



Riverina Water
Long Term Financial Plan
2025 - 2034

All Images: Riverina Water County Council

Disclaimer

This document has been prepared in good faith and is considered correct at the time of publication. We do not warrant or represent that it is free from error or omission. Before you rely on any information in this document, please contact us first to check that the information it contains is still current. This document is publicly available at www.riverinawater.nsw.gov.au

You can contact us:

By phone (02) 6922 0608

By email admin@rwcc.nsw.gov.au

Or by visiting our office at 91 Hammond Avenue Wagga Wagga

Version Purpose and description

0.1 Long Term Financial Plan – Riverina Water Board – 18 April 2024

1.0 Endorsed by Riverina Water Board – 27 June 2024

Acknowledgment of Country

Riverina Water acknowledges the traditional custodians of the land, the Wiradyuri people, and pays respect to Elders past, present and emerging and extends our respect to all First Nations Peoples in our supply area.

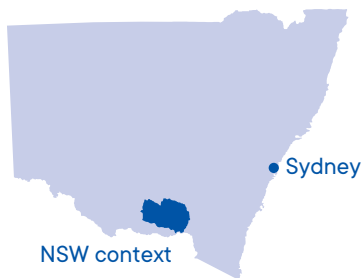
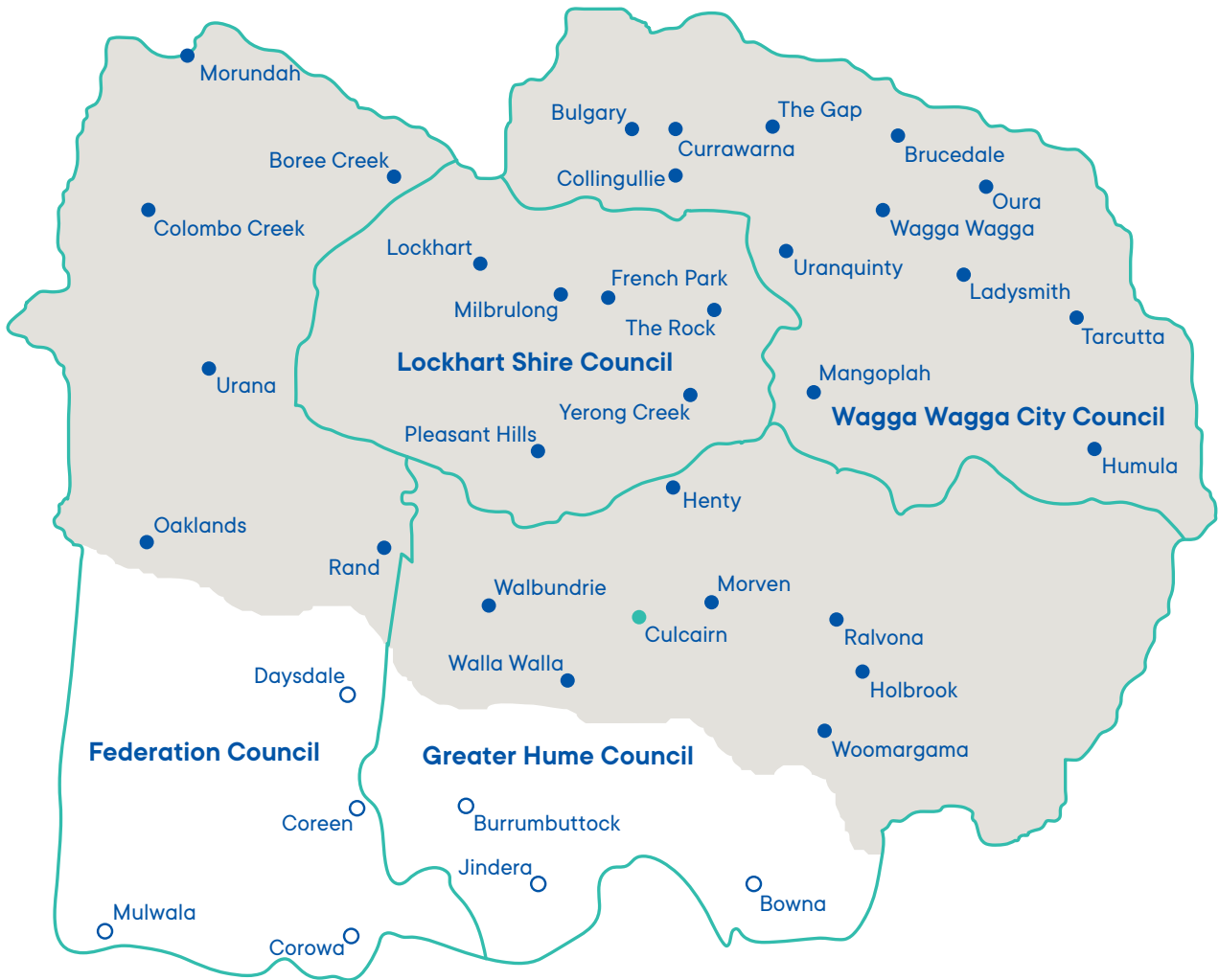
About us

