camden council

DRAFT LONG TERM FINANCIAL PLAN

2024/25-2033/34

Disclaimer debt ser
The information contained in this document provides a general overview on the long-term financial position of Camden Council. Council reserves the right to make changes to this Plan accordingly.

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Introduction

Located in Sydney's south west, the Camden Local Government Area (LGA) is approx. 200 square kilometres and forms part of the emerging Western Parkland City. Camden's projected population will increase to over 240,000 people by 2041. Camden is experiencing a higher rate of population growth than any other Local Government Area with over 500 new residents per month. Camden is transitioning from rural areas with clusters of towns and villages to suburbs established alongside historic places.

As Camden is still very much at the beginning of this growth phase, this places substantial pressure on Council's finances and resources. The cost of planning for growth is an upfront cost that is required before additional rate income is realised through growth.

Council is also constructing or receiving dedicated assets that provide for a population in the future. The magnitude of infrastructure that Council is constructing or is dedicated by developers is significant and will continue to place pressure on Council's ability to meet financial performance benchmarks in the short-medium term, driven primarily through the impact of depreciation expense.

Since the introduction of the growth factor into the rate peg, Council has adopted a long-term position of taking up rate increases as determined by IPART, rather than a one-off significant rate increase (special rate variation) to achieve industry benchmarks which do not consider the impact of significant growth. Council must ensure its rating system remains fair and equitable; it cannot expect current residents to fund the cost of growth alone, the cost must be spread across generations.

Council's response to financial sustainability is a long-term position of maintaining strong liquidity, utilising long-term debt and prudent asset management planning that monitors and addresses the condition of community assets as required.

Additional measures that Council has adopted to maintain and ensure its long-term financial sustainability include:

Balanced Budget

Council annually adopts and maintains a balanced cash budget and does not spend beyond its means. This is achieved through taking up the approved rate increase determined by IPART to avoid the need for special rate variations in the short-term to assist in funding the cost of growth.

Strong Liquidity Position

Council has a strong liquidity position with established reserves for capital improvement, asset replacement and contingencies to avoid short term budget shock through events such as extraordinary inflationary conditions.

Loans

Council still has a strong capacity to borrow for capital projects (one-off) upon the appropriate financial assessment being completed. Council also considers low-interest loan programs offered by the NSW State Government.

Asset Management Planning

Sound asset management planning and the correct allocation of resources are central to Council's sustainability. Council has a dedicated asset management section which continues to monitor Council's asset maintenance and renewal programs now and into the future. Council's asset backlog is well within industry benchmarks and is supported by established asset renewal programs such as the Community Infrastructure Renewal Program.

Building Partnerships

Council continues to actively pursue both State and Federal funding opportunities to fund infrastructure and service requirements when made available. Examples include accessing the low interest loans under Local Infrastructure Renewal Schemes.

Organisational Improvement

Council remains committed to continuously improving its financial and non-financial performance and continuing its path to excellence and best practice. This includes strategies such as the Digital Innovation Strategy, the establishment of an innovation hub, service reviews, and a commitment to sustainability through the roll out of initiatives such as the streetlighting LED conversion project.

What is a Long Term Financial Plan

The Long Term Financial Plan (LTFP) sets out the objectives and strategies for ensuring Council is and remains financially sustainable. The LTFP forms part of Council's broader Resourcing Strategy, which is required under the Integrated Planning & Reporting Framework (IP&R).

The LTFP is a necessary component of this strategy and acts as a tool for stakeholders (Council and the community) to use in deciding what resources Council needs to apply to deliver the outcomes contained within the Community Strategic Plan. The Resourcing Strategy also includes Council's Workforce Plan and Asset Management Plan(s).

The LTFP is a financial decision-making tool. It is the point at which long-term community aspirations are tested against financial realities. It consists of modelling expenditure and revenue projections, based on a number of market based and internal assumptions.

It projects the financial impacts of significant growth within the Camden Local Government Area and helps to identify the additional resources (people, infrastructure and finances) required to plan for new communities while continuing to deliver the services to the standard our community expects.

The LTFP is prepared for a period of ten years and includes the following:

- the planning assumptions used to develop the plan,
- sensitivity analysis and testing,
- financial modelling for different scenarios,
- projected income and expenditure, balance sheet and cash-flow statement,
- methods of monitoring financial performance.

What is the Purpose of this Long Term Financial Plan

The primary purpose of this Plan is to facilitate effective financial decision-making which is informed by the short, medium and long term expectations of the community and seeks to answer the following questions:

- Can we survive the financial pressures of the future?
- What are the opportunities for future income and economic growth?
- Can we afford what the community wants?
- How can we go about achieving these outcomes?

The plan assists in long term decision making regarding the prioritisation of services delivered by Council and what assets and financial resources are required to provide those services. It serves as a guide to Council's future financial position.

The projections contained in the LTFP are subject to change from external factors and the decisions made by the Council. It is necessary to regularly review and monitor these factors and if necessary, revise the projections. In line with legislative requirements, the LTFP is revised annually as part of Council's annual budget process. Any external changes to corporate assumptions are considered quarterly as to the impact on the adopted LTFP.

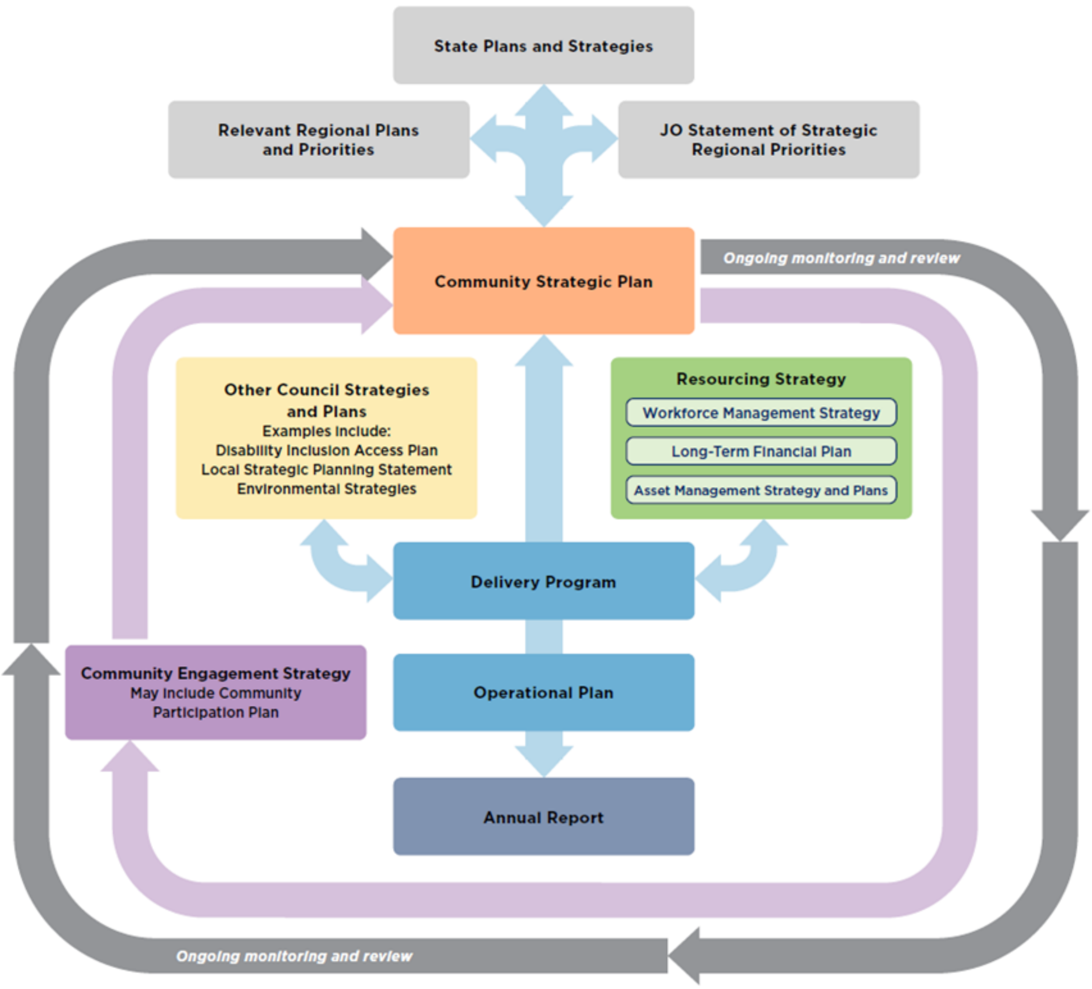
Legislative Framework

In 2009 the NSW State Government implemented the Integrated Planning & Reporting (IP&R) framework relating to the Strategic Planning processes and requirements for NSW councils. It requires councils to develop a Resourcing Strategy to assist in developing its planning documents and comprises the following three components:

- Asset Management Plan(s)
- Workforce Management Plan
- Long Term Financial Plan

The plans need to be considered together in order to identify the available funding, infrastructure and people to carry out a diverse range of services, activities and programs identified in Council's Community Strategic Plan.

The diagram below shows how our planning framework fits together. In essence this document is all about making sure the plans, programs and budgets are integrated, consistent with each other and continues progress towards our community goals.



Long Term Sustainability

How do we Define Financial Sustainability

A financially sustainable Council is one that has the ability to fund ongoing service delivery and the renewal and replacement of assets without incurring excessive debt or rate increases. This definition has been translated into four key financial sustainability principles:

- Council transitions to a fully funded operating position reflecting that Council collects enough revenue to fund operational expenditure, repayment of debt and depreciation, noting that as a growth council, depreciation on newly constructed assets distorts the operating performance of Council,
- Council maintains sufficient cash reserves to ensure that it can meet its short-term working capital requirements,
- Council has a fully funded capital works program, where the source of funding is identified and secured for both capital renewal and new capital works,
- Council maintains its asset base, by renewing ageing infrastructure and by ensuring cash reserves are set aside for those works which are yet to be identified.

Further information on Council's unique position as the fastest growing Council in NSW and the impact this has on Council's financial sustainability (in the short term) is discussed at length throughout this plan.

How Long Term Financial Sustainability is measured

The Office of Local Government (OLG) has developed a set of criteria and benchmarks to measure if councils are financially sustainable.

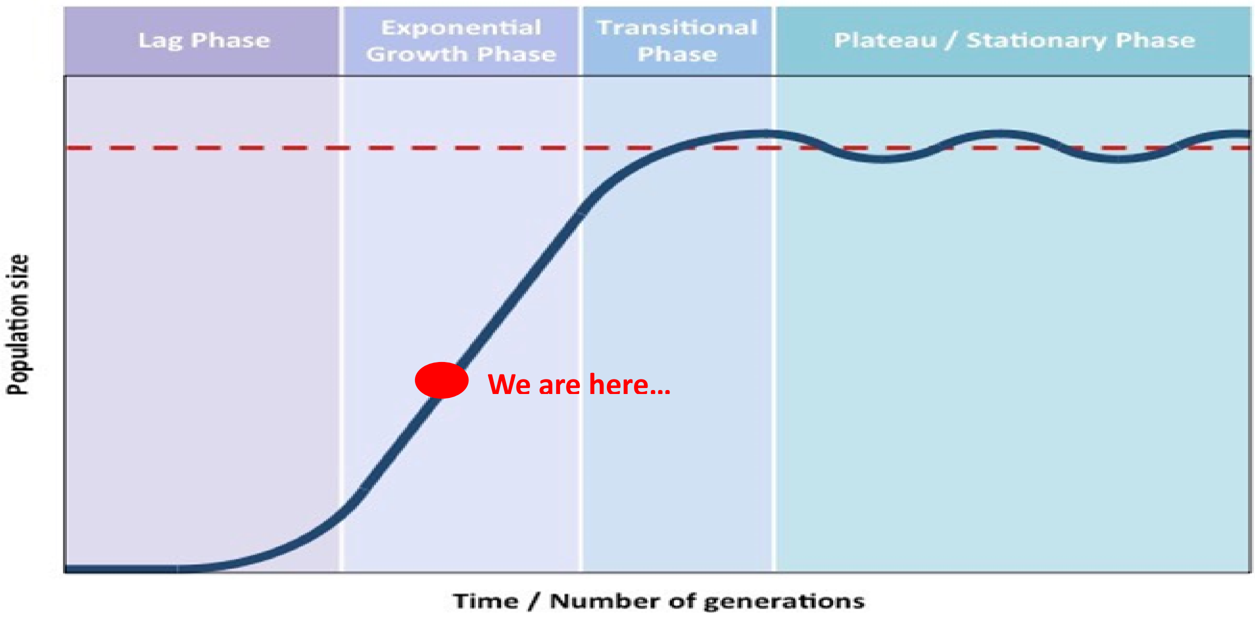
Council's Long-Term sustainability is assessed against the set criteria and benchmarks for the 2024/25 Long–Term Financial Plan and can be found on pages 36-50.

The Impact of Rapid Growth on Council's Financial Sustainability

Camden Council is one of the fastest growing Councils in Australia. Growth is a key driver of Council's financial sustainability. There are a number of stages of growth which are outlined in the graphs below. The key attributes of growth are also detailed below to provide context around Council's current financial position and its financial sustainability now and into the future.

Economies of Scale is an important factor to understand when considering the information below, noting that Camden's Capital Works Program is one of the largest in NSW ($1B over the next 4 years), which is a result of rapid growth and the need to ensure communities have the appropriate infrastructure to support the population. In comparison, other Councils with similar growth and Capital Works Programs have a much larger population and revenue base, which provides the ability to respond to the impacts of growth much sooner. Camden will achieve greater economies of scale over time, providing greater options in how the impacts of growth are addressed. This is explained in more detail throughout the LTFP.

