



# **Extraordinary Meeting of Riverina Water County Council**

The meeting will be held in the Riverina Water, Pat Brassil AM Meeting Room, 91 Hammond Ave, Wagga at 5:30 PM on Wednesday, 25 March 2026

# Meeting Agenda

## Live Streaming of Council Meetings

Riverina Water advises that Council meetings are live streamed on Council's website [www.riverinawater.nsw.gov.au](http://www.riverinawater.nsw.gov.au) Visitors in the public gallery are advised that their voice and/or image may form part of the webcast. By remaining in the public gallery it is assumed your consent is given in the event your image or voice is broadcast.

## Statement of Ethical Reminders

Board members are reminded of the Oath or Affirmation of **Office** that they made under Section 233A of the Local Government Act 1993. Board members and staff are also reminded of their obligations under Council's Code of Conduct to disclose and appropriately manage conflicts of interest.

## Acknowledgement of Country

## Apologies

## Declaration of pecuniary and non-pecuniary interests

## Open Reports

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# R1 Oath or Affirmation of Office

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** A Board member was recently elected by Wagga Wagga City Council to be a Member of the Board of Riverina Water County Council. All Board Members are required to take an oath of office or make an affirmation of office.

**RECOMMENDATION** that it be noted that Board Member XXX has taken an oath of office or made an affirmation of office in the presence of the Chief Executive Officer (CEO) in accordance with the provisions of the Section 233A of the Local Government Act 1993 (NSW).

## Report

It is advised that the Local Government Act, 1993 states:

1. A councillor must take an oath of office or make an affirmation of office at or before the first meeting of the council after the councillor is elected
2. The oath or affirmation may be taken or made before the CEO of the Council, an Australian legal practitioner or a Justice of the Peace and is to be in the following form:

### Oath

I, [Councillors name], swear that I will undertake the duties of the office of board member in the best interests of the people of Riverina Water County Council and Riverina Water and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993, or any other Act to the best of my ability and judgment.

### Affirmation

I, [Councillors name], solemnly and sincerely declare and affirm that I will undertake the duties of the office of councillor in the best interests of the people of Riverina Water County Council and Riverina Water and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

3. A councillor who fails, without a reasonable excuse, to take the oath of office or make an affirmation of office in accordance with this section is not entitled to attend a meeting as councillor (other than the first meeting of the council after the councillor is elected to the office or a meeting at which the councillor takes the oath or makes the affirmation) until the Councillor has taken the oath or made the affirmation.

4. Any absence of a councillor from an ordinary meeting for the council that the councillor is not entitled to attend because of this section is taken to be an absence without prior leave of the council.
5. Failure to take an oath of office or make an affirmation of office does not affect the validity of anything done by a councillor in the exercise of the councillor's functions
6. The Chief Executive Officer must ensure that a record is kept of the taking of an oath or the making of an affirmation (whether in the minutes of the council meeting or otherwise)

At the time of writing this report, the name of the incoming Board member was unknown.

The new Board Member will be provided with both the Oath and Affirmation at the meeting on the 25 March 2026 and be asked to undertake the same process they undertook as part of making an Oath or Affirmation at their constituent Council.

### **Financial Implications**

The annual allowance payable to the Board Member is provided for in the Delivery Plan and Operational Plan

### **Risk Considerations**

<b>Our Operations</b>	
Provide effective leadership and governance	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

## R2 Review of Joint Organisation Framework

### Organisational Area Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** The Minister for Local Government has written to Council's advising of a refresh to the framework that governs Joint Organisations (JOs) in NSW seeking advice and the intentions from Councils on whether they want to be a member of a JO, and the JO that it would like to join, create, withdraw from or retain membership of.

### RECOMMENDATION:

- (1) That Riverina Water write to REROC advising that Riverina Water supports REROC's position as per below:
  - (a) "Re-affirmation of a strong commitment to continuing with REROC"
  - (b) "Commitment that ROC's/Alliances and other non-JO regional entities are of equal significance and in terms of eligibility for grant funding opportunities"
- (2) that Riverina Water respond to REROC and advise that Riverina Water **does not support** the request by REROC that "the Minister for Local Government formally dissolve the Riverina Joint Organisation"
- (3) That Riverina Water write to the NSW Office of Local Government and provide feedback on the three specific matters as outlined in the body of this report and as discussed during the meeting.

### Report

Attached is a copy of the letter sent to general purpose Council's and Joint Organisations dated 9 February 2026. County Councils were not initially invited to participate in the review, which prompted representations to the Minister to reconsider that decision. It was pleasing that County Councils were subsequently invited to participate and the attached email was received on 25 February 2026.

The Board at its meeting on 26 February 2026 resolved *that Riverina Water consider its position on membership of the Riverina JO at the proposed extraordinary meeting of the Board on Wednesday 25 March 2026.*

This report requires that Riverina Water give consideration and respond to the request by REROC and secondly, respond to the specific questions posed by the OLG to County Councils.

## REROC considerations

REROC considered the matter at its meeting on the 27 February (at which the CEO and Chairperson were present) and resolved:

1. Request NSW Minister for Local Government to formally dissolve the Riverina Joint Organisation
2. Re-affirm strong commitment to continuing with the Riverina Eastern Regional Organisation of Councils Inc. (REROC)
3. That REROC seek a commitment that ROCs/Alliances and other non-JO regional entities are of equal significance and in terms of grant funding arrangements
4. Seek the endorsement of REROC Member Councils

REROC has written to Riverina Water (and all its member councils) requesting that Riverina Water endorse the decision made by REROC at its meeting on the 27 February.

The position that the member Councils of RivJO take on the matter will be relevant, including the position of Wagga Wagga City Council who is an associate member of the Canberra Region JO. In addition, WWCC have previously offered to manage RivJO at their cost. The attached letters provide further context.

Riverina Water remains an Associate Member of RivJO and recently resolved to rejoin REROC after a three-year absence. An important element of the decision to rejoin REROC was the opportunity for Riverina Water to contribute to and be part of effective regional collaboration and to be part of bi-annual visits to the NSW Parliament and Federal Parliament to meet with Ministers and their advisors.

Management recommend that Riverina Water respond to REROC and advise that Riverina Water supports REROC's:

- (a) "Re-affirmation of a strong commitment to continuing with REROC"
- (b) "Commitment that ROC's/Alliances and other non-JO regional entities are of equal significance and in terms of eligibility for grant funding opportunities"

Management further recommend that Riverina Water respond to REROC and advise that Riverina Water **does not support** the request by REROC that "the Minister for Local Government formally dissolve the Riverina Joint Organisation"

The above recommendation is based on the offer by WWCC to maintain RivJO at the sole cost of WWCC. The position of WWCC in terms of their response to the Minister was outlined in a report to the WWCC Council Meeting due to be held on 23 March 2025. The recommendation of staff to the Council was:

That Council:

- (a) note the correspondence received from the Hon. Ron Hoenig MP, Minister for Local Government, regarding the review of the Joint Organisation framework.

