



CUMBERLAND
CITY COUNCIL

DRAFT

Long Term Financial Plan

2025-2035

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Acknowledgement of Traditional Custodians

Cumberland Council acknowledges the Darug Nation and People
as Traditional Custodians of the land on which the
Cumberland Local Government Area (LGA) is situated and
pays respect to Aboriginal Elders past, present and future.

We acknowledge Aboriginal and Torres Strait Islander Peoples as the First Peoples of Australia.

Cumberland Council also acknowledges other Aboriginal and Torres Strait Islander Peoples
living in the Cumberland Local Government Area and reaffirms that we will work closely with
all Aboriginal and Torres Strait Islander communities to advance reconciliation within the area.



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Welcome
Belong
Succeed



Introduction

Council's Long Term Financial Plan (LTFP) contains a forecast of Council's revenue and expenditure for the 10-year period from 2025-2035. The Long Term Financial Plan is an important part of Council's strategic planning process. The LTFP tests long term community aspirations and goals against financial realities.

The LTFP must cover a minimum period of 10 years and is revised annually as part of Council's annual budget process.

The LTFP uses Council's proposed 2025-2026 budget as the base year of the 10-year plan. Future years in the LTFP are based on a range of assumptions used to project future revenue and expenditure. In addition to revenue and expenditure forecasts, the LTFP also includes a projection of Council's balance sheet and cash flow.

The primary purpose of the LTFP is to assist in long term decision making regarding the prioritisation of the services delivered by Council and what assets and financial resources are required to provide those services. The LTFP serves as a guide to Council's future financial position, however, the projections contained in the LTFP are subject to change due to a variety of external factors as well as major decisions made by Council. It is necessary to regularly review and monitor such factors and revise the projections contained in Council's LTFP.

The LTFP provides guidance for Council's long term decision making regarding the prioritisation of projects and services. Our Plan clearly indicates the resources required to deliver the outcomes sought by Council.

The core objectives within the Cumberland City LTFP are:

- commitment to operational surpluses
- ongoing improvements to financial efficiency
- investment in the renewal of Council assets.

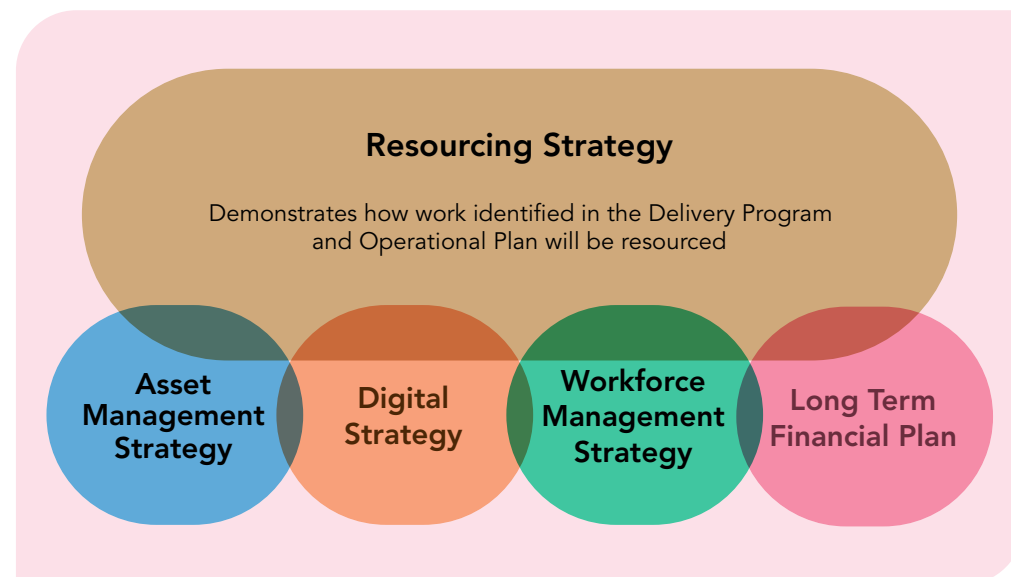
The Integrated Planning and Reporting (IP&R) framework relates to the strategic planning processes and requirements for NSW councils. This requirement is for NSW councils to develop a Resourcing Strategy to assist in developing its planning documents. The Resourcing Strategy comprises the following four components:

- Asset Management Strategy
- Workforce Management Strategy
- Long Term Financial Plan
- Digital Strategy.

The LTFP also contains information based on financial modelling to assist in making future strategic decisions. To do so, the LTFP has been developed to provide a framework that assists in:

- facilitating strategic decision making to address significant issues facing Council in the medium to long term.
- identifying potential future deficits or resourcing shortfalls.
- assessing the financial resources required to achieve Council's medium and long term objectives.
- measuring and comparing the long term financial impact of different policies and strategies and managing these accordingly
- providing an indication of Council's future financial position based on specified levels of service.
- assessing whether current service levels are sustainable and testing the impact of different service levels.

Over the longer term, it is anticipated there will be changes in the factors used to develop long term projections, such as the annual rate pegging limit and CPI. As it is not possible to accurately predict these trends, the LTFP contains a number of different scenarios in order to assess the likely future impact of changes in these factors. The impact of alternative scenarios has been modelled and are shown later in this document.





SECTION ONE: Objectives of the Long Term Financial Plan



Objectives of the Long Term Financial Plan

Council's Long Term Financial Plan (LTFP) contains a forecast of Council's revenue and expenditure for the 10-year period from 2025-2035. The LTFP is based on Council's proposed 2025-2026 budget, which is the base year of the LTFP. Future years in the LTFP are based on a range of assumptions used to project future revenue and expenditure. In addition to revenue and expenditure forecasts, the LTFP also includes a projection of Council's balance sheet and cash flow statements.

The LTFP process is built on five foundations: (1) Long Term Financial Sustainability (2) Planning Assumptions (3) Revenue Forecasts (4) Expenditure Forecasts (5) Sensitivity Analysis.

The LTFP further details Council's Operational Plan and its objective is to express, in financial terms, the activities Cumberland Council proposes to undertake over the short, medium and long term. It is also used to provide a sound basis for strategic decision making and guide the future strategies and actions of Council to ensure Council continues to operate in a manner that achieves financial sustainability.

This document is a resource plan that links Council's Community Strategic Plan (CSP), Delivery Program and Operational Plan.