Current Position – Exponential Growth Phase (Camden)

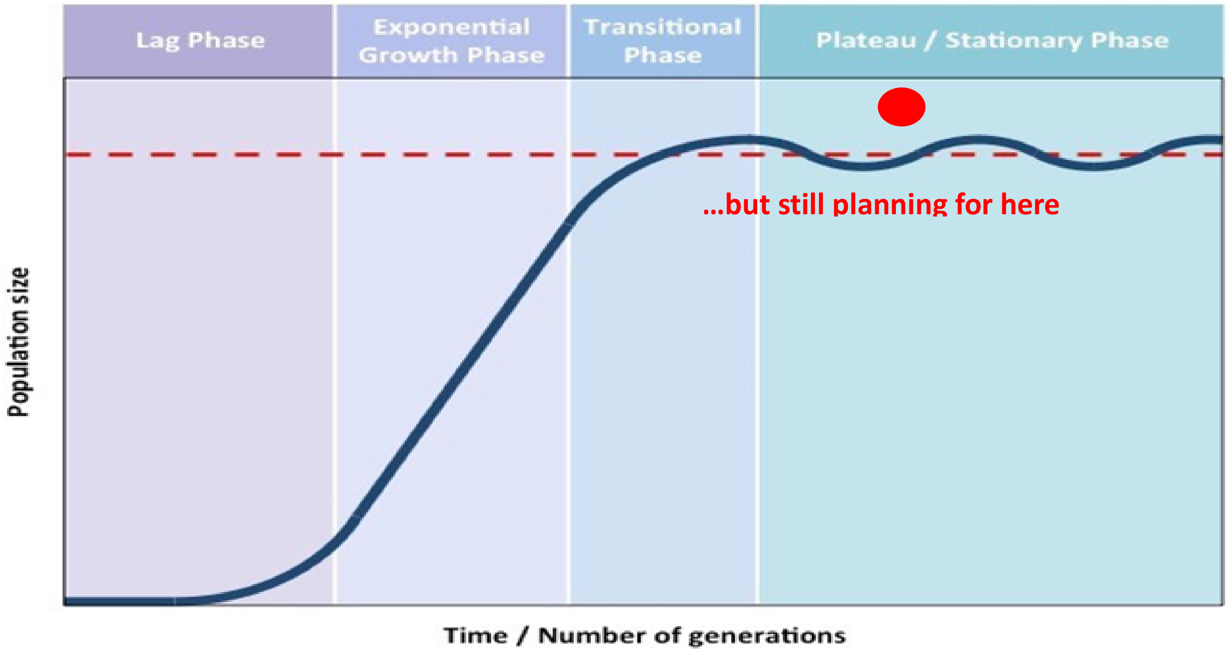


The following are the attributes of the rapid growth phase currently experienced by Camden:

- Rapid growth in population – 500 new residents per month
- Increasing operational costs
    - Maintenance (more facilities to maintain)
    - Employee costs (to maintain service delivery)
- Increasing capital costs
    - Construction phase – both council and developer delivered (flow on effects)
    - New Plant – more plant required for service delivery
- Increasing asset base

- Increasing depreciation costs – aligned to new infrastructure
- Reduced renewal costs required as approx. 40% asset base is new
- Increasing liquidity needs
- Higher levels of debt aligned to construction
- Increasing revenue base – growth in property numbers through subdivision
- Balanced cash budget
- Externally reported deficits – primarily a result of rapidly increasing depreciation
- Economies of scale – not yet achieved

Future Position – Stable Growth Phase



The following are the attributes of the stable growth phase (most Council's in NSW are in this phase of their life cycle):

- Normal organisational growth (no. of employees)
- Economies of scale – size of organisation aligned to population for service delivery
- Balanced cash budget and externally reported surplus
- Stable population growth (natural growth or decline)
- Stable revenue base aligned to rate peg annually
- Stable asset base that considers fair value annually
- Stable operational costs inc. maintenance that considers inflationary pressures
- Normal capital costs
    - Construction – aligned to improved service delivery (one-off initiatives)
    - Plant replacement program fully funded
- Ageing asset base
- Increasing renewal costs – to maintain asset base condition
- Stable liquidity requirements
- Repayment of debt – following growth phase

Long Term Financial Plan

This Plan is used to inform the 2022/23 – 2025/26 Delivery Program and the 2024/25 Operational Plan. It includes a summary of Council's key financial strategies and funding priorities over the course of the plan.

Financial Management Strategies

Council's Long-Term Financial Plan is based on the following aspirations:

- Council's financial position is secure and financial indicators are within industry benchmarks (as adopted by Council),
- Council maintains existing service levels to residents,
- Council will continue to advocate a "whole of Government" approach to funding the capital infrastructure requirements and service provision within new urban development areas,
- Services and Infrastructure in new areas will be provided when they are needed,
- Council's capacity to fund its recurrent operations and renew critical infrastructure is improved through sustainable financial decision making.
- The cost of growth is shared by generations (inter-generational equity) to ensure fairness and equity in how rating is applied to properties over time.

In conjunction with these principles, Council's Long-Term Financial Plan is guided by a number of policies and strategies which are outlined over the next several pages.

Rating Income Strategy

Rating Income is generated by a levy on properties within the Council area for the provision of local government services. Council is committed to the implementation of a fair and equitable rating system, where each rating category and property will contribute to the rate levy according to the demands placed on Council's resources.

Council has the following categories for rateable land in the Camden Local Government Area:

1. Residential
2. Farmland - Ordinary
3. Farmland - Intensive
4. Business

Camden Council's rates consist of a base charge ($760 proposed in 2024/25) and an ad-valorem charge. The base charge amount is a standard amount which is applied to all properties. The ad-valorem charge is primarily determined by the value of the property as provided by the NSW Valuer General and is reviewed every three years. The most recent review of land valuations was 2022. Under the Valuation of Land Act 1916, Council must use the 2022 valuations for the issuing of 2024/25 rate notices. Council has no input or control over the valuation process.

Council calculates its rating charges with the intention of generating 50% of the total rate levy from the base charge (or as close there to as possible). The basis of this is that such a rating structure will provide the fairest and most equitable distribution of the rate levy in the Camden Local Government Area.

The Rate Peg

In November 2023, the Independent Pricing and Regulatory Tribunal (IPART) announced that the 2024/25 rate peg would be set using a new rate peg methodology.

Under the new calculation methodology, the rate peg is determined using a Base Cost Charge, which considers three major areas of expenditure. This includes employee costs, asset costs and all other operating costs. The final rate peg is then adjusted by a productivity factor, a population factor for each council and an ESL factor for each council.

The total rate peg approved by IPART for Camden for the 2024/25 financial year is 8.2%

IPART have recently commenced a review into the financial model for councils in NSW. Council will actively monitor and provide input into this important review.

Special Rate Variation

Council has not applied for a special rate variation for 2024/25. Council has not factored any future special rate variations into this Long Term Financial Plan.

Stormwater Management Levy

Council currently levies $25 p.a. per occupied allotment for the provision of additional stormwater management services to residents in urban areas who benefit from Council provided stormwater services. The amount of $25 is set by legislation and has not changed for the 2024/25 rating year.

The levy can only be charged in areas where Council provides a stormwater management service. Income from the levy can only be used by Council for the purpose for which it is collected. Council must also maintain its existing stormwater management program.

Council has taken the approach that this levy will be used to educate and promote awareness in the community, ensure a better flow of stormwater through the LGA and an improvement in the quality of water flowing into our streams and rivers. Ratepayers who currently receive a pension rebate will be exempt from this levy providing they qualify for the pension rebate at 1 July of any given rating year.

The stormwater management levy will generate approximately $1.159 million in the 2024/25 financial year.

Domestic Waste Management Charges

Council calculates waste management service charges to ensure its total income can fund the operating and maintenance costs associated with providing the service, including the provision for major plant replacement.

Domestic waste management charges are determined through the use of a dedicated ten-year waste management financial model which takes into consideration the impact of population growth on service delivery and additional fleet requirements.

Council is proposing to increase domestic waste management charges by 5.0% in the 2024/25 financial year. This increase is primarily a result of an increase in waste disposal fees.

Discretionary & Regulatory Fees & Charges

Council has the ability to generate revenue through the adoption of a fee or a charge for services or facilities. Fees and charges are reviewed on an annual basis in conjunction with the preparation of the annual budget.

The fees and charges which Council can charge can be split into two categories:

1. Regulatory fees – These fees are generally determined by State Government Legislation, and primarily relate to building, development or compliance activities. Council has no control over the calculation, and any annual increases of these fees and charges.

2. Discretionary Fees - Council has the capacity to determine the charge or fee for discretionary works or services such as the use of community facilities and access to community services.

The general principles under which Council sets its fees and charges considers the works and services provided, the comparable commercial value, and the ability of residents to pay at the pricing level determined appropriate. The general principles that Council supports in its pricing policy are to:

- ensure the community receives the maximum possible benefit from the services provided and from the limited resources which are used to provide that service,
- recognise that there is an element of community benefit in Council providing certain works and services, and as such that a level of general fund contribution be incorporated into the determining of some fees and charges,
- where a service is provided which is considered a commercial activity, that an appropriate fee be charged which recovers the cost of the service, the consumption of assets and an appropriate return on investment, which is in no way subsidised by the community.

Developer Contributions

Developer Contributions are a levy that Council can impose on development consent to help fund the delivery of infrastructure that is needed for that development. They can only be imposed as a condition of consent.

In order to levy a contribution, Council must first adopt a Contributions Plan. The plan sets out what infrastructure is needed, the likely timing of its construction, the cost of the works and how the cost is to be shared by developers and Council. Council can only levy a contribution which is in accordance with an adopted Plan.

During the year Council has reviewed it's existing plans, retired a number based on the infrastructure being in place and set up a section 7.12 plan. Section 7.12 under Subdivision 3 of Part 7 of the EP&A Act authorises Camden Council or an accredited certifier to impose a contribution on a development to fund the provision, extension or augmentation of public amenities or public services (or towards recouping the cost of their provision, extension or augmentation).

The *Environmental Planning and Assessment Act* sets out the rules for development contributions. The Minister for Planning may issue directions that can provide further detail to the legislation, such as imposing a cap on the contributions.

When permitted, developers can construct works, or dedicate land in lieu of paying a cash contribution to the Council. Where this happens, the developer enters into either a Works In Kind Agreement or a Voluntary Planning Agreement. For example, a developer may have an agreement with Council where they will dedicate land for a park and provide the park embellishment (such as playground equipment, BBQ, paths, landscaping and parking). In these cases, the works are required to be completed prior to the developer receiving a Subdivision Certificate for their development.

Investment Principles

Council has an adopted Investment Policy. The overall objective of this policy is to ensure that Council invests its funds:

1. in accordance with the requirements of the *Local Government Act (1993),* Minister's Order and Council's investment policy, and
2. to maximise the return on investments after taking into consideration the level of risk attributable to the type of investment made, and the level of funds required to ensure that Council meets its budget obligations.

The policy outlines:
- the manner in which Council may invest funds,
- the risk profile considerations for investment categories,
- the institutions and products which Council can invest in, and
- the reporting requirements of Council's investment portfolio.

Interest on investments is received on three sources of funds:

- general fund revenues raised through the year from all sources of revenue,
- restricted investments held until expended,
- Developer contributions held until expended.

Council has control over the interest it earns on general fund revenues and unrestricted reserves, but Developer Contributions interest on investments must be utilised for the purpose for which the contribution relates. The interest Council earns on general fund revenue is untied and forms part of Council's consolidated revenue for distribution across services that are not funded by restricted funds.

Loan Borrowings

Council's position on funding expenditure through loan borrowings is:

1. Funds will only be borrowed for specific infrastructure projects, which are clearly linked to the community's expectations as outlined within Council's Community Strategic Plan,
2. Council will consider the use of loans to ensure existing residents are not burdened with the cost of infrastructure which will be enjoyed by future generations,
3. Loan borrowings will only be considered after all potential funding strategies have been investigated, including the use of any existing cash reserves and external funding opportunities,
4. The use of loan borrowings to fund operational shortfalls or service expansion is not permitted,
5. The use of loan borrowings for the purpose of leveraging an investment is not permitted,
6. Council will review its long-term financial plan to ensure there is capacity to service debt from recurrent revenues.

Proposed loan borrowings included within this plan (in the year the funds are required) are shown in the table below:

Purpose	2024/25	2025/26	2026/27	2027/28	2028/29
Asset Renewal Program (including Road Renewal)	$3.9M	$4.3M	$5.5M	$6.5M	$3.0M
Community Support Package Stage 3	$13.84M	$7.45M	-	-	-
Com. Infrastructure Renewal Program	$1.17M	$1.56M	$1.27M	$0	$0
Community/Civic Catalyst Site	-	-	$27.3M	$27.3M	$0
Works Depot Stage 2	-	-	-	-	$7.5M
Total	**$18.91M**	**$13.31M**	**$34.07M**	**$33.80M**	**$10.5M**

Loan borrowings are indicative and revisited as part the final funding package for all infrastructure projects. What is important to understand as a growth Council is the capacity to sustain debt and service debt now and into the future.

Council has considered the impact of its proposed loan borrowings program and is satisfied that this level of debt is within the recommended levels for a growth Council. The associated debt servicing (loan repayments) has been included in Council's LTFP and is secured against rate income as required under the *Local Government Act 1993*.

Council will take advantage of being able to access loans through the NSW State Government (T-Corp) and will actively pursue funding through initiatives such as the Low-Cost Loan Initiative for future loans as they are required.

Cash Reserves & Restrictions

Council has a number of cash reserves which are either a legislative requirement (externally restricted) or through a Council resolution (internally restricted). The projected balance of cash reserves as at 30 June 2025 is $144.5 million.

In December 2023, Council approved the adoption of the new Financial Reserves Policy. The Financial Reserves Policy outlines the mechanisms in place to establish, maintain and report on funds held in external and internal reserves. Importantly, all decisions in relation to Council's financial reserves are to be made via a formal resolution of Council.

External reserves are created as a result of a legislative requirement. They can only be used for the specific purpose for which the reserve was created and cannot be used for general operations. Internal reserves are established at the discretion of Council and can be used for specific projects, programs, or financial provisions.