Riverina Water is a county council created in 1997 under the *Local Government Act 1993*, as a single-purpose water supply council. We supply water to customers across four constituent local council areas: Federation Council; Greater Hume Council; Lockhart Shire Council and Wagga Wagga City Council, and our future direction aligns with the social, economic and environmental needs of the communities we serve.

We deliver safe and reliable drinking water to a community of more than 77,000 people across more than 15,000 square kilometres.



Area of supply



- Water supplied to these areas
- Local government boundary
- Towns in supplied area
- Water is not supplied to Culcairn
- Towns outside supplied area



Our vision

Provide passionate and professional leadership in the water industry.

Our mission

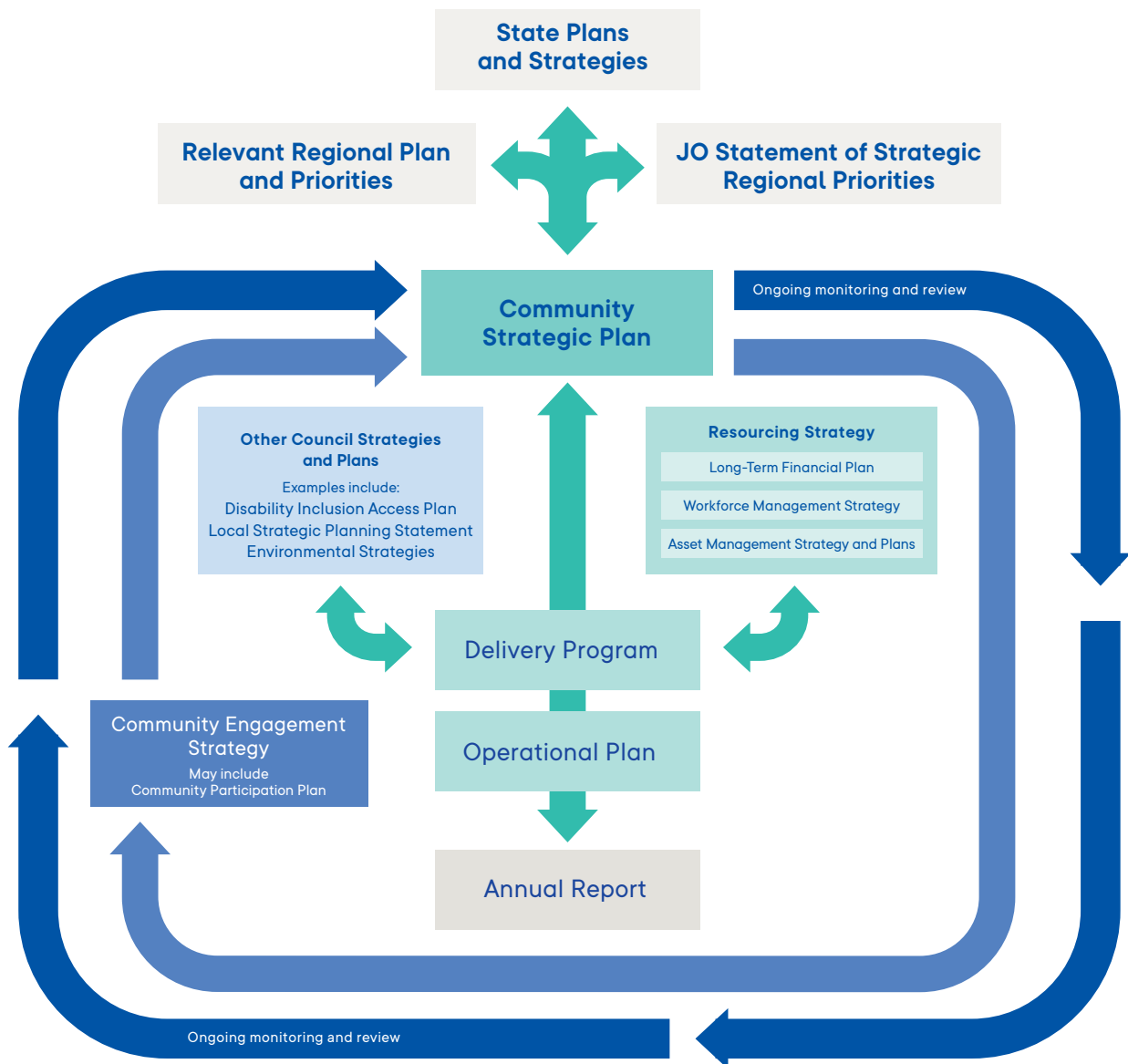
To provide our community with safe reliable water at the lowest sustainable cost.