Specific objectives of the LTFP are to:

- Reflect the true financial position based on the current service levels.
- Provide for a plan where we can predict cost and predict future outcomes.
- Reflect the current services levels impact 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 further details the 4-year Delivery Program and maintains the current service levels and funding for the existing strategic directions of Council. It is a policy of Council to remain in surplus and to renew infrastructure to reduce Council's asset backlog. Council renewal will be planned based on overall condition, asset characteristics and service criticality.

Council's objective is to achieve fully funded depreciation by cash funding renewals above depreciation.

The LTFP will address any funding issues, increased maintenance costs, increased depreciation from fair value movements and any major upgrades of facilities.



Fraser Park



SECTION TWO: Financial Sustainability



Financial Sustainability

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

Financial Sustainability Policy

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, aging infrastructure, and constraints on revenue growth.

Factors considered in Cumberland's financial sustainability policy include:

- **Council Sustainability Benchmarks** – Council will aim to exceed the financial sustainability indicators provided by the Office of Local Government.
- **Intergenerational Equity** - The financial effects of Council's decisions should not be borne entirely by present-day ratepayers or left to future ratepayers. Rather, they should be contributed to by both present and future ratepayers who will benefit from those decisions. The budget is in surplus and there is a strong renewal program which will reduce the financial burden to future rate payers.
- **Investment** – Council will manage a conservative investment portfolio through robust analysis and decision making, in line with the Investment Policy.
- **Borrowings** – Borrowings are only utilised for assets that have an asset life exceeding 20 years or for projects that can generate a payback to Council within 5 years. There is currently one loan on hand for Merrylands CBD Drainage works (expiry 2029). There are no other loans planned in this budget year.
- **Renewal** – Council renewal is based on Council's intervention point which is when an assets condition is below a Condition 3. Council renewal will be planned on the basis of overall condition, asset characteristics and service criticality.
- **Fully Funded Depreciation** – Council will include in its annual budget sufficient funds to cover the full costs of depreciation for all of its assets.
- **Fully Funded Operating Position** - Council must collect enough revenue to fund operational expenditure, the repayment of debt and depreciation.
- **Fully Funded Capital Works Program** – The source of capital works is identified and secured for both capital renewal and new capital works. All capital is approved based on priority and available funding.
- **Cash Surplus** – Council aims to maintain a surplus every year. Surplus continues to be achieved by Council.

Infrastructure Renewals, Backlog and Asset Optimisation

A major factor impacting on the long term financial sustainability in local government is the backlog of capital investment required to renew Council assets. Backlog occurs due to a shortfall in infrastructure renewal's by not cash funding depreciation on capital renewal expenditure. This can result in the premature deterioration of Council infrastructure assets.

Cumberland Council regularly updates its asset management plans to predict asset condition and when the asset should be renewed.

It is a policy of Council that:

- Asset management plans must prioritise renewals based on condition of the asset and be linked to the Long Term Financial Plan.
- Council must have a fully funded capital program, where the source of funding is identified and secured for both capital renewal and new capital works.
- Council must maintain its asset base by renewing ageing infrastructure and ensuring working capital is set aside for such works.

In complying with these principles, Council aims to maintain minimal renewal backlog and have sufficient new working funds to reduce backlog when it arises.

Council's available capital funding over the 10 years of the LTFP is \$850m.

The allocation of this expenditure is broken up into three main categories:

- \$527m Infrastructure renewals
- \$143m Council funded upgrades and new assets
- \$180m S7.11 new assets.

Based on the latest modelling in Council's asset management plans, the amount of funds allocated towards infrastructure asset renewal will reduce the infrastructure asset backlog over the term of the plan.

The LTFP has been prepared with consideration given to the Capital Expenditure Guidelines (2010) released by the NSW Division of Local Government. The impact of ongoing depreciation and maintenance expense has been factored into the plan, capturing the full life cycle costings of assets new and upgraded council assets.

The LTFP includes funding for a number of major projects. All major projects include risk analysis and appropriate contingences to ensure sufficient funding and resources are available to complete the works.



SECTION THREE: Planning Assumptions



Planning Assumptions

Growth in population has a major impact on Council’s future revenue and expenditure. Cumberland City’s population will see approximately 44,000 additional residents over the next 10 years.

With this increase in population there is an increase in the demand for new and expanded facilities and services provided by Council. The changing demographics of Cumberland City will also mean changes in the types of services to be provided by Council in the future, which will have an increasing impact on the later years covered by the LTFP.

The growth assumptions used in the LTFP are sourced from forecast.ID. The Dwellings growth and population growth are key drivers to increases in rates income and services required.

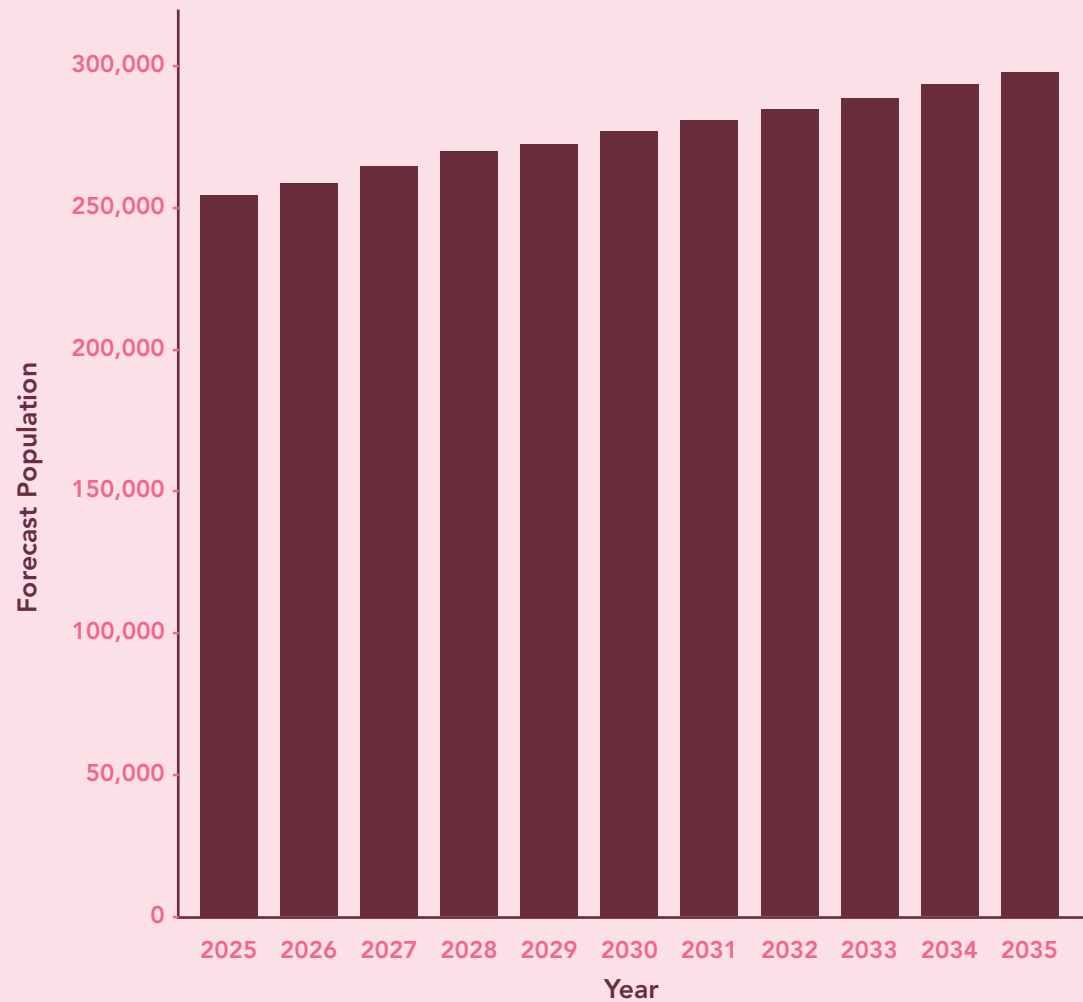
Over the 10 years of the plan the population is predicted to increase from 255,000 to 299,000 being an average increase of 1.6% per annum (forecast.ID). Growth has been factored into the LTFP when setting rates income assumptions and expenditure requirements.

