



Walgett Shire Council

Annual Operational Plan

Appendix B - Operational Budget

Appendix C – Capital Works Program

July 2025 – June 2026

Document Control

| Issue | Revision | Date | Description | Resolution |
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Appendix B

1. Operational Budget 2025-2026

Walgett Shire Council's Operational Plan includes the annual Budget and works to be undertaken along with the Statement of Revenue Policy and Schedule of Fees and Charges (provided in separate documents)

| Total Revenue Inclusive of capital grants | \$ Million |
|---|-----------------|
| General fund | \$41,374 |
| Water Fund | \$2,972 |
| Sewer Fund | \$1,372 |
| Consolidated Revenue | \$45,718 |

| Total Expenses | \$ Million |
|------------------------------|-----------------|
| General fund | \$40,115 |
| Water Fund | \$4,575 |
| Sewer Fund | \$2,010 |
| Consolidated Expenses | \$46,700 |

The 2025-2026 Budget has been prepared on a 'business as usual' basis and has been set specifically to enable delivery of the 2025-2026 Operational Plan. The consolidated Budget includes revenue of \$45,718 million and expenses of \$45,700 million, resulting in an operating deficit of \$982 million. Revenue of \$45,715 million includes Capital Income of \$4,055 million.

Council currently has three main funds, and the breakdown of these funds within the Budget is shown below.

These funds are used to support the delivery of the capital works program. When Capital Income is excluded from the Surplus/(Deficit) calculation, the overall net position is \$5,037 million deficit. This ultimately means that Council is partly reliant on Capital grants to deliver its asset renewal program.

Council will be investing a total of \$15,822 million in public capital works and \$2,500 million in internal plant & Equipment replacement.

The \$5,037 million operating deficit (excluding capital grants) is broken down by fund as follows:

- General \$2.796 million deficit
- Water \$1,603 million deficit
- Sewer \$638 million deficit

| Budget Summary Comparison | Budget 2025-26 | Difference 2024 - 25 |
|--|-------------------|-------------------------|
| Consolidated Operating Income | \$45.7 M | ▼ |
| Consolidated Operating Expenditure | \$46.7 M | ▲ |
| Net Operating Surplus/(Deficit) including Capital Grants | \$1.0 M | ▼ |
| Net Operating Surplus/(Deficit) excluding Capital Grants | \$5.0 M | ▼ |
| Cash Reserves | \$17.3 M | ▼ |
| Improvements and Maintenance of Assets | \$15.8 M | ▼ |
| Average increase in Rates | 4.20% | ▼ |

1.1. Rates and annual Charges

Rating revenue is budgeted to increase in accordance with the Independent Pricing and Regulatory Tribunal's (IPART) rate peg determination, which is currently 4.2%. More detailed information on rates is outlined in Council's Statement of Revenue Policy.

1.2. User Charges and fees revenue

Generally, user charges and fees have been set to increase by 4.2%, although there are exceptions where individual fees have been assessed and will increase at a different rate. Others are prescribed by the NSW Government, with Council having no discretion in the setting of those fees. For further detail, refer to Annual operational Plan - Appendix A: Schedule of Fees and Charges.

1.3. Interest and investment revenue

Council's estimated interest and investment revenue for 2025-2026 is \$1.597 million. Council will continue an investment strategy to maximise the return on investment, while maintaining a low-risk portfolio, governed firstly by the Minister of Local Government's Order, and secondly by Council's Investment Policy, which provides the framework for minimising risks involved in investing public funds

1.4. Grants and contributions revenue

A decrease has been budgeted to operating grants in the 2025-2026 year. Council has secured \$4.055 million in capital grants to assist with the delivery of its capital works program in 2025-2026.

1.5. Employee Costs

Employee-related costs, which include salaries, entitlements, insurances, taxes, travel and training costs, are estimated to be \$10,980 million. Costs are estimated at 85% full employment throughout 2025-2026, with potential for full employment subject to grant funding.

1.6. Borrowing Costs

Council currently has two loans amounting to \$0.5 Million and has not budgeted for any loans in 2025-2026.

1.7. Materials and contract costs

Materials and contracts for the 2025-2026 year are budgeted at \$25.9 million. This is an increase on the previous year predominately due to the increase in waste management costs and maintenance costs as plant age.