The following outlines the various reserves Council has established, the funds available in each and the purpose of the reserve.

Externally Restricted Reserve	Purpose of Reserve	Projected Balance 30/06/2025
Developer Contributions: Section 7.11 and 7.12 And Restricted Voluntary Planning Agreement (Cash Component)	In accordance with Section 7.11 and section 7.12 of the *Environmental Planning and Assessment Act*, all unexpended Contributions are to be restricted and only used for the purpose for which they were collected under the various Contributions Plans Council has adopted.	$121.4 million
Domestic Waste Management	This externally restricted reserve is the balance of funds available to fund operational shortfalls and the replacement of plant for Council's waste service. The Local Government Act does not permit any general fund subsidy for the provision of waste services.	$9.3 million
Stormwater Levy Program Reserve	Any income raised from the Stormwater levy must be spent on the provision of stormwater management services. This reserve holds the balance of unspent funds which may result from budget savings and/or unspent allocations for works not completed as at the end of each financial year.	$0
Total Externally Restricted Reserves projected as at 30 June 2025		**$130.7 million**

Note: External Reserves can only be used for the purpose for which the funds were collected.

Internally Restricted Reserve	Purpose of Reserve	Projected Balance 30/06/2025
Capital Works Reserve	The purpose of the Capital Works Reserve is to fund works which Council deems as essential capital infrastructure renewal or upgrade, which cannot be funded through alternative sources such as grants or Developer Contributions. The reserve also acts as emergency fund for Council to undertaken unforeseen works at short notice.	$430K
Employee Leave Entitlements	This purpose of this reserve is to partially fund Council's liability for annual leave and long service leave. Council's target provision for this reserve is 20% of the overall leave entitlements liability, which is set at the industry benchmark.	$2.8 million

Internally Restricted Reserve	Purpose of Reserve	Projected Balance 30/06/2025
Plant Replacement Reserve	This reserve is to ensure there is sufficient funding available to replace major plant upon the end of its useful life. The reserve is supported by a ten-year plant replacement program.	$1.6 million
Commercial Waste Management Reserve	This reserve is used to fund the replacement of plant, together with the restriction of operational surpluses achieved through the Commercial Waste Service.	$2.2 million
Cemetery Improvements	This reserve was established to fund future cemeteries capital works.	$2.5 million
Information Technology Replacement Reserve	Established as part of the 2018/19 budget to fund a 4-year cycle of computer hardware replacement (program).	$237K
Biodiversity Credits	Council approved the establishment of this reserve at February 2024 Council. Council entered a Biobanking Agreement for 37.5 hectares of land located in Gundungurra Reserve, Elderslie in May 2019. The Biobanking Agreement generates biodiversity credits which can be sold to parties that require credits to offset their development or project. The reserve holds the Part B Biodiversity credit payments and allocated to projects and initiatives as part of Council's budget process.	$1.6 million
Contributions Reserve	Council can receive contributions from a party in order to undertake works. These funds are restricted for the purpose of which they must be spent on in accordance with the applicable agreements	$380K
Work, Health and Safety Reserve	Council receives financial performance incentives payments from its insurer on the basis of achieving performance benchmarks and implementing risk management improvement actions. The purpose of this reserve is to restrict these incentive payments so that they can be allocated to future risk management improvement projects and programs.	$235K

Internally Restricted Reserve	Purpose of Reserve	Projected Balance 30/06/2025
Central Admin Building Asset Renewal Reserve	This reserve is used to fund minor renewal works at Council's Administration Building.	$361K
Engineering Bonds & Deposits	This reserve contains a number of developer payments to provide security against future works such as footpath construction and roadworks. If the developer undertakes the works, the amount held by Council will be returned to the developer.	$228K
Asset Renewal Reserve	This reserve is for the replacement and/or renewal of existing assets. This is the remaining balance after the allocation of $500,000 to the proposed 2024/25 Community Infrastructure Renewal Program. This reserve is replenished at quarterly reviews.	$314K
Other Restrictions	Council holds a range of minor internal reserves for purposes such as family day care and community facilities.	$915K
Total Internally Restricted Reserves projected as at 30 June 2025		**$13.8M**

The balance of Council's reserves and the need for new reserves is considered annually as part of the budget process.

Minimum Working Funds Balance

Council's current policy is to maintain a minimum working funds balance of $1 million. These funds are held as part of Council's internal reserves. This amount represents funds readily available in cash, which are not committed in Council's current budget.

This amount has been deliberately set aside by Council to allow for situations where emergency funding is required due to a major unforeseen circumstance within the LGA. The level of the restriction will be reviewed as Council's budget grows.

Asset Disposal & Property Investment Strategy

Council has a limited portfolio of property holdings which are not engaged in the delivery of essential services to the community. The majority of Council's property assets deliver on services such as:

- Transport Infrastructure,
- Environmental services, such as stormwater management,

- Community Facilities,
- Operational Assets, including administration buildings.

Council does not actively participate in the purchase of property as an investment. The limited number of property investments which Council currently owns primarily relate to land holdings within industrial and residential areas within the Camden LGA.

Council will consider the sale of surplus land where funds are required for capital purposes. Council's criteria for the sale of property assets are as follows:

- The asset is no longer used, or is not required for the provision of a core community service,
- The asset has reached the end of its useful life and provides no further tangible benefit to the community,
- Market conditions indicate that the asset could provide a substantial return which could be used to fund other capital investments,
- The asset is incurring a higher level of maintenance cost than would normally be expected.

While revenue generated from the sale of land assets could be used to alleviate operational budget pressures, this is a financially unsustainable measure as the funding would only provide a short-term solution.

Lease Income

The completion of the Oran Park administration building enabled Council to lease the previous administration centres at Camden and Narellan. Council also receives lease income for air rights over the Camden Valley Way from the Narellan Town Centre. A number of other residential and commercial buildings are leased by Council on a commercial basis.

The total expected revenue through lease income for the 2024/25 financial year is $1.4 million.

Council undertakes an external valuation on an annual basis on all investment properties and conducts a 'highest and best use' review of all operational land holdings every three years.

External Influences on Council's Plan

There are a range of external influences which are considered in this Long Term Financial Plan. These external factors represent issues or factors which Council has no control over, or where Council has limited capacity to predict their impact over the long term course of this plan.

The Rate Peg

Local Government's ability to align rating revenue with the increased cost of providing services has been restrained for many years by rate pegging. Rate pegging is a legislative instrument whereby the maximum increase in rating revenue is set by IPART. Any significant change to the rate pegging process will require Council to review this plan.

In November 2023, the Independent Pricing and Regulatory Tribunal (IPART) announced that the 2024/25 rate peg would be set using a new rate peg methodology.

Under the new calculation methodology, the rate peg is determined using a Base Cost Charge, which considers three major areas of expenditure. This includes employee costs, asset costs and all other operating costs. The final rate peg is then adjusted by a productivity factor, a population factor for each council and an ESL factor for each council.

The total rate peg approved by IPART for Camden for the 2024/25 financial year is 8.2%

IPART have recently commenced a review into the financial model for councils in NSW. Council will actively monitor and provide input into this important review.

Economic Conditions

Before the onset of the COVID-19 pandemic, Council's Long Term Financial Plan had already considered a downward shift in the housing market which impacts development assessment income and rate income. This downturn is in part due to a land supply issue, rather than demand for new urban lots. The timing and impact of development market conditions continues to be monitored monthly.

Market based assumptions which have been used in this plan are sourced from Access Economics Business Outlook Report. Council's revenue forecasts for investment income, development income and rating income (through growth) are heavily influenced by the wider economy in general, and as such any significant change from the market assumptions adopted in this revised plan will require Council to review this plan.

Urban Development – Population Growth

The expected population growth which will occur as a result of land releases in the South West Growth Areas and the timing of rail infrastructure will be key drivers of financial growth for Council over the next thirty to forty years.

A significant change to how population and housing forecasts have been developed for the 2024/25 Budget and LTFP is the use of forecast data provided by the Department of Planning. While the State Government makes it clear that this forecast data does not represent population targets, the population projections are a set of Common Planning Assumptions which the New South Wales Government and others use to plan services.

The Department of Planning updated these projections in 2022. The projections are provided by Local Government Area and extend to 2041.

Other Influences

Council's budget continues to face significant pressures from:

- increasing expenditure as a result of cost shifting from other levels of Government,
- increases in the cost of procuring goods and services, have been consistently higher than rate pegging increases as determined by IPART,
- greater competition in the allocation of external funding, such as the Financial Assistance Grant,
- government policy on grants and contributions to Local Government (in general).

Council includes estimates in its Long Term Financial Plan using the most up to date information available at the time of preparing the plan.

Long Term Financial Plan Assumptions

The models developed in this Long Term Financial Plan use the current operational budget as its base point. Council uses a number of internal and market driven assumptions to project revenue and expenditure for the following ten years.

A comprehensive analysis of all internal and external factors affecting those assumptions is undertaken as part of preparing the annual budget to ensure there is a level of confidence in the outcomes provided in the Long Term Financial Plan.

In preparing the 2024/25 Long Term Financial Plan, the following underpinning principles have been adopted:

- the range and standard of existing services offered to the community is maintained,
- Council's financial position remains secure, and that Council's financial performance is within industry benchmarks (or trending positively),
- an uncommitted minimum working funds balance of $1 million is maintained,
- The need to closely monitor the current economic climate which continues to be impacted by increases in inflation and supply chain concerns for goods and materials. Any significant changes will be identified at quarterly reviews of the budget.

Population Growth

The expected population growth which will occur as a result of land releases in the South West Growth Areas and the timing of rail infrastructure will be key drivers of financial growth for Council over the next thirty to forty years.

The 2024/25 Budget and LTFP use forecast data provided by the Department of Planning. The State Government makes it clear that this forecast data does not represent population targets, the population projections are a set of Common Planning Assumptions which the New South Wales Government and others use to plan services. This data anticipates the following additional dwellings and population over the next 10 years.

Financial Year	2024/25	2025/26	2026/27	2027/28	2028/29
Additional Dwellings	1,850	1,820	1,530	1,650	1,800
	2029/30	**2030/31**	**2031/32**	**2032/33**	**2033/34**
	1,800	1,700	1,750	1,830	2,050

Financial Year	2024/25	2025/26	2026/27	2027/28	2028/29
Population Forecasts	136,600	141,200	145,000	149,100	153,700
	2029/30	**2030/31**	**2031/32**	**2032/33**	**2033/34**
	158,200	162,300	166,500	171,000	176,000

Revenue and Expenditure Assumptions

The tables on the following pages outline the proposed corporate assumptions and economic forecasts which will be used to inform revenue and expenditure estimates. Also included is a description as to how the assumption has been developed and/or determined.

Revenue Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Rates & Annual Charges										
Total Permissible Rate Increase	8.2%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
IPART announced a total permissible increase in rate income of 8.2% for the 2024/25 financial year. The above assumptions are as included in the current LTFP and are considered to be a conservative position for 2025/26 and beyond.										
Special Rate Variation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
No provision has been included in the Long Term Financial Plan for future special rate variations.										
Supplementary Rate Income	$1.6M	$1.7M	$1.5M	$1.8M	$2.1M	$2.3M	$2.5M	$2.6M	$2.9M	$3.5M
Additional income as a result of growth (supplementary rate income) is based on the number of lots Council forecasts its rating base will increase by annually. This is linked to the housing growth projections provided by the Department of Planning.										
Domestic Waste Service Charge	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Council calculates its waste management service charges to ensure its total income can fund the operating and maintenance costs associated with providing the service, including provisions for major plant replacement. The increase in charges is primarily a result of an increase in waste disposal fees which is subject to ongoing negotiations. Domestic Waste Management Charges are determined through the use of a dedicated ten-year waste management financial model.										
Stormwater Levy Charge	$25	$25	$25	$25	$25	$25	$25	$25	$25	$25
Council levies a charge on properties within the LGA which have a stormwater service. The Stormwater Levy charge proposed for 2024/25 is $25 for a single dwelling. This is the maximum amount which can be levied under the Stormwater Management Guidelines.										

Revenue Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Rates & Annual Charges Rebates										
Statutory Pensioner Rebate	$250	$250	$250	$250	$250	$250	$250	$250	$250	$250
In accordance with section 575 of the Local Government Act 1993, Council provides a rebate to eligible pensioners for annual rates and domestic waste charges of $250. This rebate is set by the NSW State Government and is not something Council can control. Council is reimbursed 55% of the statutory pension rebate from the NSW State Government.										
Voluntary Pensioner Rebate	$50	$50	$50	$50	$50	$50	$50	$50	$50	$50
As part of the 2022/23 Budget, Council resolved to provide an additional voluntary pension rebate of $50 to eligible pensioners, bringing the total pension rebate amount to $300. The increase was introduced as part of the 2022/23 budget and is now factored into future years of the LTFP. Council cannot seek any reimbursement in relation to the voluntary rebate from the NSW State Government.										
Stormwater Mgmt. Levy Rebate	$25	$25	$25	$25	$25	$25	$25	$25	$25	$25
Ratepayers who currently receive a pension rebate are exempt from paying the Stormwater Management levy providing they qualify for the pension rebate on 1 July of any given rating year.										

Revenue Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
User Fees & Charges										
Statutory Fees & Charges	Increase is not determined by Council – Increases are in accordance with relevant legislation									
Increases in statutory fees are not determined by Council – Increases are applied in accordance with relevant legislation. If significant changes are proposed as a result of changes in legislation, this document will be updated to reflect these changes.										
Discretionary Fees & Charges	2.9%	2.6%	2.6%	2.6%	2.5%	2.2%	2.2%	2.4%	2.5%	2.5%
Council does not generate a significant amount of revenue from discretionary fees. The key driver for increases to discretionary fees is the forecast underlying inflation (CPI) rate. This is sourced through the Deloitte Access Economics Business Outlook Publication.										
Commercial Fees & Charges	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Where Council provides services on a commercial basis (e.g. commercial waste), fee increases should be developed to recover the operating cost of the service, future capital renewal and replacement costs and appropriate return on investment. As a guide, commercial fees are typically increased by approx. 5.0% per annum.										
Leaseback Vehicle Fees	2.9%	2.6%	2.6%	2.6%	2.5%	2.2%	2.2%	2.4%	2.5%	2.5%
Comments: Leaseback fees are increased on an annual basis by Sydney CPI increase. The key driver for increases to discretionary fees is the forecast underlying inflation (CPI) rate. This is sourced through the Deloitte Access Economics Business Outlook Publication.										