Our values

Respect, Connection, Safety, Cooperation.

Riverina Water planning context

The Integrated Planning and Reporting (IP&R) framework determines the way councils in NSW (including county councils) develop, document and report on plans for the future of their communities.



As a council responsible for water supply, Riverina Water must also comply with the requirements of the NSW Government's Best-Practice Management of Water Supply and Sewerage Guidelines (2007). Our Integrated Water Cycle Management Strategy 2021 (IWCM) sets out

Riverina Water's 30-year strategy for delivering water in accordance with these requirements.

The Long Term Financial Plan (LTFP) is an integral part of the Riverina Water resourcing strategy.

About the Long Term Financial Plan

Riverina Water has prepared a Long Term Financial Plan (LTFP) to inform decision making and to demonstrate how the objectives of the Business Activity Strategic Plan (BASP), Delivery Program and Operational Plan will be resourced and funded.

The LTFP has been developed for a period of 10 years and captures the financial implications of asset management and workforce planning by identifying how Council's assets will be renewed, upgraded or increased including provision for maintenance of required service levels. The LTFP ensures Riverina Water remains financially sustainable.

The LTFP enables Riverina Water to identify and address future challenges, and ensures compliance to legislation, and the integrated planning and reporting requirements set out for Local Government in NSW.

Planning assumptions:

- › Conservation average water sales forecast at 13,475ML
- › 3% increase to water consumption charges, and other fees and charges in FY24/25
- › 2% per annum growth in connections
- › 2% per annum increase in operational expenditure