1.8. Councillor remuneration costs

Council has resolved that in accordance with Section 241 of the Local Government Act 1993, Council will fix the annual fee paid to Councillors to the maximum determination made by the Remuneration Tribunal for the Rural area category. Council has also resolved to pay Councillors superannuation at the prescribed rates for all other salary earners

Walgett Shire Council Operational Budget 2025-2026

| INCOME STATEMENT | 2025/26 Budget | | | |
|--|------------------------|------------------------|-----------------|--------------------|
| | Consolidated \$'000 | General Fund \$'000 | Water \$'000 | Sewerage \$'000 |
| Income from Continuing Operations | | | | |
| Rates & Annual Charges | 11,522 | 8,627 | 1,906 | 989 |
| User Charges & Fees | 4,371 | 3,661 | 708 | 2 |
| Other Revenues | 1,307 | 1,306 | 0 | 1 |
| Grants & Contributions provided for Operating Purposes | 21,915 | 21,915 | 0 | 0 |
| Grants & Contributions provided for Capital Purposes | 4,055 | 4,055 | 0 | 0 |
| Interest & Investment Revenue | 1,597 | 865 | 354 | 378 |
| Net Gains from the Disposal of Assets | 0 | 0 | 0 | 0 |
| Reversal of impairment losses on receivables | 0 | 0 | 0 | 0 |
| Other Income | 951 | 945 | 4 | 2 |
| Joint Ventures & Associated Entities - Gain | 0 | 0 | 0 | 0 |
| Total Income from Continuing Operations | 45,718 | 41,374 | 2,972 | 1,372 |
| Expenses from Continuing Operations | | | | |
| Employee Benefits & On-Costs | 10,980 | 10,317 | 497 | 166 |
| Borrowing Costs | 8 | 8 | 0 | 0 |
| Materials & Contracts | 25,935 | 21,279 | 3,156 | 1,500 |
| Depreciation & Amortisation | 8,728 | 7,464 | 920 | 344 |
| Impairment of Receivables | 0 | 0 | 0 | 0 |
| Other Expenses | 1,049 | 1,047 | 2 | 0 |
| Net Losses from the Disposal of Assets | 0 | 0 | 0 | 0 |
| Total Expenses from Continuing Operations | 46,700 | 40,115 | 4,575 | 2,010 |
| Operating Result from Continuing Operations | -982 | 1,259 | -1,603 | -638 |
| Net Operating Result before Grants & Contributions Exp. provided for Capital Purposes | -5,037 | -2,796 | -1,603 | -638 |

Appendix C

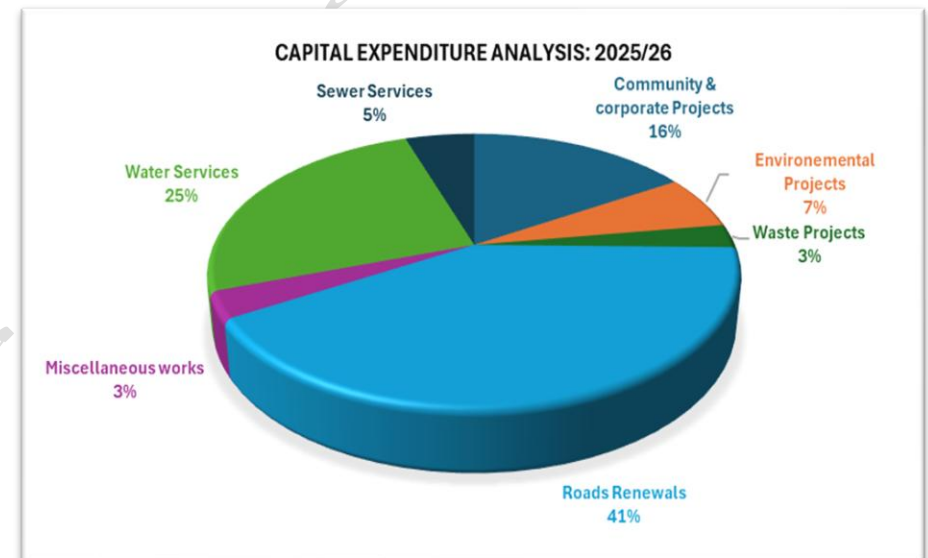
Capital Works Program 2025-2026

The schedule below includes a diverse range of projects such as the redevelopment of the Walgett Swimming Pool, upgrades to sporting facilities, vital water system renewals in Walgett, Lightning Ridge, and Collarenebri, as well as important road and footpath renewals.