Council will be impacted by an increase in population through the need to provide additional services, such as:

- Recreational facilities
- Community centres
- Open space and sporting complexes
- Public domain upgrades.

Such capital needs are mostly being initially met by S7.11 developer contributions. Ongoing operational costs need to be increased to service these assets and cannot be funded from S7.11 contributions.

Forecast Population for Cumberland City Council





Economic Indicators

The following information is based on macro-economic factors informing assumptions in the LTFP.

The CPI assumption is used as a baseline to project both certain income and expenditure items in the LTFP.

To determine the inflationary increase for the 2025-2035 LTFP, Council has used a base line CPI of 3%, with efficiency and growth factors added in to specific income and expenditure types.

The assumptions for specific cost index are listed in Expense Assumptions, with a higher increase applied to non-discretionary items such as insurance and utility costs.

Year	CPI	Dwellings Growth	Dwellings Growth %	Change Population	Change Population %
2025-2026	3.0%	1,410	1.6%	5,094	2.0%
2026-2027	3.0%	1,596	1.8%	4,820	1.8%
2027-2028	3.0%	1,620	1.8%	4,589	1.7%
2028-2029	3.0%	1,615	1.7%	4,353	1.6%
2029-2030	3.0%	1,585	1.7%	4,267	1.6%
2030-2031	3.0%	1,531	1.6%	4,097	1.5%
2031-2032	3.0%	1,545	1.6%	3,916	1.4%
2032-2033	3.0%	1,588	1.6%	3,961	1.4%
2033-2034	3.0%	1,602	1.6%	4,054	1.4%
2034-2035	3.0%	1,603	1.6%	4,082	1.4%

Revenue Assumptions

The following outlines Council assumptions for revenue with commentary to explain the assumptions.

Rates and Special Rate Income

Rates income is capped by a rate peg in NSW, which is determined annually by Independent Pricing and Regulatory Tribunal (IPART).

Year	Rates Cap Inclusive of Supplementary Growth
2025-2026	7.1%
2026-2027	3.5%
2027-2028	3.3%
2028-2029	3.3%
2029-2030	3.2%
2030-2031	3.2%
2031-2032	3.2%
2032-2033	3.2%
2033-2034	3.2%
2034-2035	3.2%



Annual Charges

Annual charges relate to Stormwater and Domestic Waste fees. Both of these revenue streams are restricted to be spent only on linked expenditure.

Specifically for domestic waste, the *Local Government Act 1993 (The Act)* requires that Domestic Waste Management Charges must reflect the actual cost of providing those services. Section 504(3) of *The Act* stipulates charges cannot exceed the reasonable cost of Council providing the service.

The average annual increase in Domestic Waste Management Charges over the 10-year period of the plan is 3.0%. These numbers are directly linked to the costs of service.

Council is projected to gradually increase the Waste reserve up to \$25m to cover future renewal and changes in services and sustainability requirements. In circumstances where the cost of operations increase or decrease, the fees per service would change in line with the expected impact to the cost of waste operations.

Year	Annual Charges Increase
2025-2026	4.0%
2026-2027	3.0%
2027-2028	3.0%
2028-2029	3.0%
2029-2030	3.0%
2030-2031	3.0%
2031-2032	3.0%
2032-2033	3.0%
2033-2034	3.0%
2034-2035	3.0%

User Fees and Charges

Many of the services provided by councils are offered on a ‘user pays’ basis. 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 as an example. Discretionary Fees and Charges are assumed to increase no more than CPI, unless they relate to a specific service area under review. The calculation of User Fees and Charges will also be affected by strategic reviews of pricing methods with a goal to ensure all charges align to the cost of delivering the service and the community subsidy policy.

Year	User Fees and Charges Increase	Statutory User Fees and Charges Increase
2025-2026	4.0%	3.5%
2026-2027	3.5%	3.0%
2027-2028	3.5%	3.0%
2028-2029	3.5%	3.0%
2029-2030	3.5%	3.0%
2030-2031	3.5%	3.0%
2031-2032	3.0%	3.0%
2032-2033	3.0%	3.0%
2033-2034	3.0%	3.0%
2034-2035	3.0%	3.0%



Interest and Investment

Long term interest rate outlooks can fluctuate month to month. The current LTFP assumptions are for a reduction in rates of return in the short to medium term and rates to remain consistent over the remaining term of the plan, with returns based on the amount of cash and investments held during each year of the plan.

Other Revenues

Council’s other revenues comprises of property income, fines and operate in line with CPI.

