,248,200	31,942,000
Provisions	293,300	299,200	305,200	311,300	317,600	324,000	330,500	337,100	343,800	350,700
Total Non-Current Liabilities	47,083,300	54,813,900	52,437,200	49,947,400	47,338,900	44,605,600	41,741,300	38,739,100	35,592,000	32,292,700
TOTAL LIABILITIES	58,243,800	65,788,600	63,693,500	61,494,200	59,185,500	56,761,500	54,216,500	51,544,100	48,738,200	45,791,300
NET ASSETS	634,819,200	637,267,900	641,377,300	648,068,900	657,428,100	673,255,700	689,990,700	704,872,100	719,371,000	732,332,700

Forecast statement of cash flows

That cash levels are significantly impacted by additional loan borrowings 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 LTFP. 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 the *Table 11: Consolidated organisation forecast statement of cash flows*.

Table 11: Consolidated organisation forecast statement of cash flows

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Consolidated										
Cash Flows from Operating Activities										
<u>Receipts</u>										
User Charges and Fees	32,491,200	34,718,000	37,109,800	39,667,900	42,404,000	45,330,500	46,690,700	48,091,900	49,535,200	51,022,100
Investment and Interest Revenue Received	818,000	844,600	674,100	576,800	609,300	714,600	749,800	796,400	877,800	838,000
Grants and Contributions	18,947,800	8,784,500	8,901,500	9,149,300	9,371,000	13,848,500	14,967,200	13,321,900	12,683,200	10,571,000
Other	2,086,800	1,980,200	1,983,600	1,993,900	2,004,500	2,015,500	2,026,700	2,038,200	2,050,100	2,062,100
<u>Payments</u>										
Employee Benefits and On-Costs	(16,802,100)	(16,970,800)	(17,417,100)	(17,938,200)	(18,165,000)	(18,704,000)	(19,263,400)	(20,157,200)	(20,754,800)	(21,375,200)
Materials and Services	(20,127,800)	(16,665,100)	(16,952,600)	(16,577,900)	(16,729,000)	(17,253,000)	(18,373,400)	(18,780,200)	(19,263,700)	(19,418,000)
Borrowing Costs	(2,582,300)	(2,903,600)	(2,785,100)	(2,677,500)	(2,564,400)	(2,445,600)	(2,320,700)	(2,189,500)	(2,051,600)	(1,906,600)
Other	2,221,800	2,377,300	2,543,700	2,721,700	2,912,200	3,116,000	3,209,500	3,305,800	3,405,000	3,507,100
Net Cash Flows from Operating Activities	17,053,400	12,165,100	14,057,900	16,916,000	19,842,600	26,622,500	27,686,400	26,427,300	26,481,200	25,300,500
Cash Flows from Investing Activities										
<u>Receipts</u>										
Redemption of Term Deposits	17,000,000	19,500,000	13,500,000	12,000,000	14,000,000	17,000,000	15,500,000	20,500,000	22,500,000	20,500,000
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	800,000	0	0	0	0	0	250,000	0	0	0
<u>Payments</u>										
Acquisition of Term Deposits	(17,000,000)	(19,500,000)	(13,500,000)	(12,000,000)	(14,000,000)	(17,000,000)	(15,500,000)	(20,500,000)	(22,500,000)	(20,500,000)
Purchase of Infrastructure, Property, Plant and Equipment	(24,146,700)	(17,292,300)	(17,834,300)	(15,760,900)	(14,875,300)	(20,488,000)	(27,103,600)	(18,189,500)	(22,051,400)	(23,646,200)
Purchase of Real Estate Assets	(52,000)	(53,000)	(54,000)	(55,000)	(56,000)	(57,000)	(58,000)	(59,000)	(60,000)	(61,000)
Purchase of Intangible Assets	0	0	0	0	0	0	0	0	0	0
Net Cash Flows from Investing Activities	(23,398,700)	(17,345,300)	(17,888,300)	(15,815,900)	(14,931,300)	(20,545,000)	(26,911,600)	(18,248,500)	(22,111,400)	(23,707,200)
Cash Flows from Financing Activities										
<u>Receipts</u>										
Proceeds from Borrowings	10,000,000	10,000,000	0	0	0	0	0	0	0	0
<u>Payments</u>										
Repayment of Borrowings	(4,398,900)	(2,631,600)	(2,275,200)	(2,382,900)	(2,496,000)	(2,614,800)	(2,739,700)	(2,870,900)	(3,008,800)	(3,153,800)
Net Cash Flows from Financing Activities	5,601,100	7,368,400	(2,275,200)	(2,382,900)	(2,496,000)	(2,614,800)	(2,739,700)	(2,870,900)	(3,008,800)	(3,153,800)
Net Change in Cash and Cash Equivalents	(744,200)	2,188,200	(6,105,600)	(1,282,800)	2,415,300	3,462,700	(1,964,900)	5,307,900	1,361,000	(1,560,500)
Cash and Cash Equivalents at Beginning of Year	23,881,200	23,137,000	25,325,200	19,219,600	17,936,800	20,352,100	23,814,800	21,849,900	27,157,800	28,518,800
Cash and Cash Equivalents at End of the Year	23,137,000	25,325,200	19,219,600	17,936,800	20,352,100	23,814,800	21,849,900	27,157,800	28,518,800	26,958,300

4.2. Bulk water reporting unit

Overview

- The LTFP includes significant spending due to the future water program to secure our regions water.
- Over the next ten years the FWP will focus on building bores at Woodburn, a groundwater treatment plant at Alstonville, land acquisitions for groundwater and Tyagarah groundwater.
- The focus of the LTFP is to grow the operating surplus over the forward load, whilst carefully balancing the amount of borrowings Council takes and the impact of servicing those loans.
- Council has sought to contain operating costs across that timeframe, the main variability arises from salary and wage costs, chemical prices and work on projects.

Revenue

- The majority of bulk water revenue comes directly from the Constituent Councils. Council has sought to provide surety to its constituents by adhering to the previously advised price path as below.

Table 12: Forecast % increase to constituent councils' contributions for bulk water

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Cumulative Total
Proposed % Increase	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	3.0%	3.0%	3.0%	3.0%	68.9%

- Council's charging methodology means the allocation to each council is based on the prior year's usage.
- Water consumption increased over the calculation period with Rous Retail and Ballina's proportion of the weighted average charge increasing beyond the 7.0% increase.

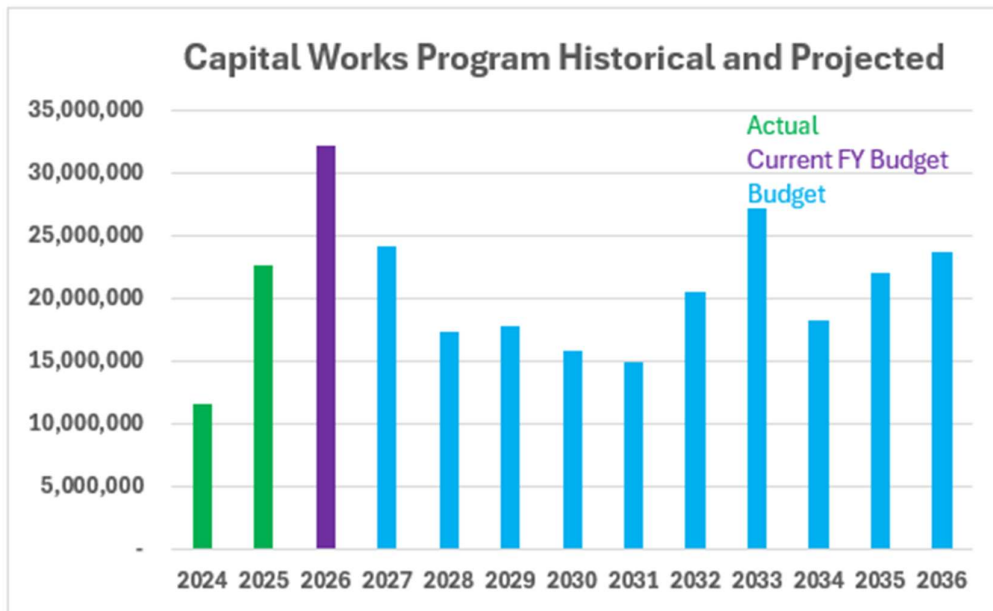
Table 13: Proposed bulk water contributions constituent councils and retail water

