



Image: Austinmer Sunrise

Wollongong City Council

Attachment 1 Budget 2026-2027

Draft for Exhibition

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Introduction

Wollongong City Council is committed to the principles of organisational sustainability, including financial sustainability and good financial management. Council will use ratepayers' money wisely, together with other funding available, to provide prioritised services in a fiscally responsible manner. To Council, financial sustainability means we can provide quality planned and ongoing services, including the infrastructure that is used in providing those services to the community, without having to consider unplanned increases to rates or disruptive reductions in service levels. Good financial management requires an understanding of the short and long term financial implications of decisions - now, in the past, and into the future. It also requires consideration of the potential influences outside of Council's control that may impact on our finances.

The Budget is a component of the Delivery Program and Operational Plan that provides the financial projections for the next four years based on the direction proposed and decisions of Council. It details the planning assumptions that underlie these projections, the key indicators that are used to measure performance and it discusses areas of risk.

It is a living document intended to support decision making and provide a guide for future action. It is continually updated to reflect both internal decisions and external impacts.

The financial forecasts are built within the parameters of Council's Financial Sustainability Policy. The Financial Sustainability Policy provides direction and context for decision making in the allocation, management and use of Council's limited financial resources. It sets the parameters within which Council provides financial stability, affordability, focus, efficiency, or value for money, over the short, medium and longer terms. The key performance indicators outlined in the Financial Sustainability Policy set clear targets to support continuous measurement of financial sustainability.

Current Financial Situation

As Council enters this planning cycle, the reported Operating Result [pre-capital] continues to be negative over the forward estimates; however, this outcome should not be interpreted as an indication that Council is operating in a cash flow deficit. The primary underlying driver of the negative Operating Result [pre capital] is sustained cost inflation in capital projects, which has materially increased asset valuations and, in turn, depreciation expense recognised in the Operating Result [pre capital]. While the Operating Result [pre-capital] remains a financial measure, it increasingly reflects accounting impacts rather than Council's funding capacity or its ability to maintain current service levels. For this reason, Council has shifted its planning and reporting focus towards medium- and long-term financial sustainability measures that more accurately capture future capital renewal requirements through Funds Available for Asset Replacement (refer to Diagram 4) and the long term impact on Council's underlying funds through the Funds Result (see Diagram 2). These indicators within the Operating Plan 2026-2027 support the medium and longer financial sustainability of Council.

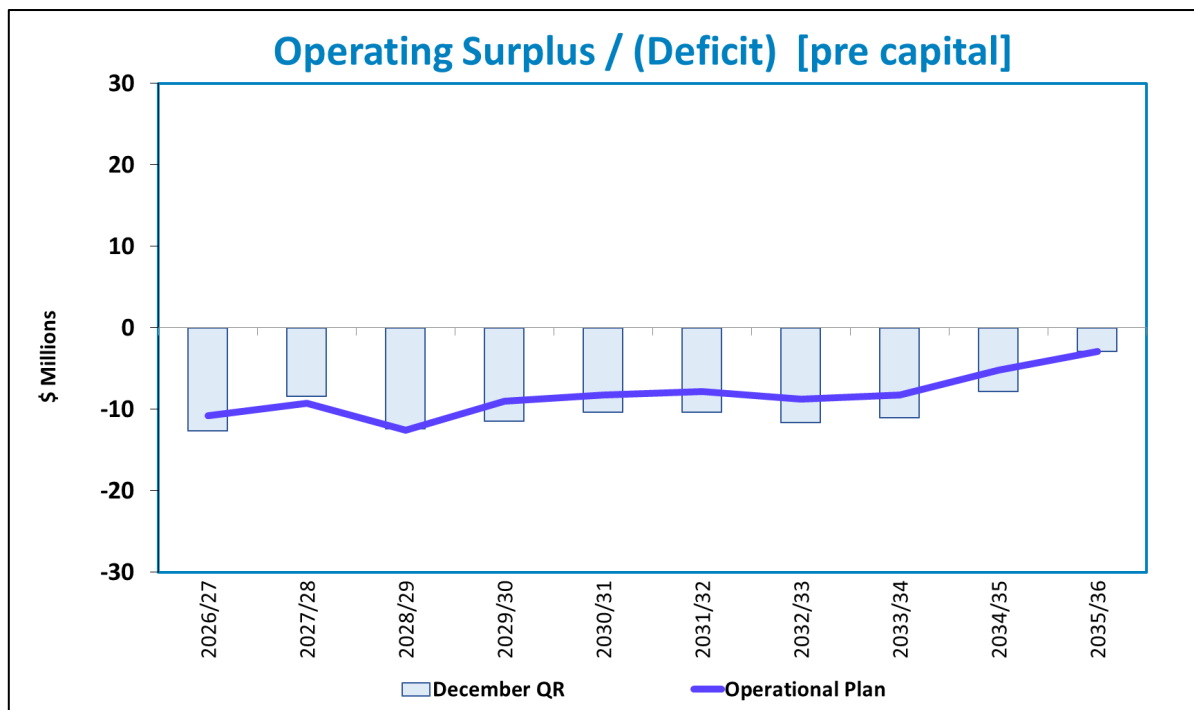
Previous planning cycles have provided opportunity for short term capacity in Council's Available Funds. As outlined within Council's Financial Sustainability Policy, where Available Funds levels are above minimum requirements, additional funds will be transferred to the Strategic Projects Restricted Asset and consideration given to the allocation of funds through the Strategic Planning process. As part of the development of the 2026-2027 Operating Plan and forward estimates to 2029-2030, a modest number of new initiatives and service enhancements have been incorporated into Council's financial forecasts. Over the four-year period, proposed allocations from the Strategic Projects Restricted Asset total approximately \$10.8M, with the most significant investment occurring in 2028-2029. These inclusions are primarily focused on capital and program enhancements aligned to Council priorities, including increased investment in footpaths and cycleways, mountain biking infrastructure, sustainability and climate action initiatives, signature events, and targeted land-use planning capability. While several initiatives are short-term in nature and conclude by 2028-2029, the footpaths and cycleways program represents a substantial multi-year commitment, with expenditure extending through to 2029-2030 and beyond.

In addition to the capital and program investments, the 2026-2027 Budget includes the recognition of new and growing ongoing operational costs arising from recent and planned asset delivery. These

additional operating costs increase from a relatively modest level in 2026–2027 to approximately \$437,000 per annum by 2029–2030. The most material operational impacts relate to the maintenance and operation of new and expanded footpaths and shared paths, as well as the ongoing costs associated with the Thirroul and Wollongong skate parks. These cost increases have been factored into Council’s operating forecasts and reinforce the importance of continued focus on long-term financial sustainability, particularly as one-off Strategic Projects Restricted Asset funded initiatives transition into recurrent service and asset management obligations.

In addition to the factors outlined above, the Operating Result [pre-capital] has been impacted by revised income and expenditure forecasts relating to the Waste Facility and Domestic Waste activities. This has resulted in a reduction in the Operating Result [pre capital] for these activities, however, does not represent an unfunded shortfall, as these activities are fully supported by sufficient balances in the Domestic Waste Reserve. As illustrated in Diagram 2, the Funds Result over the forward estimates are positive (other than 2026-2027) with Forecast Available Funds Balance in Diagram 3 remaining in the higher portion of the targeted range. The revised Operating Results [pre-capital], compared to the December Quarterly Review, are presented below in Diagram 1.

Diagram 1



While the Operating Result [pre capital] remains a key Financial Statement and Quarterly Budget Review result, it will not be considered a Key Financial Indicator for planning and reporting purposes moving forward due to the way in which depreciation and some income is measured, which doesn’t accurately reflect the annual replacement cost of Council’s assets or Council’s capacity. The Financial Sustainability Policy includes medium (10 years) and long term measures to replace measures that reflect depreciation as a proxy for asset replacement requirements. This ensures the Policy focuses on funding capacity and actual asset renewal requirements, which are more accurate measures of sustainability.

While the revised financial forecasts based on the revised Financial Sustainability Policy methodology and measures provide stability and affordability based on existing services and assumptions, there continues to be substantial challenges due to the State Government controlled Rate Peg not matching cost escalation, variable economic conditions, cost shifting and a clear demand for more than just financial sustainability. Our community engagement continues to provide clear evidence of the desire for increased service and improved levels of service across several Council operations.

To maintain organisational sustainability and continue to develop new and enhanced services, actions will be required in future years to create additional capacity in the short term and potentially fund longer term shortfalls. There are three options available to create capacity for new or enhanced services:

- Improve efficiency through better operations that reduce the cost of services – including reducing the lifecycle cost or improving the utilisation of assets used in the delivery of services.
- Decrease delivery of some services or service levels that are not required or prioritised by our community.
- Increase revenue from rates, fees, investments, rental and other property returns, grants and contributions.

It is important to note that Council will continue to focus on increasing capacity through organisational sustainability initiatives in the first instance.

Financial Sustainability

The Financial Sustainability Policy is reviewed on an ongoing basis and targets are modified over time to reflect Council's financial sustainability, maturity, evolution and to respond to crisis and external influences. The Financial Sustainability Policy is viewed as an enabling Policy that provides the guiding principles to provide financial stability.