Year	Other Revenue Increase
2025-2026	4.0%
2026-2027	3.5%
2027-2028	3.5%
2028-2029	3.5%
2029-2030	3.5%
2030-2031	3.5%
2031-2032	3.0%
2032-2033	3.0%
2033-2034	3.0%
2034-2035	3.0%

Operating Grants

Council’s operating grants consist of the Federal Assistance grants, Transport NSW grants, Roads to Recovery grant, Childcare, Library and other grants and contributions. All grants received are subject to indexation and Council have assumed these grants will continue to be received. As grant amounts are outside of Council control, the current LTFP assumes grants will increase below the level of other income.

Year	Operational Grants Increase
2025-2026	2.0%
2026-2027	2.75%
2027-2028	2.75%
2028-2029	2.75%
2029-2030	2.75%
2030-2031	2.75%
2031-2032	2.75%
2032-2033	2.75%
2033-2034	2.75%
2034-2035	2.75%



Capital Grants

Council's capital grants consist of capital grants received from the State and Federal Government, and S7.11 and S7.12 Developer Contributions. The amount of S7.11 is allocated from the approved S7.11 Plan based on market estimates of development spread across high, medium and low priorities. Council relies upon the previous year's collection and adds CPI to generate the income assumption. This is low risk to our financial position as this income is excluded from the operating result and is a restricted balance in our net working capital.

Year	Capital Grants Increase
2025-2026	2.0%
2026-2027	2.5%
2027-2028	2.5%
2028-2029	2.5%
2029-2030	2.5%
2030-2031	2.5%
2031-2032	2.5%
2032-2033	2.5%
2033-2034	2.5%
2034-2035	2.5%

Expense Assumptions

The following outlines Council's assumptions for expenses with commentary explaining assumptions.

Wages and Salary

The 2023 Local Government Award sets out the annual pay increase over 3 years. When looking at future years, we have taken the approach that a baseline increases of 3.0% per year will be achieved along with access to higher skill steps per Council's salary system.

Efficiency gains are set for the short term.

Other assumptions

- Council assumes a 6% vacancy rate.
- Budgets are aligned to the latest organisational structure and known annual Award movements.
- Superannuation is 11.5% in 2024-2025 and will increase to 12% in 2025-2026.

Year	Employee Costs Increase
2025-2026	3.5%
2026-2027	3.0%
2027-2028	3.0%
2028-2029	3.0%
2029-2030	3.0%
2030-2031	3.0%
2031-2032	3.0%
2032-2033	3.0%
2033-2034	3.0%
2034-2035	3.0%



Borrowing Costs

Borrowing costs are calculated within Council’s internal model and are based on the terms of Council’s current loans. Council’s cost on interest rates are declining towards the expiry of loans by 2029. The base LTFP assumes no new borrowings.

Materials and Contracts

The material and contract costs apply a baseline CPI as a growth factor, with small efficiency gains built in each year of the plan. Non-discretionary expenditure types assume a higher increase as there is less of an ability for Council to influence these through efficiency gains. Council has seen significant efficiency driven decreases in costs over the last few years.

Year	Utilities and Insurance Costs Increase	Waste Tipping Expenditure Costs Increase	Other Materials and Contracts Costs Increase
2025-2026	4.0%	3.5%	2.5%
2026-2027	3.0%	3.5%	2.5%
2027-2028	3.0%	3.5%	2.5%
2028-2029	3.0%	3.5%	2.75%
2029-2030	3.0%	3.5%	2.75%
2030-2031	3.0%	3.5%	2.75%
2031-2032	3.0%	3.5%	2.75%
2032-2033	3.0%	3.5%	2.75%
2033-2034	3.0%	3.5%	2.75%
2034-2035	3.0%	3.5%	2.75%

Other Expenses

Other expenses are predominately government contributions. For these statutory items CPI has been applied as a growth factor. Other items are forecast with the baseline CPI applied and efficiency gains built into the plan.

Year	Statutory and Regulatory Expenses Increase	Other Expenses Increase
2025-2026	4.0%	2.5%
2026-2027	3.0%	2.5%
2027-2028	3.0%	2.5%
2028-2029	3.0%	2.75%
2029-2030	3.0%	2.75%
2030-2031	3.0%	2.75%
2031-2032	3.0%	2.75%
2032-2033	3.0%	2.75%
2033-2034	3.0%	2.75%
2034-2035	3.0%	2.75%