	2025/26 \$	2026/27 \$	Movement %	Movement \$
Lismore City Council	7,745,900	7,958,400	2.74	212,500
Byron Council	6,714,300	6,980,700	3.97	266,400
Richmond Valley Council	1,461,000	1,527,000	4.52	66,000
Ballina Council	9,492,600	10,514,200	10.76	1,021,600
Rous Retail	1,877,900	2,221,800	18.31	343,900
Total	27,291,700	29,202,100	7.00	1,910,400

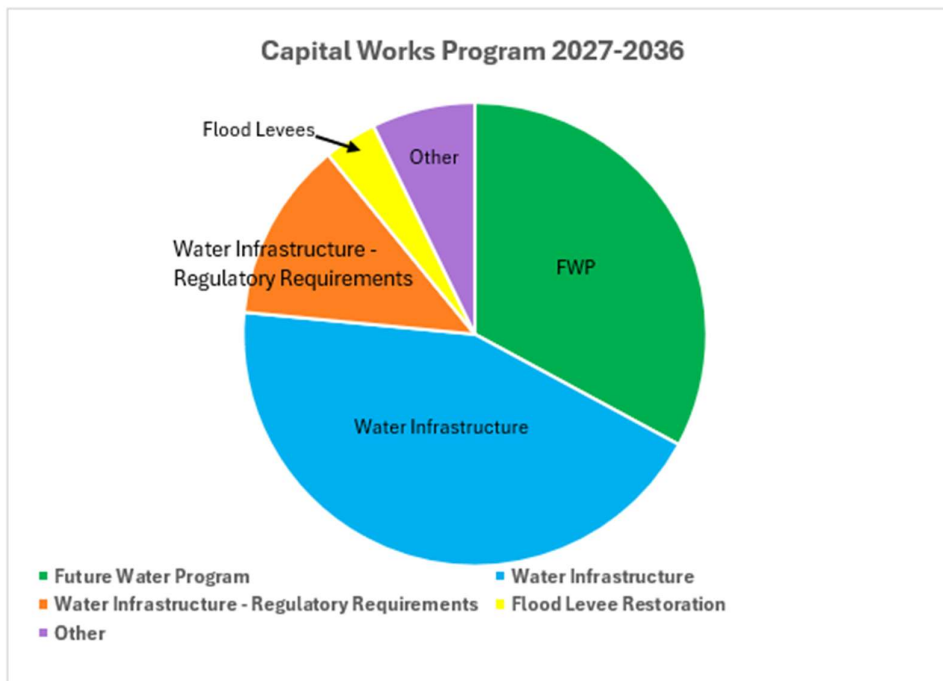
Capital Works

- Like FY26, FY27 capex is significantly higher than other years and includes one-off projects for grant-funded flood levee restoration, as well as investment in the future water program.
- Over the next ten years the future water program and water infrastructure represent the major portion of capital expenditure at \$66.4M (32.9%) and \$113.2M (56.1%) respectively.

Graph 2: Capital works program historical and projected



Graph 3: Capital works program 2027-2036



Funding

- The scale of the capital works to be undertaken will result in additional borrowings being required over the LTFP period.
- A balance is required between what Council can borrow to fund works and the additional costs required to repay these funds, particularly with current interest rates resulting in financing costs being more expensive than in recent years.

Table 14: Estimated borrowings 2027 – 2036

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Amount \$	10,000,000	10,000,000	-	-	-	-	-	-	-	-
Estimated Rate	5.50%	5.00%								

- Interest rates are subject to change and difficult to predict.
- Loans have generally been calculated based on a standard principal and interest repayment over a 20-year term, although Council will look to borrow future funds under a facility arrangement if possible. *Table 15: Bulk water operating performance* shows the forecast operating performance, capital movements, reserve transfers and the estimated cash reserve balances for the reporting unit.

Table 15: Bulk water operating performance

Rous County Council - Bulk Water Supply

	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
BULK										
Operating Income										
User Charges and Fees	27,980,300	29,938,900	32,034,600	34,277,000	36,676,400	39,243,800	40,421,100	41,633,700	42,882,700	44,169,200
Other Revenue	284,500	196,000	200,600	205,300	210,100	215,000	220,100	225,400	230,800	236,300
Grants and Contributions	309,900	289,200	238,200	245,300	252,700	260,300	268,100	276,100	284,400	292,900
Interest and Investment Income	654,600	706,900	534,600	414,400	416,200	482,900	471,700	470,900	507,100	426,600
Other Income	23,500	24,200	24,900	25,600	26,400	27,200	28,000	28,800	29,700	30,600
Capital Income	6,659,600	4,837,400	4,934,100	5,032,700	5,133,400	9,486,100	10,475,900	8,697,700	7,921,700	5,667,800
Total Operating Income	35,912,400	35,992,600	37,967,000	40,200,300	42,715,200	49,715,300	51,884,900	51,332,600	51,856,400	50,823,400
Operating Expense										
Employee Benefits and On-Costs	13,066,100	13,542,000	13,944,300	14,362,200	14,482,400	14,911,600	15,358,300	16,135,900	16,614,000	17,111,200
Internal Overheads	(760,600)	(773,100)	(798,700)	(863,200)	(897,900)	(960,500)	(1,010,600)	(1,043,900)	(1,044,100)	(1,044,300)
Internal Distributions	(2,221,800)	(2,377,300)	(2,543,700)	(2,721,700)	(2,912,200)	(3,116,000)	(3,209,500)	(3,305,800)	(3,405,000)	(3,507,100)
Materials and Services - Materials and Consumables	2,613,200	2,563,200	2,594,100	2,625,500	2,737,700	2,690,400	2,723,600	2,757,400	2,842,000	2,827,200
Materials and Services - Contractors and Consultancy Fees	3,550,400	2,995,600	2,826,300	2,277,400	1,998,100	2,194,200	3,013,400	3,112,100	3,190,100	3,111,800
Materials and Services - Chemicals	1,920,500	1,920,500	1,959,000	1,998,200	2,038,100	2,078,900	2,120,500	2,162,900	2,206,100	2,250,200
Materials and Services - Electricity	2,182,200	2,182,200	2,225,800	2,270,200	2,315,400	2,361,800	2,408,900	2,456,900	2,505,900	2,555,700
Materials and Services - Insurance	353,900	353,900	361,000	368,100	375,400	382,900	390,500	398,200	406,100	414,200
Materials and Services - IT Expenses	1,468,100	1,435,600	1,464,200	1,493,200	1,523,000	1,553,300	1,584,200	1,615,800	1,648,200	1,681,100
Materials and Services - Other	671,000	645,000	663,800	682,600	697,400	712,400	727,800	743,700	759,800	776,300
Borrowing Costs	2,582,300	2,903,600	2,785,100	2,677,500	2,564,400	2,445,600	2,320,700	2,189,500	2,051,600	1,906,600
Depreciation and Amortisation	8,122,200	8,346,700	8,547,700	8,792,700	9,019,700	9,299,500	9,673,400	9,984,600	10,387,000	10,709,300
Other Expenses	0	0	0	0	0	0	0	0	0	0
Gains or Losses	0	0	0	0	0	0	0	0	0	0
Total Operating Expense	33,547,500	33,737,900	34,028,900	33,962,700	33,941,500	34,554,100	36,101,200	37,207,300	38,161,700	38,792,200
Operating Result	2,364,900	2,254,700	3,938,100	6,237,600	8,773,700	15,161,200	15,783,700	14,125,300	13,694,700	12,031,200
Less Depreciation	8,122,200	8,346,700	8,547,700	8,792,700	9,019,700	9,299,500	9,673,400	9,984,600	10,387,000	10,709,300
Operating Result Excluding Non Cash	10,487,100	10,601,400	12,485,800	15,030,300	17,793,400	24,460,700	25,457,100	24,109,900	24,081,700	22,740,500
Add: Loan Drawdown	10,000,000	10,000,000	0	0	0	0	0	0	0	0
Less: Loan Repayments	4,398,900	2,631,600	2,275,200	2,382,900	2,496,000	2,614,800	2,739,700	2,870,900	3,008,800	3,153,800
Less: Capital Expense	15,611,000	16,227,000	16,552,300	14,400,900	13,606,300	19,283,000	25,804,600	17,021,000	20,659,400	22,288,200
Relevant Balance Sheet Adjustments	800,000	0	0	0	0	0	0	0	0	0
Add: Reserve Transfers	(1,477,200)	(1,742,800)	6,341,700	1,753,500	(1,691,100)	(2,562,900)	3,087,200	(4,218,000)	(413,500)	2,701,500
Estimated Bulk Water Reserves										
Description	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Bulk Water Reserve	19,515,400	21,258,200	14,916,500	13,163,000	14,854,100	17,417,000	14,329,800	18,547,800	18,961,300	16,259,800