Revenue Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Interest & Investment Revenue										
Investment Rate of Return	3.6%	3.2%	3.0%	2.9%	2.8%	2.5%	2.4%	2.5%	2.5%	2.5%
Performance Factor	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Total Investment Return	5.6%	5.2%	5.0%	4.9%	4.8%	4.5%	4.4%	4.5%	4.5%	4.5%
Investment Base Growth	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Comments:

As at December 2023, Council's investment portfolio was approximately $300 million. Investment income consists of Developer Contributions, restricted grant income, domestic waste investment income and general fund investment income.

Council uses a combination of both current market rates (for short term projections) and the Deloitte Access Economics Business Outlook Publication (for long term projections) to calculate investment income forecasts. A performance factor is also determined through internal consultation with senior finance staff. This also reflects Council's current investment strategy of investing in the 12 month TD market. It is also anticipated that Council's investment base (pool of funds available for investment) will increase over the term of this plan.

Revenue Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Loan Borrowings (indicative)	$18.91M	$13.31M	$34.07M	$33.80M	$10.50M	$0	$0	$0	$0	$0

Comments:

Council is proposing to borrow $18.91 million in 2024/25 and $13.31 million in 2025/26 for the COVID-19 Community Support Package and Community Infrastructure Renewal Program (Including asset renewal program). The loan funding for the Community/Civic Catalyst Site ($54.6M) is indicative and subject to a further assessment on a resolution of Council.

Loan borrowings are indicative and are reviewed annually as part of the Budget process and LTFP.

Expenditure Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Employee Costs & Overheads										
Industry Award Increase	3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
One-off Award Payments	0.5% or $1,000	0.5% or $1,000	-	-	-	-	-	-	-	-
The assumptions above for the 2024/25 and 2025/26 financial years reflect the 2023 Local Government State Award. The 2023 Local Government State Award also includes one off award payments in 2024/25 and 2025/26 and these are also noted above. For future years a rate of 3.0% is proposed for the remaining years of the LTFP.										
Performance Mgmt. System	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Council has an adopted salary system which supports a four-step progression system for consideration as part of annual performance reviews. The assumption is based on historical analysis of the cost of previous performance reviews as a percentage of overall salaries and wages.										
Superannuation Payments	11.5%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Council will model future superannuation expenditure based on the Federal Government's budget announcement to increase in the statutory contribution rate from 9.50% to 12.00% incrementally.										
Workers Comp Target (% Wages)	4.1%	4.2%	4.3%	4.4%	4.5%	4.7%	5.0%	5.4%	5.3%	5.3%
Council's ageing workforce is expected to impact its workers compensation premium; however, this additional cost is expected to be offset through preventative strategies outlined within the workforce plan. This corporate assumption is developed in consultation with key stakeholders. The forecast for 2024/25 was provided by the Council's Insurer in early January 2024. Longer term forecasts have been developed in conjunction with the key stakeholders, taking account of the preventative strategies which have either been implemented or are currently being implemented.										

Expenditure Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Other Expenses										
Discretionary Program Expenses	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Discretionary expenses refer to program expenses within the budget where the responsible budget manager has the ability to control the level of expenditure incurred. These are typically budget allocations which are not driven by employee costs, contractual obligations, asset maintenance or fixed statutory charges. A flat increase of 2.0% (essentially a lower than forecast CPI increase) drives efficiencies across the budget. Discretionary expenses do not represent a significant proportion of the overall budget.										
Materials & Contracts aligned to CPI	2.9%	2.6%	2.6%	2.6%	2.5%	2.2%	2.2%	2.4%	2.5%	2.5%
Projected increases in materials & contracts costs are generally in line with inflation over the ten years of this plan. The key driver for increases to materials and contracts aligned to CPI is the forecast underlying inflation rate. This is sourced through the Deloitte Access Economics Business Outlook Publication. Given the current uncertainty regarding inflation, a further 1.0% contingency has been factored into the corporate assumptions. Council continues to closely monitor changes to inflation and will identify any budgetary impact as part of the budget review process.										
Street Lighting	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Street Lighting charges comprise of the asset cost, retail supply of electricity and network charges and taxes. Forecast expenditure in relation to street lighting expenses is aligned to urban development within greenfield sites which will involve the installation of street lighting in line with development requirements. There will be expected savings in Council's streetlighting now that the LED Conversion project is complete across the LGA.										
Insurance Premiums	12.5%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Insurance premium costs are set to increase by 12.5% in 2024/25 as advised by Council's insurer. For future years the increase has been estimated at 15.0% per annum. These increases represent both an increase in insurable assets which is directly linked to growth but also a conservative estimate to recognise the cost of significant and claims relating to recent natural disasters and the ongoing impact of climate change.										
Utility Costs	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Utility costs continue to be set above underlying inflation projections, which is consistent with historical costs. Council has a number of solar installations on major Council buildings, however the continued roll out of alternative energy sources (solar and battery storage) should result in their being greater certainty regarding the cost of utility (electricity) expenditure in the medium to long term.										

Expenditure Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Borrowing Costs										
Interest Rate - (10 Years)	5.5%	5.25%	5.0%	4.75%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Interest Rate - (20 Years)	6.0%	5.75%	5.5%	5.25%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Comments:

Council's projected loan liability as at 30 June 2025 is $65.1 million, which is expected to increase to $97.2 million by the end of 2033/34.

Council uses a combination of both current market rates (for short term projections) sourced through TCorp and the Deloitte Access Economics Business Outlook Publication (for long term projections) to forecast projected loan interest rates. Note an additional factor is included of approx. 1% to ensure Council maintains a conservative position in the LTFP. All loans are indicative and are reviewed by Council as part of the annual budget process. Projections will also include the renegotiation of the central administration building (stage one) loan which will require renegotiation in December 2025.

Expenditure Budget Assumption	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Asset Related Expenses										
Asset Maintenance Increase	-	$0.05M	$0.28M	$0.22M	$0.23M	$0.52M	$1.00M	$1.50M	$2.0M	$2.5M
Council anticipates a requirement for increasing Asset Maintenance in line with the growth in the asset base. The amounts shown above are in addition to existing budgets. Additional funding is required for Buildings, Open Space, Transport Infrastructure and Drainage. The forecasts shown in this document reflect the forward allocations included in the 2024/25 Budget and LTFP.										
Asset Renewal Increase	$1.5M	$2.3M	$3.1M	$2.8M	$3.0M	$3.1M	$6.3M	$7.4M	$8.6M	$9.8M
Funding is allocated in the annual budget to ensure existing assets remain safe, accessible and fit for purpose. The current backlog as at June 2023 to bring infrastructure back to a satisfactory standard was 1.19%. The industry benchmark is to have a backlog of less than 2% of total asset infrastructure. To ensure this backlog does not grow, Council's Asset Management team utilises forecast software (Maloney Modelling) to determine the level of funding which should be allocated to asset renewal. The amounts shown above are in addition to existing budgets. Additional funding is required for Buildings, Open Space, Transport Infrastructure and Drainage. The forecasts shown in this document reflect the forward allocations included in the 2024/25 Budget and LTFP and they have been prepared in consultation with the Assets Team. The 2024/25 Budget includes year 2 of the continuation of the Community Infrastructure Renewal Program which includes $5 million over 2023/24 to 2026/27 for asset renewal projects. Council has an established Asset Renewal Reserve which can be used for immediate renewal works which are not factored into the Annual Budget. The current balance of this reserve is $314K.										
Forecast Depreciation	$33.9M	$37.6M	$42.5M	$45.9M	$46.8M	$47.8M	$49.1M	$51.1M	$52.4M	$53.2M
The Long-Term Financial Plan includes the projected depreciation costs for new assets which are dedicated to Council through the development process (through Developer Contributions & Voluntary Planning Agreements) and new works which have been identified within Council's Capital Works Program. Depreciation is a non-cash amount which has no impact on Council's cash budget. For external reporting purposes depreciation is an expense as it measures asset consumption. The forecasts shown in this document reflect the updated allocations for the 2024/25 Budget and LTFP taking into consideration the Capital Works Program. The future years forecasts for deprecation include anticipated economies of scale as the Council grows.										

Long Term Financial Plan – Financial Model

Council has updated its long term financial plan base model to reflect the changes outlined in the assumptions described earlier in this document. The financial model is for a period of 10 years. It considers current services and service levels, workforce planning and asset management. The model also includes increases in income and expenditure as a result of growth.

Like all businesses, Council must budget and prioritise the allocation of its resources. Council has determined the community's priorities through both community consultation and Council's Community Strategic Plan.

	Base Model
Existing Service Levels	**Maintained**
Rate Peg Inclusive of Population Growth Factor	**Included**
Workforce Planning Requirements	**Funded**
Asset Management Maintenance & Renewal	**Funded (Part)**
Community Infrastructure Renewal Program	**Funded**
Western Sydney Infrastructure Grants	**Included**
Community Support Package (COVID-19) (Stage 3)	**Funded**

Maintaining Existing Service Levels

This plan allows for:

- the existing range of services provided by Council,
- maintaining the existing standards and levels of these services.

While it is anticipated that service priorities will change as population grows, it is not envisaged the range of services, nor the standards at which they are delivered will change significantly. Council will engage with the community as part of the Integrated Planning and Reporting Framework to validate this assumption.

Rating Income

In November 2023, the Independent Pricing and Regulatory Tribunal (IPART) announced that the 2024/25 rate peg would be set using a new rate peg methodology. Under the new calculation methodology, the rate peg is determined using a Base Cost Charge, which considers three major areas of expenditure. This includes employee costs, asset costs and all other operating costs. The final rate peg is then adjusted by a productivity factor, a population factor for each council and an ESL factor for each council.

The total rate peg approved by IPART for Camden for the 2024/25 financial year is 8.2%. IPART have recently commenced a review into the financial model for councils in NSW. Council will actively monitor and provide input into this important review.

For future years, rate income has been set at a level of 5% per annum which is considered to be a conservative assumption.

Workforce Planning

Council's Workforce Management Plan aims to ensure that as an organisation, Council has the right people, in the right place, at the right time.

The Workforce Management Plan plays an important role in achieving the goals outlined in Council's Delivery Program. The Workforce Management Plan allows for an additional 147.7 positions over the next ten years. These positions are critical in ensuring that Council is able to provide the range of services and maintain service levels to a standard the community expects.

Asset Management - Maintenance

Council's current maintenance program is approx. $21 million across all asset classes (includes open space maintenance). Council's updated Asset Management Plan identifies a significant increase in both asset maintenance and infrastructure renewal funding allocations. This is primarily a result of the growth in Council's asset base over the next ten years.

Funding has been allocated in Council's Long Term Financial Plan to reflect this additional infrastructure. The funding required has been phased in over time to align with the Council's Asset Management Plan and funding availability. Additional funding requests for asset maintenance and infrastructure renewal are considered annually as part of the budget process and is informed by the timing and handover of assets to Council.

Community Infrastructure Renewal Program

As the population of Camden grows, so does our infrastructure base, this includes roads, drainage, parks and community buildings. To ensure Council maintains its infrastructure in a good condition, Council has adopted a number of renewal programs over the past 10 years.

The 2023/24 Budget and Capital Works program included an extension of the successful Community Infrastructure Renewal Program from 2023/24 to 2026/27. These works are summarised below:

Proposed Community Infrastructure Renewal Program					
Item	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**TOTAL**
Buildings	$590,000	$250,000	$900,000	$600,000	$2,340,000
Playgrounds	$145,000	$555,000	$350,000	$325,000	$1,375,000
Open Space	$135,000	$235,000	$175,000	$255,000	$800,000
Sportsgrounds	$130,000	$130,000	$130,000	$95,000	$485,000
Total Program	**$1,000,000**	**$1,170,000**	**$1,555,000**	**$1,275,000**	**$5,000,000**

The Community Infrastructure Renewal Program is funded through a combination of internal cash reserves ($1 million) and external loan borrowings ($4 million).

COVID-19 Community Support Package Stage 3

The draft 2024/25 capital works includes the continuation of the COVID 19 Community Support Package Stage 3 which focuses on recovery and generating investment into our community following the COVID-19 pandemic. The total support package, valued at $127M million over four years, includes a Sportsground Improvement Program.

Western Sydney Infrastructure Grants

In 2022, the NSW State Government announced the WestInvest Program, a $5 billion program to fund infrastructure projects that will improve liveability across Western Sydney. Under the program, $3 billion was allocated to NSW Government agencies and $2 billion was allocated to community projects.