- (b) not seek ongoing membership of the Riverina and Murray Joint Organisation in any capacity.
- (c) remain an Associate Member of the Canberra Region Joint Organisation.
- (d) write to the Hon. Ron Hoenig MP, Minister for Local Government:
- i noting that Wagga Wagga City Council joined the Riverina Joint Organisation at the specific request of the NSW Government; and
  - ii request that Wagga Wagga City Council be left in the Riverina Joint Organisation; and
  - iii request that the Riverina Joint Organisation remain in hiatus status pending future collaboration opportunities.

It is felt that should the Minister retain RivJO, that it is in the best interests of Riverina Water to continue to be a member of the JO that contains the largest local government entity in regional NSW

The JOs exist by virtue of legislation and Riverina Water was included as an Associate Member of RivJO in the government proclamation that created RivJO. The NSW Government have a clear preference to engage with JO's as they state: "they are a statutory entity under the Local Government Act comprising of member councils sharing regional interests. JO's collectively harness council capacity, capability and work together with the NSW Government and other stakeholders on shared regional priorities". OLG representatives attended meetings of RivJO when operative and now attend meetings of REROC.

### **OLG considerations**

The Office of Local Government advises "we are keen to ensure that county councils contribute to this review and to the broader conversation about the future of regional collaboration. We are therefore inviting county councils to participate in the current expression of interest (EOI) process, alongside councils and JO's. This is an opportunity to share your views on:

- How county councils currently participate in regional collaboration.
- How county councils could best engage with Joint Organisations and other forms of regional collaboration as associate members; and
- What opportunities or barriers exist to strengthening collaboration between councils and county councils in the future."

The link below provides access to the materials produced by OLG to allow councils and county councils to consider and inform their responses.

<https://www.olg.nsw.gov.au/council-portal/review-of-joint-organisations-framework/>

Turning specifically to those matters the following response is proposed:

- **How county councils currently participate in regional collaboration**

County Councils were gazetted as Associate Members of JO's when they were created some years ago. Riverina Water and Goldenfields Water were active members of the JO and

the various subcommittees that RivJO created. Goldenfields Water remained a member of REROC at the same time and Riverina Water left REROC for a period of three years.

In addition, County Councils have a statutory obligation (section 394A of the Local Government Act) to take into account any strategic regional priorities and other plans, programs and policies of a joint organisation that apply to any relevant part of the county council's area of operations or that are relevant to the county council's operational functions.

- ***How county councils could best engage with Joint Organisations and other forms of regional collaboration as associate members***

In other parts of NSW County Councils are providing the administrative support for JO's and this appears to be working well. This could be extended so that members of the JO collaborate on water and sewerage strategic planning (or many other functions including waste collection and management or Net Zero initiatives)

- ***What opportunities or barriers exist to strengthening collaboration between councils and county councils in the future."***

The limitations to strengthening collaboration would only be limited by the enthusiasm (or lack of enthusiasm) by councils and county councils. The opportunities are many and the fact that county councils are so effective and efficient should have prompted more general purpose councils to devolve some of their functions to county councils. There are, however, some valid financial implications associated with the devolution of functions by general purpose councils to county council's that have diminished the opportunity for growth in operations of county councils

Any feedback provided during the Board meeting will also be added to the submission to the OLG

- › **R2.1**      **Wagga Wagga City Council - One Organisation Discussions** [↓](#)
- › **R2.2**      **Letter to Chairman Cr Rick Firman - REROC - Wagga Wagga City Council Response** [↓](#)
- › **R2.3**      **Refresh of the Joint Organisation Framework** [↓](#)
- › **R2.4**      **REROC Collaboration letter** [↓](#)

### **Strategic Alignment**

Our Operations  
Provide effective leadership and governance

### **Financial Implications**

There are no immediate financial Implications associated with this matter as Riverina Water is a financial member of REROC for 2025/26.

### Workforce Implications

Not applicable

### Risk Considerations

Corporate Governance and Compliance	
Low	Riverina Water has <b>low</b> appetite for risk of failure to comply with legislation, regulations, policy/procedures and transparent, ethical decision making. Minor breaches are expected from time to time but it will be reported and responded to.

### Risk Alignment

There are minimal risks associated with this matter. It is important though that Riverina Water engage with the review given our obligations under Section 394A of the Local Government Act to take into account any strategic regional priorities and other plans of the JO to that apply to any part of the County Council's area of operations or that are relevant to the County Council's operational functions.



OFFICE OF THE MAYOR

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CITY OF WAGGA WAGGA

19 July 2022

Email: REROC Councils

Dear

**Re: One Organisation Discussions**

I refer to the discussions we have been having in relation to the Riverina Joint Organisation (RivJO) of councils and the REROC.

I confirm the submissions which were made at the meeting by Wagga Wagga City Council (WWCC) to the effect that we do not seek to be part of the REROC but recognise the value that it holds to other Councils in terms of securing funding for operational programs and projects and delivering those projects on behalf of the Councils.

On the basis that REROC is used and funded by other Councils which seek to be involved in the joint delivery of operational programs, WWCC makes the offer of maintaining the RivJO at the sole cost of WWCC.

This proposal is based on the understanding that WWCC would use the resources it currently has available to maintain the function of the RivJO. This would include provision of the following:

- Office space and meeting space
- Vehicle use
- Governance
- Finance and accounting
- Audit requirements both annual audit and internal audit requirements
- IT and communication
- Catering for meetings
- Human Resources

To give a guide as to what WWCC sees as the outputs from the Joint Organisation, the strategic scope of work for the Joint Organisation would include the following:

- Health Services
- Economic Development
- Regional Planning
- Visitor Economy
- Specialist Staffing
- Industry
- Air Transport
- Rail

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 Ph: (02) 6926 9111  
[mayor@wagga.nsw.gov.au](mailto:mayor@wagga.nsw.gov.au)



## OFFICE OF THE MAYOR

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# CITY OF WAGGA WAGGA

- Housing
- Freight Infrastructure

Each member Council including WWCC would have one vote.

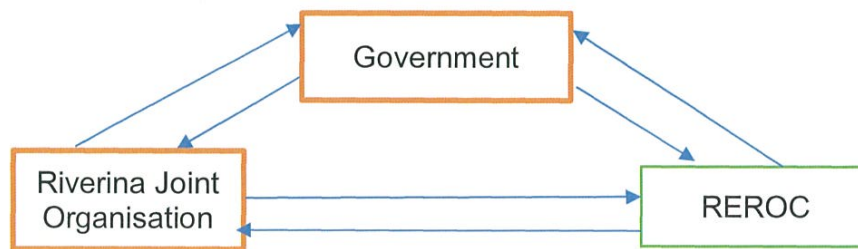
For functioning of the RivJO, WWCC asks that the common model of a General Managers Advisory Committee (GMAC) and a Board be adopted. The preparation of the business for the Board is undertaken by a committee of all General Managers having a single vote.