Income statement

Income statement	Current year					Projected years					
	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from continuing operations											
Revenue											
Rates and annual charges	6,513,860	5,960,773	6,075,788	6,193,104	6,312,766	6,434,822	6,559,318	6,686,304	6,815,831	6,947,947	7,082,706
User charges and fees	25,539,690	24,767,573	25,262,724	25,767,778	26,282,934	26,808,393	27,344,361	27,891,048	28,448,669	29,017,442	29,597,591
Other revenues	2,630,556	345,000	351,900	358,938	366,117	373,439	380,908	388,526	396,297	404,222	412,307
Grants and contributions provided for operating purposes	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Grants and contributions provided for capital purposes	2,547,521	2,025,000	2,030,000	2,060,450	2,091,357	2,091,357	2,091,357	2,091,357	2,091,357	2,091,357	2,091,357
Interest and investment revenue	1,050,455	1,330,000	1,511,272	1,327,212	1,089,773	1,051,120	1,051,120	1,051,120	1,051,120	1,051,120	1,383,120
Total income from continuing operations	38,297,082	34,443,346	35,246,684	35,722,483	36,157,947	36,774,130	37,442,063	38,123,355	38,818,273	39,527,088	40,582,081
Expenses from continuing operations											
Employee benefits and on-costs	11,889,337	12,623,033	13,309,641	13,654,238	13,927,323	14,205,869	14,489,987	14,779,786	15,075,382	15,376,890	15,684,428
Borrowing costs	103,886	98,589	952,952	873,728	785,971	697,007	603,926	507,940	405,050	304,185	201,797
Materials and contracts	11,630,981	11,572,245	11,662,222	10,348,567	10,555,538	9,466,649	9,681,982	9,901,621	10,125,654	10,354,167	11,887,250
Depreciation and amortisation	9,074,879	9,470,000	9,640,460	9,813,988	10,990,640	11,188,472	11,389,864	11,594,882	11,803,590	12,016,054	12,232,343
Other expenses	255,000	266,000	267,000	268,020	269,060	270,122	271,204	272,308	273,434	274,583	275,755
Total expenses from continuing operations	32,954,083	34,029,866	35,832,275	34,958,541	36,528,532	35,828,118	36,436,963	37,056,538	37,683,109	38,325,879	40,281,573
Operating result from continuing operations	5,342,999	413,479	(585,590)	763,941	(370,585)	946,012	1,005,100	1,066,817	1,135,163	1,201,209	300,508
Net operating result for the year	5,342,999	413,479	(585,590)	763,941	(370,585)	946,012	1,005,100	1,066,817	1,135,163	1,201,209	300,508
Net operating result before grants and contributions provided for capital purposes	2,795,478	(1,611,521)	(2,615,590)	(1,296,509)	(2,461,942)	(1,145,345)	(1,086,256)	(1,024,539)	(956,194)	(890,147)	(1,790,849)

Balance sheet

Balance sheet	Current year					Projected years					
	2023/2024 \$	2024/2025 \$	2025/2026 \$	2026/2027 \$	2027/2028 \$	2028/2029 \$	2029/2030 \$	2030/2031 \$	2031/2032 \$	2032/2033 \$	2033/2034 \$
Assets											
Current assets											
Cash and cash equivalents	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Investments	12,370,672	9,581,758	20,658,436	11,595,937	6,063,349	6,474,987	6,788,892	7,239,959	7,855,777	8,684,715	8,675,246
Receivables	6,846,353	4,244,035	4,522,244	4,465,260	4,467,313	4,557,918	4,647,690	4,741,270	4,839,056	4,941,809	5,033,639
Inventories	4,083,170	4,062,550	4,094,137	3,632,966	3,705,625	3,323,360	3,398,955	3,476,061	3,554,710	3,634,932	4,173,136
Total current assets	24,300,195	18,888,343	30,274,817	20,694,163	15,236,287	15,356,265	15,835,537	16,457,291	17,249,543	18,261,456	18,882,021
Non-current assets											
Investments	3,549,937	2,749,619	5,928,226	3,327,616	1,739,962	1,858,088	1,948,167	2,077,607	2,254,325	2,492,200	2,489,483
Infrastructure, property, plant and equipment	377,524,732	383,974,826	388,334,366	399,520,378	404,529,739	403,341,267	401,951,403	400,356,522	398,552,932	396,536,878	394,304,535
Intangible assets	12,337,000	12,337,000	12,337,000	12,337,000	12,337,000	12,337,000	12,337,000	12,337,000	12,337,000	12,337,000	12,337,000
Total non-current assets	393,411,669	399,061,445	406,599,592	415,184,994	418,606,701	417,536,355	416,236,570	414,771,129	413,144,257	411,366,078	409,131,018
Total assets	417,711,864	417,949,788	436,874,410	435,879,158	433,842,988	432,892,620	432,072,107	431,228,420	430,393,800	429,627,534	428,013,039
Liabilities											
Current liabilities											
Payables	3,408,807	3,388,195	3,480,211	3,372,506	3,435,998	3,348,303	3,414,359	3,481,737	3,550,462	3,620,562	3,844,521
Borrowings	154,943	154,943	1,651,489	1,729,076	1,808,685	1,891,670	1,977,883	2,038,508	2,037,575	2,138,962	2,245,456
Employee benefit provisions	3,942,000	3,942,000	3,942,000	3,942,000	3,942,000	3,942,000	3,942,000	3,942,000	3,942,000	3,942,000	3,942,000
Total current liabilities	7,505,750	7,485,138	9,073,700	9,043,582	9,186,682	9,181,972	9,334,242	9,462,245	9,530,038	9,701,524	10,031,977