The current Financial Sustainability Policy has clear objectives including:

- Council will aim to maintain Available Funds (the unallocated portion of revenues) between 3.5% and 5.5% of operational revenue [pre capital].
- Council's annual allocations to operational and capital budgets will generally not exceed anticipated cash inflows.
- Council will plan to achieve a Funds Available for Asset Replacement at least equal to the estimated cost of replacing assets due for renewal.
- Council will monitor the long term asset renewal requirements and plan for potential issues outside of the current planning cycle.
- In determining the approval of budget for new, expanded, or upgraded assets, Council will ensure that the whole of life cost is considered and is able to be sustainably accommodated within future forecasts.
- Council will actively consider borrowings through its Resourcing Strategy and Capital Budget as a source to finance timing mismatches between cash availability and expenditure requirements and to provide for intergenerational equity, where determined applicable.

Financial Forecasts

The financial forecasts contained in this document provide a financial view that support the Service levels and outcomes documented in the Resourcing Strategy 2025-2029, Delivery Program 2025-2029 and Operational Plan 2026-2027.

Forecasts have been informed by Council's Asset Management Plans adopted in June 2025, capital program timing, and are supported by a range of underlying indices and assumptions discussed throughout this document.

The development and maintenance of Council's forecasts are centred around a 10 year continuous budget process that is updated in line with longer term annual delivery planning, regular reviews and resets of assumptions and indices, Quarterly Review changes, and one-off changes where new information leads to a requirement to alter forecasts. Underlying indices support the long term forecasts and are revised through the strategic planning process to reflect recent economic indicators. The greatest risk in this process is that underlying indices, particularly the correlation between the rates index and cost of service, are mismatched in the future.

The key revised financial forecasts for the years 2026-2027 to 2029-2030 are shown in the tables below.

Table 1

Key Income & Expense Results				
	2026/2027 Budget \$M	2027/2028 Forecast \$M	2028/2029 Forecast \$M	2029/2030 Forecast \$M
Funds Available for Asset Replacement	74.0	71.6	79.3	59.7
Funds Result	(0.7)	1.3	1.5	1.4
Available Funds	16.7	18.0	19.5	20.9

Strategic Projects Restricted Asset Investment

In years where Council has achieved financial savings beyond the targets set in the financial forecasts, funds have been transferred to Strategic Projects internally restricted asset to be held for allocation through the strategic planning cycle. This has provided a level of additional capacity that can be applied to enhance some service deliveries, accelerate planned projects, or introduce additional projects. The Operational Plan 2026-2027 includes capital and operational projects that are non-recurrent or fixed duration to be funded from Strategic Projects restricted asset. The funding made available to projects from the Strategic Projects restricted asset over the next four years are detailed in the diagram below. Note that these figures reflect the amount funded from the Strategic Projects Restricted Asset and may not represent the full cost of the projects.

Table 2

Funded from Strategic Projects Restricted Asset				
	2026/2027 Budget \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Capital Projects				
Southern Suburbs Community Centre and Library	11,500	-	-	-
Helensburgh Community Centre and Library	2,860	140	-	-
Mountain Bike Supporting Infrastructure Stage 2	1,250	250	-	-
Parking Meter Replacement	1,000	-	-	-
Wollongong Foreshore Legacy	750	-	-	-
Mount Kembla Mountain Bike Amenities	500	-	-	-
Balgownie Mountain Bike Amenities	500	-	-	-
Your Library Everywhere Capital Renewal	-	-	-	8
Cycle/Shared Paths - New	-	103	1,271	1,309
Traffic Facilities	-	210	-	-
Total	18,360	703	1,271	1,316

Table 2 (continued)

Funded from Strategic Projects Restricted Asset				
	2026/2027 Budget \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Studies and Supporting Documents				
Draft Bulli Showground Masterplan - Feasibility Assessment	124	-	-	-
Botanic Gardens Design Investigation for Asset Improvement	60	-	-	-
Feasibility Study Synthetic Football Pitch in Northern Suburbs	57	-	-	-
West Dapto Review WaterCycle Masterplan	50	-	-	-
Bong Bong Community Centre and Library Feasibility	50	-	-	-
Fred Finch Park - Landscape Masterplan	20	-	-	-
Thirroul Village - Character and Heritage Study	-	-	152	-
Total	361	-	152	-
Other Non-Recurrent Projects				
Signature Events Enhancement	250	258	265	-
Sustainability and Climate Action Acceleration Program	250	258	265	-
Wollongong Festival	200	206	212	-
Land Use Planning Service Enhancement	199	185	168	-
Open Street Event Support	150	150	-	-
Cycling City project	150	154	159	-
Wollongong Biennial Acquisitive Sculpture Award	140	-	140	-
Amy Monument Thirroul Beach	40	-	-	-
Total	1,379	1,210	1,210	-
Annual Total	20,100	1,913	2,633	1,316
Cumulative Total	20,100	22,013	24,645	25,962

Key Performance Indicators

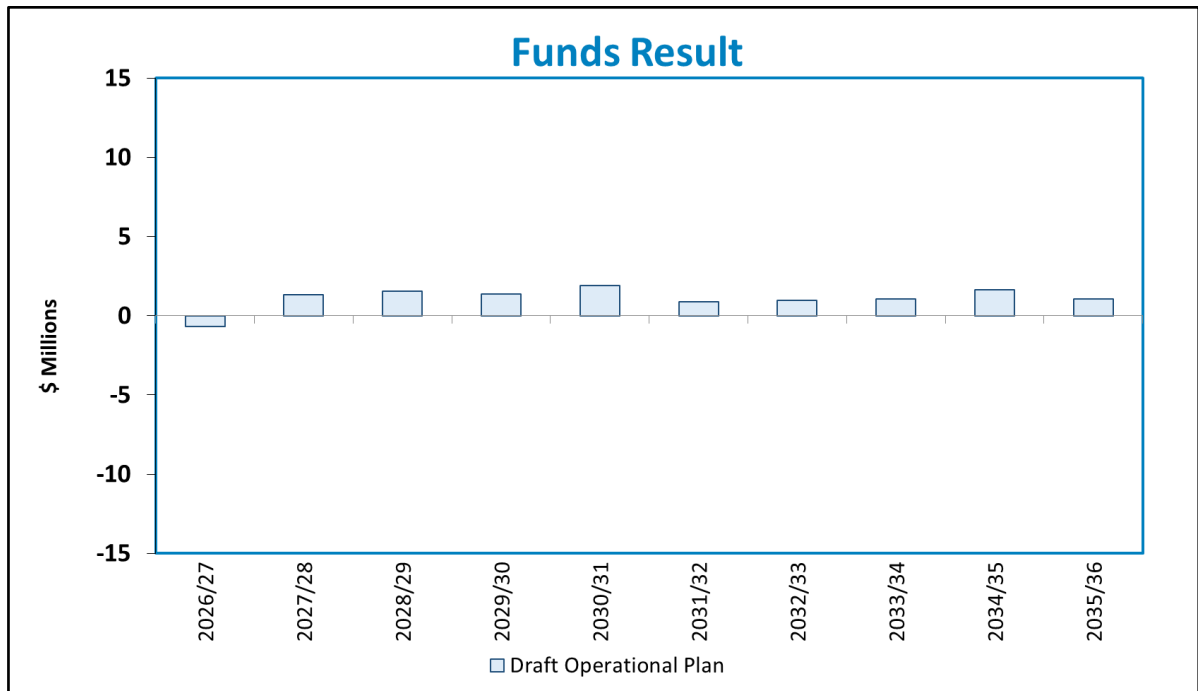
The long term forecasts presented below are indicative of Council's existing position. Council has a continuous budget process that revises the long term forecasts in line with quarterly changes and resets assumptions and indices annually or where new information leads to an immediate requirement to change the indices. The projected long term indicators are primarily based on existing assumptions and indices from the Community Strategic Plan, Delivery Program and Resourcing Strategy and the Long Term Financial Plan.

Total Funds Result

The Total Funds Result provides an indication that the forecast budgets for the 10 year period are affordable and that cash can be managed to ensure that payments can be made as required. By holding a level of Available Funds and planning for near breakeven funds results, Council can maintain this position into the future so long as it also maintains its assets to ensure they are fit for purpose. The total funds result is inclusive of financing cash flow and movements in Restricted Assets.

Diagram 2 shows the forecast Total Funds Result for the next 10 years. Council's Financial Sustainability Policy aims to achieve a break-even or better result in each year, noting that variations between individual years can occur as part of longer-term financial planning. Currently, Council is primarily forecasting a positive result across the 10 years, although has one year where the funding is slightly negative. The flexibility available in the Available Funds range, Diagram 3 below, shows the quantum of these variations fall within the targets available.

