



**CITY OF
PARRAMATTA**

Long-Term Financial Plan 2026-2035

Adopted by Council on 23 June 2025

CITY OF PARRAMATTA

LONG-TERM FINANCIAL PLAN FY2025/26- FY2034/35

Objective

The objective of the Long-Term Financial Plan (LTFP) is to express in financial terms the activities Council proposes to undertake over the short, medium, and long term, provide a sound basis for strategic decision making and a framework that guides the future strategies and actions of Council.

Specific objectives of the plan are to:

- Reflect the financial position based on the current service levels
- Provide a financial plan that can predict cost and predict future outcomes
- Reflect the impact of current service levels on our financial sustainability
- Provide some scenario analysis and their impact on our financial sustainability
- Guide our future operational plan and Council ability to invest in new services

This LTFP aligns with the policy of Council to remain financially sustainable and to renew infrastructure based on Council's Asset Management Plan. Council renewal will be planned based on overall condition, asset characteristics and service criticality.

The LTFP addresses funding issues, increased maintenance costs, increased depreciation from fair value revaluations, contributions to new assets along with developer contributions and any major upgrades of facilities.

1. Financial Sustainability

This section will cover areas that impact Council's financial sustainability.

Financial Sustainability is a key challenge facing local government due to several contributing factors including increased demand for services beyond those traditionally provided, cost shifting from other levels of government, ageing infrastructure, and constraints on revenue growth.

The LTFP is a forecast for future years based on the information available at the time. This plan may be updated as an internal document as information changes occur.

This document is important in forecasting the working funds (unrestricted cash) to ensure it remains positive and has a buffer sufficient to fund a large organisation and manage unforeseen risks and events. Also, to predict if Council needs to increase Rates above IPART (Independent Pricing and Regulatory Tribunal) rate peg to sustain all services.

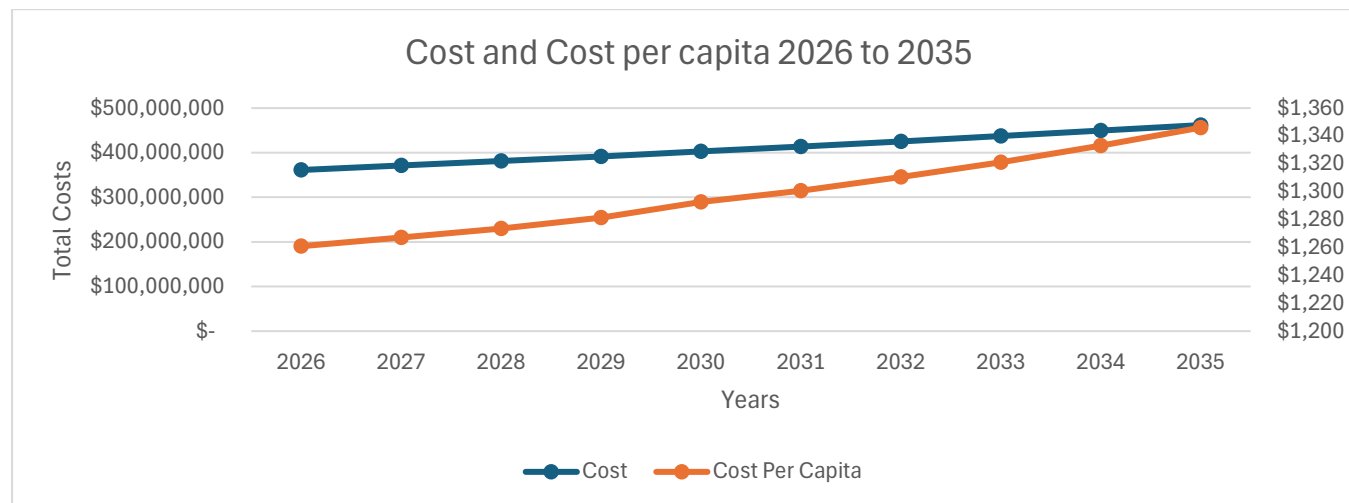
2. Growth

Over the 10-year forecast, the Local Government Area (LGA) population is predicted to increase from 286,470 to 343,136 being an average increase of 2% per annum. The impact of population expansion is that Council will be affected due to increased demand for additional services and extension to the existing services such as:

- Cleaning and waste removal
- Footpath, Roads, Stormwater assets construction and renewal
- Recreational Facilities
- Community Centres
- Open space and Sporting complexes
- Aquatic Centres
- Public Domain Upgrades
- Art and Culture Facilities
- Libraries
- Events and Festivals

The provision of new services often requires initial significant capital spend. The capital needs are mainly met by developers' contributions and grants, but the operational costs to service these facilities will need to be funded from council operating revenues.

The Council's costs trends are outlined below in the graph, which indicates an increase in cost per capita. There is an increase in employee costs to take into consideration expected EBA increases and depreciation for the anticipated completion of WestInvest projects. The total costs include all operating expenses from the continuing operations, such as employee costs, materials, and services, borrowing costs, depreciation, amortisation, and other expenses.



3. Infrastructure Renewals, Backlog and Asset Optimisation

The issue of the condition of Infrastructure in local government has been identified as a major priority.

A measure of condition is the amount of infrastructure backlog which occurs due to a shortfall in infrastructure renewal as assets depreciate.

Council approach to asset conditions management is as follows:

- Asset management plans prioritise renewal based on condition and are linked to the LTFP.
- Council seeks to have a fully funded capital program, where the source of funding is identified and secured for both capital renewal and new capital works.
- Council aims to maintain its asset base, by renewing ageing infrastructure and by ensuring working capital is set aside for those works.

4. Financial Assumptions

4.1 Economic Indicators

In the below table are the macro-economic assumptions contained in the LTFP.

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	Forecast ID									
Dwelling Growth	117,821	120,509	123,516	126,412	129,360	132,420	135,413	138,365	141,293	144,210
Dwelling Growth %	2.23%	2.43%	2.29%	2.28%	2.31%	2.21%	2.13%	2.07%	2.02%	2.10%
Population Change	286,470	292,893	299,253	305,467	311,780	318,318	324,596	330,908	337,033	343,136
Population Change %	2.19%	2.13%	2.03%	2.02%	2.05%	1.93%	1.91%	1.82%	1.78%	1.85%

The growth assumptions of the LGA are sourced from forecast.ID. The dwelling and population growth are key drivers to increase rates income and required community services. Developer contributions are planned to provide new assets including parks, community centres, pools, and the redevelopment of town centres. This LTFP has balanced the increases in rates income with the increase in cost to service the new facilities and assets.

4.2 Revenue Assumptions

The following outlines the Council's assumptions for Revenue generation and sources.

4.2.1 Rates and Special Rate Income

For the financial year FY2025/26 Council has applied the IPART rate peg methodology for calculating rate increases. IPART's rate pf 6.2% is made up of the below formula:

BCC (3.6%) – productivity factor (0%) + population factor (2.5%) + ESL factor (0%) + other adjustments (election costs 0.1%) The components of the rate peg for FY2025/26 are made up of:

- The base cost change 3.6% which is an estimate of cost increases in council's business-as usual costs for 2025-26.

- A productivity factor of 0.0% due to the ABS indices used for the LGCI incorporate improvements in labour and capital productivity.
- A local government election factor of 0.1% to help councils cover the costs of running the local government elections.
- An Emergency Services Levy (ESL) factor of 0.0% to reflect the annual change in the ESL.
- A population factor 2.5% (net of any supplementary valuations percentage or zero).

The Local Government Rate Peg Index for FY2025/26 for the City of Parramatta was set as 6.2% by IPART. Future year rate peg assumptions have been made and included per the table below.

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	Rates									
Rate Cap	6.20%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Ordinary Rates	6.20%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

4.2.2 Annual Charges

These fees are related to Domestic Waste Management charges.