Ratios

The selected ratios are from those previously required by the Local Government Code of Accounting Practice and specific comments on the reporting units result in comparison to the benchmark are included in *Table 16: Bulk water forecast ratios*.

Table 16: Bulk water forecast ratios (excluding capital grants and contributions)

Rous County Council - Bulk Water Supply	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
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>	(14.68)	(8.29)	(3.02)	3.43	9.69	14.11	12.82	12.73	13.14	14.09
Operating Income										
Benchmark	>0	>0	>0	>0	>0	>0	>0	>0	>0	>0
Result	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	The benchmark is not being achieved until 2029/30 when operating revenue exceeds operating expenditure mainly through the increase to bulk water charges.									
Own Source Operating Revenue Expressed as a Percentage <u>Operating Income less Grants and Contributions</u>	98.94	99.07	99.28	99.30	99.33	99.35	99.35	99.35	99.35	99.35
Total Operating Income										
Benchmark	>60	>60	>60	>60	>60	>60	>60	>60	>60	>60
Result	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	The benchmark is being achieved in all years.									
Debt Service Cover Ratio <u>Operating Result excluding Loan Interest and Depreciation</u>	0.92	1.57	2.04	2.50	3.01	3.44	3.42	3.48	3.60	3.75
Loan Repayments Principal/Interest										
Benchmark	>2	>2	>2	>2	>2	>2	>2	>2	>2	>2
Result	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	The ratio indicates that operating result is weak compared the level of debt being repaid. It suggests that the Reporting Unit has limited discretionary funds because funds are committed to repaying debt. The ratio improves to a satisfactory level from 2028/29 onwards as existing loans for the Wilson's River Source are paid out.									
Unrestricted Current Ratio <u>Current Assets less External Restrictions</u>	2.36	2.60	1.90	1.69	1.81	2.01	1.69	2.02	2.01	1.74
Current Liabilities Less Specific Purpose Liabilities										
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	The benchmark is being achieved in all years.									
Buildings and Infrastructure Renewals ratio	78.52%	102.91%	123.94%	63.94%	68.07%	90.42%	90.64%	42.95%	18.92%	84.53%
<u>Asset Renewals</u>	6,377,250	8,589,175	10,593,800	5,621,650	6,139,300	8,409,000	8,768,050	4,288,500	1,965,000	9,052,800
Depreciation, Amortisation and Impairment	8,122,200	8,346,700	8,547,700	8,792,700	9,019,700	9,299,500	9,673,400	9,984,600	10,387,000	10,709,300
Benchmark	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%
Result	Fail	Pass	Pass	Fail	Fail	Fail	Fail	Fail	Fail	Fail
Comment	The benchmark is only met in two years of the ten-year program as significant capital expenditure is planned for new assets.									

Table 16a: Bulk water forecast ratios (total revenue)

Rous County Council - Bulk Water Supply	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Financial Ratios (including Capital Revenue)	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<u>Operating Performance Ratio Expressed as a Percentage</u> <u>Operating Income less Operating Expense</u>	6.59	6.26	10.37	15.52	20.54	30.50	30.42	27.52	26.41	23.67
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 benchmark is achieved in all years when capital revenue is included.									
Debt Service Cover Ratio	1.87	2.44	3.02	3.50	4.02	5.32	5.49	5.20	5.16	4.87
<u>Operating Result excluding Loan Interest and Depreciation</u> <u>Loan Repayments Principal/Interest</u>										
Benchmark	>2	>2	>2	>2	>2	>2	>2	>2	>2	>2
Result	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	This benchmark is achieved in all years from 2027/28 onwards when capital revenue is included.									

4.3. Retail water reporting unit

Overview

- Significant investment has occurred in the retail water business in previous years as Smart Metering and Backflow devices have been rolled out.
- Costs are reasonably flat over the 10-year plan.

Revenue

- Water pricing will increase by 7.0%, largely due to the increased cost of bulk water, additional staff costs and replenishing cash reserves to fund future asset renewals..

Table 17: Forecast price path for charges to Rous retail customers

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Cumulative Total
Proposed % Increase	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	3.00%	3.00%	3.00%	3.00%	68.9%

Table 18: Retail water operating performance shows the forecast operating performance, capital movements, reserve transfers and the estimated cash reserve balances for the reporting unit.

Table 18: Retail water operating performance

Rous County Council - Retail Water Supply

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program		Long-Term Financial Plan						
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
RETAIL										
Operating Income										
User Charges and Fees	4,510,900	4,779,100	5,075,200	5,390,900	5,727,600	6,086,700	6,269,600	6,458,200	6,652,500	6,852,900
Other Revenue	12,000	12,000	12,200	12,400	12,600	12,900	13,200	13,500	13,800	14,100
Grants and Contributions	0	0	0	0	0	0	0	0	0	0
Interest and Investment Income	27,100	34,600	53,800	82,800	115,500	152,600	192,900	233,500	278,300	322,200
Other Income	0	0	0	0	0	0	0	0	0	0
Capital Income	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Total Income	4,551,900	4,827,600	5,143,100	5,488,000	5,857,600	6,254,100	6,477,600	6,707,100	6,946,500	7,191,100
Operating Expense										
Employee Benefits and On-Costs	869,900	891,500	918,300	945,800	974,100	1,003,300	1,033,300	1,064,200	1,096,000	1,128,800
Internal Overheads	246,000	270,900	296,300	322,200	348,600	375,600	403,100	431,200	431,200	431,200
Materials and Services - Materials and Consumables	234,400	234,400	236,500	238,700	240,900	243,100	245,500	247,900	250,300	252,700
Materials and Services - Contractors and Consultancy Fees	68,500	68,500	69,900	71,300	72,700	74,200	75,700	77,200	78,700	80,300
Materials and Services - Electricity	0	0	0	0	0	0	0	0	0	0
Materials and Services - Insurance	0	0	0	0	0	0	0	0	0	0
Materials and Services - IT Expenses	114,000	114,000	116,300	118,600	121,000	123,400	125,900	128,400	131,000	133,600
Materials and Services - Other	2,329,100	2,479,600	2,648,000	2,828,100	3,020,700	3,226,600	3,322,200	3,420,800	3,522,300	3,626,700
Borrowing Costs	0	0	0	0	0	0	0	0	0	0
Depreciation and Amortisation	311,200	315,900	320,600	325,400	330,300	335,300	340,300	345,400	350,600	355,900
Other Expenses	0	0	0	0	0	0	0	0	0	0
Gains or Losses	0	0	0	0	0	0	0	0	0	0
Total Expense	4,173,100	4,374,800	4,605,900	4,850,100	5,108,300	5,381,500	5,546,000	5,715,100	5,860,100	6,009,200
Operating Result	378,800	452,800	537,200	637,900	749,300	872,600	931,600	992,000	1,086,400	1,181,900
Less Depreciation	311,200	315,900	320,600	325,400	330,300	335,300	340,300	345,400	350,600	355,900
Operating Result Excluding Non Cash	690,000	768,700	857,800	963,300	1,079,600	1,207,900	1,271,900	1,337,400	1,437,000	1,537,800
Less: Capital Expense	140,400	270,000	208,000	208,000	250,000	250,000	335,000	337,500	340,000	250,000
Add: Reserve Transfers	450,400	(498,700)	(649,800)	(755,300)	(829,600)	(957,900)	(936,900)	(999,900)	(1,097,000)	(1,287,800)
Estimated Retail Water Reserves										
Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Retail Water Reserve	465,500	964,200	1,614,000	2,369,300	3,198,900	4,156,800	5,093,700	6,093,600	7,190,600	8,478,400