Diagram 2



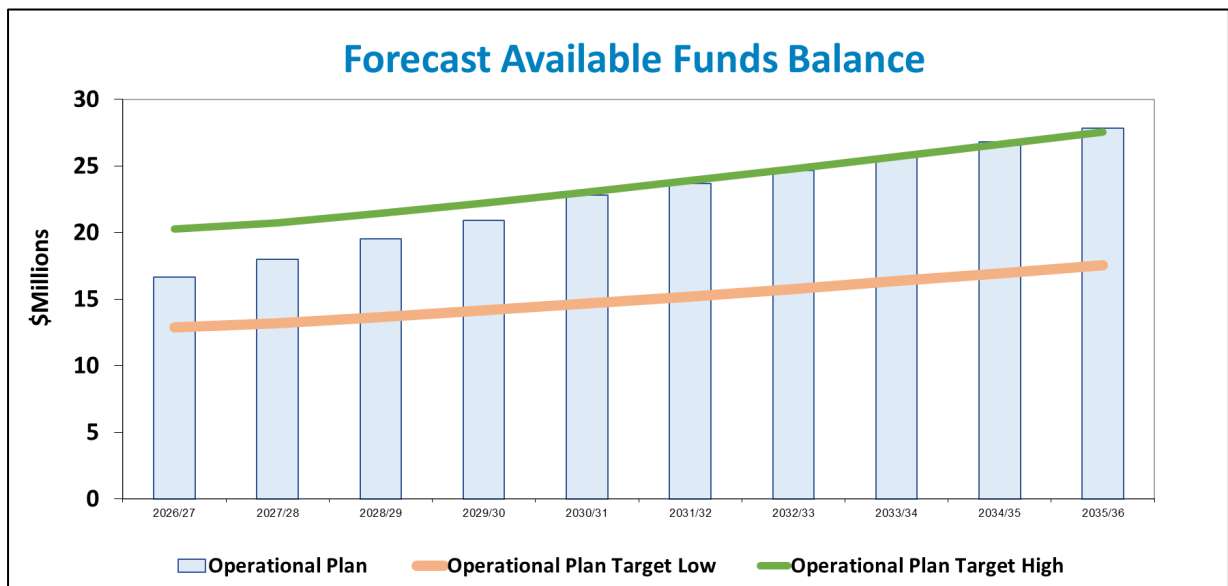
Available Funds

Available Funds are the uncommitted funds that Council has earned but not committed. These funds assist in meeting the short term cash requirements, provide contingency for unexpected costs or loss of revenue and provide flexibility to take advantage of opportunities that may arise from time to time. The annual Total Funds result creates the annual positive or negative variation to this amount. Council's Financial Sustainability Policy has a target to achieve and maintain an Available Funds position between 3.5% and 5.5% of operational revenue [pre capital].

The long term financial projections that support the Resourcing Strategy 2025-2035 indicate that the target range for Available Funds is between \$12.9M and \$17.5M (lower range) and between \$20.3M and \$27.6M (upper range) over the life of the Long Term Financial Plan.

Forecasts indicate that Council would be able to remain within the target based on current estimates and assumptions.

Diagram 3



Asset Management Replacement Ratio

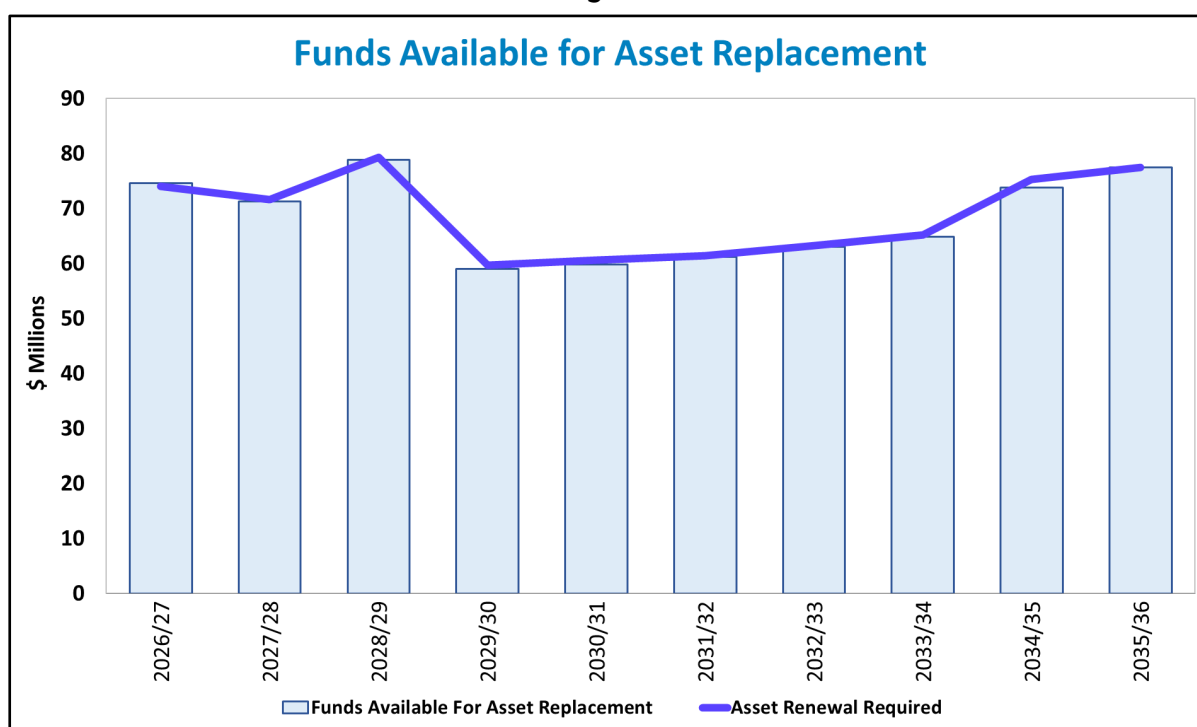
The Asset Management Replacement Ratio measures the estimated cost of required asset replacement over the period and indicates the level to which funds are available from operations to complete these works. Council's Financial Sustainability Policy prioritises the requirement to at least provide sufficient funds to replace assets as they fall due. The Asset Management Strategy and Plans, adopted by Council in June 2025, are used to determine the amount required for asset replacement. So long as Council is producing sufficient revenue to cover its operating costs and have remaining funds available, that coupled with proceeds from asset sales and Restricted Assets can fund the required asset replacements, the ratio would be one to one. Should Council not meet this funding requirement it would not be able to replace assets as required which would not meet the sustainability requirements.

Funds Available from Operations that are not required to be applied to asset replacement in the current year would be allocated to improve Available Funds, to provide new, enhanced, or upgraded assets, or be restricted to meet future requirements.

The requirement for replacement of existing assets at agreed standards has been assessed through the Asset Management Strategy and Plans.

Diagram 4 shows the forecast Asset Management Replacement Ratio as outlined in Council's adopted Asset Management Plans.

Diagram 4



Borrowings

The Financial Sustainability Policy requires that:

- a Council will actively consider borrowings through its Resourcing Strategy and Capital Budget as a source to finance timing mismatches between cash availability and expenditure requirements and to provide for intergenerational equity, where determined applicable.
- b Borrowings will be considered for investment in assets acquired to provide additional service or service level, to finance investments, or to provide for timing mismatches in asset replacement funding.
- c Internal borrowing will be applied first where funds are available and determined to be more economical.

- d Interest on internal borrowings will be costed where borrowing is applicable to Income Activities, to reflect the opportunity cost and will be applied in business cases to reflect actual return on investment.
- e Borrowing terms will preferably be structured to match, but not exceed, asset life where there is appropriate product in the market to do so.

Council's current forecasts indicate Council will remain a low debt user although capacity remains for Council to take on new debt in line with our Financial Sustainability Policy. The timing of infrastructure development and progress for West Dapto release areas and other asset requirements is continuously reviewed to determine need for debt financing. Current modelling for West Dapto development and asset requirements indicates there is a possibility that some infrastructure assets will need to be built in preparation for development and could require borrowing in future years. If that were to occur, the debt would be repaid by future development contributions and restricted assets created from revenue growth in the West Dapto area.

Proposed Borrowings

Council has applied for access to funding under the NSW Government's Low Cost Loans Initiative to support the delivery of housing-enabling infrastructure within the Local Government Area. The cost of the infrastructure identified on Council's funding application anticipate an external loan value of approximately \$25M to support its construction. At the date of preparing this report, the outcome of the application is not known. Accordingly, external loan repayments (principal or interest) associated with this initiative have not been included in the exhibited budget. Should Council's funding application be successful, the financial impacts will be incorporated through a future budget planning cycle at the value noted above, including any associated revenues received under the Low Cost Loans Initiative. It is anticipated that loan principal repayments would be fully funded from Developer Contributions, and that the net interest position is likely to be positive when offset against interest income received, resulting in no adverse impact on Council's Funds Result.

Within the next four years, internal borrowings will be required for the Waste Facility. This is discussed in further detail within the Borrowing Costs section.

Additional Budget Considerations

West Dapto

A significant part of Wollongong's service and population growth is expected to be centred on new residential developments at West Dapto in Wollongong's south-west. Growth in West Dapto will require significant new services supported by a substantial level of new infrastructure. Supporting Documents, such as the West Dapto Local Environment Plan, Infrastructure Plan, Access Strategy and West Dapto Development Contribution Plans have articulated proposed services, assets and potential future sources of funds to some extent and this has informed the development of a West Dapto release area financial forecast model. The implications of this model have been incorporated into the financial forecasts. The model is based on extremely broad assumptions for actions that may vary markedly as the future unfolds. A conservative approach has been taken that assumes a self-funding model and only includes agreed grant programs in these forecasts. The financial impacts of West Dapto are further discussed in the Current Assumptions and financial management principles throughout the document.