The Local Government Act 1993 (Act) requires that Domestic Waste Management Charges must reflect the actual cost of providing those services. Sec 504(3) of the Act stipulates charges cannot exceed the reasonable costs to the council providing the service. The annual increase in Domestic Waste Management Charges is being recommended at 6.2% for FY2025-26 and is assumed as 3.5% (subject to review) from FY2026-27 to FY2034-35 reflecting forecast price growth.

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	Domestic Waste Management Charges									
DWM Changes	6.20%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
DWM Changes	6.20%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

4.2.3 User Fees and Charges

The LTFP assumes that Statutory Fees and Charges will increase by CPI but will also change because of increased volume and the value of construction costs. Discretionary Fees and Charges are assumed to increase by 5% in FY2025/26 and then by 3% on average in the outer years across the board.

4.2.6 Capital Grants and Contributions

Council capital grants consist of capital grants received from State and federal Government and s7.11 and s7.12 Developer Contributions. We rely upon the previous year's collection and have limited visibility on future grants linked with projects. This is low risk to our financial position as this income is excluded from our underlying profit and are restricted categories within our net working capital.

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	Capital Grants and Contributions (\$'000)									
Capital Grants and Contributions	\$81,889	\$95,864	\$54,918	\$32,727	\$33,533	\$34,372	\$35,231	\$36,112	\$37,014	\$37,940
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4.2.7 Other Revenues

Council's Other Revenue will increase due to income normalisation of Ranger and Parking Services, Leased property rental, Ooh Media (Bus Shelter advertisement), Social and Cultural Services, in addition to increases from CPI.

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	Other Revenue									
CPI	5.00%	4.00%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Other Revenue	5.00%	4.00%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

4.3 Expense Assumptions

The following outlines Council's assumptions for Expenses with relevant commentary.

4.3.1 Wages and Salary

As per the current Award. The EBA for FY26 includes:

- 3% annual salary increases

The following are other factors taken into consideration in setting salary and wages:

- Alignment to the latest Organisational structure and annual award movements.
- Skills step movements awarded for achieving higher skills.
- Superannuation Contribution increases by 0.5% in FY26 as per Federal guidelines.

Below are the percentage assumptions for Salaries and Wages.

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	Employee benefits									
LG Award (Estimates)	3.00%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
FG bill Super increase	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Revenue	3.50%	4.0%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

4.3.2 Borrowing Costs

No borrowing costs in FY26 and LTFP.

4.3.3 Material and Contracts and Other expenses

The increase in materials and contracts and other expenses for the new and ongoing projects is offset by the reprioritisation and rescoping of other programs undertaken by Council. No indexation is factored into the costs for next year unless contracted.

5. LTFP scenarios and relationship between LTFP and Asset Management Strategy

LTFP responds to and informs the management of assets and other resources. The City of Parramatta Council has a portfolio of infrastructure assets with a written down value of \$2.7 billion (\$3.7 billion gross carrying value). The council's combined infrastructure backlog is estimated to be \$104 million or at a backlog ratio of 4.8%, which is above the industry benchmark of 2%. During 2023/2024, the Council updated the condition assessment of key asset classes such as Roads, Buildings and Open Space, which resulted in higher estimated costs to bring those asset classes to a satisfactory standard. Council is currently in the process of revaluing and assessing the Bridges and Stormwater Drainage assets, which will have further impact on the infrastructure backlog ratio in the future.

According to the Draft Asset Management Strategy 2026-2035, the projected cost for necessary asset renewals over the next ten years is \$605.1 million. The estimated available 10-year average Long Term Financial Plan (LTFP) budget is \$342.9 million, which represents 57% of the required funding. As a result, there will be a shortfall of **\$262** million in spending on renewals compared to the forecasted depreciation over ten years.

Additionally, the projected cost for maintenance of assets over the next ten years is \$1.06 billion. The estimated available 10-year average Long Term Financial Plan (LTFP) budget for maintenance is \$981 million, covering 93% of the required funding. This will lead to an **\$79** million shortfall in actual spending on maintenance compared to the budgeted maintenance cost over ten years.