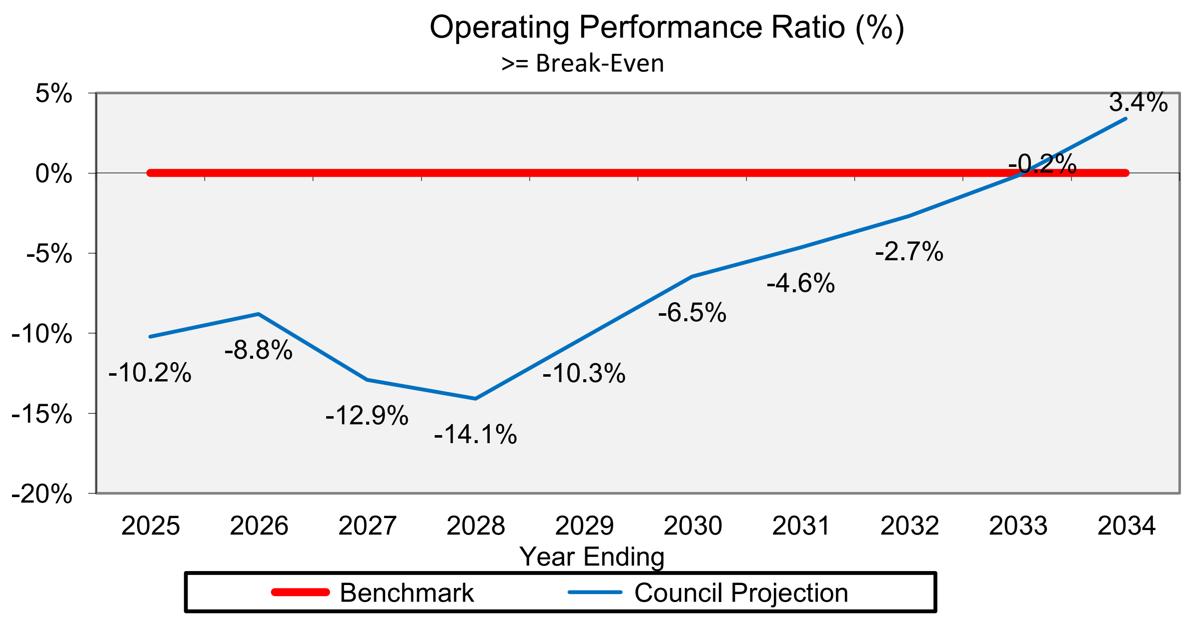
Council was successful in securing funding for 11 projects under the WestInvest Program totalling $132 million which included the contingency amounts which are only allocated to projects following review and agreement with the grant body.

Ratio Analysis and Long-Term Financial Sustainability

This section of the plan summarises the key financial ratio's that assist councils to determine their financial health and sustainability.

Operating Performance Ratio

This ratio measures Council's ability to fund operations now and into the future. The benchmark for this ratio is to be greater than or equal to break-even - average over 3 years.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark > or =	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
LTFP	-10.2%	-8.8%	-12.9%	-14.1%	-10.3%	-6.5%	-4.6%	-2.7%	-0.2%	3.4%

Total continuing operating revenue (exc. capital grants & contributions) less operating expenses

Total continuing operating revenue (exc. capital grants & contributions

Comments

The Camden LGA is one of the fastest growing areas in NSW. This brings the challenge of planning and delivering service demand and infrastructure sometimes years before additional income is realised through growth.

Rates and annual charges income is expected to double over the next 10 years, providing greater economies of scale in the later years of the long term financial plan. The Operating Performance Ratio remains below breakeven predominately due to high depreciation expense, resulting from infrastructure constructed for future growth in the area.

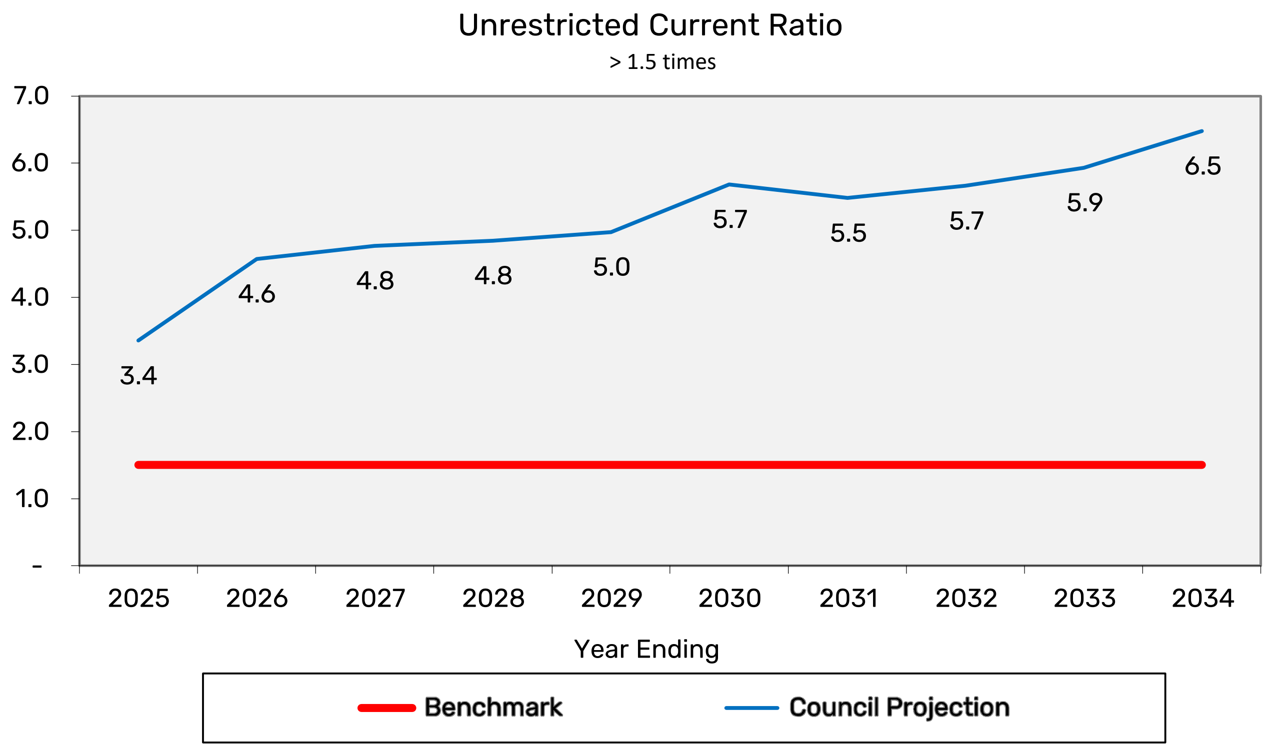
A Council undertaking greenfield developments cannot decide to deliver infrastructure once the population is fully realised, it must deliver services and infrastructure from the time growth commences. It is expected that this ratio will continue to improve over time as Council's economies of scale increases.

It is important to note that the operating performance ratio is not a measure of the Council's budget or cash position. Council has a history of adopting balanced budgets and prudently managing expenditure throughout the year to ensure at each quarterly budget review the budget remains in a balanced or surplus position. Council's cash reserves and ability to fund debt (borrowings) are in a strong position.

The operating performance ratio decline in the first three years is driven primarily through an expected increase in domestic waste disposal costs. Council planned for this increase through the introduction of a DWM reserve in 2015/16 with its purpose to reduce the need for significant increases in DWM charges upon entering a new contract. The correlating increase in DWM charges is not expected to cover the additional disposal costs until the 2027/28 financial year, the budget in the first three years is part funded through the transfer of cash from the DWM reserve.

Unrestricted Current Ratio

This ratio measures Council's ability to fund short term financial obligations such as loans, payroll and leave entitlements (measures liquidity). The benchmark for this ratio is greater than 1.5: 1.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark >	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
LTFP	3.4	4.6	4.8	4.8	5.0	5.7	5.5	5.7	5.9	6.5

$$\frac{\textit{Current assets less all external restrictions}}{\textit{Current liabilities less specific purpose liabilities}}$$

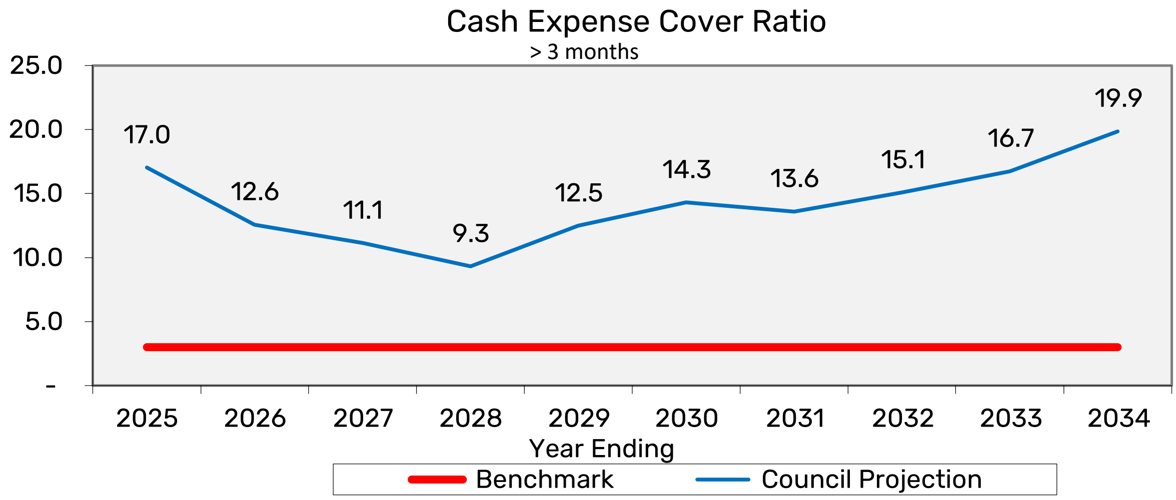
Comments

This indicator measures Council's ability to fund its short-term liabilities. It is estimated in 2024/25 that Council will have $3.40 to fund every $1 of liability. Forecasts indicate that Council will remain above benchmark levels over the life of the plan, demonstrating Council's strong cash position.

The ratio improves in later years due to an improved cash position when additional rating income is available. This reflects the ability for Council to allocate funds for future infrastructure requirements such as Community Infrastructure in Growth Areas which are not funded through Developer Contributions.

Cash Expense Cover Ratio

This ratio indicates the number of months Council can continue paying for its immediate expenses without additional cash inflow. The benchmark for this ratio is greater than 3 months.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark >	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
LTFP	17.0	12.6	11.1	9.3	12.5	14.3	13.6	15.1	16.7	19.9

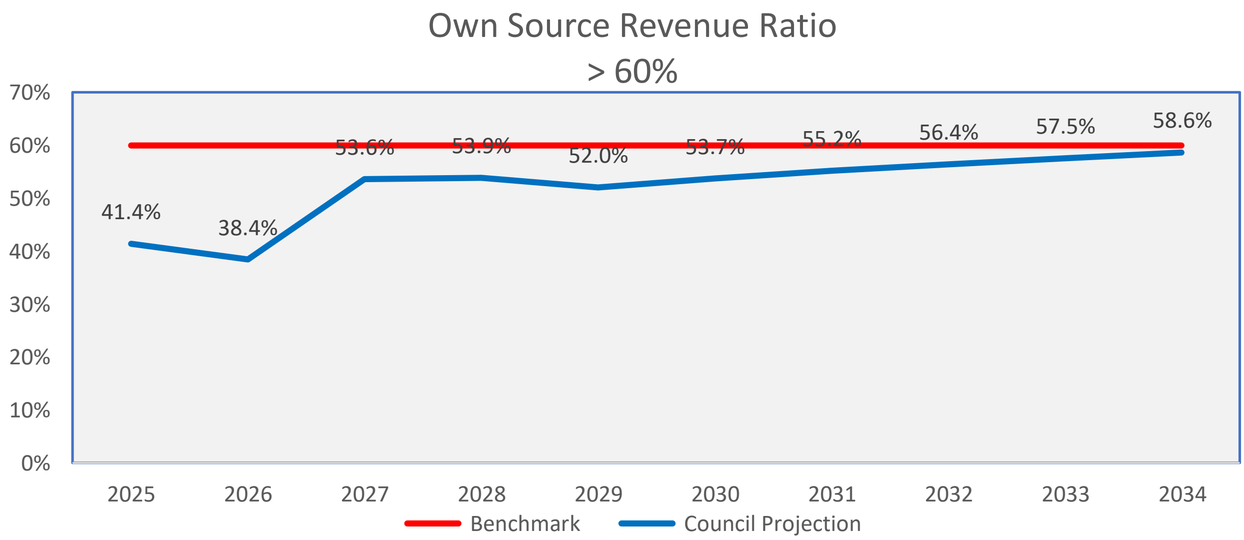
$$\frac{\textit{Cash and cash equivalents incl. term deposits}}{\textit{Payments of operating \& financing activities}}$$

Comments

Council's forecast cash expense cover ratio is well above the benchmark over the life of the plan. This represents Council's strong liquidity position. It should be noted that for 2024/25 and 2025/26 there is a large capital works program primarily related to the Community Support Package Stage 3, WestInvest projects and the Leppington Program so the amount of cash being held will increase to fund these programs. The timing of the receipt of cash (including loans) and expenditure will also impact this ratio.