Potential Initiatives

There are several other potential initiatives or programs that have not been included in the financial estimates or Infrastructure Delivery Program 2026-2027 to 2029-2030 at this stage due to the lack of certainty around the timing, funding and/or probability of completion. These include actions such as:

- Disaster and Critical Incident Program
- Future impacts on strategies under review in the plan
- Community & Recreation facilities at West Dapto
- Grand Pacific Walk future stages
- Projects to achieve Net Zero by 2030
- Further climate change measures
- Coastal Management
- Beaton Park Re-development
- Companion Animal Care and Rehoming Service
- Bellambi Foreshore
- Potential property development
- Windang Foreshore

There are also initiatives of the New South Wales government and private industries that may require response or complementary works of Council:

- Illawarra Sports and Entertainment Precinct
- BlueScope Land Transformation
- New South Wales Health - Wollongong Health Precinct
- Homes New South Wales - Gwynneville and Bellambi
- Warrawong Park Lands (Kully Bay)

Other Risks and Exposures

The financial forecasts are based on the information available at a point in time and may be impacted by external factors. There are several potential risk areas that include:

- **Economic volatility & upward price trends.** Budget assumptions are based on declining inflation and greater economic stability. However, current conditions suggest inflation may decrease more slowly than anticipated, with ongoing volatility likely to place upward pressure on costs.
- **Supply of contractors, materials and employees.** While supply of contractors, materials, and employees has improved in some areas, shortages and above-expected pricing persists in key market segments.
- **Enterprise Agreement and Award Outcomes.** Council's future employee cost forecasts are subject to the outcomes of the NSW Local Government State Award negotiations and

subsequent negotiation of Council's Enterprise Agreement. As the Enterprise Agreement may rely on the finalisation of the State Award to establish employee costs increases for 2026-2027, there is currently uncertainty regarding the full financial impact in outer years of the forecast. It should be noted that outcomes that differ from current assumptions may result in higher employee costs than budgeted in future periods.

- **Financial Assistance Grant.** Council currently receives an annual allocation of approximately \$23M per annum that represents 6.2% of total operating revenues. Continued changes to distribution and indexation application may impact on future revenues. The proportion of the Financial Assistance Grant in relation to Australian tax revenues collected by the Australian Government has been declining for some time. Initially, local governments were funded through a tax sharing arrangement with the Australian Government to align their funding with the growth of the Australian economy. This arrangement has since been altered so that only increases in the population and inflation are considered in the funding arrangement. Consequently, Financial Assistance Grants have fallen from 1% of Australian tax revenue to around 0.5% in recent years. Council has made three submissions to State and Australian Government inquiries into the financial sustainability of local government in the last two financial years and has advocated for the reinstatement of the Financial Assistance Grant to 1% of Australian tax revenue.
- **Interest on investments.** Revenue for 2026-2027 is based on current investment holdings with expectations of generating similar investment returns to 2025-2026 given current interest rate environment and generally fixed nature of investment income. In line with the Financial Sustainability Policy, additional returns above the baseline set in the Long Term Financial Plan will be treated as short term capacity within the strategic planning process and allocated on a non-recurrent basis.
- **Waste Facility Income and Operational Costs.** The waste facility forecasts include a substantial decrease in income projections from commercial customers that are subject to increasingly competitive external market conditions. The budget also includes increased recoveries for capital costs of new cell constructions which will remain a risk in future periods. Operational costs in this area may also be impacted by changing environmental compliance requirements and emerging technologies.
- **Shifts in policy or pricing of other levels of Government.** Council is impacted by continual change in policy and pricing by other levels of government that cannot be controlled or estimated accurately in future budgets and is an inherent risk.

Financial Budget Reports

The following budget reports are provided for the 2026-2027 Budget and Long Term Financial Position:

Whole of Council Four Year Financial Forecasts:

- Income Statement
- Funding Statement (including Capital Budget)
- Statement of Financial Position
- Statement of Cash Flows
- Services Financial Report

WOLLONGONG CITY COUNCIL

4 Year Financials

	2026/2027 Budget \$'000	2027/2028 Forecast \$'000	2028/2029 Forecast \$'000	2029/2030 Forecast \$'000
INCOME STATEMENT				
INCOME FROM CONTINUING OPERATIONS				
Rates and Annual Charges	271,333	282,128	293,107	304,391
User Charges and Fees	41,961	43,087	44,748	46,162
Other Revenues	6,283	6,506	6,920	7,160
Grants and Contributions Provided for Operating Purposes	29,649	29,101	29,306	30,057
Grants and Contributions Provided for Capital Purposes - Existing Assets	19,793	5,500	2,300	2,241
Grants and Contributions Provided for Capital Purposes - New Assets	57,193	50,130	47,573	42,857
Interest and Investment Revenues	10,970	6,876	6,787	6,964
Other Income	8,465	8,740	9,041	9,245
Total Income from Continuing Operations	445,647	432,070	439,782	449,078
EXPENSES FROM CONTINUING OPERATIONS				
Employee Benefits & On-Costs	160,647	166,248	171,476	176,139
Materials & Services	98,478	98,212	104,522	105,149
Borrowing Costs	1,135	1,159	1,192	1,238
Depreciation	92,020	95,201	99,441	103,473
Other Expenses	27,163	24,899	25,701	26,563
Total Expenses from Continuing Operations	379,443	385,718	402,332	412,562
Operating Result from Continuing Operations	66,205	46,352	37,450	36,516
Operating Result [pre capital]	(10,781)	(9,278)	(12,423)	(8,583)

WOLLONGONG CITY COUNCIL

4 Year Financials

2026/2027 Budget \$'000	2027/2028 Forecast \$'000	2028/2029 Forecast \$'000	2029/2030 Forecast \$'000
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FUNDING STATEMENT

Surplus (Deficit) [Net Operating Result for the Year]	66,205	46,352	37,450	36,516
Add back:				
- Non-cash Operating Transactions	113,410	117,165	122,011	126,721
- Restricted Cash Used for Operations	16,187	10,662	9,495	7,554
- Income Transferred to Restricted Assets - Operating	(14,424)	(9,994)	(8,158)	(8,287)
- Income Transferred to Restricted Assets - New Assets	(60,536)	(53,343)	(51,010)	(46,361)
- Payment of Right of Use Leases	(170)	(141)	(145)	(5)
- Payment of Employee Entitlements	(19,011)	(19,590)	(20,186)	(20,801)
Advances (Made By) / Repaid To Council	95	100	52	0
Funds Available from Operations	101,756	91,210	89,508	95,337
Income transferred to Restricted Assets - Existing Assets	(11,163)	(11,609)	(12,144)	(13,126)
Proceeds from sale of assets	5,731	3,765	1,784	1,803
Restricted Assets used for Asset Replacement	4,575	21,605	24,020	20,750
Funds Available for Asset Replacement	(74,049)	(71,583)	(79,270)	(59,746)
Available Funds Applied to New, Upgraded & Expanded Assets	26,849	33,387	23,898	45,018

CAPITAL BUDGET

Assets Acquired - Replacement	(74,049)	(71,583)	(79,270)	(59,746)
Assets Acquired - New, Upgraded & Expanded Assets	(82,055)	(57,940)	(55,982)	(85,791)
Payment from Tip Rehabilitation Provision	(1,650)	(20,900)	0	0
Contributed Assets	(14,585)	(14,129)	(22,467)	(16,561)
Funds From: -				
- Available Funds Applied to New, Upgraded & Expanded Assets	26,849	33,387	23,898	45,018
- Funds Available for Asset Replacement	74,049	71,583	79,270	59,746
- Internally Restricted Cash	18,930	8,106	2,941	3,025
- Borrowings	0	0	0	0
- Capital Grants	23,506	15,871	(2,300)	(913)
- Developer Contributions	13,758	22,806	32,980	39,303
- Other Externally Restricted Cash	0	0	0	300
- Other Capital Contributions	14,585	14,129	22,467	16,999
Total Funds Surplus / (Deficit)	(662)	1,331	1,536	1,380

WOLLONGONG CITY COUNCIL

4 Year Financials

	2026/2027 Budget \$'000	2027/2028 Forecast \$'000	2028/2029 Forecast \$'000	2029/2030 Forecast \$'000
STATEMENT OF FINANCIAL POSITION				
CURRENT ASSETS				
Cash Assets	20,278	18,733	17,129	15,343
Investment Securities	182,506	168,596	154,158	138,091
Receivables	34,760	33,701	34,303	35,028
Inventories	6,511	6,511	6,511	6,511
Current Contract Assets	5,582	5,694	5,808	5,924
Other	3,271	3,336	3,403	3,471
Total Current Assets	252,910	236,572	221,312	204,369
NON-CURRENT ASSETS				
Investments	51,309	51,309	51,309	51,309
Property, Plant and Equipment	4,420,213	4,574,657	4,722,963	4,874,245
Investment Properties	6,067	6,283	6,502	6,727
Right-Of-Use Assets	1,103	689	410	452
Total Non-Current Assets	4,478,692	4,632,938	4,781,184	4,932,732
Total Assets	4,731,601	4,869,509	5,002,497	5,137,101
LIABILITIES				
Current Liabilities				
Payables	34,150	34,715	36,210	37,131
Current Contract Liabilities	17,257	17,257	17,257	17,257
Current Interest Bearing Liabilities	328	428	479	479
Current Lease Liabilities	141	145	5	5
Employee Benefit Provisions	58,575	59,676	60,745	61,827
Provisions	5,626	5,739	5,854	5,971
Total Current Liabilities	116,077	117,958	120,549	122,669
NON-CURRENT LIABILITIES				
Non-current Lease Liabilities	1,961	1,955	2,076	2,187
Employee Benefit Provisions	724	738	753	768
Provisions	52,312	53,574	54,892	56,275
Total Non-current Liabilities	54,997	56,267	57,721	59,230
Total Liabilities	171,074	174,225	178,270	181,899
Net Assets	4,560,527	4,695,284	4,824,227	4,955,202
EQUITY				
Accumulated Surplus	1,626,117	1,690,713	1,746,471	1,802,256
Restricted Assets	204,961	186,717	168,408	149,139
IPPE Revaluation Reserve	2,729,450	2,817,854	2,909,347	3,003,807
Total Equity	4,560,527	4,695,284	4,824,227	4,955,202