The growth forecasts highlight the need for additional infrastructure assets and for existing assets to be managed efficiently to accommodate the expected demand and community needs and expectations. The Integrated Planning and Reporting cycle provides an opportunity for community, stakeholders, Councilors and internal staff consultation to occur and discuss the Asset Management Strategy assumptions and planned program.

The LTFP financial statements have been based on a general scenario outlined in the Asset Management Strategy. The scenario assumes to maintain the same Asset Management Plan but includes different rate revenue income assumptions. Scenario 6 assumes the LTFP with the asset renewal & maintenance budgeted over the next 10 years.

Summary

Scenario 1 provides sufficient funds to maintain current service levels, assuming the 6.2% rate peg is adopted by Council. Approval of Scenario 1 is recommended for a reasonable operating surplus in the LTFP.

Scenario 2 assumes a rate peg of 3.6%, resulting in an operating deficit over the 10-year period of the LTFP. It is not recommended as it does not generate sufficient funds to maintain current service levels.

Scenario 3 assumes that the IPART approved rate peg of 6.2% is adopted, plus an increase in the minimum business general rates from \$712 to \$1,200 resulting in an operating surplus across the 10 years of the LTFP.

Scenario 4 assumes that the IPART approved rate peg of 6.2% is implemented, along with an increase in the minimum residential rates from \$839 to \$1,000, resulting in an operating surplus over the 10 years of the LTFP. This scenario would provide funding for the increased depreciation from completion of WestInvest projects and revaluations, as well as build reserves to address the current gap in infrastructure backlog ratio and the renewals ratio.

Scenario 5 assumes the IPART approved rate peg of 6.2% is implemented, along with the introduction of an environmental levy, resulting in an operating surplus over the 10 years of the LTFP. This surplus can be allocated to fund pending environmental initiatives such as the Tree Canopy Project.

Scenario 6 assumes that the projected cost of the depreciation associated with asset renewal (\$262m) and operational maintenance of assets (\$79m) over the next ten years is budgeted in the 10-year average Long Term Financial Plan (LTFP) as per the funding shortfall outlined in the Draft Asset Management Strategy 2026-2035.

Scenario 1 – It is recommended that Council adopt Scenario 1 that includes the current Asset Management Plan and the Rate Peg of 6.2% as approved by IPART in FY26.

\$'000	2024/25 March Revision \$000	2025/26 Budget \$000	2026/27 LTFP \$000	2027/28 LTFP \$000	2028/29 LTFP \$000	2029/30 LTFP \$000	2030/31 LTFP \$000	2031/32 LTFP \$000	2032/33 LTFP \$000	2033/34 LTFP \$000	2034/35 LTFP \$000
Rates & Annual Charges	231,108	244,659	250,775	257,044	263,471	270,057	276,809	283,729	290,822	298,093	305,545
User Charges & Fees	47,654	50,060	51,562	53,109	54,702	56,343	58,034	59,775	61,568	63,415	65,317
Other Revenue	25,406	22,165	23,051	23,858	24,574	25,311	26,071	26,853	27,658	28,488	29,343
Grants & Contributions provided for operating purposes	26,805	17,723	18,271	18,911	19,478	20,062	20,664	21,284	21,923	22,580	23,258
Grants & Contributions provided for capital purposes	86,608	81,889	95,864	54,918	32,727	33,533	34,372	35,231	36,112	37,014	37,940
Interest and investment income	33,291	27,521	28,484	29,481	30,513	31,581	32,686	33,830	35,014	36,239	37,508
Other Income	13,224	11,606	11,630	11,655	11,681	11,708	11,736	11,765	11,795	11,827	11,860
Net Gain on Disposal of Assets	783	650	666	683	700	717	735	754	773	792	812
Total Income from Continuing Operations	464,879	456,272	480,303	449,658	437,845	449,313	461,105	473,220	485,664	498,448	511,582
Employee Costs	164,065	166,447	172,583	179,486	186,666	194,132	201,898	209,974	218,372	227,107	236,192
Materials & Contracts	76,732	73,568	74,302	75,045	75,796	76,553	77,319	78,092	78,873	79,662	80,458
Borrowing Costs	45	0	0	0	0	0	0	0	0	0	0
Other Expenses	70,156	62,885	64,139	64,485	64,608	64,707	64,781	64,827	64,845	64,833	64,788
Net Loss on Disposal of Assets	116	105	108	110	113	116	119	122	125	128	131
Total Expenses from continuing operations excluding depn.	311,114	303,004	311,132	319,127	327,182	335,509	344,116	353,015	362,216	371,730	381,569
Operating result from continuing operations exc depn.	153,765	153,268	169,172	130,532	110,663	113,804	116,989	120,205	123,448	126,718	130,012
Depreciation & Amortisation	72,761	69,825	72,571	74,360	76,194	79,074	81,001	82,976	85,000	87,075	89,202
Net Operating result for the year attributable to Council	81,005	83,443	96,601	56,172	34,469	34,730	35,989	37,229	38,448	39,643	40,811
Net Operating result before capital grants & contributions, and loss / gain on disposal of assets	(6,270)	1,009	178	681	1,154	595	1,000	1,366	1,689	1,965	2,190