The business paper for the Board is prepared from the outcomes of the GMAC meeting. Each Mayor or delegate has one vote at the RivJO Board meeting.

WWCC would commit to this model including financing for a period of two years.

In the final year, the Councils can form a view about whether it is effective or not and can determine a way forward from that point.

Hopefully this initiative can be seen as successful for the future of the region. That is the aim of WWCC in putting it forward.



I ask that you pass this correspondence to your General Manager for discussion.

Yours faithfully

Cr Dallas Tout  
Mayor

Civic Centre  
Cnr Baylis & Morrow Streets  
Po Box 20 Wagga Wagga NSW 2650  
Ph: (02) 6926 9111  
[mayor@wagga.nsw.gov.au](mailto:mayor@wagga.nsw.gov.au)



OFFICE OF THE MAYOR

# CITY OF WAGGA WAGGA

15 July 2025

Cr Rick Firman  
 Chairman  
 REROC  
 PO Box 646  
 WAGGA WAGGA NSW 2650

Email: [mail@reroc.com.au](mailto:mail@reroc.com.au)

Dear Rick

Thank you for your correspondence enquiring if Wagga Wagga City Council (WWCC) would consider rejoining REROC.

We have discussed this request as a Council and confirm our previous position in relation to joining REROC.

We certainly see the appeal and benefit of REROC activities to your member Councils. These activities do not offer the same appeal to WWCC. When WWCC discontinued its membership of REROC it was largely because we were undertaking the REROC activities internally. This remains the case today.

As we have articulated previously, we do see value in a regional collaboration for strategic planning at the regional scale and regional advocacy. Our desired model for this regional collaboration is the Joint Organisation. For convenience I attach a copy of the offer made in June 2023.

WWCC would once again make this offer if it is of interest to the REROC Councils. Let me know if you would like to discuss this further as a collective group.

Yours sincerely

Cr Dallas Tout  
 Mayor

cc: Bland Shire Council, Coolamon Shire Council, Cootamundra-Gundagai Council, Greater Hume Shire Council, Junee Shire Council, Lockhart Shire Council, Temora Shire Council, Goldenfields Water County Council, Riverina Water and Snowy Valleys Council

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## Melissa Vincent

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**From:** Andrew Crakanthorp  
**Sent:** Thursday, 12 March 2026 9:52 AM  
**To:** Melissa Vincent  
**Subject:** FW: Refresh of the Joint Organisation (JO) Framework

Hi Mel,

Please add this email as an attachment to the report to the Board on 25 March.

Thanks  
 Andrew



**Andrew Crakanthorp**  
 Chief Executive Officer

**E** [acrakanthorp@rwcc.nsw.gov.au](mailto:acrakanthorp@rwcc.nsw.gov.au)  
**P** 02 69220608 | **M** 0409662307  
 91 Hammond Ave (PO Box 456)  
 Wagga Wagga NSW 2650



[www.rwcc.nsw.gov.au](http://www.rwcc.nsw.gov.au)

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**From:** Louise Taylor <[louise.taylor@olg.nsw.gov.au](mailto:louise.taylor@olg.nsw.gov.au)> **On Behalf Of** OLG PSD Council Engagement Mailbox  
**Sent:** Wednesday, 25 February 2026 4:25 PM  
**To:** Andrew Crakanthorp <[acrakanthorp@rwcc.nsw.gov.au](mailto:acrakanthorp@rwcc.nsw.gov.au)>  
**Subject:** FW: Refresh of the Joint Organisation (JO) Framework

**This message is from an external sender, please be mindful of the content/links.**

**From:** Sharne Colefax <[sharne.colefax@olg.nsw.gov.au](mailto:sharne.colefax@olg.nsw.gov.au)> **On Behalf Of** OLG PSD Council Engagement Mailbox  
**Sent:** Wednesday, 25 February 2026 4:21 PM  
**To:** [admin@rwcc.com.au](mailto:admin@rwcc.com.au)  
**Cc:** OLG PSD Council Engagement Mailbox <[councilengagement@olg.nsw.gov.au](mailto:councilengagement@olg.nsw.gov.au)>  
**Subject:** Refresh of the Joint Organisation (JO) Framework

Dear Andrew,

I write to you regarding a refresh to the framework that governs Joint Organisations (JOs) in NSW.

This review responds to feedback that the existing JO model is not always working as intended, due in part to rigid boundaries and administrative arrangements that can limit flexibility and effectiveness.

While county councils cannot be formal members of a JO under the current legislative framework, we recognise that county councils play an important and distinctive role in regional collaboration across the State.

For this reason, we are keen to ensure that county councils contribute to this review and to the broader conversation about the future of regional collaboration. We are therefore inviting county councils to participate in the current expression of interest (EOI) process, alongside councils and JOs. This is an opportunity to share your views on:

- How county councils currently participate in regional collaboration;
- How county councils could best engage with Joint Organisations and other forms of regional collaboration as associate members; and
- What opportunities or barriers exist to strengthening collaboration between councils and county councils in the future.

Your input will help inform how county councils fit within the broader regional collaboration landscape and how existing arrangements can better support effective, council-led and voluntary collaboration across NSW.

Please provide your response by **5pm, Tuesday 31 March 2026**, via [councilengagement@olg.nsw.gov.au](mailto:councilengagement@olg.nsw.gov.au).

An online information session is scheduled to be held on Wednesday 4 March 2026, more information can be found via [the registration page](#).

If you have any further questions, please reach out.

Yours sincerely,  
Sharne

**Sharne Colefax**  
 Manager, Council Engagement  
 Office of Local Government  
**Department of Planning, Housing and Infrastructure**  
 M 0429 331 006 | E [sharne.colefax@olg.nsw.gov.au](mailto:sharne.colefax@olg.nsw.gov.au)  
 Locked Bag 3015, Nowra NSW 2541  
<https://www.olg.nsw.gov.au>



I acknowledge the traditional custodians of the land and pay respects to Elders past and present. I also acknowledge all the Aboriginal and Torres Strait Islander staff working with NSW Government at this time.