Ratios

The selected ratios are from those previously required by the Local Government Code of Accounting Practice and specific comments on the reporting units result in comparison to the benchmark are included in *Table 19: Retail water forecast ratios*.

Table 19: Retail water forecast ratios (excluding capital grants and contributions)

Rous County Council - Retail Water Supply	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
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>	8.28	9.34	10.41	11.59	12.76	13.93	14.36	14.77	15.62	16.41
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	The benchmark is forecast to be achieved in all years.									
Own Source Operating Revenue Expressed as a Percentage <u>Operating Income less Grants and Contributions</u>	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Total Operating Income										
Benchmark	>60	>60	>60	>60	>60	>60	>60	>60	>60	>60
Result	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	The benchmark is forecast to be achieved annually.									
Unrestricted Current Ratio <u>Current Assets less External Restrictions</u>	16.13	19.76	24.35	29.52	34.99	41.13	46.88	52.82	59.14	66.39
Current Liabilities less Specific Purpose Liabilities										
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	The benchmark is achieved as the Reporting Unit maintains a cash reserve and no external debt.									
Buildings and Infrastructure Renewals Ratio <u>Asset Renewals</u>	45.12%	85.47%	64.88%	63.92%	75.69%	74.56%	98.44%	97.71%	96.98%	70.24%
Depreciation, Amortisation and Impairment	140,400	270,000	208,000	208,000	250,000	250,000	335,000	337,500	340,000	250,000
	311,200	315,900	320,600	325,400	330,300	335,300	340,300	345,400	350,600	355,900
Benchmark	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%
Result	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail
Comment	The benchmark is not being achieved. 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 19a: Retail water forecast ratios (total revenue)

Rous County Council - Retail Water Supply	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Financial Ratios (including Capital Revenue)	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio Expressed as a Percentage <u>Operating Income less Operating Expense</u>	8.32	9.38	10.45	11.62	12.79	13.95	14.38	14.79	15.64	16.44
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	The adjusted benchmark is forecast to be achieved in all years as per the standard benchmark.									

4.4. Flood mitigation reporting unit

Overview

- Council's Flood Mitigation function generally operates on a very tight budget, however, significant grant funded capital works projects are underway for the next financial year.
- The Lismore Levee continues to be owned by Council with the depreciation of the asset not being funded.

Revenue

- Contributions will increase by 4.0% as previously agreed with Constituent Councils to make Flood Mitigation more financial sustainable.
- These cost increases are not significant in dollar terms and are vital for this function to *continue its core operations*.

Table 20: Forecast price path for constituent council flood mitigation contributions

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Cumulative Total
Proposed % Increase	4.0%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	37.0%

Table 21: Proposed flood mitigation council contributions

Service Area	2025/26	2026/27	Increase
Ballina Shire Council	343,200	356,900	13,700
Lismore City Council	343,200	356,900	13,700
Richmond Valley Council	343,200	356,900	13,700
	1,029,600	1,070,700	41,100

Table 22: Proposed Ex-Drainage Union council contributions

Service Area	2025/26	2026/27	Increase
Ballina Shire Council	45,400	46,800	1,400
Lismore City Council	45,400	46,800	1,400
Richmond Valley Council	4,400	4,500	100
	95,200	98,100	2,900

Table 23: Flood mitigation operating performance shows the forecast operating performance, capital movements, reserve transfers and the estimated cash reserve balances for the reporting unit.

Table 23: Flood mitigation operating performance

Rous County Council - Flood Mitigation

Name	Operational Plan	Delivery Program		2030	2031	2032	2033	2034	2035	2036
	2027	2028	2029							
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
FLOOD										
Operating Income										
User Charges and Fees	0	0	0	0	0	0	0	0	0	0
Other Revenue	6,200	6,200	6,300	6,400	6,500	6,600	6,700	6,800	6,900	7,000
Grants and Contributions	4,063,200	1,300,200	1,337,700	1,376,300	1,416,100	1,457,200	1,499,600	1,543,300	1,588,400	1,634,900
Interest and Investment Income	94,600	44,200	36,300	32,900	29,100	26,800	24,800	22,700	20,100	17,800
Other Income	0	0	0	0	0	0	0	0	0	0
Capital Income	7,461,900	0	0	0	0	0	0	0	0	0
Total Operating Income	11,625,900	1,350,600	1,380,300	1,415,600	1,451,700	1,490,600	1,531,100	1,572,800	1,615,400	1,659,700
Operating Expense										
Employee Benefits and On-Costs	637,700	595,000	615,900	634,300	653,500	673,200	693,400	714,300	735,700	757,700
Internal Overheads	226,100	231,100	236,100	271,900	271,100	276,100	281,100	286,100	286,100	286,100
Materials and Services - Materials and Consumables	149,300	144,200	144,800	145,400	146,000	146,600	147,200	147,800	148,400	149,100
Materials and Services - Contractors and Consultancy Fees	2,930,200	88,000	88,800	129,600	90,400	91,200	92,000	92,800	133,600	94,500
Materials and Services - Electricity	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Materials and Services - Insurance	6,200	6,200	6,300	6,400	6,500	6,600	6,700	6,800	6,900	7,000
Materials and Services - Other	12,200	12,200	12,300	12,400	12,500	12,600	12,700	12,800	12,900	13,000
Borrowing Costs	0	0	0	0	0	0	0	0	0	0
Depreciation and Amortisation	948,700	962,900	977,300	992,000	1,006,900	1,022,000	1,037,300	1,052,900	1,068,700	1,084,700
Other Expenses	0	0	0	0	0	0	0	0	0	0
Gains or Losses	0	0	0	0	0	0	0	0	0	0
Total Operating Expense	4,912,600	2,041,800	2,083,700	2,194,200	2,189,100	2,230,500	2,272,600	2,315,700	2,394,500	2,394,300
Operating Result	6,713,300	(691,200)	(703,400)	(778,600)	(737,400)	(739,900)	(741,500)	(742,900)	(779,100)	(734,600)
Less Depreciation	948,700	962,900	977,300	992,000	1,006,900	1,022,000	1,037,300	1,052,900	1,068,700	1,084,700
Operating Result Excluding Non Cash	7,662,000	271,700	273,900	213,400	269,500	282,100	295,800	310,000	289,600	350,100
Less: Capital Expense	7,652,900	287,000	315,000	364,000	328,000	330,000	337,000	344,000	351,000	358,000
Relevant Balance Sheet Adjustments	(2,788,400)	0	0	0	0	0	0	0	0	0
Add: Reserve Transfers	2,779,300	15,300	41,100	150,600	58,500	47,900	41,200	34,000	61,400	7,900
Estimated Flood Mitigation Reserves										
Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Flood Mitigation Reserve	1,365,300	1,350,000	1,308,900	1,158,300	1,099,800	1,051,900	1,010,700	976,700	915,300	907,400

Ratios

The selected ratios are from those previously required by the Local Government Code of Accounting Practice and specific comments on the reporting units result in comparison to the benchmark are included in *Table 24: Flood mitigation forecast ratios*.