Scenario 2 - Continue providing a level of service driven by existing budget allocation with a Rate peg of 3.6% for Rates in FY26

\$'000	2024/25 March Revision \$000	2025/26 Budget \$000	2026/27 LTFP \$000	2027/28 LTFP \$000	2028/29 LTFP \$000	2029/30 LTFP \$000	2030/31 LTFP \$000	2031/32 LTFP \$000	2032/33 LTFP \$000	2033/34 LTFP \$000	2034/35 LTFP \$000
Rates & Annual Charges	231,108	238,669	244,636	250,751	257,020	263,446	270,032	276,783	283,702	290,795	298,065
User Charges & Fees	47,654	50,060	51,562	53,109	54,702	56,343	58,034	59,775	61,568	63,415	65,317
Other Revenue	25,406	22,165	23,051	23,858	24,574	25,311	26,071	26,853	27,658	28,488	29,343
Grants & Contributions provided for operating purposes	26,805	17,723	18,271	18,911	19,478	20,062	20,664	21,284	21,923	22,580	23,258
Grants & Contributions provided for capital purposes	86,608	81,889	95,864	54,918	32,727	33,533	34,372	35,231	36,112	37,014	37,940
Interest and investment income	33,291	27,521	28,484	29,481	30,513	31,581	32,686	33,830	35,014	36,239	37,508
Other Income	13,224	11,606	11,630	11,655	11,681	11,708	11,736	11,765	11,795	11,827	11,860
Net Gain on Disposal of Assets	783	650	666	683	700	717	735	754	773	792	812
Total Income from Continuing Operations	464,879	450,282	474,164	443,365	431,395	442,701	454,329	466,273	478,544	491,150	504,101
Employee Costs	164,065	166,447	172,583	179,486	186,666	194,132	201,898	209,974	218,372	227,107	236,192
Materials & Contracts	76,732	73,568	74,302	75,045	75,796	76,553	77,319	78,092	78,873	79,662	80,458
Borrowing Costs	45	0	0	0	0	0	0	0	0	0	0
Other Expenses	70,156	62,885	64,139	64,485	64,608	64,707	64,781	64,827	64,845	64,833	64,788
Net Loss on Disposal of Assets	116	105	108	110	113	116	119	122	125	128	131
Total Expenses from continuing operations excluding deprec.	311,114	303,004	311,132	319,127	327,182	335,509	344,116	353,015	362,216	371,730	381,569
Operating result from continuing operations exc deprec.	153,765	147,278	163,032	124,239	104,212	107,192	110,212	113,258	116,328	119,421	122,532
Depreciation & Amortisation	72,761	69,825	72,571	74,360	76,194	79,074	81,001	82,976	85,000	87,075	89,202
Net Operating result for the year attributable to Council	81,005	77,453	90,461	49,879	28,018	28,119	29,212	30,283	31,329	32,346	33,330
Net Operating result before capital grants & contributions, and loss / gain on disposal of assets	(6,270)	(4,981)	(5,961)	(5,612)	(5,296)	(6,017)	(5,777)	(5,581)	(5,431)	(5,333)	(5,291)

Scenario 3 - includes the current Asset Management Plan and the Rate Peg of 6.2% as approved by IPART in FY26 plus an increase in the minimum business general rates from \$712 to \$1,200 (\$528k increase in FY 27).