WOLLONGONG CITY COUNCIL

4 Year Financials

2026/2027 Budget \$'000	2027/2028 Forecast \$'000	2028/2029 Forecast \$'000	2029/2030 Forecast \$'000
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STATEMENT OF CASH FLOWS

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts

Rates & Annual Charges	271,535	282,975	292,625	303,811
User Charges & Fees	42,011	43,299	44,628	46,017
Interest & Interest Received	10,970	6,876	6,787	6,964
Grants & Contributions	106,525	84,620	79,065	75,039
Other	14,537	15,032	15,741	16,181

Payments

Employee Benefits & On-costs	(159,498)	(165,132)	(170,392)	(175,042)
Materials & Contracts	(97,114)	(97,647)	(103,026)	(104,228)
Borrowing Costs	(117)	(104)	(89)	(77)
Other	(26,917)	(24,645)	(25,439)	(26,293)

NET CASH PROVIDED (OR USED IN) OPERATING ACTIVITIES	161,932	145,274	139,900	142,372
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CASH FLOWS FROM INVESTING ACTIVITIES

Receipts

Sale of Infrastructure, Property, Plant & Equipment	5,731	3,765	1,784	1,803
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Payments

Purchase of Investments	4,174	13,911	14,437	16,068
Purchase of Infrastructure, Property, Plant & Equipment	(172,339)	(164,553)	(157,719)	(162,098)

NET CASH PROVIDED (OR USED IN) INVESTING ACTIVITIES	(162,435)	(146,877)	(141,498)	(144,228)
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CASH FLOWS FROM FINANCING ACTIVITIES

Payments

Repayment of Borrowing & Advances	95	100	52	0
Repayment of Finance Lease Liabilities	(56)	(42)	(58)	70

NET CASH PROVIDED (OR USED IN) FINANCING ACTIVITIES	39	58	(7)	70
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NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(464)	(1,546)	(1,604)	(1,785)
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plus: Cash & Cash Equivalents - beginning of year	20,742	20,278	18,733	17,129
plus: Investments on hand - end of year	233,815	219,904	205,467	189,399

CASH & CASH EQUIVALENTS AND INVESTMENTS PER BALANCE SHEET	254,093	238,637	222,596	204,743
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WOLLONGONG CITY COUNCIL

10 Year Financials

	2026/2027 LTM Budget \$'000	2027/2028 LTM Budget \$'000	2028/2029 LTM Budget \$'000	2029/2030 LTM Budget \$'000
GOAL 1 - We are a Sustainable and Climate Resilient City				
Botanic Garden and Annexes	(4,339)	(4,428)	(4,568)	(4,693)
Environmental Services	(3,228)	(3,185)	(3,262)	(2,914)
Floodplain Management and Stormwater Services	(11,905)	(12,307)	(12,671)	(13,084)
Natural Area Management	(4,663)	(4,611)	(4,658)	(4,769)
Waste Management	1,824	2,810	3,539	3,854
GOAL 2 - We have Well Planned, Connected, and Liveable Places				
Development Assessment and Certification	(6,154)	(6,357)	(6,564)	(6,764)
Emergency Management	(7,362)	(7,558)	(7,788)	(8,017)
Land Use Planning	(4,473)	(4,926)	(7,452)	(8,337)
Memorial Gardens and Cemeteries	(555)	(569)	(587)	(605)
Property Services	2,339	2,379	2,790	2,826
Regulatory Control	(3,927)	(3,990)	(4,115)	(4,240)
Transport Services	(48,460)	(49,617)	(51,104)	(52,796)
GOAL 3 - We Foster a Diverse Economy, and We Value Innovation, Culture, and Creativity				
City Centre Management	(2,319)	(2,556)	(2,613)	(2,234)
Arts and Culture	(9,088)	(9,300)	(9,578)	(9,099)
Engagement, Communications and Events	(4,456)	(4,518)	(4,504)	(4,640)
Economic Development	(2,954)	(3,034)	(3,125)	(3,219)
Tourist Parks	1,544	1,587	1,620	1,657
GOAL 4 - We have a Healthy, Respectful, and Inclusive Community				
Aquatic Services	(17,314)	(17,773)	(18,298)	(18,744)
Community Facilities	(5,937)	(6,073)	(6,204)	(6,431)
Community Programs	(5,176)	(2,351)	(2,423)	(2,496)
Corporate Strategy	(1,567)	(1,486)	(1,621)	(1,578)
Integrated Customer Service	(3,673)	(3,785)	(3,902)	(4,020)
Leisure Services	(1,711)	(1,761)	(1,816)	(1,853)
Libraries	(13,001)	(13,349)	(13,720)	(14,094)
Parks and Sportsfields	(28,206)	(28,758)	(29,403)	(29,900)
Public Health and Safety	(793)	(817)	(843)	(869)
Youth Services	(1,604)	(1,652)	(1,706)	(1,750)
Support Services				
Employee Services	(10,018)	(10,174)	(10,434)	(10,699)
Financial Services	233,700	236,450	243,174	252,112
Governance and Administration	(12,625)	(12,911)	(14,305)	(13,524)
Infrastructure Strategy & Support	(21,681)	(21,457)	(22,732)	(23,730)
Information Management & Technology	(13,097)	(13,308)	(13,658)	(14,045)
Internal Charges Service	104	107	109	111
Operating Result [pre capital]	(10,781)	(9,278)	(12,423)	(8,583)

Budget 2026-2027

Current Assumptions

Service levels

The current budget includes service levels as outlined in the Delivery Program 2025-2029 and Operational Plan 2026-2027. Estimates for expenses and income in future years have been applied based on existing service levels unless a decision has been made, or a plan is in place, to vary this level. The detail of services to be provided is outlined in the Delivery Program. Changes to existing services or levels of service progressed through the strategic planning process are incorporated into forward estimates as deployment delivery strategies are confirmed.

Indexation

The financial forecasts are comprised of recurrent and non-recurrent income and expenditure. Non-recurrent items have specified values and timing of delivery. Recurrent items may be subject to the application of indices or are set based on known commitments for expenditure, such as loan repayments, or may be adjusted for volume impacts or future pricing changes.

Where indices have been used, these are based on information from a number of sources including various bank financial reports and economic reports and ABS publications. The annual process of preparing and reviewing the financial forecasts for the Long Term Financial Plan involves an initial review of the indices, followed by continuous updates throughout the process to account for any significant changes. Variations in recurrent budget costs in excess of expected indices will be considered through the strategic planning process and included in budget where agreed. The base for 2026-2027 has been sourced from information available in February 2026.

The financial forecasts have been prepared using the following indices where applicable:

Table 3

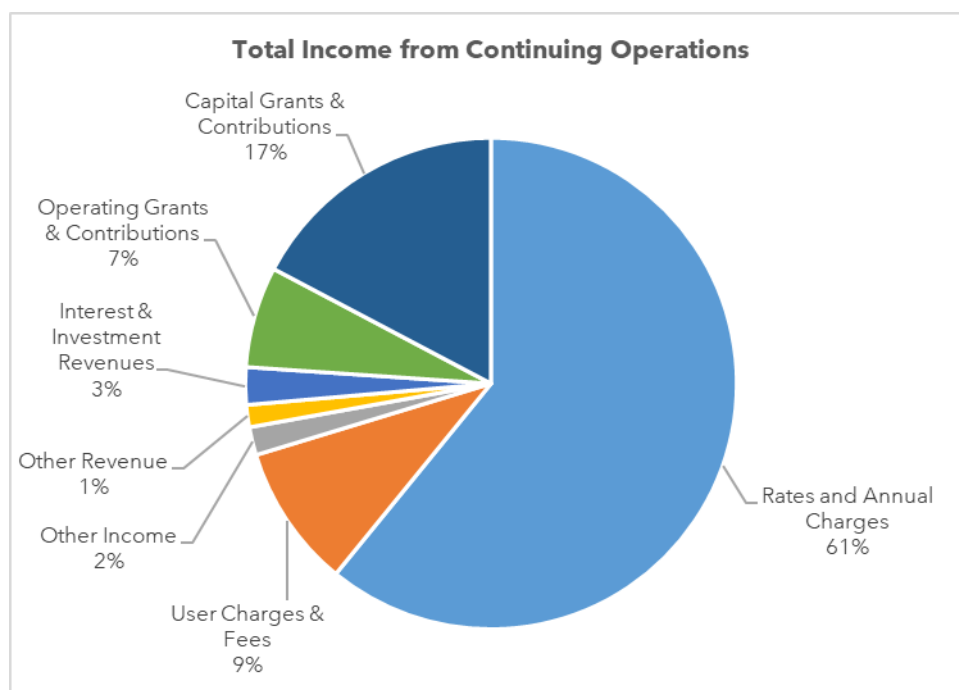
Indices			
	2026/2027 Proposed Budget	2027/2028 Forecast	2028/2029 + Forecast
Rate Increase	3.90%	3.00%	2.90%
Rate Increase - supplementary rate growth		0.40%	0.40%
Rate Increase - IPART population growth gap		0.30%	0.30%
Fees and Charges	4.70%	3.00%	3.00%
Interest Rate (90 day bill rate)	4.60%	4.00%	4.60%
Labour	3.25%	3.00%	3.00%
CPI General Increase	3.20%	2.60%	3.00%
Utilities			
- Electricity	Based on actuals	3.60%	3.60%
- Street Lighting	Based on actuals	3.60%	3.60%
- Other Utilities	Based on actuals	3.60%	3.60%

Note: Further information regarding the indices above can be found in the relevant Revenue or Expenses sections below.