Table 24: Flood mitigation forecast ratios (excluding capital grants and contributions)

Rous County Council - Flood Mitigation	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Financial Ratios	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio Expressed as a Percentage	(17.98)	(51.18)	(50.96)	(55.00)	(50.80)	(49.64)	(48.43)	(47.23)	(48.23)	(44.26)
<u>Operating Income less Operating Expense</u>										
Operating Income										
Benchmark	>0	>0	>0	>0	>0	>0	>0	>0	>0	>0
Result	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail
Comment	The benchmark is not being achieved. It is relevant to note that depreciation expense includes the Lismore Levee. This asset is funded by Lismore City Council hence the operating deficit shown in the model is arguably overstated. Taking this adjustment into account the operating deficit is much lower.									
Own Source Operating Revenue Expressed as a Percentage	28.14	86.19	86.19	86.24	86.28	86.33	86.38	86.42	86.46	86.49
<u>Operating Income less Grants and Contributions</u>										
Total Operating Income										
Benchmark	>60	>60	>60	>60	>60	>60	>60	>60	>60	>60
Result	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	The benchmark is achieved in every year from 2027/28 onwards as Constituent Council contributions are classed as 'own source revenue'.									
Unrestricted Current Ratio	4.50	4.38	4.19	3.70	3.48	3.30	3.13	3.00	2.79	2.73
<u>Current Assets less External Restrictions</u>										
<u>Current Liabilities less Specific Purpose Liabilities</u>										
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	The ratio meets the benchmark comfortably. The Reporting Unit has no debt which drives the strong result.									
Buildings and Infrastructure Renewals Ratio	806.67%	29.81%	32.23%	36.69%	32.58%	32.29%	32.49%	32.67%	32.84%	33.00%
<u>Asset Renewals</u>	7,652,900	287,000	315,000	364,000	328,000	330,000	337,000	344,000	351,000	358,000
<u>Depreciation, Amortisation and Impairment</u>	948,700	962,900	977,300	992,000	1,006,900	1,022,000	1,037,300	1,052,900	1,068,700	1,084,700
Benchmark	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%
Result	Pass	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail
Comment	The ratio only meets the benchmark in the first year of the ten-year program, when significant grant funding is being used to renew infrastructure. The Reporting Unit has no debt however the depreciation on the Lismore Levee is an issue as it is an asset that is funded by Lismore City Council. When this depreciation is eliminated an improved ratio is achieved over the ten-year period.									

4.5. Weed biosecurity reporting unit

Overview

Council continues to perform Weed & Biosecurity works throughout the region, to our Constituent Councils and to Kyogle and Tweed on service level agreements. An additional service arrangement with Tweed for roadside services is in place until part way through the 2027/28 year.

Revenue

Council contributions will increase by 4.0%.

Table 25: Forecast price path for constituent council weed biosecurity contributions

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Cumulative Total
Proposed % Increase	4.00%	7.00%	7.00%	7.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	61.2%

Table 26: Proposed weed biosecurity council contributions

Service Area	2025/26	2026/27	Increase
	\$	\$	\$
Ballina Shire Council	133,600	138,900	5,300
Byron Shire Council	133,600	138,900	5,300
Lismore City Council	175,500	182,500	7,000
Richmond Valley Council	145,300	151,100	5,800
Total Contributions	588,000	611,400	
Kyogle Shire Council *	146,500	152,400	5,900
Tweed Shire Council *	201,100	209,100	8,000
Total Fees	347,600	361,500	
Total Contributions and Fees	935,600	972,900	37,300
Total % Increase			4.0%

* Under service level agreement

* Indicates local government areas under a fee-for-service arrangement.

Table 27: Weed biosecurity operating performance shows the forecast operating performance, capital movements, reserve transfers and the estimated cash reserve balances for the reporting unit.

Table 27: Weed biosecurity operating performance

Rous County Council - Weeds Biosecurity

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
WEEDS										
Operating Income										
User Charges and Fees	-	-	-	0	0	0	0	0	0	0
Other Revenue	-	-	-	0	0	0	0	0	0	0
Grants and Contributions	2,491,800	2,355,800	2,389,600	2,493,100	2,566,900	2,643,000	2,721,700	2,802,900	2,886,800	2,973,500
Interest and Investment Income	16,800	22,000	14,300	12,500	15,000	17,200	22,900	28,300	29,900	31,800
Other Income	-	-	-	0	0	0	0	0	0	0
Total Operating Income	2,508,600	2,377,800	2,403,900	2,505,600	2,581,900	2,660,200	2,744,600	2,831,200	2,916,700	3,005,300
Operating Expense										
Employee Benefits and On-Costs	2,072,000	1,782,900	1,774,700	1,827,800	1,882,600	1,939,000	1,996,900	2,056,700	2,118,200	2,181,700
Internal Overheads	250,600	244,900	241,100	243,800	252,000	282,400	298,600	298,600	298,600	298,600
Materials and Services - Materials and Consumables	476,000	422,700	378,200	380,700	383,400	386,200	389,000	391,800	394,700	397,600
Materials and Services - Contractors and Consultancy Fees	91,900	79,400	275,100	31,800	32,200	32,700	33,200	33,700	34,200	34,700
Materials and Services - Electricity	-	-	-	0	0	0	0	0	0	0
Materials and Services - Insurance	-	-	-	0	0	0	0	0	0	0
Materials and Services - IT Expenses	-	-	-	0	0	0	0	0	0	0
Materials and Services - Other	27,200	6,200	6,300	6,400	6,500	6,600	6,700	6,800	6,900	7,000
Borrowing Costs	-	-	-	0	0	0	0	0	0	0
Depreciation and Amortisation	32,200	32,700	33,200	33,700	34,200	34,700	35,200	35,700	36,200	36,700
Other Expenses	-	-	-	0	0	0	0	0	0	0
Gains or Losses	-	-	-	0	0	0	0	0	0	0
Total Operating Expense	2,949,900	2,568,800	2,708,600	2,524,200	2,590,900	2,681,600	2,759,600	2,823,300	2,888,800	2,956,300
Operating Result	(441,300)	(191,000)	(304,700)	(18,600)	(9,000)	(21,400)	(15,000)	7,900	27,900	49,000
Less Depreciation	32,200	32,700	33,200	33,700	34,200	34,700	35,200	35,700	36,200	36,700
Operating Result Excluding Non Cash	(409,100)	(158,300)	(271,500)	15,100	25,200	13,300	20,200	43,600	64,100	85,700
Less: Capital Expense	25,000	0	0	0	0	0	0	0	0	0
Relevant Balance Sheet Adjustments	747,900	0	0	0	0	0	250,000	0	0	0
Add: Reserve Transfers	(313,800)	158,300	271,500	(15,100)	(25,200)	(13,300)	(270,200)	(43,600)	(64,100)	(85,700)
Estimated Weed Bio Reserves										
Description	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Weed Bio Reserve	620,600	462,300	190,800	205,900	231,100	244,400	514,600	558,200	622,300	708,000

Ratios

The selected ratios are from those previously required by the Local Government Code of Accounting Practice and specific comments on the reporting units result in comparison to the benchmark are included in *Table 28: Weed biosecurity forecast ratios*.