SECTION FOUR Council's Current Financial Position

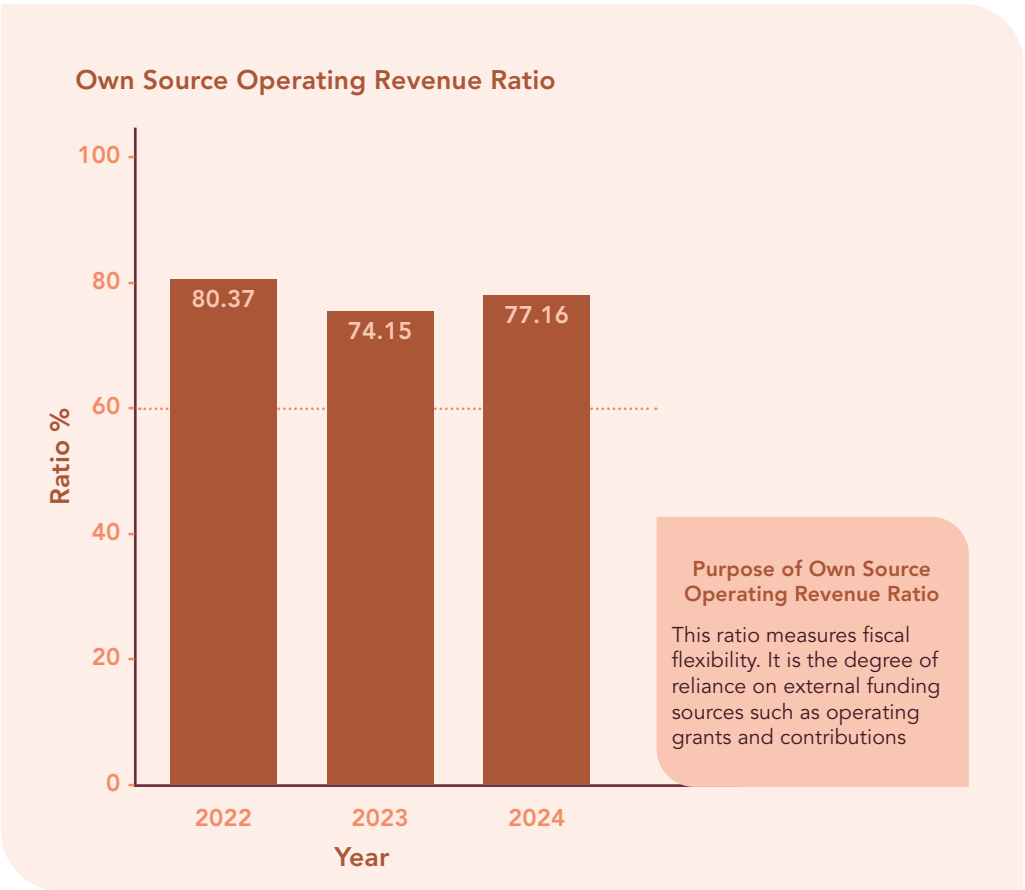
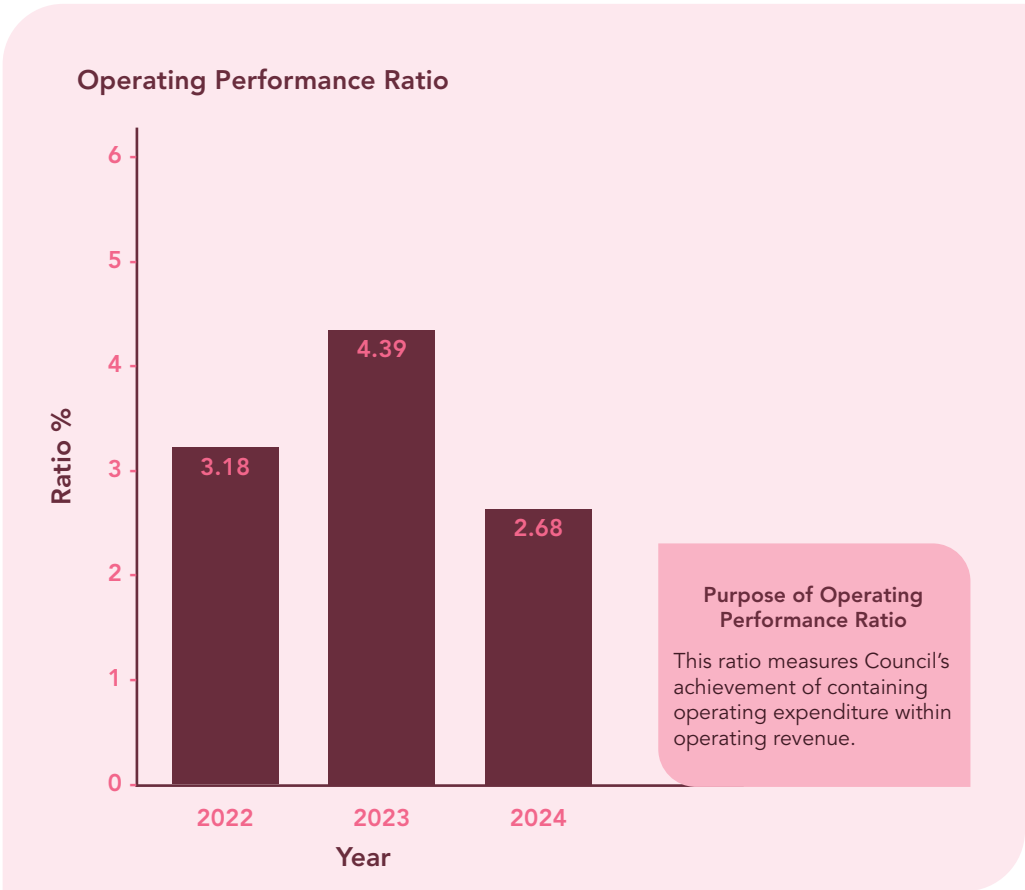


Council's Current Financial Position

As a result of a longstanding commitment to prudent financial management, combined with the application of a variety of effective financial strategies, Council's current financial position is sound.

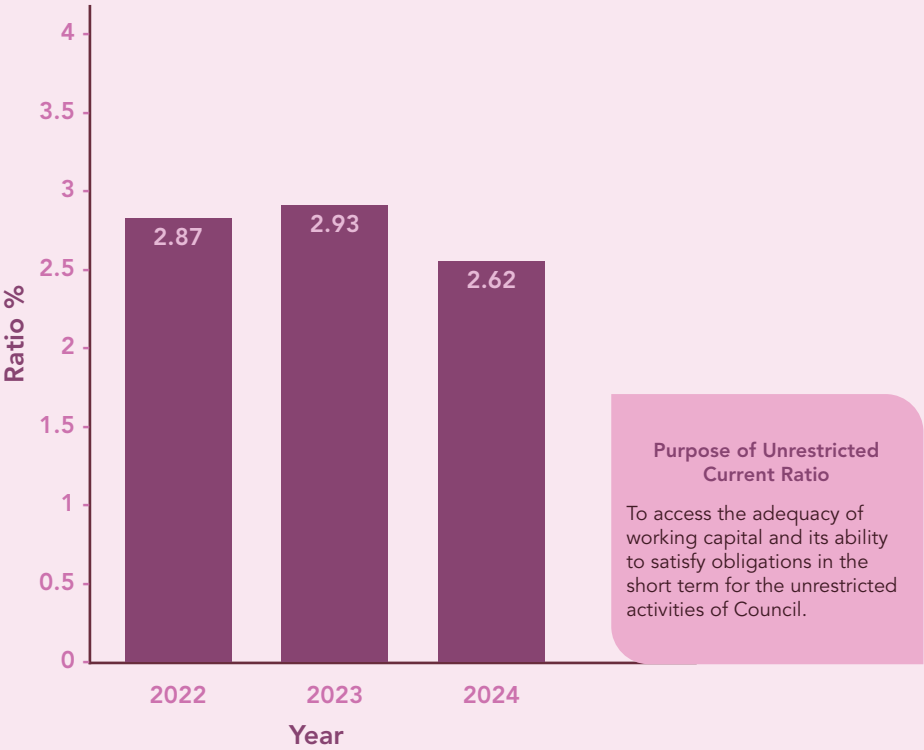
Despite the above, it will be increasingly important for Council to control the increase in discretionary costs through efficiency gains and effective contract management and continue to pursue options to increase non-rates revenue to offset increases in unavoidable costs.

In terms of assessing Council's current financial position, it is useful to refer to the financial information contained in Note 25(b) – (Statement of performance measures – consolidated results) of Council's Financial Statements and Special Schedule 7. The information in these notes comprises of a variety of indicators which can be used to assess Council's financial position. This information is summarised below.