The following information under the headings of Revenue and Expenses provide additional details for key areas.

REVENUE

Revenue Type	2026/2027 Budget \$M
Rates and Annual Charges	271.3
User Charges & Fees	42.0
Other Income	8.5
Other Revenue	6.3
Interest & Investment Revenues	11.0
Operating Grants & Contributions	29.6
Capital Grants & Contributions	77.0
Total Income from Continuing Operations	445.6



Rates

Rate revenue projections are based on application of the maximum permissible increase, that is advised by the Independent Pricing and Regulatory Tribunal (IPART) annually, and an allowance for supplementary growth in rateable properties.

Rate increases have been set by IPART since 2010 as delegated by the Minister for Local Government with the current rate peg methodology in place since the 2024-2025 financial year.

The IPART determination for 2026-2027 will allow Council a 3.9% increase in General Income. This is composed of an increase of 3.0% for general costs variation (Base Cost), an Emergency Services Levy adjustment of 0.2% and Election cost adjustment of -0.1%, and an additional 0.8% for Population Growth.

There is an underlying assumption in the long-term financial plan projections that Council rates revenue will grow (in addition to Base Cost indexation) by 0.7% per annum for new properties (Rates Growth - excluding West Dapto). This is based on historical trends and future expectations. Of the 0.7% increase, it is anticipated that 0.4% of that additional revenue will be achieved through

supplementary rates growth and the 0.3% will be provided through the Population Growth allowance in the IPART Rate Peg for Wollongong.

In addition, growth has been built into the long-term forecasts for expected development at West Dapto aligned with the estimated staging of that release area as shown in the table below.

Council currently applies a Special Rate. The Special Rate has historically been indexed in line with the rate peg, although could be indexed on a different basis if determined. The Special Rate is projected to be indexed on the historical application of the rate peg.

More detailed information relating to the rates and rating policy is provided in Attachment 3 – Draft Revenue Policy, Rates, Annual Charges and Fees 2026-2027 document.

Table 4

Rates Revenue				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
TOTAL Rates Revenue (net of pensioner rebates)	219,140	228,059	237,007	246,253

With the development of new properties in West Dapto, there will be increasing rate revenue for Council over time. This revenue increase will precede operational demand and assets built will require little renewal or maintenance for approximately seven to 15 years, creating a perception of improved financial capacity. Experience has shown the potential for long term negative impacts on budgets if the delayed expense pattern results in additional rate revenue being built into other recurrent operations.

To assist in managing this, the Financial Sustainability Policy requires that increased annual rate revenue created from subdivision in West Dapto will be restricted and only allocated to operational expenditure as the area develops. The annual revenue will be made available to meet infrastructure or planning requirements in the area or be applied to meet existing infrastructure renewal requirements.

Pensioner Rebates

Council is required to provide a rebate to pensioners under the Local Government Act. The prior year's budget has exceeded actual costs and therefore future budgets reflect growth at a reduced level.

The compulsory pensioner rebate to eligible rate payers is 50% of rates and annual charges up to \$250. This rebate has not been increased by the State Government since it was introduced in July 1993. 50% of this rebate is funded by the State Government and 5% from the Federal Government. This funding is included in untied grant revenues.

Council, through its Revenue Policy each year, also provides a Voluntary Council rebate to eligible pensioners who were receiving a Council rebate prior to 1994. This voluntary rebate is funded from Council revenues and is forecast to remain at the current cost over the period.

Pensioner rebates and subsidy are offset against Rates & Annual Charges Revenue for reporting purposes.

Table 5

Pensioner Rebates				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Pensioner Rate Rebate - Statutory s575	2,567	2,597	2,627	2,657
Pensioner Rate Rebate - Council s582	151	146	141	137
Pensioner Rate Subsidy	(1,306)	(1,373)	(1,366)	(1,358)
Total Pensioner Rates Rebates	1,412	1,370	1,403	1,437
Pensioner DWM Rebate - Statutory s575	845	853	793	793
Pensioner DWM Rebate - Council s582	51	51	51	51
Pensioner DWM Subsidy	(465)	(469)	(436)	(436)
Total Pensioner DWM Rebates	431	435	408	408
Total Pensioner Rebates	1,843	1,805	1,811	1,844

ANNUAL CHARGES

Domestic Waste Management Services

The Annual Charges revenue is predominately from Domestic Waste Management. Under the Local Government Act, Council must not apply income from an ordinary rate towards the cost of providing domestic waste management services. Income obtained from charges for Domestic Waste Management must be calculated to not exceed the reasonable cost to the Council of providing those services.

The charge calculated is based on the full recovery of the service, including tipping fees at Whytes Gully. The Waste Facility tipping charge includes pricing for future capital costs associated with the management of the facility and long term site remediation.

In determining the annual Domestic Waste Management Charge, Council must include all expenditure that relates to the delivery of this service and may include provision for future increases to allow for equalisation of pricing from year to year. This is considered a prudent approach as the waste area is subject to changing industry regulation and costs and operational requirements that have the potential for significant variations in the future. Equalisation funds along with any annual improvements beyond planned results for the delivery of the domestic waste service are held as externally restricted cash.

In determining the amount to be charged, Council has calculated its cost per annum under the following headings.

Table 6

Domestic Waste Management Costs 2026-2027	
	\$'000s
Waste Facility	
Waste Disposal Cost	8,815
Administration/Overheads allocation	615
	9,430
Collection Costs	
Collection & Processing Contracts	30,196
Education & Promotion	636
Operational & Administrative Costs	2,282
	33,113
Statutory Charges	
Pensioner Rebate	896
Waste Levy	7,804
Total Expenditure	51,244
Pensioner Subsidy	(465)
Other Revenue	(112)
Total Domestic Waste Management Cost	50,667

The future estimates for Domestic Waste Management are shown below.

Table 7

Domestic Waste Management Revenue				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Annual Charges Domestic Waste Management	50,667	52,525	54,497	56,505

Stormwater Management

Council levies a Stormwater Management Charge on all parcels of rateable land categorised as Residential or Business, other than those exempted under the Local Government Act. The pricing of the Stormwater Management charge has remained unchanged for 2026-2027. The rate has remained static since the original setting by the NSW Government in April 2006. While the charges for Residential properties are at the statutory maximum, the cap on Business properties is below the maximum levels.

The future estimates from Stormwater are shown below. The income from this charge is transferred to the Stormwater Management Restricted Asset and the projects proposed to be funded from this revenue are detailed below.

Table 8

Stormwater Management Revenue				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Annual Charges Stormwater Management Service	1,958	1,979	2,009	2,040

Stormwater Management Service

The Wollongong Local Government Area is prone to high intensity rainfall which can lead to flash flooding. The quantity of runoff during periods of high intensity rainfall is large and only a small proportion of the total flow is carried within both the stormwater networks and creek channels. As a result, floodplain inundation is substantial, often fast-flowing and at considerable depths. During these periods of high intensity rainfall, flooding is generally characterised by rapid rises and falls in water level.

Sustainable management of stormwater is also crucial to the functioning of the city's natural assets and the management of stormwater flows is critical to the safety of the people of Wollongong. Accordingly, there is an urgent need to address water quality and water quantity (volumes and flow rates) issues throughout the city.

To protect our residents, infrastructure and natural assets, Wollongong City Council is complementing the important role water quality and quantity plays in the management of our city's social, economic and natural environment with the Stormwater Management Service Charge. The Stormwater Management Service Charge is used to fund both capital projects and/or other type of projects/initiatives that will provide new or additional stormwater management services, such as new drainage systems, flood mitigation and stormwater treatment measures, as well as pollution control initiatives.

In particular, the Stormwater Charge supports Council in complying with NSW Flood Risk Management Framework by delivering the required review of the Flood Risk Management Studies and Plans and providing additional support to implement the strategies identified in these Plans. The total forecast cost of implementing all high-priority actions in these Plans total over \$200M.

Council can utilise the Stormwater Management Service Charge to deliver increased services (new or additional stormwater management services) in the management of stormwater including:

- planning, construction and maintenance of drainage systems including pipes, channels, retention/detention basins and waterways receiving urban stormwater;

- planning, construction and maintenance of stormwater treatment measures, including gross pollutant traps and constructed wetlands;
- planning, construction and maintenance of stormwater harvesting and reuse projects;
- planning and undertaking of community and industry stormwater pollution education campaigns;
- inspection of commercial and industrial premises for stormwater pollution prevention;
- clean-up of stormwater pollution incidents (charge can fund a proportion);
- water quality and aquatic ecosystem health monitoring of waterways, to assess the effectiveness of stormwater pollution controls (charge can fund a proportion), and
- monitoring of flows in drains and creeks to assess the effectiveness for flow management (flooding) controls (charge can fund a proportion).

Examples of some of the works currently planned to be funded through the Stormwater Management Service Charge include the following.

Stormwater Quantity and Quality Management

Large sections of Wollongong are flood risk affected and have a history of flooding. In response, Council is systematically investigating the risks of flooding with the aim of developing mitigating strategies through our Floodplain Management program.

Floodplain Management can cover a range of activities to reduce potential flood damage within a catchment including:

- design and construction of flood mitigation works,
- policy and planning control review, and
- identification and purchase of 'at risk' properties (subject to complementary funding from the NSW Government Floodplain program).