\$'000	2024/25 March Revision	2025/26 Budget	2026/27 LTFP	2027/28 LTFP	2028/29 LTFP	2029/30 LTFP	2030/31 LTFP	2031/32 LTFP	2032/33 LTFP	2033/34 LTFP	2034/35 LTFP
Rates & Annual Charges	231,108	244,659	251,303	257,586	264,025	270,626	277,392	284,326	291,434	298,720	306,188
User Charges & Fees	47,654	50,060	51,562	53,109	54,702	56,343	58,034	59,775	61,568	63,415	65,317
Other Revenue	25,406	22,165	23,051	23,858	24,574	25,311	26,071	26,853	27,658	28,488	29,343
Grants & Contributions provided for operating purposes	26,805	17,723	18,271	18,911	19,478	20,062	20,664	21,284	21,923	22,580	23,258
Grants & Contributions provided for capital purposes	86,608	81,889	95,864	54,918	32,727	33,533	34,372	35,231	36,112	37,014	37,940
Interest and investment income	33,291	27,521	28,484	29,481	30,513	31,581	32,686	33,830	35,014	36,239	37,508
Other Income	13,224	11,606	11,630	11,655	11,681	11,708	11,736	11,765	11,795	11,827	11,860
Net Gain on Disposal of Assets	783	650	666	683	700	717	735	754	773	792	812
Total Income from Continuing Operations	464,879	456,272	480,831	450,200	438,400	449,881	461,688	473,817	486,276	499,076	512,225
Employee Costs	164,065	166,447	172,583	179,486	186,666	194,132	201,898	209,974	218,372	227,107	236,192
Materials & Contracts	76,732	73,568	74,302	75,045	75,796	76,553	77,319	78,092	78,873	79,662	80,458
Borrowing Costs	45	0	0	0	0	0	0	0	0	0	0
Other Expenses	70,156	62,885	64,139	64,485	64,608	64,707	64,781	64,827	64,845	64,833	64,788
Net Loss on Disposal of Assets	116	105	108	110	113	116	119	122	125	128	131
Total Expenses from continuing operations excluding depn.	311,114	303,004	311,132	319,127	327,182	335,509	344,116	353,015	362,216	371,730	381,569
Operating result from continuing operations exc depn.	153,765	153,268	169,700	131,073	111,217	114,372	117,572	120,802	124,061	127,346	130,656
Depreciation & Amortisation	72,761	69,825	72,571	74,360	76,194	79,074	81,001	82,976	85,000	87,075	89,202
Net Operating result for the year attributable to Council	81,005	83,443	97,129	56,713	35,023	35,299	36,571	37,826	39,061	40,271	41,454
Net Operating result before capital grants & contributions, and loss / gain on disposal of assets	(6,270)	1,009	706	1,222	1,709	1,164	1,583	1,963	2,301	2,592	2,833

Scenario 4 - includes the current Asset Management Plan and the Rate Peg of 6.2% as approved by IPART in FY26 plus an increase in the minimum residential rates from \$839 to \$1,000 (\$9.7m increase in FY 27).