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**9 February 2026**

Cr. Gail Driscoll and  
Mr Andrew Crakanthorp  
Riverina Water County Council  
PO Box 456,  
Wagga Wagga NSW 2650

Dear Cr Driscoll and Mr Crakanthorp,

**Re: Formal Endorsement of recommendations from the REROC General Meeting – 27 February 2026.**

On behalf of the REROC Board, we are writing to seek your Council's formal endorsement of the recommendations adopted at the recent REROC General Meeting held on **27 February 2026**. This endorsement is with regard to the letter of request sent from the NSW Minister for Local Government – The Hon. Ron Hoenig MP who is seeking advice and intention on whether our Joint Organisation (JO) intends to continue under its current structure, refresh its membership and structure, or dissolve.

To enable the Minister to deliver this opportunity, he is seeking our advice and intention on whether our JO intends to continue under its current structure, refresh its membership and structure, or dissolve. This information is to be provided back to OLG by **5pm, Tuesday 31 March 2026**.

As the Riverina Joint Organisation went into hiatus (effective 1 July 2023), the Minister is asking REROC Incorporated to work with our member councils to consider whether they wish to re-engage the JO or formally dissolve it.

As you will recall, the CEO tabled several background documents at the meeting relating to REROC's decision to place Riverina Joint Organisation into hiatus, along with the following recommendations presented by the REROC Executive Committee for the Board to vote upon.

**Recommendation that the REROC Board :**

- 1. Request NSW Minister for Local Government to formally dissolve the Riverina Joint Organisation**
- 2. Re-affirm strong commitment to continuing with the Riverina Eastern Regional Organisation of Councils Inc. (REROC)**
- 3. That we seek a commitment that ROCs/Alliances and other non-JO regional entities are of equal significance and in terms of grant funding arrangements**

**Strong Region, Progressive Local Government, Vibrant Communities**

**And further;**

**4. Seek the endorsement of REROC Member Councils**

The above recommendations were presented to the full Board for decision.

The vote was passed unanimously.

We now invite formal confirmation from each member Council that you endorse the decision made at the REROC general Board meeting on 27 February 2026.

**Next Steps**

Please provide written confirmation of your Council's endorsement of the accepted recommendations by **Thursday 19 March 2026**.

Endorsements may be emailed to **ceo@reroc.com.au**.

Your timely response will ensure that REROC can proceed with writing an official response to Minister Hoening based on the responses by the membership.

Thank you for your continued support and commitment to regional cooperation and to REROC. We look forward to continuing our representation of the member councils of the Riverina Eastern Regional Organisation of Councils – an organisation having been going strong since formation in 1994.

Yours Sincerely,



**Mayor R B Firman OAM**  
Chairman



**Megan Mulrooney**  
Chief Executive Officer

## R3 Budget Planning - 2026/27 Operational Plan

### Organisational Area Corporate Services

**Author** Emily Tonacia, Director Corporate Services

**Summary** The purpose of this report is to provide the Board with financial information and seek feedback on potential pricing increases that will inform the development of the 2026/27 Draft Operational Plan, including Fees and Charges, to be presented to the Board in April. Given the strategic importance of the financial scenarios presented and the potential implications for Riverina Water's financial position, it is recommended that the Board suspend Standing Orders to allow sufficient time for in depth questions, discussion, and consideration of the matters presented.

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**RECOMMENDATION** that Council note that the pricing scenarios discussed at the meeting will inform the financial information presented as part of the Draft Operational Plan, including Fees & Charges, to be presented to the Board at the April 2026 meeting.

### Report

Development of the 2026/27 Operational Plan and associated budget has commenced. The purpose of this report is to provide the Board with an overview of key financial assumptions and known cost drivers to allow the Board to consider potential pricing and revenue scenarios prior to the presentation of the 2026/27 Draft Operational Plan, which also sets the Fees & Charges for the upcoming financial year.

#### Baseline Financial Information

Initial budget development has considered several key baseline factors that will inform the financial position for the 2026/27 financial year. These include:

**Expected water sales revenue** Water sales revenue has been forecast using a combination of historical consumption data and consideration of water demand projections. Weather forecasts from Elders indicate approximately 70% of the year will experience normal rainfall, with the remaining months above normal rainfall, two of which occur during the spring/summer period. Based on this information, a baseline water consumption of 14,176,440 KL has been adopted for budgeting purposes. An annual indexation has been applied to reflect consistent long-term growth.

**Capital expenditure** The capital works budget for 2026/27 totals \$20,903,000 which includes new assets, renewals, and servicing new growth. Projects to note include:

- Continued delivery of the solar project - \$11m

- Targeted program of reticulation, trunk main, and services renewals across urban and non-urban areas - \$3.87m
- Murrumbidgee River & Marshalls Creek Bank Stabilisation - \$1.1m
- Relining of the Old Clarifier No.2 wastewater holding tank - \$1.5m
- Growth Infrastructure Design Program - \$0.8m

A formal assessment of the 2025/26 capital budget will be undertaken at the end of the financial year, with a report to be presented recommending any revoted budget into 2026/27 and the carry forward of committed funds at that time. A preliminary assessment has been undertaken of projects likely to be carried forward, and management are comfortable that these will be in addition to the currently proposed 2026/27 capital program, with minimal reprioritisation of the draft presented budget expected. Several of the projects anticipated to carry forward are delivered through external support, such as the Plumpton Road new main construction.

The forward Capital Works Plan anticipates an average annual expenditure of approximately \$16 million, noting that this has been set with consideration of current resourcing constraints. Further work is underway on the development of a 30-year infrastructure master plan, including detailed financial modelling, which will provide the basis for more accurate and informed capital works budgets in future years. The infrastructure master plan will be prioritised using a risk-based methodology which balances investment with customer affordability, financial sustainability, and resource capacity to deliver.

**Operating expenditure** Material increases to usual operating expenditure includes \$867,722 in employee costs, which reflects approved new positions and anticipated award increases, and \$724,827 in additional borrowing costs, relating to the approved and proposed loans.

**Loan Funding** Borrowings included, which reflects both the associated liabilities and ongoing borrowing costs, relate to:

- the remaining borrowings for the Wagga Wagga Water Treatment Plan
- full loan funding for the Solar Pilot Plant aligned with anticipated spend
- \$3 million dollar loan for the Plumpton Road mains upgrade.

**Inflation** A rate of 2.5% per annum has been applied to index general operating expenses across the forward years of the long-term financial plan. This assumption has been selected as a midpoint within the RBA's target inflation range of 2–3%.

In addition, the delivery of the organisation's priorities as determined in the Operational Plan and Delivery Program have been incorporated into the budget planning process to ensure appropriate resourcing is reflected in the financial modelling.

## Pricing Scenarios

To support discussion, three pricing scenarios have been modelled and are included in the attachment to this report. These scenarios provide an indication of how different pricing approaches may impact the organisation's financial position.

The scenarios presented include:

- A base scenario with 0% price increase applied.
- A forecast CPI-based increase, reflecting a pricing approach aligned with expected inflation.
- A 6% increase scenario.
- A 10% increase scenario.
- A 15% increase scenario.