Table 28: Weed biosecurity forecast ratios (excluding capital grants and contributions)

Rous County Council - Weeds Biosecurity	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Financial Ratios	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio Expressed as a Percentage <i>Operating Income less Operating Expense</i>	(17.59)	(8.03)	(12.68)	(0.74)	(0.35)	(0.80)	(0.55)	0.28	0.96	1.63
Operating Income										
Benchmark	>0	>0	>0	>0	>0	>0	>0	>0	>0	>0
Result	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass
Comment	The result falls short of the benchmark until 2032/33 due to grant funding not keeping pace with rising costs.									
Own Source Operating Revenue expressed as a percentage <i>Operating Income less Grants and Contributions</i>	50.69	47.49	46.92	48.06	48.58	49.10	49.68	50.24	50.74	51.23
Total Operating Income										
Benchmark	>60	>60	>60	>60	>60	>60	>60	>60	>60	>60
Result	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail
Comment	The Reporting Unit falls slightly short of the benchmark throughout the ten-year program. The ratio highlights the fact that the Reporting Unit is more reliant on external grants than may be preferred because service levels would be affected if grant funding reduced or ceased.									
Unrestricted Current Ratio <i>Current Assets less External Restrictions</i>	2.07	1.82	1.42	1.44	1.47	1.48	1.83	1.87	1.94	2.03
Current Liabilities less Specific Purpose Liabilities										
Benchmark	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5	>1.5
Result	Pass	Pass	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass
Comment	The ratio falls slightly short of the benchmark from 2028/29 to 2031/32 due to this reporting unit's dependency on grant funding for its operations.									

4.6. Property reporting unit

Overview

- Council no longer leases the Molesworth Street administration building, however, Council does have one commercial property in the Lismore CBS, rural residential rental properties and the Perradenya estate.

Table 29: Property operating performance shows the forecast operating performance, capital movements, reserve transfers and the estimated cash reserve balances for the reporting unit.

Table 29: Property operating performance

Rous County Council - Property

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
PROPERTY										
Operating Income										
User Charges and Fees	0	0	0	0	0	0	0	0	0	0
Other Revenue	0	0	0	0	0	0	0	0	0	0
Grants and Contributions	0	0	0	0	0	0	0	0	0	0
Interest and Investment Income	8,600	15,300	13,100	13,600	13,800	14,100	14,600	14,800	14,600	14,600
Other Income	68,500	66,000	67,300	68,600	70,000	71,400	72,800	74,200	75,700	77,200
Capital Income	0	0	0	0	0	0	0	0	0	0
Total Operating Income	77,100	81,300	80,400	82,200	83,800	85,500	87,400	89,000	90,300	91,800
Operating Expense										
Employee Benefits and On-Costs	27,900	28,900	29,900	30,800	31,700	32,700	33,700	34,700	35,700	36,800
Internal Overheads	37,900	26,200	25,200	25,300	26,200	26,400	27,800	28,000	28,200	28,400
Materials and Services - Materials and Consumables	0	0	0	0	0	0	0	0	0	0
Materials and Services - Contractors and Consultancy Fees	50,000	55,000	0	0	0	0	0	0	0	0
Materials and Services - Electricity	2,000	0	0	0	0	0	0	0	0	0
Materials and Services - Insurance	0	0	0	0	0	0	0	0	0	0
Materials and Services - IT Expenses	0	0	0	0	0	0	0	0	0	0
Materials and Services - Other	42,300	33,500	34,200	34,900	35,600	36,300	36,900	37,500	38,200	38,900
Borrowing Costs	0	0	0	0	0	0	0	0	0	0
Depreciation and Amortisation	103,600	105,200	106,800	108,400	110,000	111,700	113,400	115,100	116,800	118,600
Other Expenses	0	0	0	0	0	0	0	0	0	0
Gains or Losses	0	0	0	0	0	0	0	0	0	0
Total Operating Expense	263,700	248,800	196,100	199,400	203,500	207,100	211,800	215,300	218,900	222,700
Operating Result	(186,600)	(167,500)	(115,700)	(117,200)	(119,700)	(121,600)	(124,400)	(126,300)	(128,600)	(130,900)
Less Depreciation	103,600	105,200	106,800	108,400	110,000	111,700	113,400	115,100	116,800	118,600
Operating Result Excluding Non Cash	(83,000)	(62,300)	(8,900)	(8,800)	(9,700)	(9,900)	(11,000)	(11,200)	(11,800)	(12,300)
Less: Capital Expense	52,000	53,000	54,000	55,000	56,000	57,000	58,000	59,000	60,000	61,000
Add: Reserve Transfers	(665,000)	115,300	62,900	63,800	65,700	66,900	69,000	70,200	71,800	73,300
Estimated Property Reserves										
Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Property Reserve	701,900	586,600	523,700	459,900	394,200	327,300	258,300	188,100	116,300	43,000

Ratios

The selected ratios are from those previously required by the Local Government Code of Accounting Practice and specific comments on the reporting units result in comparison to the benchmark are included in *Table 30: Property forecast ratios*.

Table 30: Property forecast ratios (excluding capital grants and contributions)

Rous County Council - Property	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Financial Ratios	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Performance Ratio Expressed as a Percentage <i>Operating Income less Operating Expense</i>	(242.02)	(206.03)	(143.91)	(142.58)	(142.84)	(142.22)	(142.33)	(141.91)	(142.41)	(142.59)
Operating Income										
Benchmark	>0	>0	>0	>0	>0	>0	>0	>0	>0	>0
Result	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail
Comment	The benchmark is not achieved due to the cost of Perradenya operational expenses.									
Own Source Operating Revenue Expressed as a Percentage <i>Operating Income less Grants and Contributions</i>	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Total Operating Income										
Benchmark	>60	>60	>60	>60	>60	>60	>60	>60	>60	>60
Result	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Comment	All income is classed as 'Own Source' so the benchmark will be achieved annually.									
Unrestricted Current Ratio <i>Current Assets less External Restrictions</i>	13.89	11.83	10.67	9.53	8.42	7.33	6.26	5.19	4.15	3.12
Current liabilities less Specific Purpose Liabilities										
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	The Reporting Unit achieves the benchmark.									

5. Capital works program – 10-year forecast

The capital works program is forecast for the current year and the following ten years in *Table 31: 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 31: Capital works program

	Long Term Financial Plan										
	Current Budget	Operational Plan	Delivery Program								
	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Capital Works Program											
Bulk Water											
Future Water Program	5,702,300	5,680,000	6,400,000	4,180,000	2,660,000	3,860,000	8,960,000	12,051,300	7,921,100	8,060,700	6,666,700
Gallans Road	17,919,400	0	0	0	0	250,000	0	0	0	250,000	0
ICT	358,500	744,000	247,000	217,000	661,500	691,500	241,000	248,000	168,000	248,000	148,000
Trunk Upgrades and Replacements	2,317,300	2,817,000	1,170,000	0	1,035,000	4,150,000	8,350,000	7,715,000	7,000,000	10,600,000	13,614,000
Dam Safety Works	0	2,425,000	1,430,000	175,000	4,950,000	2,825,000	0	3,000,000	0	0	0
Reservoir Upgrades	0	0	100,000	1,900,000	0	0	73,000	570,000	283,000	70,000	500,000
Nightcap WTP Bulk Chemical Storage	123,100	0	2,000,000	6,270,000	2,330,000	0	0	0	0	0	0
Other Bulk Water Capital Works	3,223,300	3,945,000	4,880,000	3,810,300	2,764,400	1,829,800	1,659,000	2,220,300	1,648,900	1,430,700	1,359,500
Retail Water											
Reticulation Renewal	127,000	140,400	270,000	208,000	208,000	250,000	250,000	250,000	250,000	250,000	250,000
Other Retail Water Capital Works	0	0	0	0	0	0	0	85,000	87,500	90,000	0
Flood Mitigation											
Major Levee Restoration	970,000	7,461,900	0	0	0	0	0	0	0	0	0
Flood Mitigation Capital Works	240,900	191,000	287,000	315,000	364,000	328,000	330,000	337,000	344,000	351,000	358,000
Weed Biosecurity											
Weed Biosecurity Depot	0	25,000	0	0	0	0	0	0	0	0	0
Property											
Perradenya *	331,600	0	0	0	0	0	0	0	0	0	0
Property Capital Works	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000	59,000	60,000	61,000
Fleet											
Fleet Capital Works	832,800	717,400	508,300	759,000	788,000	691,000	625,000	627,000	487,000	701,000	750,000
TOTAL	32,197,200	24,198,700	17,345,300	17,888,300	15,815,900	14,931,300	20,545,000	27,161,600	18,248,500	22,111,400	23,707,200