Council also uses some of these funds to maintain natural areas around culvert inlets to remove material that may potentially cause culvert blockage and contribute to localised flooding.

Declared Dam Management

The Dam Safety Act 2015 and Dam Safety Regulation 2019 reflects the changing standards and practice for managing declared dams, with an emphasis on safety and accountability risk to the public and the environment. The legislation requires Council to have a Dam Safety Management System (DSMS) which complies with ISO 55001 and the requirements of the Act and Regulations, and a Dam Safety Management System Document (DSMSD) which describes the system.

Activities undertaken to affect the DSMS and meet statutory obligations include:

- Regular review and updating of the Dam Safety Emergency Plans (DSEP) and Operations and Maintenance Plans (O&MP).
- Development and implementation of emergency management training curriculum, training for key personnel and undertaking emergency exercise simulations.
- Undertaking engineering analysis to understand the impacts of dam breach and risk to populations downstream of declared dams.
- Risk mitigation works and initiatives.
- Regular surveillance and maintenance of Council's Declared Dams.

Stormwater Management Service Charge Project Program

Table 9 below provides details of how additional projects, listed by theme, are to be funded by the Stormwater Management Service Charge. It is important to note that Stormwater Management Service Charge funds can accumulate over time to support future major projects or multi-year programs.

Table 9

Stormwater Management Service Charge				
	2026/2027 Forecast \$M	2027/2028 Forecast \$M	2028/2029 Forecast \$M	2029/2030 Forecast \$M
Stormwater Management Service Charge Income				
Unspent funds brought forward from previous year	490	808	1,176	1,610
Annual Charge	1,958	1,979	2,009	2,040
Available funds	2,448	2,787	3,185	3,650
Proposed Expenditure				
Stormwater Quality Management	700	650	650	950
Stormwater Operational Management	135	155	118	118
Dam Safety Management	805	806	808	809
Total Proposed Expenditure	1,640	1,611	1,575	1,877

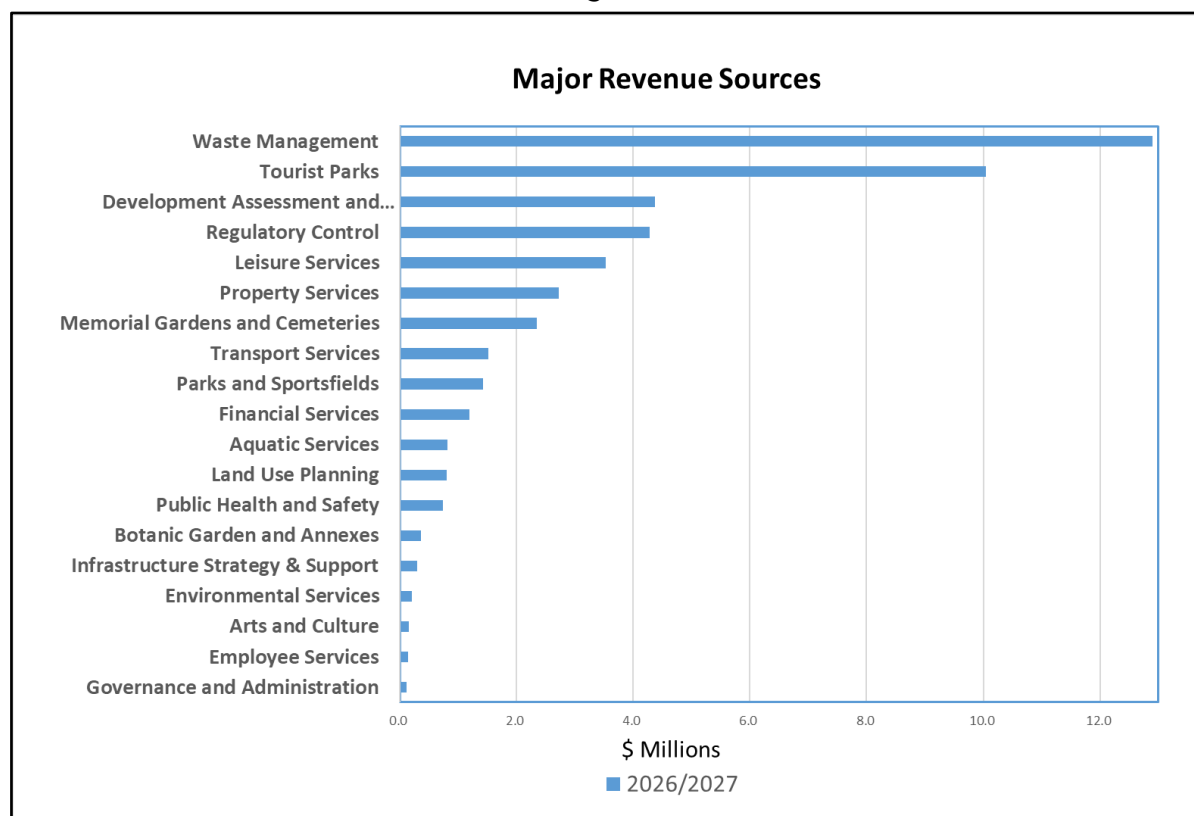
Waste Management Services - Non-Domestic Premises

Council for 2026-2027 will levy a Waste Management fee on approximately 559 non-residential properties where approved. The operations of this service are currently managed through the kerbside collection contracts with direct costs not separated from Domestic Waste Management service. The fee for this service has historically been set in line with Domestic Waste Management fees to avoid cross subsidisation.

User Fees, Charges and Other Revenue

User Fees, Charges and Other Revenue account for 13% of Council's revenue [pre-capital income]. The major elements are shown in the below diagram.

Diagram 5



Council's user fees and other income is primarily attributable to more commercially based operations such as waste facility, tourist parks, property management, recreation centre, heated swimming pools and other park facilities. Other significant income sources include planning and development applications, health services, casual parking, Memorial Gardens and cemeteries. Some of these operations compete in the marketplace and represent Business Activities under the National Competition Policy.

Proposed fees and charges for 2026-2027 are included in Attachment 3- Draft Revenue Policy, Rates, Annual Charges and Fees 2026-2027 for public exhibition and consideration by Council. The income received from fees reduces the rate revenue and other untied income required for these services. Other charges are generally not for service and include penalty income, leasing, recoveries, sponsorship, etc.

Council forecasts include a proposed 4.7% increase for Fees & Charges generally. This adjustment reflects the current economic climate, increased cost pressures on service delivery, and the need to address cumulative impacts from the period during which indexation was frozen due to COVID-19. Where fees are governed by market conditions, return requirements, full-cost recovery, or statutory regulation, variations have been applied accordingly.

Interest on Investments

Interest and investment revenues shown in the Income Statement are inclusive of interest on Council's investment portfolio and charges for overdue rates applied at statutory percentage.

Table 10

Interest on Investments and transfers of Interest to Restricted Assets				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Sources				
General Interest	9,993	5,874	5,754	5,900
Property Rating	977	1,003	1,033	1,064
	10,970	6,876	6,787	6,964
Interest transferred to Restricted Assets	5,633	3,874	3,754	3,900
Net General Interest after Restricted Assets transfers	5,337	3,003	3,033	3,064

Investment portfolio income forecasts are based on anticipated cash holdings and projected interest rates that are derived from several sources including banking sector projections and Council's investment adviser. Projected interest rates are based on forecast 90 day bill rates plus a small premium to reflect current investment strategies and the continuing performance of Council's investment portfolio compared to this benchmark. Cash holdings projections are drawn from the budgeted revenues and expenditures in the budget and anticipated internal and external restricted cash balances. Council is required to restrict any interest attributed to Development Contributions, Domestic Waste Management and a number of grants.

Investments are made in accordance with the adopted Policy Guidelines which are compliant with the Office of Local Government Guidelines and the Local Government Act 1993 - Investment Order.

There have been significant movements in interest rates over the past two years that impacts this revenue stream. In line with the Financial Sustainability Policy, additional returns above the baseline set in the Long Term Financial Plan will be treated as short term capacity within the strategic planning process and allocated on a non-recurrent basis.

CivicRisk Mutual Limited provides Council's insurance requirements (excluding Workers' Compensation) and is reported as a passive interest financial asset under the Australian Accounting Standards (AASB 9 Financial Instruments). As there are many unknown elements that impact on the valuation of this item and definitive trend information is not available, a budget is not provided for this or the fair value movement on other investments.

Operational Grants

The Financial Sustainability Policy states that Council will actively pursue grant funding and other contributions to assist in the delivery of core services.

NSW and Australian Government planning and announcement of one-off specific purpose grants does not generally align with Council's planning cycle. It is anticipated that Council will become aware of, and make application for, a range of grants during the next reporting period that are not budgeted at this stage. Where grants are provided, the budget will be updated to make allowance for the additional income and expense of the program as approved.

Financial Assistance Grant

The Financial Assistance Grant (FAG) is an Australian Government general purpose annual grant to local government distributed through the States. Although the Grant has two components, general purpose and roads component, it is an unconditional grant. The general purpose component is distributed to the States based on population and other derived disability factors, whilst the road component is distributed based on a fixed share of the national pool.

The NSW Local Government Grants Commission is responsible for the distribution of the Grant to councils within the State. Distribution criteria include population changes, changes in standard costs, disability measures, local roads and bridges lengths and changes in property values. The allocation of future funds is still uncertain and may have an impact on future receipts. The budget for the road component has been indexed annually by CPI while indexation has not been applied to the general purpose component for the next three financial years. There is a risk this may not reflect the actual increase.