Significant funding has been allocated from multiple sources including council reserves and grants, demonstrating a strategic blend of funding to maximize impact while managing financial sustainability. Some projects are carryovers from the previous year, ensuring continuity of long-term initiatives.

The council continues to prioritise projects that enhance community wellbeing, safety, and environmental protection, while also addressing critical infrastructure needs in remote and regional areas. This comprehensive capital works schedule represents the Council's ongoing commitment to supporting sustainable growth and improving the quality of life for residents.

| Programs | \$ (Millions) |
|--------------------------------|----------------|
| Community & corporate Projects | \$ 2.56 |
| Environmental Projects | \$1.00 |
| Waste Projects | \$0.44 |
| Roads Renewals | \$6.52 |
| Miscellaneous works | \$0.50 |
| Water Services | \$ 4.00 |
| Sewer Services | \$ 0.80 |
| Total | \$15.82 |



Investment in roads infrastructure \$6,529,322 = 41% of capital works program

Investment in water, sewer and waste infrastructure \$5,043,983 = 33% of capital works program

| Capital Works Program 2025-2026 | |
|--|-------------|
| Activity | Budget |
| Corporate Projects | |
| Swimming Pool - Walgett (redevelopment plans) | \$300,000 |
| Collarenebri Bore Baths | \$250,000 |
| Walgett Ovals 2 & 3 - Lighting | \$100,000 |
| Burren Junction Oval - Watering & Lighting | \$100,000 |
| Rowena Hall Repairs | \$100,000 |
| Loan Principal Repayments- Housing | \$63,682 |
| Link path - Collarenebri Primitive Camp to Bridge | \$50,000 |
| Walgett Multipurpose Sports Complex | \$1,500,000 |
| Administration Building - Walgett | \$100,000 |
| Environment Projects | |
| Walgett Animal Pound | \$ 900,000 |
| Grawin/Sheepyards Waste Depot Perimeter Fencing | \$105,000 |
| Cumborah - Cemetery | \$15,000 |
| Waste | |
| Grawin & Sheepyards Water depots - Perimeter fencing | \$100,000 |
| DWM Strategy Implementation | \$250,000 |
| Small Landfills Equipment | \$96,982 |
| Regional Road Renewals | |
| RR7716 Come by Chance Rd Upgrade 52 km | \$1,000,000 |
| Local Road Renewals | |
| FLR - Cryon Road, Rowena | \$3,000,000 |
| Footpath - Lightning Ridge Pandora Street | \$181,322 |
| Grant - R2R Work in Progress | \$500,000 |
| Footpath - Lightning Ridge Onyx St | \$228,000 |
| Opal Street Footpath - Lightning Ridge | \$210,000 |
| Drainage - Converting open drains, spoon | \$250,000 |

| Activity | Budget |
|--|---------------------|
| Woodlands Road Upgrade (2.8km Gravel) | \$60,000 |
| Shermans Way Upgrade (1km) | \$500,000 |
| Colless Street Upgrade (800m) | \$400,000 |
| Merrywinebone Rd floodway upgrades | \$200,000 |
| Miscellaneous Works | |
| Walgett – Levee bank and erosion control | \$250,000 |
| Collarenebri Primitive Camping Grounds | \$249,955 |
| Water | |
| Walgett - Water System Asses | \$166,000 |
| Lightning Ridge - Water Tower Cooling System | \$700,000 |
| Lightning Ridge Bore Line No. 1 Pipeline Replacement | \$2,600,000 |
| Lightning Ridge Bore Line No. 2 Pipeline Replacement | \$XXX |
| Lightning Ridge - Water System Assets – Work in progress | \$166,000 |
| Collarenebri – Replacement of water membrane | \$100,000 |
| Collarenebri – Water System Assets – Work in progress | \$166,000 |
| Rowena – Village associated works | \$100,000 |
| Sewer | |
| Walgett – Sewer mains replacement/realignment | \$180,000 |
| Walgett – Sewer machinery and shed | \$25,000 |
| Walgett – Discharge plant | \$200,000 |
| Lightning Ridge – Sewer mains replacement/realignment | \$180,000 |
| Collarenebri - – Sewer mains replacement/realignment | \$180,000 |
| Total | \$15,467,941 |