Own Source Revenue Ratio

This ratio measures Council's reliance on external funding (fiscal flexibility). The benchmark for this ratio is to be greater than 60 % - average over 3 years.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark >	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
LTFP	41.4%	38.4%	53.6%	53.9%	52.0%	53.7%	55.2%	56.4%	57.5%	58.6%

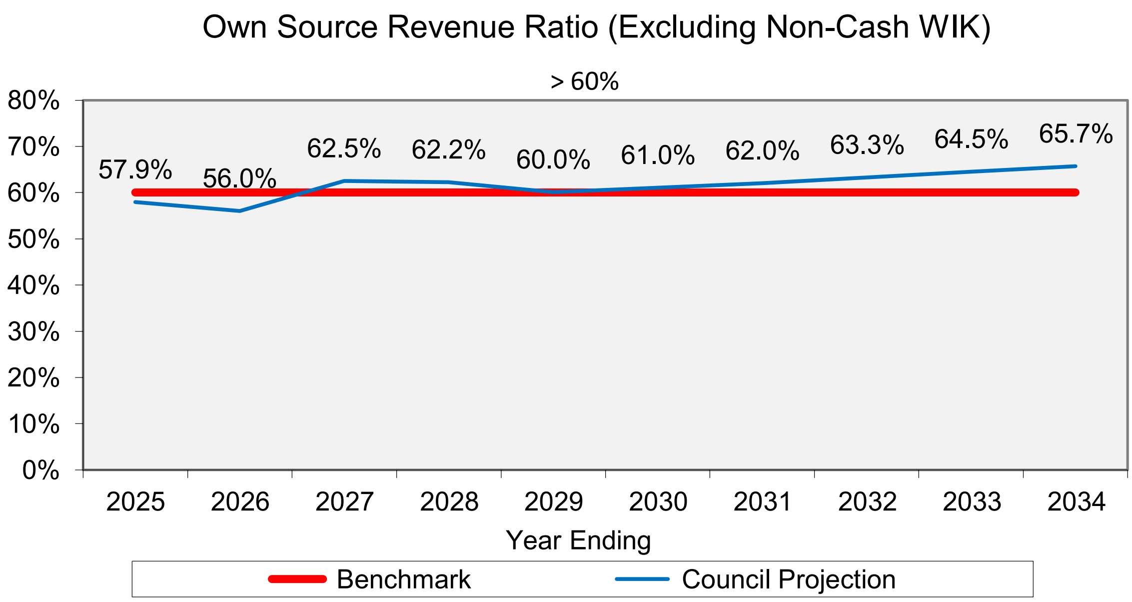
$$\frac{\textit{Total continuing operating revenue less all grants \& contributions}}{\textit{Total continuing operating revenue (incl. of capital grants \& contributions)}}$$

Comments

Council receives a significant amount of non-cash capital income which distorts this ratio. The non-cash capital income is due to the high level of development infrastructure delivered through Works In-Kind Agreements or Voluntary Planning Agreements and Section 80A dedications. The ratio is also impacted in the first two years due to the funding secured under Western Sydney Infrastructure Grants and the Accelerated Infrastructure Fund.

Own Source Revenue Ratio (Excluding Non-Cash Capital Income)

This ratio measures Council's reliance on external funding (fiscal flexibility). The benchmark for this ratio is to be greater than 60 % - average over 3 years.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark >	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
Scenario 2	57.9%	56.0%	62.5%	62.2%	60.0%	61.0%	62.0%	63.3%	64.5%	65.7%

$$\frac{\textit{Total continuing operating revenue less all grants \& contributions}}{\textit{Total continuing operating revenue (excl. of non-cash capital grants \& contributions)}}$$

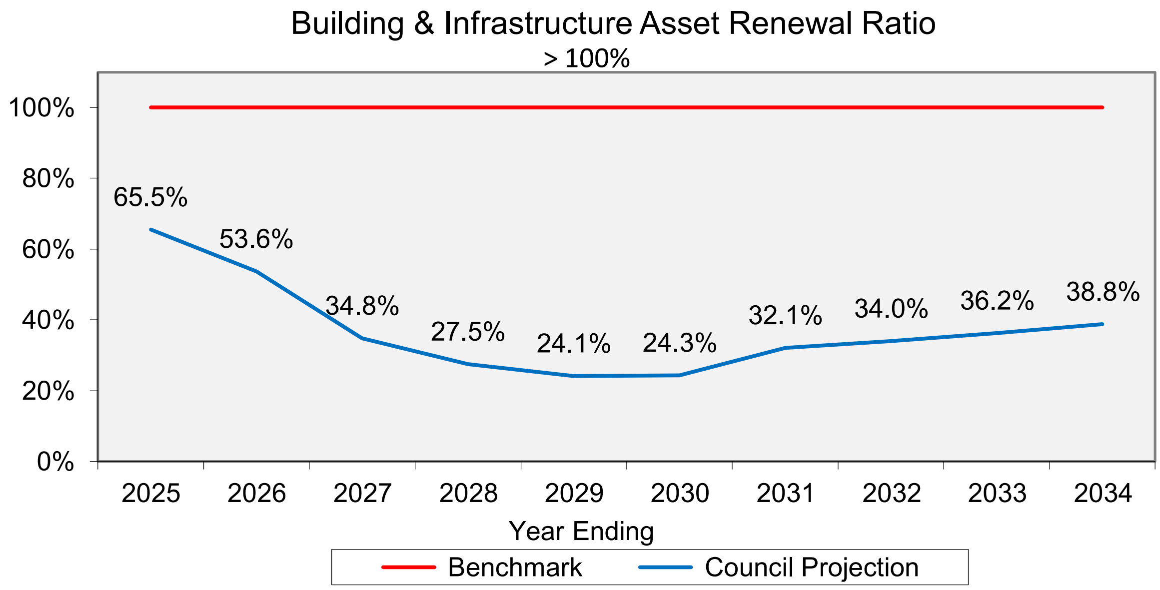
Comments

Council receives a significant amount of non-cash capital income which distorts this ratio. The non-cash capital income is due to the high level of development infrastructure delivered through Works In-Kind Agreements or Voluntary Planning Agreements and Section 80A dedications. The ratio is also impacted in the first two years due to the grant funding secured from the Western Sydney Infrastructure Grants Program and from the Accelerated Infrastructure Program.

Once the non-cash income for dedicated assets has been eliminated from this ratio calculation, Council exceeds this benchmark from the 2026/27 financial year.

Building & Infrastructure Asset Renewal Ratio

This ratio measures the rate at which assets are being renewed relative to the rate at which they are being consumed (depreciated). The benchmark for this ratio is to be greater than 100 % - average over 3 years.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark >	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
LTFP	**65.5%**	**53.6%**	**34.8%**	**27.5%**	**24.1%**	**24.3%**	**32.1%**	**34.0%**	**36.2%**	**38.8%**

$$\frac{\textit{Asset renewals (building \& infrastructure)}}{\textit{Depreciation, amortisation \& impairment (building \& infrastructure)}}$$

<u>Comments</u>

This ratio is impacted by the significant level of development and infrastructure assets expected to be constructed over the next 10 years. Over 40% of Council's total infrastructure assets are new or less than 10 years old, and this proportion is expected to grow over the next 10 years. Council will therefore not be required to renew these assets in the near future.

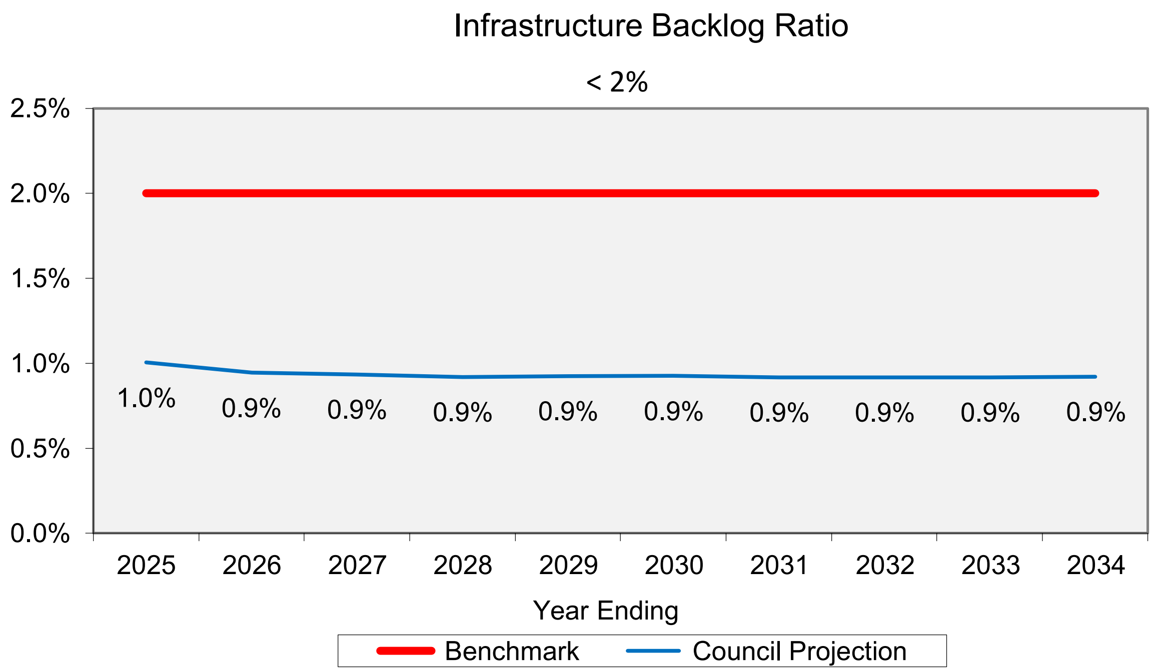
Camden's unique growth in infrastructure assets means Council will find it difficult to meet this renewal ratio. In fact, it would be financially irresponsible if Council were to achieve this ratio as a large proportion of Council's infrastructure base is new and in a good condition.

In preparation for future renewal expense, Council created an Asset Renewal Reserve and continues to allocate funds to this reserve. It should be noted that the transfer of funds to reserve cannot be included as an expense in this ratio. This transfer reflects prudent forward financial planning and acknowledgement that asset renewal will be required in the longer term.

Council is also addressing asset renewal in older suburbs through the continuation of the Community Infrastructure Renewal Program (CIRP) which sees $5 million invested in asset renewal from 2023/24 to 2026/27.

The ratio is also impacted in the first two years as there will be an increase in asset renewal expenditure which is to be funded through the Community Support Package Stage 3, the WestInvest Program and the Leppington Program.

Infrastructure Backlog Ratio
This ratio measures the proportion of the infrastructure backlog against the total value of Council's infrastructure asset base. The benchmark for this ratio is less than 2%.



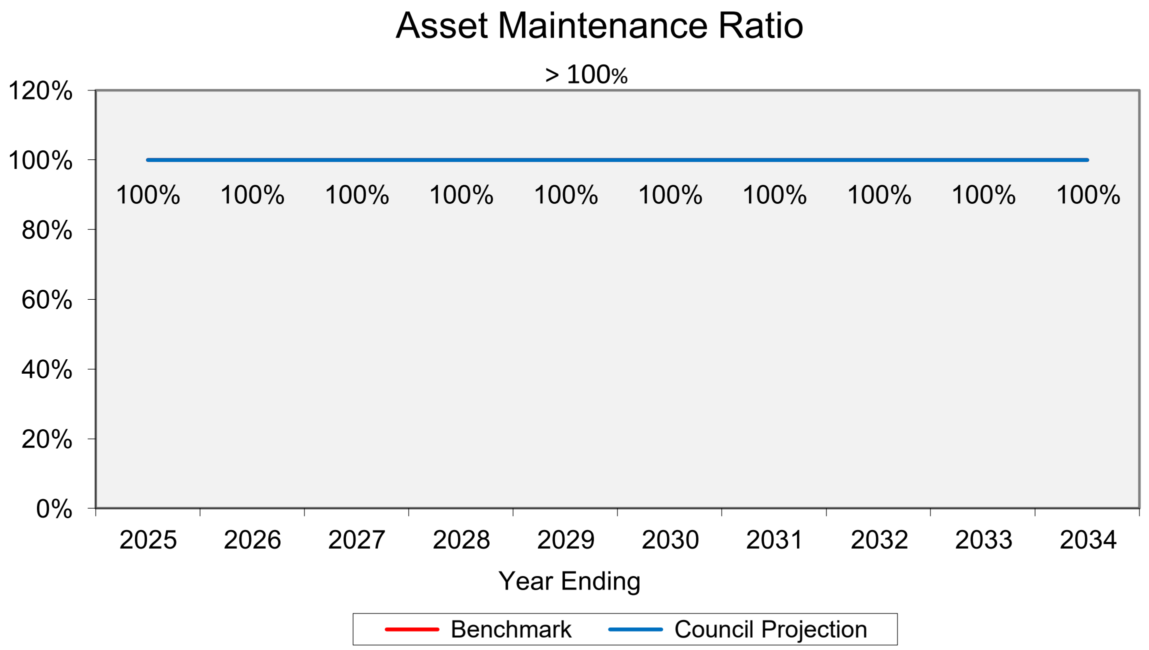
Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark <	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
LTFP	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%

$$\frac{\textit{Estimated cost to bring assets to a satisfactory condition}}{\textit{Total (WDV) of infrastructure, buildings, other structures and depreciable land improvement assets}}$$

Comments
Camden's rapid growth forecasts will result in a significant proportion of new assets to be constructed each year. This ratio improves as a result of the magnitude of new assets being received through development and renewal/maintenance programs Council already has in place.

Asset Maintenance Ratio

This ratio compares the actual versus required annual asset maintenance. The benchmark for this ratio is to be greater than 100 % - average over 3 years.



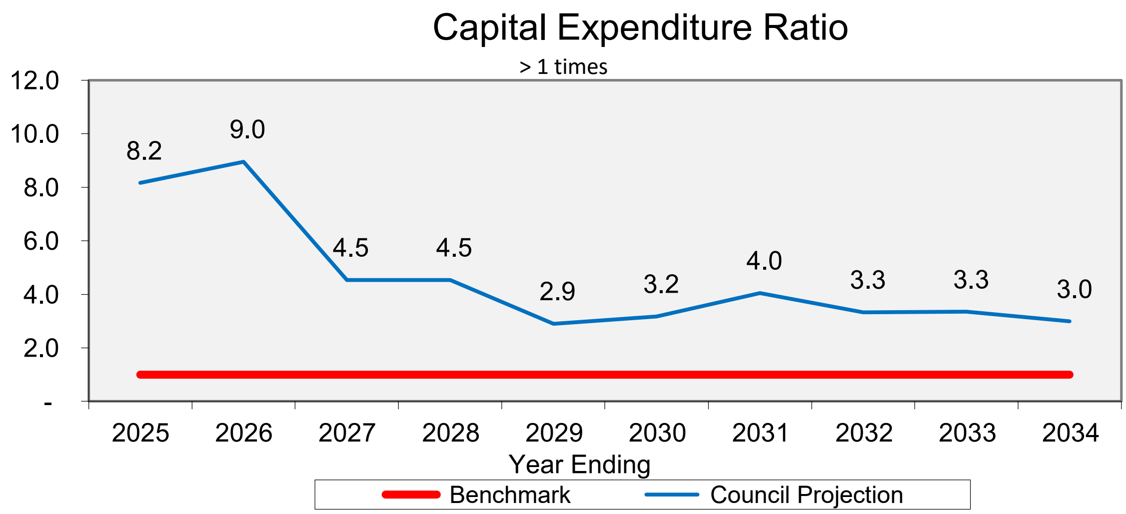
Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark <	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
LTFP	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Comments

Council continues to spend its required asset maintenance on an annual basis and is meeting the requirements of this ratio.