\$'000	2024/25 March Revision	2025/26 Budget	2026/27 LTFP	2027/28 LTFP	2028/29 LTFP	2029/30 LTFP	2030/31 LTFP	2031/32 LTFP	2032/33 LTFP	2033/34 LTFP	2034/35 LTFP
Rates & Annual Charges	231,108	244,659	260,475	266,987	273,662	280,503	287,516	294,704	302,071	309,623	317,364
User Charges & Fees	47,654	50,060	51,562	53,109	54,702	56,343	58,034	59,775	61,568	63,415	65,317
Other Revenue	25,406	22,165	23,051	23,858	24,574	25,311	26,071	26,853	27,658	28,488	29,343
Grants & Contributions provided for operating purposes	26,805	17,723	18,271	18,911	19,478	20,062	20,664	21,284	21,923	22,580	23,258
Grants & Contributions provided for capital purposes	86,608	81,889	95,864	54,918	32,727	33,533	34,372	35,231	36,112	37,014	37,940
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Other Income	13,224	11,606	11,630	11,655	11,681	11,708	11,736	11,765	11,795	11,827	11,860
Net Gain on Disposal of Assets	783	650	666	683	700	717	735	754	773	792	812
Total Income from Continuing Operations	464,879	456,272	490,003	459,601	448,036	459,759	471,812	484,194	496,913	509,979	523,400
Employee Costs	164,065	166,447	172,583	179,486	186,666	194,132	201,898	209,974	218,372	227,107	236,192
Materials & Contracts	76,732	73,568	74,302	75,045	75,796	76,553	77,319	78,092	78,873	79,662	80,458
Borrowing Costs	45	0	0	0	0	0	0	0	0	0	0
Other Expenses	70,156	62,885	64,139	64,485	64,608	64,707	64,781	64,827	64,845	64,833	64,788
Net Loss on Disposal of Assets	116	105	108	110	113	116	119	122	125	128	131
Total Expenses from continuing operations excluding depn.	311,114	303,004	311,132	319,127	327,182	335,509	344,116	353,015	362,216	371,730	381,569
Operating result from continuing operations exc depn.	153,765	153,268	178,872	140,474	120,854	124,250	127,696	131,179	134,697	138,249	141,831
Depreciation & Amortisation	72,761	69,825	72,571	74,360	76,194	79,074	81,001	82,976	85,000	87,075	89,202
Net Operating result for the year attributable to Council	81,005	83,443	106,301	66,114	44,660	45,176	46,696	48,204	49,697	51,174	52,629
Net Operating result before capital grants & contributions, and loss / gain on disposal of assets	(6,270)	1,009	9,878	10,623	11,345	11,041	11,707	12,340	12,938	13,495	14,008

Scenario 5 - includes the current Asset Management Plan and the Rate Peg of 6.2% as approved by IPART in FY26 plus introducing an environmental levy (\$2.7m increase in FY 27)

\$'000	2024/25 March Revision	2025/26 Budget	2026/27 LTFP	2027/28 LTFP	2028/29 LTFP	2029/30 LTFP	2030/31 LTFP	2031/32 LTFP	2032/33 LTFP	2033/34 LTFP	2034/35 LTFP
Rates & Annual Charges	231,108	244,659	253,475	259,812	266,307	272,965	279,789	286,784	293,953	301,302	308,835
User Charges & Fees	47,654	50,060	51,562	53,109	54,702	56,343	58,034	59,775	61,568	63,415	65,317
Other Revenue	25,406	22,165	23,051	23,858	24,574	25,311	26,071	26,853	27,658	28,488	29,343
Grants & Contributions provided for operating purposes	26,805	17,723	18,271	18,911	19,478	20,062	20,664	21,284	21,923	22,580	23,258
Grants & Contributions provided for capital purposes	86,608	81,889	95,864	54,918	32,727	33,533	34,372	35,231	36,112	37,014	37,940
Interest and investment income	33,291	27,521	28,484	29,481	30,513	31,581	32,686	33,830	35,014	36,239	37,508
Other Income	13,224	11,606	11,630	11,655	11,681	11,708	11,736	11,765	11,795	11,827	11,860
Net Gain on Disposal of Assets	783	650	666	683	700	717	735	754	773	792	812
Total Income from Continuing Operations	464,879	456,272	483,003	452,426	440,682	452,220	464,086	476,274	488,795	501,658	514,871
Employee Costs	164,065	166,447	172,583	179,486	186,666	194,132	201,898	209,974	218,372	227,107	236,192
Materials & Contracts	76,732	73,568	74,302	75,045	75,796	76,553	77,319	78,092	78,873	79,662	80,458
Borrowing Costs	45	0	0	0	0	0	0	0	0	0	0
Other Expenses	70,156	62,885	64,139	64,485	64,608	64,707	64,781	64,827	64,845	64,833	64,788
Net Loss on Disposal of Assets	116	105	108	110	113	116	119	122	125	128	131
Total Expenses from continuing operations excluding depn.	311,114	303,004	311,132	319,127	327,182	335,509	344,116	353,015	362,216	371,730	381,569
Operating result from continuing operations exc depn.	153,765	153,268	171,872	133,299	113,499	116,711	119,969	123,259	126,580	129,928	133,302
Depreciation & Amortisation	72,761	69,825	72,571	74,360	76,194	79,074	81,001	82,976	85,000	87,075	89,202
Net Operating result for the year attributable to Council	81,005	83,443	99,301	58,939	37,305	37,638	38,969	40,284	41,580	42,853	44,100
Net Operating result before capital grants & contributions, and loss / gain on disposal of assets	(6,270)	1,009	2,878	3,448	3,991	3,503	3,980	4,421	4,820	5,174	5,479