### › R3.1 **LTFP Scenarios** [↓](#)

#### **Strategic Alignment**

Our Sustainability

Strategically manage our assets and finances

#### **Financial Implications**

The financial impacts of each scenario are detailed within the attached modelling. These projections provide insight into the potential long term budget position and assist in identifying a price increase that supports Riverina Water's strategic and financial objectives.

#### **Workforce Implications**

All endorsed organisation structure changes have been incorporated into the financial modelling and pricing scenarios presented in this report.

While the proposed pricing scenarios do not introduce additional workforce changes, the level of revenue generated through fees and charges will influence Riverina Water's long-term capacity to sustain workforce resourcing and service delivery.

#### **Risk Considerations**

Financial	
Low	Financial Loss - Riverina Water has a <b>low</b> appetite for financial loss. We maintain a prudent financial strategy, ensuring stability and sustainable growth

**Risk Alignment**

The pricing scenarios and long-term financial projections support Riverina Water's risk management framework by enabling consideration of financial sustainability risks associated with different pricing options. Establishing an appropriate price increase assists in mitigating risks relating to financial sustainability, service delivery capability, and the organisation's ability to meet long term operational and asset commitments.

Riverina Water County Council  
10 Year Financial Plan for the Years ending 30 June 2036  
INCOME STATEMENT - GENERAL FUND

	Current Year					Projected Years					
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>											
<b>Revenue:</b>											
Rates & Annual Charges	6,584,587	6,790,160	6,932,115	7,076,910	7,224,600	7,375,244	7,528,901	7,685,631	7,845,495	8,008,557	8,174,880
User Charges & Fees	31,045,392	25,332,845	25,839,302	26,355,888	26,882,805	27,420,262	27,968,467	28,527,636	29,097,989	29,679,749	30,273,144
Other Revenues	742,135	643,576	647,321	651,141	655,038	659,012	663,066	667,201	671,419	675,721	680,100
Grants & Contributions provided for Operating Purposes	205,150	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856
Grants & Contributions provided for Capital Purposes	3,039,138	3,118,629	3,162,942	3,208,141	3,254,244	3,301,268	3,349,234	3,398,158	3,448,062	3,498,963	3,550,882
Interest & Investment Revenue	1,687,000	1,792,476	1,556,679	1,519,701	1,521,409	1,523,151	1,524,929	1,526,742	1,860,591	1,862,477	1,864,401
<b>Total Income from Continuing Operations</b>	<b>43,303,402</b>	<b>37,703,542</b>	<b>38,164,215</b>	<b>38,837,636</b>	<b>39,563,952</b>	<b>40,304,794</b>	<b>41,060,452</b>	<b>41,831,224</b>	<b>42,949,411</b>	<b>43,751,322</b>	<b>44,569,272</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits & On-Costs	15,985,544	16,853,316	17,864,515	18,311,127	18,768,906	19,238,128	19,719,081	20,212,058	20,717,360	21,235,294	21,766,170
Borrowing Costs	409,643	1,134,470	1,383,084	1,248,790	1,110,679	965,910	816,669	660,054	501,596	334,757	172,100
Materials & Contracts	12,527,262	13,221,843	11,840,050	12,136,051	12,439,452	12,750,438	13,069,199	13,395,929	13,730,828	14,074,098	14,425,951
Depreciation & Amortisation	10,012,500	10,012,500	10,192,725	11,376,194	11,580,966	11,789,423	12,001,633	12,217,662	12,437,580	12,661,456	12,889,362
Other Expenses	266,000	266,000	267,250	268,531	269,845	271,191	272,570	273,985	275,434	276,920	278,440
Net Losses from the Disposal of Assets	815,000	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>40,015,949</b>	<b>41,488,129</b>	<b>41,547,623</b>	<b>43,340,693</b>	<b>44,169,847</b>	<b>45,015,090</b>	<b>45,879,152</b>	<b>46,759,688</b>	<b>47,662,798</b>	<b>48,582,525</b>	<b>49,532,030</b>
<b>Operating Result from Continuing Operations</b>	<b>3,287,453</b>	<b>(3,784,587)</b>	<b>(3,383,407)</b>	<b>(4,503,057)</b>	<b>(4,605,895)</b>	<b>(4,710,296)</b>	<b>(4,818,700)</b>	<b>(4,928,464)</b>	<b>(4,713,386)</b>	<b>(4,831,203)</b>	<b>(4,962,761)</b>
<b>Net Operating Result for the Year</b>	<b>3,287,453</b>	<b>(3,784,587)</b>	<b>(3,383,407)</b>	<b>(4,503,057)</b>	<b>(4,605,895)</b>	<b>(4,710,296)</b>	<b>(4,818,700)</b>	<b>(4,928,464)</b>	<b>(4,713,386)</b>	<b>(4,831,203)</b>	<b>(4,962,761)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>248,315</b>	<b>(6,903,216)</b>	<b>(6,546,349)</b>	<b>(7,711,198)</b>	<b>(7,860,139)</b>	<b>(8,011,565)</b>	<b>(8,167,934)</b>	<b>(8,326,623)</b>	<b>(8,161,448)</b>	<b>(8,330,166)</b>	<b>(8,513,640)</b>
<b>CAPEX Budget</b>	<b>22,649,131</b>	<b>20,903,006</b>	<b>21,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>Cash Balance</b>	<b>33,385,759</b>	<b>28,873,156</b>	<b>19,003,145</b>	<b>8,701,463</b>	<b>(1,642,081)</b>	<b>(12,158,294)</b>	<b>(22,662,195)</b>	<b>(33,097,674)</b>	<b>(43,239,637)</b>	<b>(53,425,514)</b>	<b>(63,004,760)</b>
<b>Loans Balance</b>	<b>(8,542,584)</b>	<b>(17,904,179)</b>	<b>(21,744,021)</b>	<b>(19,477,169)</b>	<b>(17,100,380)</b>	<b>(14,606,979)</b>	<b>(12,024,320)</b>	<b>(9,406,103)</b>	<b>(6,648,745)</b>	<b>(3,743,799)</b>	<b>(1,351,571)</b>

Riverina Water County Council  
10 Year Financial Plan for the Years ending 30 June 2036  
INCOME STATEMENT - GENERAL FUND