Balance sheet	Current year					Projected years					
	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Non-current liabilities											
Borrowings	1,705,114	1,550,171	19,471,822	17,742,746	15,934,061	14,042,391	12,064,508	10,026,000	7,988,425	5,849,463	3,604,007
Total non-current liabilities	1,705,114	1,550,171	19,471,822	17,742,746	15,934,061	14,042,391	12,064,508	10,026,000	7,988,425	5,849,463	3,604,007
Total liabilities	9,210,864	9,035,309	28,545,522	26,786,328	25,120,743	23,224,363	21,398,750	19,488,245	17,518,463	15,550,987	13,635,984
Net assets	408,500,999	408,914,479	408,328,888	409,092,830	408,722,244	409,668,257	410,673,357	411,740,174	412,875,337	414,076,547	414,377,055
Equity											
Retained earnings	166,192,999	166,606,479	166,020,888	166,784,830	166,414,244	167,360,257	168,365,357	169,432,174	170,567,337	171,768,547	172,069,055
Revaluation reserves	242,308,000	242,308,000	242,308,000	242,308,000	242,308,000	242,308,000	242,308,000	242,308,000	242,308,000	242,308,000	242,308,000
Council equity interest	408,500,999	408,914,479	408,328,888	409,092,830	408,722,244	409,668,257	410,673,357	411,740,174	412,875,337	414,076,547	414,377,055
Total equity	408,500,999	408,914,479	408,328,888	409,092,830	408,722,244	409,668,257	410,673,357	411,740,174	412,875,337	414,076,547	414,377,055