Scenario 6 – includes the Rate Peg of 6.2% as approved by IPART in FY26, current Asset Management Plan, the operational & maintenance and infrastructure renewal backlog gaps as outlined in the Asset Management Strategy document.

\$'000	2024/25 March Revision	2025/26 Budget	2026/27 LTFP	2027/28 LTFP	2028/29 LTFP	2029/30 LTFP	2030/31 LTFP	2031/32 LTFP	2032/33 LTFP	2033/34 LTFP	2034/35 LTFP
Rates & Annual Charges	231,108	244,659	250,775	257,044	263,471	270,057	276,809	283,729	290,822	298,093	305,545
User Charges & Fees	47,654	50,060	51,562	53,109	54,702	56,343	58,034	59,775	61,568	63,415	65,317
Other Revenue	25,406	22,165	23,051	23,858	24,574	25,311	26,071	26,853	27,658	28,488	29,343
Grants & Contributions provided for operating purposes	26,805	17,723	18,271	18,911	19,478	20,062	20,664	21,284	21,923	22,580	23,258
Grants & Contributions provided for capital purposes	86,608	81,889	95,864	54,918	32,727	33,533	34,372	35,231	36,112	37,014	37,940
Interest and investment income	33,291	27,521	28,484	29,481	30,513	31,581	32,686	33,830	35,014	36,239	37,508
Other Income	13,224	11,606	11,630	11,655	11,681	11,708	11,736	11,765	11,795	11,827	11,860
Net Gain on Disposal of Assets	783	650	666	683	700	717	735	754	773	792	812
Total Income from Continuing Operations	464,879	456,272	480,303	449,658	437,845	449,313	461,105	473,220	485,664	498,448	511,582
Employee Costs	164,065	166,447	172,583	179,486	186,666	194,132	201,898	209,974	218,372	227,107	236,192
Materials & Contracts	76,732	83,598	87,652	89,425	88,646	87,183	85,669	84,102	82,483	80,802	79,058
Borrowing Costs	45	0	0	0	0	0	0	0	0	0	0
Other Expenses	70,156	62,885	64,139	64,485	64,608	64,707	64,781	64,827	64,845	64,833	64,788
Net Loss on Disposal of Assets	116	105	108	110	113	116	119	122	125	128	131
Total Expenses from continuing operations excluding depn.	311,114	313,034	324,482	333,507	340,032	346,139	352,466	359,025	365,826	372,870	380,169
Operating result from continuing operations exc depn.	153,765	143,238	155,822	116,152	97,813	103,174	108,639	114,195	119,838	125,578	131,412
Depreciation & Amortisation	72,761	66,865	79,571	97,420	104,214	110,474	113,641	116,776	120,090	123,465	126,982
Net Operating result for the year attributable to Council	81,005	76,373	76,251	18,732	(6,401)	(7,300)	(5,001)	(2,581)	(252)	2,113	4,431
Net Operating result before capital grants & contributions, and loss / gain on disposal of assets	(6,270)	(6,061)	(20,172)	(36,759)	(39,716)	(41,435)	(39,990)	(38,444)	(37,011)	(35,565)	(34,190)