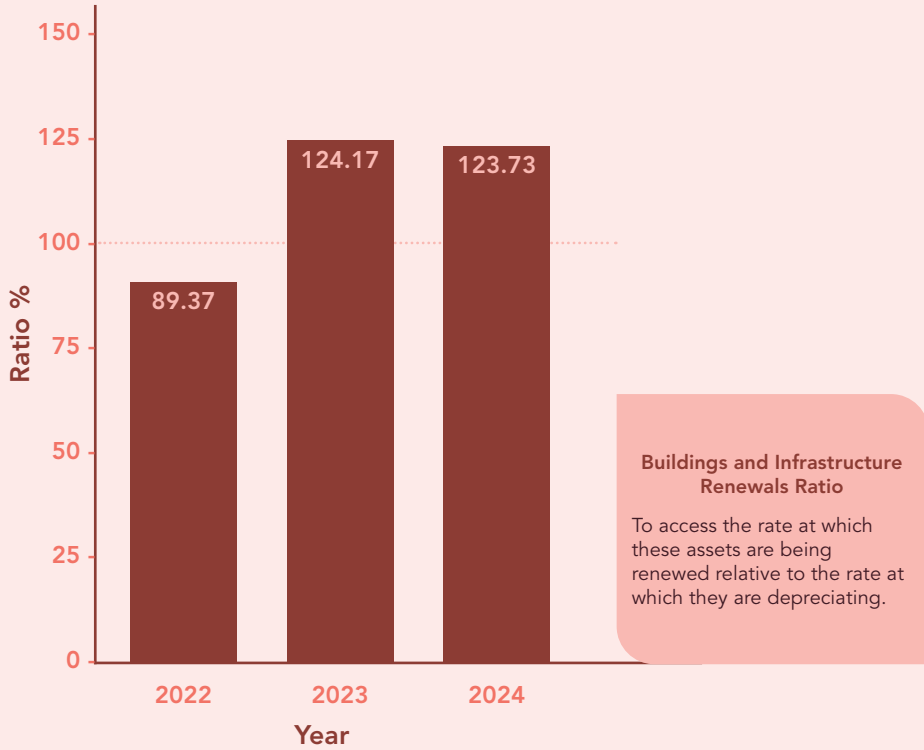




Unrestricted Current Ratio



Buildings And Infrastructure Renewals Ratio





Council's LTFP has been prepared to maintain a sustainable position over the term of the plan. A summary of the movement in these financial indicators over the medium term of the plan is listed below. A full list of these indicators can be found in the appendices of this document.

Financial Performance Ratios	2025-2026	2026-2027	2027-2028	2028-2029
Operating Performance Ratio	<div><div></div></div> 1.32%	<div><div></div></div> 1.52%	<div><div></div></div> 1.47%	<div><div></div></div> 1.43%
Own Source Revenue Ratio	<div><div></div></div> 81.28%	<div><div></div></div> 82.40%	<div><div></div></div> 81.30%	<div><div></div></div> 82.47%
Unrestricted Current Ratio	<div><div></div></div> 2.94	<div><div></div></div> 2.83	<div><div></div></div> 2.72	<div><div></div></div> 2.97
Building and Infrastructure Asset Renewal Ratio	<div><div></div></div> 122.92%	<div><div></div></div> 100.02%	<div><div></div></div> 100.02%	<div><div></div></div> 100.00%

As part of measuring our success, we will continue to monitor these ratios and make necessary adjustments to service levels, staffing allocation numbers and LTFP assumptions to ensure council financial position remains sound and sustainable.



Merrylands Oval



SECTION FIVE: Sensitivity Analysis

Sensitivity Analysis

Council's LTFP covers a 10-year period based on assumptions regarding future financial trends. The LTFP contains a number of assumptions based on various sources such as growth and development, the rate peg, legislation changes, the potential effect of inflation on revenue and expenditure, interest rate movements, salary and wages movements and current service provisions. Variations in these assumptions during the life of the plan may have a significant impact on the Council's future financial plans. As it is not possible to accurately predict changes in these factors in individual years over the long term, they have been projected to remain constant over the 10-year period covered by the LTFP.

The LTFP is updated each year to ensure the assumptions are continually tested and considers the latest information available.

Over a 10-year period, these assumptions may be subject to change outside the parameters used in developing the assumptions for the LTFP. Any major change in these assumptions will have an impact on the financial projections contained therein. The level of impact will depend not only on the level of change but also on the nature of the assumption.

Sensitivity analysis has been undertaken to assess the impact of changes in the factors which have been used to project future revenue and expenditure. A base model, optimistic and pessimistic model have been considered in the sensitivity analysis.



Performers at Lunar New Year event



SECTION SIX: Appendix



Appendix 1 Financial Performance Ratios

Performance is referenced against targets set by the Office of Local Government. Icons represent exceeding (green), meeting (yellow) and failing (red) these targets.

Financial Performance Ratios	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035
Operating Performance Ratio	<div><div></div></div> 1.32%	<div><div></div></div> 1.52%	<div><div></div></div> 1.47%	<div><div></div></div> 1.43%	<div><div></div></div> 1.35%	<div><div></div></div> 1.33%	<div><div></div></div> 1.32%	<div><div></div></div> 1.30%	<div><div></div></div> 1.30%	<div><div></div></div> 1.30%
Own Source Revenue Ratio	<div><div></div></div> 81.28%	<div><div></div></div> 82.40%	<div><div></div></div> 81.30%	<div><div></div></div> 82.47%	<div><div></div></div> 88.20%	<div><div></div></div> 88.34%	<div><div></div></div> 88.47%	<div><div></div></div> 88.60%	<div><div></div></div> 88.73%	<div><div></div></div> 88.70%
Building and Infrastructure Asset Renewal Ratio	<div><div></div></div> 122.92%	<div><div></div></div> 100.02%	<div><div></div></div> 100.02%	<div><div></div></div> 100.00%	<div><div></div></div> 100.00%	<div><div></div></div> 100.00%	<div><div></div></div> 100.00%	<div><div></div></div> 100.00%	<div><div></div></div> 100.00%	<div><div></div></div> 100.00%
Unrestricted Current Ratio	<div><div></div></div> 2.94	<div><div></div></div> 2.83	<div><div></div></div> 2.72	<div><div></div></div> 2.97	<div><div></div></div> 2.80	<div><div></div></div> 2.78	<div><div></div></div> 2.76	<div><div></div></div> 2.74	<div><div></div></div> 2.72	<div><div></div></div> 2.70
Debt Service Cover Ratio	<div><div></div></div> 13.87	<div><div></div></div> 15.34	<div><div></div></div> 15.74	<div><div></div></div> 16.15	<div><div></div></div> 0.00	<div><div></div></div> 0.00	<div><div></div></div> 0.00	<div><div></div></div> 0.00	<div><div></div></div> 0.00	<div><div></div></div> 0.00