Cash flow statement

Cash flows from operating activities	Current year					Projected years					
	2023/2024 \$	2024/2025 \$	2025/2026 \$	2026/2027 \$	2027/2028 \$	2028/2029 \$	2029/2030 \$	2030/2031 \$	2031/2032 \$	2032/2033 \$	2033/2034 \$
Receipts											
Rates & Annual Charges	6,422,913	5,963,910	6,075,136	6,192,439	6,312,088	6,434,129	6,558,612	6,685,584	6,815,096	6,947,198	7,081,942
User Charges & Fees	24,747,170	24,849,154	25,210,406	25,714,414	26,228,503	26,752,873	27,287,730	27,833,285	28,389,751	28,957,346	29,536,292
Investment & Interest Revenue Received	1,330,224	1,431,494	1,312,050	1,466,705	1,171,867	1,043,931	1,046,433	1,044,327	1,041,857	1,038,659	1,383,389
Grants & Contributions	2,579,516	2,077,928	2,044,637	2,073,240	2,104,113	2,106,357	2,106,357	2,106,357	2,106,357	2,106,357	2,106,357
Other	622,836	2,642,605	343,000	349,760	356,756	364,015	371,296	378,722	386,296	394,022	401,902
Payments											
Employee Benefits & On-Costs	(12,054,625)	(12,593,651)	(13,278,906)	(13,642,087)	(13,919,123)	(14,197,506)	(14,481,456)	(14,771,085)	(15,066,507)	(15,367,837)	(15,675,194)
Materials & Contracts	(13,127,311)	(11,554,869)	(11,687,626)	(9,976,610)	(10,614,060)	(9,158,319)	(9,742,868)	(9,963,725)	(10,189,000)	(10,418,780)	(12,321,177)
Borrowing Costs	(103,886)	(98,589)	(952,952)	(873,728)	(785,971)	(697,007)	(603,926)	(507,940)	(405,050)	(304,185)	(201,797)
Other	(71,675)	(232,176)	(228,658)	(315,752)	(245,338)	(310,026)	(246,524)	(247,134)	(247,757)	(248,392)	(184,939)
Net cash provided (or used in) Operating Activities	10,345,162	12,485,806	8,837,088	10,988,381	10,608,834	12,338,449	12,295,654	12,558,390	12,831,044	13,104,388	12,126,776
Cash Flows from Investing Activities											
Receipts											
Sale of Investment Securities	10,079,391	3,589,231	-	11,663,109	7,120,242	-	-	-	-	-	12,186
Payments											
Purchase of Investment Securities	-	-	(14,255,284)	-	-	(529,764)	(403,984)	(580,507)	(792,536)	(1,066,813)	-
Purchase of Infrastructure, Property, Plant & Equipment	(22,573,611)	(15,920,094)	(14,000,000)	(21,000,000)	(16,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)
Purchase of Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
Net cash provided (or used in) Investing Activities	(12,494,220)	(12,330,863)	(28,255,284)	(9,336,892)	(8,879,758)	(10,529,764)	(10,403,984)	(10,580,507)	(10,792,536)	(11,066,813)	(9,987,814)

Cash flows from operating activities	Current year					Projected years					
	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	-	-	21,000,000	-	-	-	-	-	-	-	-
Payments											
Repayment of Borrowings & Advances	(154,943)	(154,943)	(1,581,804)	(1,651,489)	(1,729,076)	(1,808,685)	(1,891,670)	(1,977,883)	(2,038,508)	(2,037,575)	(2,138,962)
Net cash flow provided (used in) Financing Activities	(154,943)	(154,943)	19,418,196	(1,651,489)	(1,729,076)	(1,808,685)	(1,891,670)	(1,977,883)	(2,038,508)	(2,037,575)	(2,138,962)
Net increase/(decrease) in cash & cash equivalents	(2,304,000)	-	-	-	-	-	-	-	-	-	-
Plus: Cash & cash equivalents - beginning of year	3,304,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Cash & cash equivalents - end of the year	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Cash & Cash Equivalents - end of the year	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Investments - end of the year	15,920,609	12,331,378	26,586,662	14,923,553	7,803,311	8,333,075	8,737,059	9,317,566	10,110,102	11,176,915	11,164,729
Cash, cash equivalents & investments - end of the year	16,920,609	13,331,378	27,586,662	15,923,553	8,803,311	9,333,075	9,737,059	10,317,566	11,110,102	12,176,915	12,164,729
Representing											
- External Restrictions	-	-	-	-	-	-	-	-	-	-	-
- Internal Restrictions	8,424,000	8,424,001	8,424,001	8,424,002	8,424,002	8,424,003	8,424,003	8,424,004	8,424,004	8,424,005	8,424,005
- Unrestricted	8,496,608	4,907,377	19,162,661	7,499,551	379,309	909,072	1,313,056	1,893,563	2,686,098	3,752,911	3,740,724
	16,920,609	13,331,378	27,586,662	15,923,553	8,803,311	9,333,075	9,737,059	10,317,566	11,110,102	12,176,915	12,164,729