Capital Expenditure Ratio

This ratio indicates the extent Council is expanding its asset base through capital expenditure on both new assets and the replacement and renewal of existing assets. The benchmark for this ratio is greater than 1: 1.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark >	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
LTFP	8.2	9.0	4.5	4.5	2.9	3.2	4.0	3.3	3.3	3.0

$$\frac{\textit{Annual capital expenditure}}{\textit{Annual depreciation}}$$

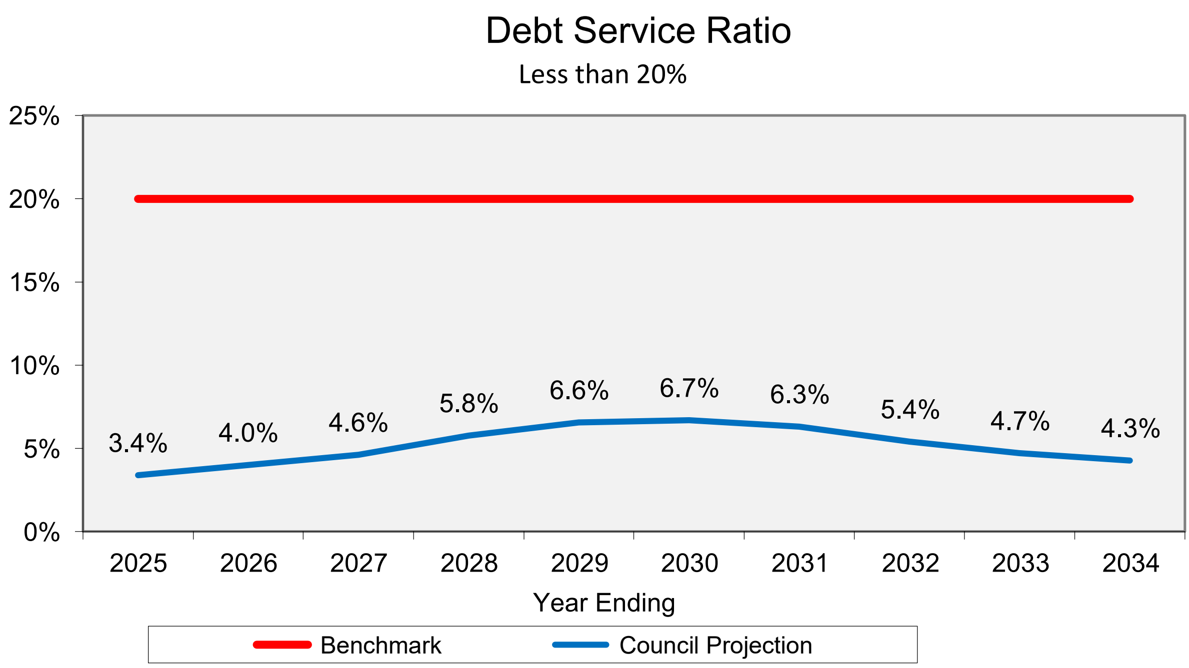
Comments

This ratio provides a good indication of how fast Council's infrastructure asset base is growing. Council's growth forecasts will result in a significant proportion of new assets constructed each year. Council's increasing infrastructure will be managed through the continuation of asset related programs, the use of leading asset management practices that is supported by a dedicated asset management function.

The significant increase in the ratio over the first two financial years reflects the projects to be delivered under the Community Support Package Stage 3, the WestInvest Program and other significant grant projects such as the Accelerated Infrastructure Program.

Debt Service Ratio

This ratio indicates whether Council is using debt wisely to share the life-long cost of assets and avoid excessive rate increases. The benchmark for this ratio is to be greater than 0% and less than or equal to 20% - average over 3 years.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark <	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
LTFP	3.4%	4.0%	4.6%	5.8%	6.6%	6.7%	6.3%	5.4%	4.7%	4.3%

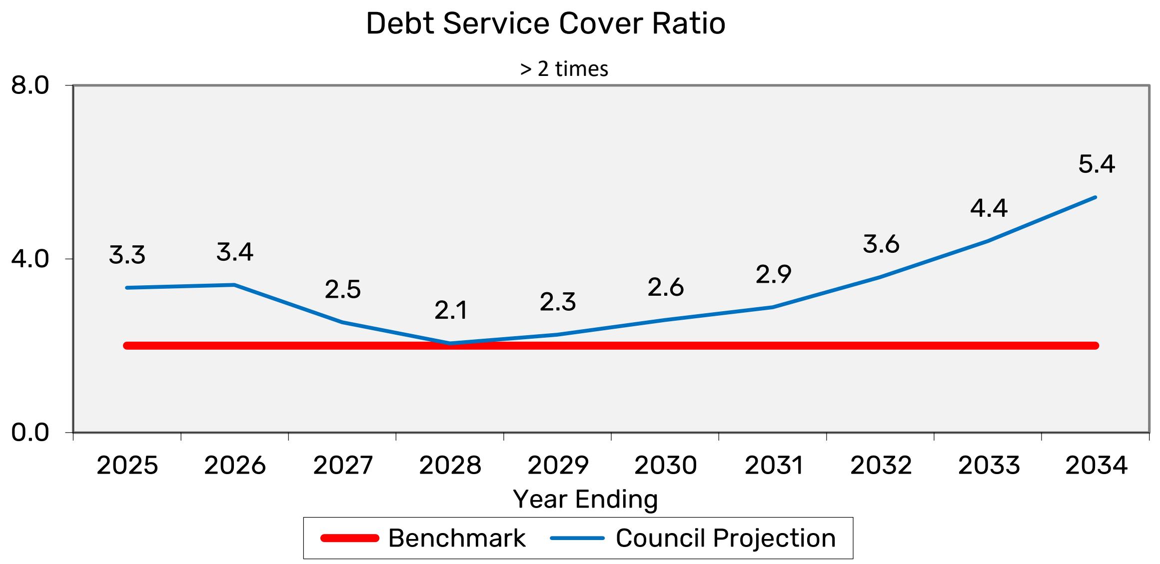
$$\frac{\textit{Cost of debt service (interest expense \& principal repayments)}}{\textit{Total continuing operating revenue (exc. capital grants \& contributions)}}$$

Comments

Council continues to use debt prudently, balancing the level of debt, capacity to borrow and the opportunity cost of borrowing to ensure inter-generational equity in a rapidly growing environment. As Council grows there will be greater pressure to borrow in order to construct the infrastructure required to support our community. Council has deliberately maintained a strong borrowing capacity for this purpose.

Debt Service Cover Ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments. The benchmark for this ratio is great than 2.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark >	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
LTFP	3.3	3.4	2.5	2.1	2.3	2.6	2.9	3.6	4.4	5.4

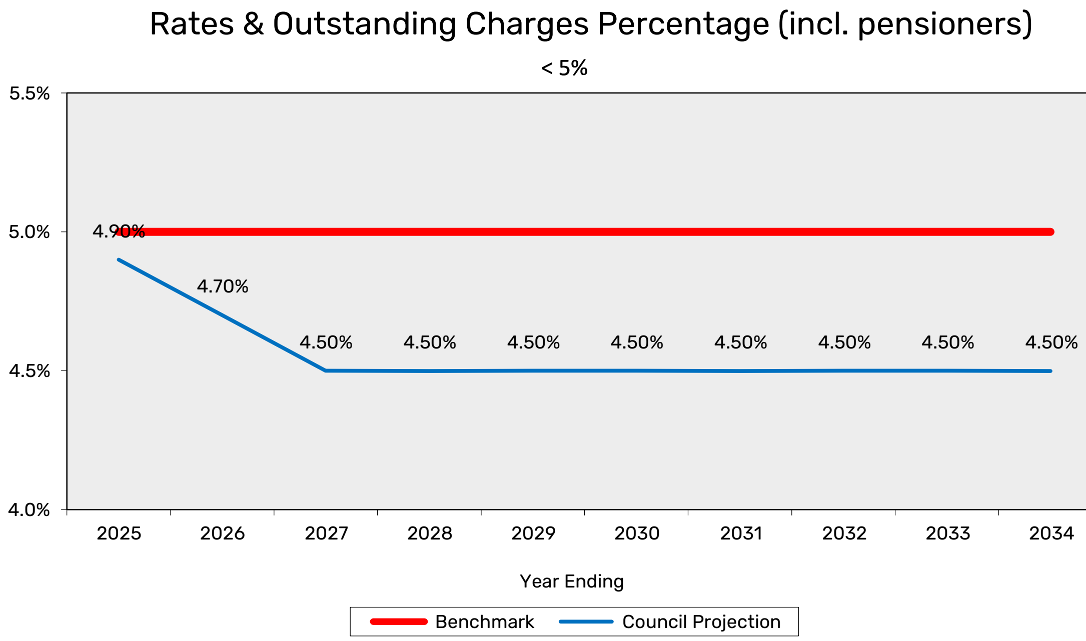
$$\frac{\textit{Operating result before capital excl. interest, depreciation, impairment \& amortisation}}{\textit{Principal repayments and borrowing costs}}$$

Comments

Council's Long Term Financial Plan considers existing loans and proposed new loans. With the inclusion of the proposed borrowings, Council's forecast position remains above benchmark and steadily improves over the life of the plan.

Rates & Outstanding Charges Ratio

This ratio assesses the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts. The benchmark for this ratio is less than 5%.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark <	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Target	4.9%	4.7%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%

$$\frac{\textit{Rates \& annual charges outstanding}}{\textit{Rates \& annual charges collectible}}$$

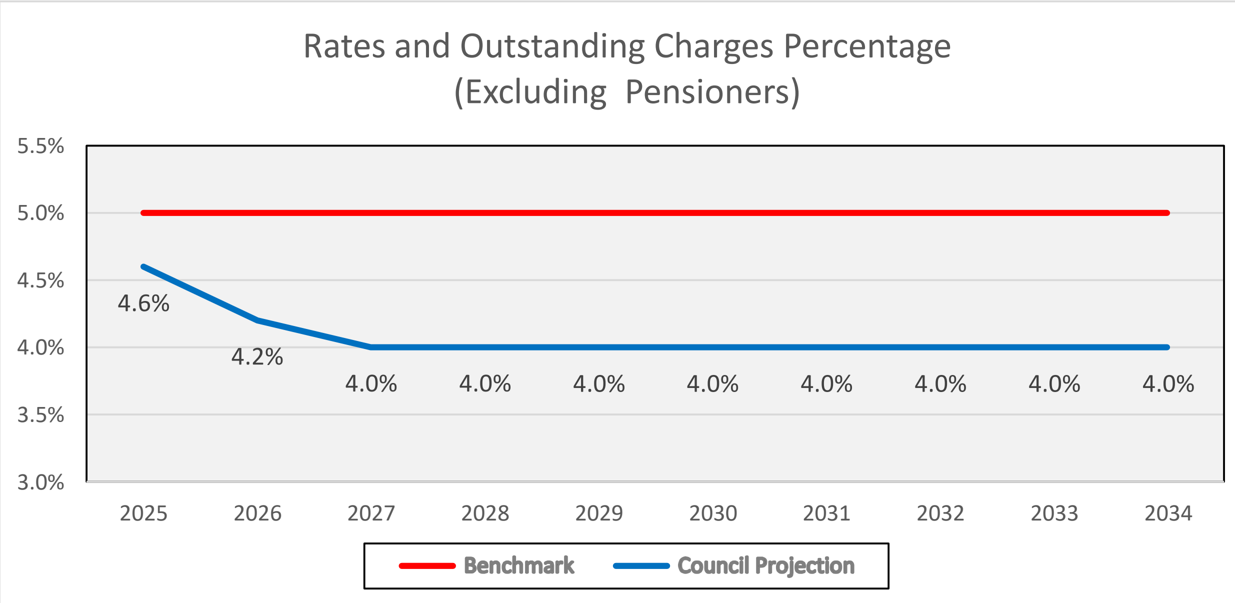
<u>Comments</u>

As anticipated, this ratio rose above the benchmark during the 2020/21 and 2021/22 financial years due to the impact of COVID-19 and the hardship provisions available to our community for the payment of rates during the pandemic.

Under the initial support package Council did not take legal action against any landowner for the recovery of rates. Council reintroduced debt recovery action in late 2022 and is continuing to work with residents who are experiencing financial hardship either as a result of COVID-19 or cost of living pressures. A large number of these residents have entered into payment arrangements. This ratio will continue to improve over the next 12 months.

Rates & Outstanding Charges Ratio (excluding Pensioners)

This ratio excludes the rates outstanding from pensioners and assesses the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts. The benchmark for this ratio is less than 5%.



Financial Year:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Benchmark <	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Target	4.6%	4.2%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

$$\frac{\textit{Rates \& annual charges outstanding (excl. of pensioners)}}{\textit{Rates \& annual charges collectible}}$$

<u>Comments</u>

Council's current practice is not to actively pursue outstanding rates from properties which have a valid pension rebate granted to the owners. This has been a long standing practice. Council's rating policy for pensioners with rates and charges that remain outstanding for 5 years is to enter into a deed of agreement or arrangement to secure the repayment of the amount outstanding in future years.

As with the previous ratio, the measures put in place during the pandemic increased the rates outstanding during the 2020/21 and 2021/22 financial years. Council reintroduced debt recovery action in late 2022 and is continuing to work with residents who are experiencing financial hardship either as a result of COVID-19 or cost of living pressures. A large number of these residents have entered into payment arrangements. This ratio will continue to improve over the next 12 months.