	Current Year					Projected Years					
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>											
<b>Revenue:</b>											
Rates & Annual Charges	6,584,587	7,074,637	7,222,282	7,372,880	7,526,489	7,683,171	7,842,986	8,005,998	8,172,270	8,341,867	8,514,857
User Charges & Fees	31,045,392	26,368,360	26,895,527	27,433,238	27,981,703	28,541,137	29,111,760	29,693,795	30,287,471	30,893,020	31,510,680
Other Revenues	742,135	643,576	647,321	651,141	655,038	659,012	663,066	667,201	671,419	675,721	680,100
Grants & Contributions provided for Operating Purposes	205,150	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856
Grants & Contributions provided for Capital Purposes	3,039,138	3,118,629	3,162,942	3,208,141	3,254,244	3,301,268	3,349,234	3,398,158	3,448,062	3,498,963	3,550,882
Interest & Investment Revenue	1,687,000	1,792,476	1,556,679	1,519,701	1,521,409	1,523,151	1,524,929	1,526,742	1,860,591	1,862,477	1,864,401
<b>Total Income from Continuing Operations</b>	<b>43,303,402</b>	<b>39,023,535</b>	<b>39,510,608</b>	<b>40,210,957</b>	<b>40,964,739</b>	<b>41,733,596</b>	<b>42,517,831</b>	<b>43,317,750</b>	<b>44,465,668</b>	<b>45,297,904</b>	<b>46,146,780</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits & On-Costs	15,985,544	16,853,316	17,864,515	18,311,127	18,768,906	19,238,128	19,719,081	20,212,058	20,717,360	21,235,294	21,766,170
Borrowing Costs	409,643	1,134,470	1,383,084	1,248,790	1,110,679	965,910	816,669	660,054	501,596	334,757	172,100
Materials & Contracts	12,527,262	13,221,843	11,840,050	12,136,051	12,439,452	12,750,438	13,069,199	13,395,929	13,730,828	14,074,098	14,425,951
Depreciation & Amortisation	10,012,500	10,012,500	10,192,725	11,376,194	11,580,966	11,789,423	12,001,633	12,217,662	12,437,580	12,661,456	12,889,362
Other Expenses	266,000	266,000	267,250	268,531	269,845	271,191	272,570	273,985	275,434	276,920	278,440
Net Losses from the Disposal of Assets	815,000	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>40,015,949</b>	<b>41,488,129</b>	<b>41,547,623</b>	<b>43,340,693</b>	<b>44,169,847</b>	<b>45,015,090</b>	<b>45,879,152</b>	<b>46,759,688</b>	<b>47,662,798</b>	<b>48,582,525</b>	<b>49,532,030</b>
<b>Operating Result from Continuing Operations</b>	<b>3,287,453</b>	<b>(2,464,594)</b>	<b>(2,037,015)</b>	<b>(3,129,737)</b>	<b>(3,205,108)</b>	<b>(3,281,494)</b>	<b>(3,361,321)</b>	<b>(3,441,938)</b>	<b>(3,197,130)</b>	<b>(3,284,621)</b>	<b>(3,385,250)</b>
<b>Net Operating Result for the Year</b>	<b>3,287,453</b>	<b>(2,464,594)</b>	<b>(2,037,015)</b>	<b>(3,129,737)</b>	<b>(3,205,108)</b>	<b>(3,281,494)</b>	<b>(3,361,321)</b>	<b>(3,441,938)</b>	<b>(3,197,130)</b>	<b>(3,284,621)</b>	<b>(3,385,250)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>248,315</b>	<b>(5,583,224)</b>	<b>(5,199,957)</b>	<b>(6,337,877)</b>	<b>(6,459,352)</b>	<b>(6,582,762)</b>	<b>(6,710,555)</b>	<b>(6,840,096)</b>	<b>(6,645,191)</b>	<b>(6,783,584)</b>	<b>(6,936,130)</b>
<b>CAPEX Budget</b>	<b>22,649,131</b>	<b>20,903,006</b>	<b>21,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>Cash Balance</b>	<b>33,385,759</b>	<b>30,064,584</b>	<b>21,517,372</b>	<b>12,562,101</b>	<b>3,623,444</b>	<b>(5,400,973)</b>	<b>(14,449,736)</b>	<b>(23,400,972)</b>	<b>(32,029,008)</b>	<b>(40,670,680)</b>	<b>(48,674,840)</b>
<b>Loans Balance</b>	<b>(8,542,584)</b>	<b>(17,904,179)</b>	<b>(21,744,021)</b>	<b>(19,477,169)</b>	<b>(17,100,380)</b>	<b>(14,606,979)</b>	<b>(12,024,320)</b>	<b>(9,406,103)</b>	<b>(6,648,745)</b>	<b>(3,743,799)</b>	<b>(1,351,571)</b>

Riverina Water County Council  
10 Year Financial Plan for the Years ending 30 June 2036  
INCOME STATEMENT - GENERAL FUND