Appendix 2 Income Statement

Cumberland Council

10 Year Financial Plan for the Years ending 30 June 2035

INCOME STATEMENT

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations										
Revenue:										
Rates & Annual Charges	183,730,590	189,849,458	196,128,103	202,614,747	209,019,345	215,626,925	222,443,933	229,477,022	236,754,150	243,856,774
User Charges & Fees	33,707,379	34,854,990	36,041,802	37,269,160	38,538,452	39,851,115	41,046,649	42,278,048	43,546,390	44,852,781
Other Revenues	9,472,920	9,804,472	10,147,629	10,502,796	10,870,393	11,250,857	11,588,383	11,936,034	12,294,116	12,662,939
Grants & Contributions provided for Operating Purposes	17,896,808	18,829,095	19,087,020	19,352,038	19,624,344	19,904,139	20,191,628	20,487,023	20,790,541	21,362,281
Grants & Contributions provided for Capital Purposes	36,592,700	33,292,554	38,848,405	35,910,373	16,228,581	16,553,152	16,884,215	17,221,900	17,566,338	18,005,496
Interest & Investment Revenue	9,653,500	9,559,965	9,536,065	9,512,225	9,488,444	9,464,723	9,488,385	9,512,106	9,535,886	9,559,726
Net Gains from the Disposal of Assets	150,000	151,500	153,015	154,545	156,091	157,652	159,228	160,820	162,429	164,053
Total Income from Continuing Operations	291,203,897	296,342,034	309,942,039	315,315,884	303,925,650	312,808,563	321,802,421	331,072,953	340,649,848	350,464,050
Expenses from Continuing Operations										
Employee Benefits & On-Costs	99,918,199	102,915,745	106,003,218	109,183,314	112,458,814	115,832,578	119,307,555	122,886,782	126,573,386	130,370,587
Borrowing Costs	319,969	229,470	147,758	64,052	-	-	-	-	-	-
Materials & Contracts	96,644,458	99,917,026	103,309,949	106,827,970	110,254,419	113,539,918	116,793,136	120,139,744	123,582,428	127,289,901
Depreciation & Amortisation	49,597,740	51,085,672	52,618,242	54,196,790	55,822,693	57,497,374	59,222,295	60,998,964	62,828,933	64,713,801
Other Expenses	4,630,790	4,746,560	4,865,224	4,999,017	5,136,490	5,277,744	5,422,882	5,572,011	5,725,241	5,896,999
Total Expenses from Continuing Operations	251,111,156	258,894,473	266,944,391	275,271,144	283,672,416	292,147,614	300,745,869	309,597,502	318,709,988	328,271,288
Net Operating Result for the Year	40,092,741	37,447,561	42,997,648	40,044,740	20,253,234	20,660,950	21,056,552	21,475,451	21,939,860	22,192,762
Net Operating Result before Grants and Contributions provided for Capital Purposes	3,500,041	4,155,007	4,149,243	4,134,367	4,024,654	4,107,797	4,172,337	4,253,552	4,373,522	4,187,266



Appendix 3 Financial Position

Cumberland Council

10 Year Financial Plan for the Years ending 30 June 2035

BALANCE SHEET

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS										
Current Assets										
Cash & Cash Equivalents	10,000,000	10,000,000	10,573,594	10,000,000	10,000,000	11,232,899	12,005,408	12,836,741	13,771,653	14,706,564
Investments	150,894,019	149,988,195	149,988,195	149,264,902	146,865,523	146,865,523	146,865,523	146,865,523	146,865,523	146,865,523
Receivables	21,933,442	22,057,266	22,354,121	22,452,978	22,168,518	22,312,679	22,964,306	23,633,635	24,325,242	25,016,849
Inventories	272,965	282,208	291,791	301,727	311,405	320,685	329,873	339,325	349,049	358,773
Other	1,468,024	1,517,139	1,568,041	1,620,976	1,672,636	1,722,308	1,771,569	1,822,241	1,874,365	1,926,489
Total Current Assets	184,568,449	183,844,808	184,775,742	183,640,583	181,018,083	182,454,094	183,936,679	185,497,465	187,185,832	188,874,198
Non-Current Assets										
Investments	64,668,865	64,280,655	64,280,655	63,970,672	62,942,367	62,942,367	62,942,367	62,942,367	62,942,367	62,942,367
Infrastructure, Property, Plant & Equipment	3,168,457,728	3,203,799,556	3,244,644,329	3,282,721,084	3,302,543,481	3,322,709,759	3,343,229,692	3,364,112,548	3,385,355,043	3,406,597,538
Investment Property	32,111,000	32,111,000	32,111,000	32,111,000	32,111,000	32,111,000	32,111,000	32,111,000	32,111,000	32,111,000
Right of use assets	7,272,000	7,272,000	7,272,000	7,272,000	7,272,000	7,272,000	7,272,000	7,272,000	7,272,000	2,265,000
Total Non-Current Assets	3,272,509,593	3,307,463,211	3,348,307,984	3,386,074,757	3,404,868,849	3,425,035,126	3,445,555,059	3,466,437,915	3,487,680,410	3,503,915,905
TOTAL ASSETS	3,457,078,042	3,491,308,019	3,533,083,726	3,569,715,340	3,585,886,931	3,607,489,220	3,629,491,737	3,651,935,380	3,674,866,242	3,692,790,103
LIABILITIES										
Current Liabilities										
Payables	45,698,662	46,214,490	46,748,016	47,304,516	47,855,264	48,394,805	48,935,583	49,491,974	50,064,429	50,636,884
Contract liabilities	14,384,809	13,812,967	15,298,638	14,651,711	9,798,395	9,977,081	10,156,945	10,341,192	10,529,932	10,718,672
Borrowings	3,376,041	3,457,753	3,541,459	-	-	-	-	-	-	-
Employee benefit provisions	21,287,264	21,498,029	21,710,901	21,925,882	22,142,991	22,362,250	22,583,679	22,807,302	23,033,139	23,258,975
Total Current Liabilities	84,746,776	84,983,239	87,299,014	83,882,109	79,796,650	80,734,135	81,676,207	82,640,468	83,627,500	84,614,532
Non-Current Liabilities										
Lease liabilities	7,396,000	7,396,000	7,396,000	7,396,000	7,396,000	7,396,000	7,396,000	7,396,000	7,396,000	7,396,000
Borrowings	6,999,212	3,541,459	-	-	-	-	-	-	-	-
Employee benefit provisions	374,206	377,911	381,653	385,432	389,249	393,103	396,996	400,927	404,897	408,867
Total Non-Current Liabilities	14,769,418	11,315,370	7,777,653	7,781,432	7,785,249	7,789,103	7,792,996	7,796,927	7,800,897	7,804,867
TOTAL LIABILITIES	99,516,194	96,298,609	95,076,668	91,663,541	87,581,899	88,523,238	89,469,203	90,437,394	91,428,396	92,419,398
Net Assets	3,357,561,849	3,395,009,410	3,438,007,058	3,478,051,798	3,498,305,032	3,518,965,982	3,540,022,534	3,561,497,986	3,583,437,845	3,600,370,705
EQUITY										
Retained Earnings	2,530,135,758	2,567,583,319	2,610,580,967	2,650,625,708	2,670,878,942	2,691,539,891	2,712,596,444	2,734,071,895	2,756,011,754	2,772,944,614
Revaluation Reserves	827,426,091	827,426,091	827,426,091	827,426,091	827,426,091	827,426,091	827,426,091	827,426,091	827,426,091	827,426,091
Total Equity	3,357,561,849	3,395,009,410	3,438,007,058	3,478,051,798	3,498,305,032	3,518,965,982	3,540,022,534	3,561,497,986	3,583,437,845	3,600,370,705