Sensitivity Analysis and Risk Assessment

The major risk factor in each of these financial scenarios continues to be the growth assumptions. Camden is part of the South West Growth Sector. Our population is expected to increase to approx. 240,000 residents by 2041, the timing of this growth is critical to the outcomes of this plan.

In preparing this plan, Council has taken careful consideration of the following factors:

- State Government Land Release Policy (land rezoning),
- Housing schemes that promote sales,
- Economic conditions and the impact on developers and home buyers,
- Council's capacity to deliver subdivisions (staffing),
- The relationship between population growth and land release,
- The impact growth has on service levels,
- Feedback from developers on current market conditions,
- The difference in timing between increases in expenditure and the realisation of additional income through rates,
- The impact of rail infrastructure to be delivered into the Camden LGA will have a significant impact on population estimates as it will result in higher densities of growth.

Council has very little control over many of these factors and therefore must respond to change quickly. To assist in managing this risk Council has developed the following strategies:

- Regular meetings with key Strategic and Development staff to discuss corporate assumptions about growth,
- Council's LTFP is updated quarterly as part of the quarterly budget review process, where significant changes are identified.
- Liaise with State agencies to discuss the timing of land release,
- Historical analysis of financial outcomes (what can we learn from past assumptions).

Other risk factors which have been assessed in this plan include:

Dedication of assets to Council

The majority of infrastructure (roads, bridges, drainage and buildings) and open space is dedicated to Council through Works in Kind Agreements, Voluntary Planning Agreements or as a condition of development consent (S80A).

The magnitude of assets dedicated to Council is significant. The value and timing of these assets is extremely difficult to predict. Although Council has some control over when it will accept assets from developers, Council must still plan for increases in its operational budget (including workforce planning) to maintain the new assets. This is considered a key risk factor and is continually monitored to ensure long-term planning estimates are accurate.

Depreciation Expense

From a recurrent operations perspective, the increasing depreciation expense is a significant issue for Council. The impact of depreciation expense is significant due to a unique environment of substantial growth, Council's current economies of scale and the method used to calculate depreciation expense.

Council is currently constructing or receiving dedicated assets that provide for a population in the future. The straight-line method of calculating depreciation expense does not consider growth or the current population, meaning the expense is representative of a higher capacity to pay or greater economies of scale. There is also a timing issue to consider, Council must provide for infrastructure now, this cannot be done after the population arrives. There is a balance between what the current population is responsible for and those who are not yet part of our community.

Developer Contributions Cash Reserves

Council continues to review Developer Contribution plans to ensure cash flow is consistent with the timing of planned capital works programs. Plans are assessed for cash shortfalls and if required other funding sources identified. At its meeting of 10 October 2023, Council resolved to adopt a new Developer Contributions Plan portfolio, which came into force on 20 October 2023. This included the creation of a new Section 7.12 Contributions Plan, the retirement of a number of old Contributions Plans and amendments to the Camden Contributions Plan 2011.

The Section 7.11 cap placed on contributions from developers and the removal of some infrastructure (non-essential) unable to be funded through Section 7.11 has made delivering Greenfield sites challenging.

Leppington Growth areas and funding required

While some acquisitions have commenced in key areas, work continues to identify additional funding required to support land acquisitions in Leppington.

Increasing land valuations, hardship claims and additional lot acquisitions unable to be funded from Developer Contributions remain the key funding risks to Council's long term financial sustainability. Council continues to consult with Government on finding a whole of Government solution.

Economic Uncertainty/Global Events

Council continues to closely monitor the current economic climate with uncertainty in relation to inflation and supply chain concerns for goods and materials. Any significant changes will be identified at quarterly reviews of the budget.

Conclusion

Camden's extraordinary growth is challenging, but with prudent long-term thinking, there is a great opportunity to deliver services and infrastructure in a sustainable, well-designed way. Smarter thinking allows greater use of facilities which saves money and results in greater benefits to our community and environment. The LTFP has been prepared using local knowledge and economy, respected economic publications, and historical data.

The LTFP assists Council to understand its financial capacity, financial sustainability and how it financially supports the outcomes in the Delivery Program to ensure service demand and service levels are maintained into the future.

Appendices: Long Term Financial Plan – Financial Statements

Camden Council Long Term Financial Plan 2024/25 - 2033/34 (8.2% / 5%)
Income Statement Projections

	Delivery Program 2022/23 - 2025/26		Delivery Program 2026/27 - 2029/30				Delivery Program 2030/31 - 2033/34			
Year Ending	**2025 $000s**	**2026 $000s**	**2027 $000s**	**2028 $000s**	**2029 $000s**	**2030 $000s**	**2031 $000s**	**2032 $000s**	**2033 $000s**	**2034 $000s**
Income from Continuing Operations										
Rates and Annual Charges	112,010	122,206	132,813	144,116	156,729	170,611	184,477	199,334	215,461	233,384
User Charges and Fees	24,886	26,213	27,355	28,450	29,797	30,768	31,745	32,766	33,811	34,892
Interest & Investment Revenue	11,989	8,426	5,288	4,361	5,467	5,761	4,388	4,073	4,167	4,228
Other Revenues	1,264	1,523	1,561	1,600	1,644	1,688	1,730	1,773	1,819	1,867
Other Income	7,743	7,813	7,886	7,961	8,943	9,028	9,107	9,189	9,280	9,371
Grants & Contributions for Operating Purposes	9,761	9,970	10,105	10,818	11,374	11,686	11,974	12,279	12,585	12,895
Grants & Contributions for Capital Purposes - Cash	105,009	125,002	96,466	102,425	123,399	127,320	129,793	131,305	133,092	135,335
Contributions for Capital Purposes -Non Cash (S7.11 ,S80A)	108,984	140,291	46,919	46,540	51,923	48,809	46,142	47,453	49,671	51,993
Proceeds from the Sale of Assets (Net)	0	5,500	2,500	0	0	0	0	0	0	0
Total Income from Continuing Operations	381,646	446,944	330,893	346,271	389,276	405,671	419,356	438,172	459,886	483,965
Expenses from Continuing Operations										
Employee Costs	73,369	77,400	81,386	84,744	88,472	91,743	96,089	100,624	104,889	109,248
Borrowing Costs	2,159	3,136	3,702	5,322	6,788	6,927	6,552	6,167	5,792	5,431
Materials and Contracts	72,983	77,032	81,523	86,436	91,063	95,058	99,960	105,339	111,193	115,205
Depreciation	33,934	37,596	42,521	45,889	46,814	47,762	49,087	51,085	52,433	53,219
Other Expenses	2,350	2,490	2,589	2,693	2,803	2,917	3,033	3,156	3,290	3,438
Total Expenses from Continuing Operations	184,795	197,654	211,721	225,084	235,940	244,407	254,721	266,371	277,597	286,541
Operating Result from Continuing Operations Surplus/(Deficit)	196,851	249,290	119,172	121,187	153,336	161,264	164,635	171,801	182,289	197,424
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes Surplus/(Deficit)	**(17,142)**	**(16,003)**	**(24,213)**	**(27,778)**	**(21,986)**	**(14,865)**	**(11,300)**	**(6,957)**	**(474)**	**10,096**

Camden Council Long Term Financial Plan 2024/25 - 2033/34 (8.2% / 5%)
Balance Sheet Projections

	Delivery Program 2022/23 - 2025/26		Delivery Program 2026/27 - 2029/30				Delivery Program 2030/31 - 2033/34			
Year Ending	**2025 $000s**	**2026 $000s**	**2027 $000s**	**2028 $000s**	**2029 $000s**	**2030 $000s**	**2031 $000s**	**2032 $000s**	**2033 $000s**	**2034 $000s**
Current Assets										
Cash & Investments	228,081	178,511	168,009	149,051	211,323	254,083	253,279	291,596	336,852	414,361
Receivables	29,225	31,599	33,975	36,481	39,483	42,484	45,481	48,686	52,153	55,988
Inventories	350	369	391	414	436	455	479	504	532	551
Other (Includes Assets Held for Sale)	2,310	2,498	2,685	2,883	3,121	3,358	3,595	3,848	4,122	4,425
Total Current Assets	259,966	212,977	205,060	188,829	254,363	300,380	302,834	344,634	393,659	475,325
Non-Current Assets										
Receivables	5,369	5,821	6,282	6,768	7,316	7,899	8,481	9,104	9,777	10,522
Infrastructure, Property, Plant & Equip.	3,006,179	3,291,983	3,429,074	3,589,852	3,676,896	3,780,364	3,931,089	4,049,335	4,170,262	4,274,954
Investment Property	50,960	55,960	60,960	65,960	70,960	75,960	80,960	85,960	90,960	95,960
Intangible Assets	748	748	748	748	748	748	748	748	748	748
Right of Use Assets	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431
Total Non-Current Assets	3,065,687	3,356,943	3,499,495	3,665,759	3,758,351	3,867,402	4,023,709	4,147,578	4,274,178	4,384,615
Total Assets	3,325,653	3,569,920	3,704,555	3,854,588	4,012,714	4,167,782	4,326,543	4,492,212	4,667,837	4,859,940
Current Liabilities										
Payables	37,480	38,238	39,068	39,975	40,831	41,575	42,482	43,475	44,555	45,308
Contract Liabilites	30,000	15,000	-	-	-	-	-	-	-	-
Borrowings	3,522	4,133	5,099	5,809	6,988	8,171	8,561	7,620	6,644	7,239
Provisions	15,509	15,897	16,294	16,701	17,119	17,547	17,986	18,436	18,897	19,369
Total Current Liabilities	86,511	73,268	60,461	62,485	64,938	67,293	69,029	69,531	70,096	71,916
Non Current Liabilities										
Payables	15	16	17	18	19	20	21	22	23	24
Borrowings	61,594	69,805	98,066	124,879	127,207	118,646	111,026	104,382	97,143	89,992
Provisions	308	316	324	332	340	349	358	367	376	385
Total Non Current Liabilities	61,917	70,137	98,407	125,229	127,566	119,015	111,405	104,771	97,542	90,401
Total Liabilities	148,428	143,405	158,868	187,714	192,504	186,308	180,434	174,302	167,638	162,317
Net Assets	3,177,225	3,426,515	3,545,687	3,666,874	3,820,210	3,981,474	4,146,109	4,317,910	4,500,199	4,697,623
Equity										
Retained Earnings	2,094,603	2,343,893	2,463,065	2,584,252	2,737,588	2,898,852	3,063,487	3,235,288	3,417,577	3,615,001
Revaluation Reserves*	1,082,622	1,082,622	1,082,622	1,082,622	1,082,622	1,082,622	1,082,622	1,082,622	1,082,622	1,082,622
Total Equity	3,177,225	3,426,515	3,545,687	3,666,874	3,820,210	3,981,474	4,146,109	4,317,910	4,500,199	4,697,623

* Note: Council's Long Term Financial Plan does not include any assumptions regarding long term movements to the Revaluation Reserve.

Camden Council Long Term Financial Plan 2024/25 - 2033/34 (8.2% / 5%) Cash Flow Statement Projections										
	Delivery Program 2022/23 - 2025/26		Delivery Program 2026/27 - 2029/30				Delivery Program 2030/31 - 2033/34			
Year Ending	2025 $000s	2026 $000s	2027 $000s	2028 $000s	2029 $000s	2030 $000s	2031 $000s	2032 $000s	2033 $000s	2034 $000s
Cash Flows from Operating Activities										
Receipts - Operating Activities	272,240	300,986	281,586	300,148	338,057	357,816	374,473	392,313	412,172	434,182
Payments - Operating Activities	(157,267)	(166,378)	(176,089)	(185,908)	(195,862)	(204,693)	(214,774)	(224,226)	(234,300)	(243,032)
Net Cash Provided by (or used in) Operating Activities	114,973	134,608	105,497	114,240	142,195	153,123	159,699	168,087	177,872	191,150
Cash Flows from Investing Activities										
Receipts - Property, Plant & Equipment	3,027	3,001	662	811	483	615	579	538	421	649
Receipts - Sale of Biodiversity Credits	3,000	-	-	-	-	-	-	-	-	-
Receipts - Investment Securities	225,750	237,040	248,890	261,330	274,400	288,120	302,530	317,660	333,540	350,220
Purchases - Property, Plant & Equipment, Intangible Assets	(167,868)	(196,355)	(145,766)	(161,727)	(83,646)	(102,537)	(152,256)	(122,431)	(125,730)	(107,050)
Purchase - Investment Securities	(225,750)	(237,040)	(248,890)	(261,330)	(274,400)	(288,120)	(302,530)	(317,660)	(333,540)	(350,220)
Net Cash Provided by (or used in) Investing Activities	(161,841)	(193,354)	(145,104)	(160,916)	(83,163)	(101,922)	(151,677)	(121,893)	(125,309)	(106,401)
Cash Flow from Financing Activities										
Receipts - Loan Borrowings	18,911	13,310	34,070	33,800	10,500	-	-	-	-	-
Payments - Principal Repayments	(3,523)	(4,134)	(4,965)	(6,082)	(7,260)	(8,441)	(8,826)	(7,877)	(7,307)	(7,240)
Net Cash Provided by (or used in) Financing Activities	**15,388**	**9,176**	**29,105**	**27,718**	**3,240**	**(8,441)**	**(8,826)**	**(7,877)**	**(7,307)**	**(7,240)**
Net Increase/(Decrease) in Cash Assets Held	**(31,480)**	**(49,570)**	**(10,502)**	**(18,958)**	**62,272**	**42,760**	**(804)**	**38,317**	**45,256**	**77,509**
Cash Assets (incl.investments) at Beginning of Reporting Period	259,561	228,081	178,511	168,009	149,051	211,323	254,083	253,279	291,596	336,852
Cash Assets (Including Investments) at End of Reporting Period	**228,081**	**178,511**	**168,009**	**149,051**	**211,323**	**254,083**	**253,279**	**291,596**	**336,852**	**414,361**

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