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 \$15.0 million and the current price path could still be maintained. Additional borrowings of \$23.0M would be required over the two years from 2031/32 to 2032/33. The price path required is shown in *Table 32: Price path – No capital grants scenario*.

Table 32: Price path – No capital grants scenario

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Proposed % Increase	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	3.0%	3.0%	3.0%	3.0%

No changes would be made to the Bulk Water price path if this scenario eventuated. Rous would produce an operating surplus (excluding capital revenue) from 2029/30 onwards with estimated reserves of \$29.3 million at the end of 2035/36.

Refer to *Table 33: Consolidated operating performance – No capital grants scenario*.

Table 33: Consolidated operating performance – No capital grants scenario

Rous County Council - Whole of Organisation

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Operating Income										
Flood Mitigation	11,625,900	1,350,600	1,380,300	1,415,600	1,451,700	1,490,600	1,531,100	1,572,800	1,615,400	1,659,700
Weeds Biosecurity	2,508,600	2,377,800	2,403,900	2,505,600	2,581,900	2,660,200	2,744,600	2,831,200	2,916,700	3,005,300
Retail Water Supply	4,551,900	4,827,600	5,143,100	5,488,000	5,857,600	6,254,100	6,477,600	6,707,100	6,946,500	7,191,100
Property	77,100	81,300	80,400	82,200	83,800	85,500	87,400	89,000	90,300	91,800
Bulk Water Supply	35,912,400	35,992,600	37,967,000	40,200,300	42,715,200	45,465,300	46,749,900	48,082,600	49,491,400	50,823,400
Fleet Operations	109,300	114,600	116,900	117,400	118,400	121,700	125,600	131,000	134,700	134,000
Total Operating Income	54,785,200	44,744,500	47,091,600	49,809,100	52,808,600	56,077,400	57,716,200	59,413,700	61,195,000	62,905,300
Operating Expense										
Flood Mitigation	4,912,600	2,041,800	2,083,700	2,194,200	2,189,100	2,230,500	2,272,600	2,315,700	2,394,500	2,394,300
Weeds Biosecurity	2,949,900	2,568,800	2,708,600	2,524,200	2,590,900	2,681,600	2,759,600	2,823,300	2,888,800	2,956,300
Retail Water Supply	4,173,100	4,374,800	4,605,900	4,850,100	5,108,300	5,381,500	5,546,000	5,715,100	5,860,100	6,009,200
Property	263,700	248,800	196,100	199,400	203,500	207,100	211,800	215,300	218,900	222,700
Bulk Water Supply	33,547,500	33,737,900	34,028,900	33,962,700	33,941,500	34,554,100	36,601,200	38,342,200	39,273,000	39,878,900
Fleet Operations (*net of internal income)	(105,200)	(88,900)	(55,400)	(28,600)	(1,100)	26,900	55,400	84,300	113,900	144,100
Total Operating Expense	45,741,600	42,883,200	43,567,800	43,702,000	44,032,200	45,081,700	47,446,600	49,495,900	50,749,200	51,605,500
Operating Result	9,043,600	1,861,300	3,523,800	6,107,100	8,776,400	10,995,700	10,269,600	9,917,800	10,445,800	11,299,800
Less Depreciation	10,050,300	10,303,800	10,534,100	10,808,900	11,066,200	11,376,800	11,781,800	12,124,600	12,559,100	12,914,000
Operating Result Excluding Non Cash	19,093,900	12,165,100	14,057,900	16,916,000	19,842,600	22,372,500	22,051,400	22,042,400	23,004,900	24,213,800
Add: Loan Drawdown	10,000,000	10,000,000	0	0	0	10,000,000	13,000,000	0	0	0
Less: Loan Repayments	4,398,900	2,631,600	2,275,200	2,382,900	2,496,000	2,614,800	3,042,100	3,340,900	3,502,300	3,671,900
Less: Capital Expense	24,198,700	17,345,300	17,888,300	15,815,900	14,931,300	20,545,000	27,161,600	18,248,500	22,111,400	23,707,200
Relevant Balance Sheet Adjustments	(1,240,500)	0	0	0	0	0	250,000	0	0	0
Add: Reserve Transfers	744,200	(2,188,200)	6,105,600	1,282,800	(2,415,300)	(9,212,700)	(5,097,700)	(453,000)	2,608,800	3,165,300
Estimated Reserves Whole Organisation										
Description	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Estimated Reserves Whole Organisation	23,137,000	25,325,200	19,219,600	17,936,800	20,352,100	29,564,800	34,662,500	35,115,500	32,506,700	29,341,400
Net Reserve Movement	(744,200)	2,188,200	(6,105,600)	(1,282,800)	2,415,300	9,212,700	5,097,700	453,000	(2,608,800)	(3,165,300)

6.2. Immediate price path correction scenario

What the model forecasts: The impacts of increasing the bulk water price in 2026/27 to a level that would correct operating deficits and allow future price increases to come in line with rate pegging.

What the model means: A 24% increase to the price path in 2026/27 would be required with future increases restricted to rate pegging at 3% throughout the model. The price path required is shown in *Table 34: Price path – Immediate price path correction scenario*.

Table 34: Price path – Immediate price path correction scenario

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Proposed % Increase	24.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Rous would produce an operating surplus (excluding capital revenue) from 2027/28 onwards with estimated reserves of \$27.6 million at the end of 2035/36.

Refer to *Table 35: Consolidated operating performance – Immediate price path correction scenario*.

Table 35: Consolidated operating performance – Immediate price path correction scenario