Appendix 4 Cash Flow Statement

Cumberland Council										
10 Year Financial Plan for the Years ending 30 June 2035										
CASH FLOW STATEMENT	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	182,560,331	189,926,355	196,226,008	202,732,085	209,173,629	215,802,575	222,086,040	229,107,785	236,372,100	243,636,416
User Charges & Fees	33,598,033	34,694,587	35,875,920	37,097,610	38,361,041	39,667,642	40,879,547	42,105,934	43,369,112	44,632,290
Investment & Interest Revenue Received	9,631,379	9,550,270	9,508,971	9,497,481	9,484,322	9,431,705	9,456,554	9,481,690	9,504,011	9,526,331
Grants & Contributions	56,022,258	51,526,413	59,396,903	54,590,464	30,973,733	36,609,218	37,231,336	37,868,067	38,519,763	39,171,459
Other	9,439,048	9,797,243	9,970,039	10,497,914	11,207,978	11,174,296	11,517,953	11,863,575	12,219,567	12,575,559
Payments:										
Employee Benefits & On-Costs	99,703,729	102,701,275	105,786,603	108,964,555	112,237,888	115,609,465	119,082,233	122,659,229	126,343,579	130,027,929
Materials & Contracts	96,535,662	99,706,876	103,092,159	106,601,454	110,033,335	113,327,317	116,582,283	119,922,849	123,359,318	126,795,787
Borrowing Costs	319,969	229,470	147,758	64,052	-	-	-	-	-	-
Other	4,405,484	4,499,239	4,609,973	4,731,905	4,868,164	5,009,756	5,151,406	5,292,639	5,437,744	5,582,848
Net Cash provided (or used in) Operating Activities	90,286,207	88,358,007	97,341,347	94,053,590	72,061,316	78,738,899	80,355,509	82,552,333	84,843,912	87,135,490
Cash Flows from Investing Activities										
Receipts:										
Sale of Investment Securities	4,151,241	1,294,034	-	1,033,275	3,427,684	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Payments:										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	92,294,000	86,426,000	93,460,000	92,269,000	75,639,000	77,656,000	79,733,000	81,871,000	84,059,000	86,247,000
Net Cash provided (or used in) Investing Activities	(87,992,759)	(84,981,966)	(93,310,000)	(91,085,725)	(72,061,316)	(77,506,000)	(79,583,000)	(81,721,000)	(83,909,000)	(86,097,000)
Cash Flows from Financing Activities										
Receipts:										
Payments:										
Repayment of Borrowings & Advances	3,520,026	3,376,041	3,457,753	3,541,459	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	(3,520,026)	(3,376,041)	(3,457,753)	(3,541,459)	-	-	-	-	-	-
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,226,578)	(0)	573,594	(573,594)	(0)	1,232,899	772,509	831,333	934,912	1,038,490
plus: Cash & Cash Equivalents - beginning of year	11,226,578	10,000,000	10,000,000	10,573,594	10,000,000	10,000,000	11,232,899	12,005,408	12,836,741	13,668,074
Cash & Cash Equivalents - end of the year	10,000,000	10,000,000	10,573,594	10,000,000	10,000,000	11,232,899	12,005,408	12,836,741	13,771,653	14,706,564
Cash & Cash Equivalents - end of the year	10,000,000	10,000,000	10,573,594	10,000,000	10,000,000	11,232,899	12,005,408	12,836,741	13,771,653	14,706,564
Investments - end of the year	215,562,884	214,268,850	214,268,850	213,235,575	209,807,890	209,807,890	209,807,890	209,807,890	209,807,890	209,807,890
Cash, Cash Equivalents & Investments - end of the year	225,562,884	224,268,850	224,842,444	223,235,575	219,807,890	221,040,790	221,813,298	222,644,631	223,579,543	224,514,455
Representing:										
- External Restrictions	154,373,375	149,940,490	152,532,602	150,973,244	151,440,140	151,834,492	152,281,884	152,785,112	153,368,348	153,951,584
- Internal Restrictions	53,180,827	58,746,500	58,919,889	59,095,012	59,271,887	59,450,530	59,630,960	59,813,194	59,997,250	60,181,306
- Unrestricted	18,008,681	15,581,860	13,389,953	13,167,319	9,095,864	9,755,768	9,900,455	10,046,326	10,213,945	10,381,565
	225,562,884	224,268,850	224,842,444	223,235,575	219,807,890	221,040,790	221,813,298	222,644,631	223,579,543	224,514,455



CUMBERLAND
CITY COUNCIL

DRAFT

Long Term Financial Plan 2025-2035

Cumberland City Council

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