	Current Year					Projected Years					
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Scenario: 6% Increase to Revenue</b>											
<b>Income from Continuing Operations</b>											
<b>Revenue:</b>											
Rates & Annual Charges	6,584,587	7,215,457	7,365,918	7,519,389	7,675,928	7,835,599	7,998,463	8,164,584	8,334,028	8,506,861	8,683,150
User Charges & Fees	31,045,392	26,812,152	27,348,195	27,894,959	28,452,658	29,021,511	29,601,742	30,193,577	30,797,248	31,412,993	32,041,053
Other Revenues	742,135	643,576	647,321	651,141	655,038	659,012	663,066	667,201	671,419	675,721	680,109
Grants & Contributions provided for Operating Purposes	205,150	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856
Grants & Contributions provided for Capital Purposes	3,039,138	3,118,629	3,162,942	3,208,141	3,254,244	3,301,268	3,349,234	3,398,158	3,448,062	3,498,963	3,550,882
Interest & Investment Revenue	1,687,000	1,792,476	1,556,679	1,519,701	1,521,409	1,523,151	1,524,929	1,526,742	1,860,591	1,862,477	1,864,401
<b>Total Income from Continuing Operations</b>	<b>43,303,402</b>	<b>39,608,147</b>	<b>40,106,912</b>	<b>40,819,187</b>	<b>41,585,133</b>	<b>42,366,399</b>	<b>43,163,290</b>	<b>43,976,118</b>	<b>45,137,204</b>	<b>45,982,870</b>	<b>46,845,451</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits & On-Costs	15,985,544	16,853,316	17,864,515	18,311,127	18,768,906	19,238,128	19,719,081	20,212,058	20,717,360	21,235,294	21,766,176
Borrowing Costs	409,643	1,134,470	1,383,084	1,248,790	1,110,679	965,910	816,669	660,054	501,596	334,757	172,100
Materials & Contracts	12,527,262	13,221,843	11,840,050	12,136,051	12,439,452	12,750,438	13,069,199	13,395,929	13,730,828	14,074,098	14,425,951
Depreciation & Amortisation	10,012,500	10,012,500	10,192,725	11,376,194	11,580,966	11,789,423	12,001,633	12,217,662	12,437,580	12,661,456	12,889,362
Other Expenses	266,000	266,000	267,250	268,531	269,845	271,191	272,570	273,985	275,434	276,920	278,443
Net Losses from the Disposal of Assets	815,000	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>40,015,949</b>	<b>41,488,129</b>	<b>41,547,623</b>	<b>43,340,693</b>	<b>44,169,847</b>	<b>45,015,090</b>	<b>45,879,152</b>	<b>46,759,688</b>	<b>47,662,798</b>	<b>48,582,525</b>	<b>49,532,033</b>
<b>Operating Result from Continuing Operations</b>	<b>3,287,453</b>	<b>(1,879,982)</b>	<b>(1,440,711)</b>	<b>(2,521,506)</b>	<b>(2,584,713)</b>	<b>(2,648,691)</b>	<b>(2,715,863)</b>	<b>(2,783,570)</b>	<b>(2,525,594)</b>	<b>(2,599,655)</b>	<b>(2,686,582)</b>
<b>Net Operating Result for the Year</b>	<b>3,287,453</b>	<b>(1,879,982)</b>	<b>(1,440,711)</b>	<b>(2,521,506)</b>	<b>(2,584,713)</b>	<b>(2,648,691)</b>	<b>(2,715,863)</b>	<b>(2,783,570)</b>	<b>(2,525,594)</b>	<b>(2,599,655)</b>	<b>(2,686,582)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>248,315</b>	<b>(4,998,612)</b>	<b>(4,603,653)</b>	<b>(5,729,647)</b>	<b>(5,838,957)</b>	<b>(5,949,959)</b>	<b>(6,065,096)</b>	<b>(6,181,728)</b>	<b>(5,973,656)</b>	<b>(6,098,618)</b>	<b>(6,237,464)</b>
<b>CAPEX Budget</b>	<b>22,649,131</b>	<b>20,903,006</b>	<b>21,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>Cash Balance</b>	<b>33,385,759</b>	<b>30,594,390</b>	<b>22,633,081</b>	<b>14,274,168</b>	<b>5,943,817</b>	<b>(2,405,862)</b>	<b>(10,810,110)</b>	<b>(19,103,942)</b>	<b>(27,061,426)</b>	<b>(35,019,134)</b>	<b>(42,325,653)</b>
<b>Loans Balance</b>	<b>(8,542,584)</b>	<b>(17,904,179)</b>	<b>(21,744,021)</b>	<b>(19,477,169)</b>	<b>(17,100,380)</b>	<b>(14,606,979)</b>	<b>(12,024,320)</b>	<b>(9,406,103)</b>	<b>(6,648,745)</b>	<b>(3,743,799)</b>	<b>(1,351,571)</b>

Riverina Water County Council  
10 Year Financial Plan for the Years ending 30 June 2036  
INCOME STATEMENT - GENERAL FUND

	Current Year					Projected Years					
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Scenario: 10% Increase to Revenue	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>											
<b>Revenue:</b>											
Rates & Annual Charges	6,584,587	7,499,935	7,656,086	7,815,360	7,977,819	8,143,527	8,312,550	8,484,953	8,660,804	8,840,172	9,023,127
User Charges & Fees	31,045,392	27,798,357	28,354,124	28,921,007	29,499,227	30,089,012	30,690,592	31,304,204	31,930,088	32,568,489	33,219,656
Other Revenues	742,135	643,576	647,321	651,141	655,038	659,012	663,066	667,201	671,419	675,721	680,106
Grants & Contributions provided for Operating Purposes	205,150	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856
Grants & Contributions provided for Capital Purposes	3,039,138	3,118,629	3,162,942	3,208,141	3,254,244	3,301,268	3,349,234	3,398,158	3,448,062	3,498,963	3,550,882
Interest & Investment Revenue	1,687,000	1,792,476	1,556,679	1,519,701	1,521,409	1,523,151	1,524,929	1,526,742	1,860,591	1,862,477	1,864,401
<b>Total Income from Continuing Operations</b>	<b>43,303,402</b>	<b>40,878,830</b>	<b>41,403,009</b>	<b>42,141,205</b>	<b>42,933,592</b>	<b>43,741,827</b>	<b>44,566,226</b>	<b>45,407,114</b>	<b>46,596,819</b>	<b>47,471,678</b>	<b>48,364,034</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits & On-Costs	15,985,544	16,853,316	17,864,515	18,311,127	18,768,906	19,238,128	19,719,081	20,212,058	20,717,360	21,235,294	21,766,176
Borrowing Costs	409,643	1,134,470	1,383,084	1,248,790	1,110,679	965,910	816,669	660,054	501,596	334,757	172,100
Materials & Contracts	12,527,262	13,221,843	11,840,050	12,136,051	12,439,452	12,750,438	13,069,199	13,395,929	13,730,828	14,074,098	14,425,951
Depreciation & Amortisation	10,012,500	10,012,500	10,192,725	11,376,194	11,580,966	11,789,423	12,001,633	12,217,662	12,437,580	12,661,456	12,889,362
Other Expenses	266,000	266,000	267,250	268,531	269,845	271,191	272,570	273,985	275,434	276,920	278,443
Net Losses from the Disposal of Assets	815,000	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>40,015,949</b>	<b>41,488,129</b>	<b>41,547,623</b>	<b>43,340,693</b>	<b>44,169,847</b>	<b>45,015,090</b>	<b>45,879,152</b>	<b>46,759,688</b>	<b>47,662,798</b>	<b>48,582,525</b>	<b>49,532,033</b>
<b>Operating Result from Continuing Operations</b>	<b>3,287,453</b>	<b>(609,299)</b>	<b>(144,614)</b>	<b>(1,199,488)</b>	<b>(1,236,254)</b>	<b>(1,273,263)</b>	<b>(1,312,926)</b>	<b>(1,352,574)</b>	<b>(1,065,979)</b>	<b>(1,110,847)</b>	<b>(1,167,998)</b>
<b>Net Operating Result for the Year</b>	<b>3,287,453</b>	<b>(609,299)</b>	<b>(144,614)</b>	<b>(1,199,488)</b>	<b>(1,236,254)</b>	<b>(1,273,263)</b>	<b>(1,312,926)</b>	<b>(1,352,574)</b>	<b>(1,065,979)</b>	<b>(1,110,847)</b>	<b>(1,167,998)</b>
Net Operating Result before Grants and Contributions provided for Capital Purposes	248,315	(3,727,929)	(3,307,556)	(4,407,628)	(4,490,498)	(4,574,531)	(4,662,160)	(4,750,733)	(4,514,041)	(4,609,810)	(4,718,880)
<b>CAPEX Budget</b>	<b>22,649,131</b>	<b>20,903,006</b>	<b>21,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>Cash Balance</b>	<b>33,385,759</b>	<b>31,742,841</b>	<b>25,054,951</b>	<b>17,992,184</b>	<b>10,983,953</b>	<b>4,027,330</b>	<b>(2,902,710)</b>	<b>(9,767,711)</b>	<b>(16,267,787)</b>	<b>(22,738,939)</b>	<b>(28,529,172)</b>
<b>Loans Balance</b>	<b>(8,542,584)</b>	<b>(17,904,179)</b>	<b>(21,744,021)</b>	<b>(19,477,169)</b>	<b>(17,100,380)</b>	<b>(14,606,979)</b>	<b>(12,024,320)</b>	<b>(9,406,103)</b>	<b>(6,648,745)</b>	<b>(3,743,799)</b>	<b>(1,351,571)</b>