Rous County Council - Whole of Organisation

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Operating Income										
Flood Mitigation	11,625,900	1,350,600	1,380,300	1,415,600	1,451,700	1,490,600	1,531,100	1,572,800	1,615,400	1,659,700
Weeds Biosecurity	2,508,600	2,377,800	2,403,900	2,505,600	2,581,900	2,660,200	2,744,600	2,831,200	2,916,700	3,005,300
Retail Water Supply	4,551,900	4,827,600	5,143,100	5,488,000	5,857,600	6,254,100	6,477,600	6,707,100	6,946,500	7,191,100
Property	77,100	81,300	80,400	82,200	83,800	85,500	87,400	89,000	90,300	91,800
Bulk Water Supply	40,199,000	39,288,600	40,164,300	41,182,100	42,355,400	47,877,600	49,992,100	49,383,000	49,848,300	48,755,000
Fleet Operations	109,300	114,600	116,900	117,400	118,400	121,700	125,600	131,000	134,700	134,000
Total Operating Income	59,071,800	48,040,500	49,288,900	50,790,900	52,448,800	58,489,700	60,958,400	60,714,100	61,551,900	60,836,900
Operating Expense										
Flood Mitigation	4,912,600	2,041,800	2,083,700	2,194,200	2,189,100	2,230,500	2,272,600	2,315,700	2,394,500	2,394,300
Weeds Biosecurity	2,949,900	2,568,800	2,708,600	2,524,200	2,590,900	2,681,600	2,759,600	2,823,300	2,888,800	2,956,300
Retail Water Supply	4,526,100	4,752,500	4,899,800	5,051,100	5,206,500	5,486,700	5,654,300	5,826,700	5,975,100	6,127,700
Property	263,700	248,800	196,100	199,400	203,500	207,100	211,800	215,300	218,900	222,700
Bulk Water Supply	33,194,500	33,360,200	33,735,000	33,761,700	33,843,300	34,448,900	35,992,900	37,095,700	38,046,700	38,673,700
Fleet Operations (*net of internal income)	(105,200)	(88,900)	(55,400)	(28,600)	(1,100)	26,900	55,400	84,300	113,900	144,100
Total Operating Expense	45,741,600	42,883,200	43,567,800	43,702,000	44,032,200	45,081,700	46,946,600	48,361,000	49,637,900	50,518,800
Operating Result	13,330,200	5,157,300	5,721,100	7,088,900	8,416,600	13,408,000	14,011,800	12,353,100	11,914,000	10,318,100
Less Depreciation	10,050,300	10,303,800	10,534,100	10,808,900	11,066,200	11,376,800	11,781,800	12,124,600	12,559,100	12,914,000
Operating Result Excluding Non Cash	23,380,500	15,461,100	16,255,200	17,897,800	19,482,800	24,784,800	25,793,600	24,477,700	24,473,100	23,232,100
Add: Loan Drawdown	10,000,000	10,000,000	0	0	0	0	0	0	0	0
Less: Loan Repayments	4,398,900	2,631,600	2,275,200	2,382,900	2,496,000	2,614,800	2,739,700	2,870,900	3,008,800	3,153,800
Less: Capital Expense	24,198,700	17,345,300	17,888,300	15,815,900	14,931,300	20,545,000	27,161,600	18,248,500	22,111,400	23,707,200
Relevant Balance Sheet Adjustments	(1,240,500)	0	0	0	0	0	250,000	0	0	0
Add: Reserve Transfers	(3,542,400)	(5,484,200)	3,908,300	301,000	(2,055,500)	(1,625,000)	3,857,700	(3,358,300)	647,100	3,628,900
Estimated Reserves Whole Organisation										
Description	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Estimated Reserves Whole Organisation	27,423,600	32,907,800	28,999,500	28,698,500	30,754,000	32,379,000	28,521,300	31,879,600	31,232,500	27,603,600
Net Reserve Movement	3,542,400	5,484,200	(3,908,300)	(301,000)	2,055,500	1,625,000	(3,857,700)	3,358,300	(647,100)	(3,628,900)

6.3. Favourable capital grants scenario

What the model forecasts: The impacts of increasing the forecast capital grants to 50% of the projected Future Water Program capital works.

What the model means: Forecast grant revenue would be increased by \$18.2 million to \$33.2 million and the current price path could be slightly reduced. The price path required is shown in *Table 36: Price path – Favourable capital grants scenario*.

Table 36: Price path – Favourable capital grants scenario

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Proposed % Increase	7.0%	7.0%	7.0%	6.0%	5.0%	4.0%	3.0%	3.0%	3.0%	3.0%

Rous would produce an operating surplus (excluding capital revenue) from 2029/30 onwards with estimated reserves of \$29.9 million at the end of 2035/36.

Refer to *Table 37: Consolidated operating performance – Favourable capital grants scenario*.

Table 37: Consolidated operating performance – Favourable capital grants scenario

Rous County Council - Whole of Organisation

Name	Long-Term Financial Plan									
	Operational Plan	Delivery Program								
	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Operating Income										
Flood Mitigation	11,625,900	1,350,600	1,380,300	1,415,600	1,451,700	1,490,600	1,531,100	1,572,800	1,615,400	1,659,700
Weeds Biosecurity	2,508,600	2,377,800	2,403,900	2,505,600	2,581,900	2,660,200	2,744,600	2,831,200	2,916,700	3,005,300
Retail Water Supply	4,551,900	4,827,600	5,143,100	5,488,000	5,857,600	6,254,100	6,477,600	6,707,100	6,946,500	7,191,100
Property	77,100	81,300	80,400	82,200	83,800	85,500	87,400	89,000	90,300	91,800
Bulk Water Supply	38,752,400	39,192,600	40,057,000	41,210,000	43,623,400	47,782,300	50,547,100	49,748,000	51,158,000	51,722,000
Fleet Operations	109,300	114,600	116,900	117,400	118,400	121,700	125,600	131,000	134,700	134,000
Total Operating Income	57,625,200	47,944,500	49,181,600	50,818,800	53,716,800	58,394,400	61,513,400	61,079,100	62,861,600	63,803,900
Operating Expense										
Flood Mitigation	4,912,600	2,041,800	2,083,700	2,194,200	2,189,100	2,230,500	2,272,600	2,315,700	2,394,500	2,394,300
Weeds Biosecurity	2,949,900	2,568,800	2,708,600	2,524,200	2,590,900	2,681,600	2,759,600	2,823,300	2,888,800	2,956,300
Retail Water Supply	4,173,100	4,374,800	4,605,900	4,824,800	5,027,300	5,294,900	5,456,800	5,623,200	5,765,500	5,911,800
Property	263,700	248,800	196,100	199,400	203,500	207,100	211,800	215,300	218,900	222,700
Bulk Water Supply	33,547,500	33,187,900	33,494,700	33,470,400	33,522,500	34,159,200	35,728,400	36,857,800	37,836,700	38,492,900
Fleet Operations (*net of internal income)	(105,200)	(88,900)	(55,400)	(28,600)	(1,100)	26,900	55,400	84,300	113,900	144,100
Total Operating Expense	45,741,600	42,333,200	43,033,600	43,184,400	43,532,200	44,600,200	46,484,600	47,919,600	49,218,300	50,122,100
Operating Result	11,883,600	5,611,300	6,148,000	7,634,400	10,184,600	13,794,200	15,028,800	13,159,500	13,643,300	13,681,800
Less Depreciation	10,050,300	10,303,800	10,534,100	10,808,900	11,066,200	11,376,800	11,781,800	12,124,600	12,559,100	12,914,000
Operating Result Excluding Non Cash	21,933,900	15,915,100	16,682,100	18,443,300	21,250,800	25,171,000	26,810,600	25,284,100	26,202,400	26,595,800
Add: Loan Drawdown	10,000,000	0	0	0	0	0	0	0	0	0
Less: Loan Repayments	4,398,900	2,344,800	1,972,600	2,063,700	2,159,200	2,259,500	2,364,800	2,475,400	2,591,600	2,713,600
Less: Capital Expense	24,198,700	17,345,300	17,888,300	15,815,900	14,931,300	20,545,000	27,161,600	18,248,500	22,111,400	23,707,200
Relevant Balance Sheet Adjustments	(1,240,500)	0	0	0	0	0	250,000	0	0	0
Add: Reserve Transfers	(2,095,800)	3,775,000	3,178,800	(563,700)	(4,160,300)	(2,366,500)	2,465,800	(4,560,200)	(1,499,400)	(175,000)
Estimated Reserves Whole Organisation										
Description	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate	2034 Estimate	2035 Estimate	2036 Estimate
Estimated Reserves Whole Organisation	25,977,000	22,202,000	19,023,200	19,586,900	23,747,200	26,113,700	23,647,900	28,208,100	29,707,500	29,882,500
Net Reserve Movement	2,095,800	(3,775,000)	(3,178,800)	563,700	4,160,300	2,366,500	(2,465,800)	4,560,200	1,499,400	175,000