Riverina Water County Council  
10 Year Financial Plan for the Years ending 30 June 2036  
INCOME STATEMENT - GENERAL FUND

	Current Year					Projected Years					
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Scenario: 15% Increase to Revenue	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>											
<b>Revenue:</b>											
Rates & Annual Charges	6,584,587	7,854,823	8,018,072	8,184,585	8,354,429	8,527,669	8,704,375	8,884,614	9,068,459	9,255,980	9,447,251
User Charges & Fees	31,045,392	29,031,114	29,611,536	30,203,567	30,807,438	31,423,387	32,051,654	32,692,488	33,346,137	34,012,860	34,692,917
Other Revenues	742,135	643,576	647,321	651,141	655,038	659,012	663,066	667,201	671,419	675,721	680,109
Grants & Contributions provided for Operating Purposes	205,150	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856	25,856
Grants & Contributions provided for Capital Purposes	3,039,138	3,118,629	3,162,942	3,208,141	3,254,244	3,301,268	3,349,234	3,398,158	3,448,062	3,498,963	3,550,882
Interest & Investment Revenue	1,687,000	1,792,476	1,556,679	1,519,701	1,521,409	1,523,151	1,524,929	1,526,742	1,860,591	1,862,477	1,864,401
<b>Total Income from Continuing Operations</b>	<b>43,303,402</b>	<b>42,466,474</b>	<b>43,022,406</b>	<b>43,792,991</b>	<b>44,618,413</b>	<b>45,460,344</b>	<b>46,319,114</b>	<b>47,195,059</b>	<b>48,420,523</b>	<b>49,331,857</b>	<b>50,261,417</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits & On-Costs	15,985,544	16,853,316	17,864,515	18,311,127	18,768,906	19,238,128	19,719,081	20,212,058	20,717,360	21,235,294	21,766,176
Borrowing Costs	409,643	1,134,470	1,383,084	1,248,790	1,110,679	965,910	816,669	660,054	501,596	334,757	172,100
Materials & Contracts	12,527,262	13,221,843	11,840,050	12,136,051	12,439,452	12,750,438	13,069,199	13,395,929	13,730,828	14,074,098	14,425,951
Depreciation & Amortisation	10,012,500	10,012,500	10,192,725	11,376,194	11,580,966	11,789,423	12,001,633	12,217,662	12,437,580	12,661,456	12,889,362
Other Expenses	266,000	266,000	267,250	268,531	269,845	271,191	272,570	273,985	275,434	276,920	278,443
Net Losses from the Disposal of Assets	815,000	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>40,015,949</b>	<b>41,488,129</b>	<b>41,547,623</b>	<b>43,340,693</b>	<b>44,169,847</b>	<b>45,015,090</b>	<b>45,879,152</b>	<b>46,759,688</b>	<b>47,662,798</b>	<b>48,582,525</b>	<b>49,532,033</b>
<b>Operating Result from Continuing Operations</b>	<b>3,287,453</b>	<b>978,345</b>	<b>1,474,783</b>	<b>452,298</b>	<b>448,567</b>	<b>445,255</b>	<b>439,962</b>	<b>435,371</b>	<b>757,725</b>	<b>749,331</b>	<b>729,384</b>
<b>Net Operating Result for the Year</b>	<b>3,287,453</b>	<b>978,345</b>	<b>1,474,783</b>	<b>452,298</b>	<b>448,567</b>	<b>445,255</b>	<b>439,962</b>	<b>435,371</b>	<b>757,725</b>	<b>749,331</b>	<b>729,384</b>
Net Operating Result before Grants and Contributions provided for Capital Purposes	248,315	(2,140,284)	(1,688,159)	(2,755,843)	(2,805,677)	(2,856,014)	(2,909,272)	(2,962,787)	(2,690,336)	(2,749,632)	(2,821,491)
<b>CAPEX Budget</b>	<b>22,649,131</b>	<b>20,903,006</b>	<b>21,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>Cash Balance</b>	<b>33,385,759</b>	<b>33,177,685</b>	<b>28,080,855</b>	<b>22,637,546</b>	<b>17,281,225</b>	<b>12,009,549</b>	<b>6,851,050</b>	<b>1,862,838</b>	<b>(2,781,857)</b>	<b>(7,395,646)</b>	<b>(11,291,365)</b>
<b>Loans Balance</b>	<b>(8,542,584)</b>	<b>(17,904,179)</b>	<b>(21,744,021)</b>	<b>(19,477,169)</b>	<b>(17,100,380)</b>	<b>(14,606,979)</b>	<b>(12,024,320)</b>	<b>(9,406,103)</b>	<b>(6,648,745)</b>	<b>(3,743,799)</b>	<b>(1,351,571)</b>

## Scenario: Average Water Sales 2027

### Assumptions:

Water Sales are at average levels: 14,176,440 kl

	Current 0%	CPI 4.2%	+6%	+10%	+15%
Net operating result (including capital grants & contributions)	(\$3,784,587)	(\$2,464,594)	(\$1,879,982)	(\$609,299)	\$978,345
Typical Residential Bill – <b>Total</b>	\$554.00	\$576.00	\$588.00	\$610.00	\$638.00
LWU weighted median (23/24)	\$757.75	\$757.75	\$757.75	\$757.75	\$757.75
Accessibility Charge – Residential (Urban & Rural)*	\$200	\$208	\$212	\$220	\$230
Accessibility Charge – Commercial (Urban & Rural)*	\$220	\$229	\$233	\$242	\$253
Water Usage Tariff - Step 1	\$1.77	\$1.84	\$1.88	\$1.95	\$2.04
Water Usage Tariff - Step 2	\$2.65	\$2.76	\$2.81	\$2.92	\$3.05
Operating Performance Ratio	(21.94%)	(17.03%)	(14.98%)	(10.76%)	(5.91%)
<b>Additional Revenue</b>	<b>\$0</b>	<b>\$1,319,993</b>	<b>\$1,904,605</b>	<b>\$3,175,288</b>	<b>\$4,762,932</b>