The Federal Government may from time to time choose to partly prepay the annual grant allocation which can create a distortion of income on an annual basis. There has been early payment of part of the grant in the years between 2018-2019 and 2025-2026. The timing of payment is usually confirmed through the annual Federal Budget process, generally in April. It is conservatively assumed this practice does not continue in the following years.

Table 11

Financial Assistance (Revenue Sharing) Grant				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
General Purpose component	20,018	20,018	20,539	21,073
Roads component	3,420	3,509	3,614	3,723
Total Financial Assistance Grant	23,439	23,527	24,153	24,796

Specific Purpose Operational Grants

There is a small range of Specific Purpose Operational Grants that are recurrent in nature and form part of Council's ongoing budget. The budget and forecast amounts for ongoing funding is provided below by service.

Table 12

Specific Purpose Operating Grants				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Libraries	710	686	686	686
Employee Services	627	441	4	4
Emergency Management	452	452	452	452
Natural Area Management	277	35	35	35
Floodplain Management and Stormwater Services	233	233	233	233
Transport Services	200	205	212	218
Engagement, Communications and Events	90	90	-	-
Regulatory Control	74	-	-	-
Community Programs	50	51	53	54
Youth Services	47	48	49	51
Total Specific Purpose Operating Grants	2,760	2,242	1,724	1,733

It should be noted the current service model recovers all operational costs associated with this service delivery from external funding including accommodation costs, administrative support, use of IT facilities, etc. In the event Council no longer provides this service, there may be a negative impact if the operational costs attributed to this service cannot be recovered from other sources or be removed.

Capital Income

Capital income refers to revenue that is specifically for assets to be acquired by Council (new or renewal). The funding may be in the form of cash contributions or may represent the value of assets dedicated to Council by land developers or other levels of Government. Capital income is

inconsistent from one period to another and is also difficult to predict due to the nature of the transactions.

Wollongong City Council usually eliminates capital income from its key financial measures and discussions as it is not income that can be used to fund the day to day operations of a council or generally be used to replace existing assets. Capital income is, however, important as it is a source of funds that allow increased assets that can improve services and/or provide new services to growing areas such as roads, bridges, drains and playing fields in a new release area such as West Dapto. The operation of these assets will be reflected in Council's operating costs in future years and will form part of the operating financial measures at that time.

Any changes to the quantum or timing in the availability of these grants and contributions will have a direct impact on the Infrastructure Delivery Program. Impacts may include changes in timing of projects pending as alternate sources of funding or substitution of Council funding which may result in a delay in non-funded projects.

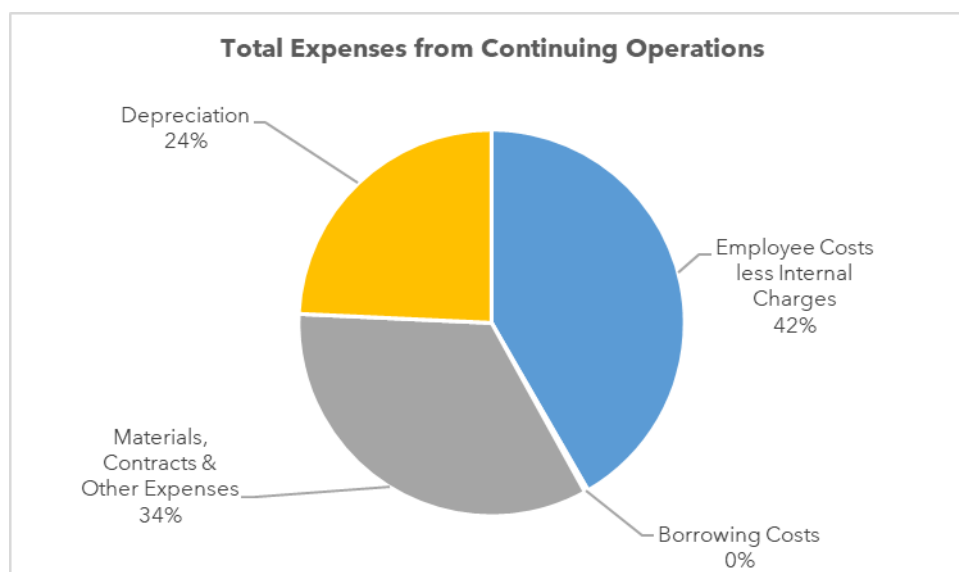
Profit/Loss on Disposal of Assets

A budget is not provided for the impact of asset disposals as the underlying assumption is that depreciation estimates should sufficiently recognise the asset value diminution over time. It is possible that income will be derived from profit on the sale of assets where the value of sale exceeds the carrying value of an asset, particularly where land under roads is sold as values are not recorded on these assets prior to 2008.

The next section of this document discusses the key expense items of Council.

EXPENSES

Expense Type	2026/2027 Budget \$M
Employee Costs less Internal Charges	158.1
Borrowing Costs	1.1
Materials, Contracts & Other Expenses	128.2
Depreciation	92.0
Total Expenses from Continuing Operations	379.4



Employee Costs

Employee costs are inclusive of labour on costs such as superannuation, workers' compensation costs, parental leave, annual leave, provision for long service leave and payroll tax, where applicable. It also includes training costs and safety equipment costs.

Salary & Wages

Labour and associated employee costs are based on budgeted positions required to deliver current service levels. This has historically included a small allowance for growth to provide for changing resourcing needs and labour market movements experienced over time. The current budget does not allow for this due to higher than anticipated changes in the labour indices. Additional labour costs related to specific non-recurrent projects (where identified) are also included.

Labour costs are generally budgeted in accordance with the Enterprise Agreement rates with indicative indexation for increases beyond the current Enterprise Agreement. The current Enterprise Agreement is for three years and commenced on 1 July 2024. The final year of the Enterprise Agreement includes an increase of 3.25% or the Local Government (State) Award New South Wales figure, whichever is greater. As the Award has not been set for the year commencing 1 July 2026, an increase of 3.25% has been applied to the budget. It should be noted that outcomes that differ from current assumptions may result in higher employee costs than budgeted in future periods.

Recurrent casual and overtime budgets are maintained to match the service and structure levels required for 2026-2027. It is usual that some of these budgets are exceeded during the year as additional employee resources are used for projects that are planned but not allocated to labour in the first instance, or for new projects introduced with funding.

Table 13

Salaries & Wages				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Salaries & Wages	130,487	133,886	137,280	141,309
Superannuation	16,983	17,485	17,995	18,559
Defined Scheme Superannuation Top Up	-	-	-	-
Fringe Benefits Tax	186	191	196	201
Labour Hire	439	450	462	474
Payroll Tax	31	32	33	34
Protective Clothing	344	353	362	371
Training Costs (excluding Salaries)	1,197	1,228	1,267	1,300
Change in Workers Comp Provision	310	319	329	339
Workers' Compensation Insurance	3,469	3,573	3,680	3,790
Other Employee Costs	2,616	2,775	2,960	3,093
Direct Labour Oncosts	40,974	42,136	43,329	44,643
Total Employee Salaries & Wages	197,034	202,428	207,891	214,112
Capitalised & Distributed Employee Costs	18,365	18,183	19,517	20,120
Total Operational Employee Salaries & Wages	178,669	184,245	188,374	193,992

Superannuation

Superannuation projections are based on Employee Establishment, casual labour estimates and superannuation scheme membership.

The majority of Council employees belong either to a defined benefits scheme, which ceased taking new members in 1991, or various accumulation schemes. Defined Benefits Scheme expenses are tied to employee contributions while accumulation scheme contributions are calculated as a pre-determined percentage of the employee's salary charged at the current Superannuation Guarantee (SG) rate of 12.0%.

Estimates for Defined Benefit Scheme members are based on Council contributing 1.9 times the employee's contribution plus a 'basic benefit' charge of 2.5% of salary or wages. Defined Benefit Scheme members who are at full contribution points, who are in the 'award' phase for contributions, are covered by a percentage contribution level reflecting the SG levels (basic benefit percentage + award percentage), similar to an accumulation scheme.

Councils have been required to make an additional annual contribution to the Defined Benefits Scheme initially for a period of 10 years to address funding requirements for remaining participants in the Scheme. The final payment of this top up was originally expected to be in 2018-2019 based on discussion with the Superannuation Board in 2014-2015 year. The requirement for an extension of the additional payment was subsequently extended until 2024-2025. Advice received has advised of the cessation of the top up payment from January 2025.

Table 14

Superannuation				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Superannuation	16,983	17,485	17,995	18,559

Parental Leave

The current Enterprise Agreement provides for parental leave at full pay of 14 weeks maternity leave and nine weeks paternity leave. This is paid from a central provision and an estimate of this cost is distributed as part of the labour on costs. The forecast leave costs based on the current Enterprise Agreement are shown below.

Table 15

Parental Leave				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Parental Leave	362	372	384	395

The Federal Government paid parental leave scheme (FGPPLS) is not included in the above budget.

Workers' Compensation

Council has a self-insurance licence for workers' compensation. Conditions for self-insurance include the requirement of an annual reassessment of liability by a qualified actuary. The value of the liability must be supported either by restricted cash or a bank guarantee. Council currently supports this liability through a bank guarantee. Under this arrangement, Council meets all workers' compensation related costs including salary and wages, medical and associated costs up to \$1.5M on any individual claim. Claims beyond this are supported by an external insurance policy. This policy is reviewed annually.

Table 16

Workers Compensation				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Total Payments	3,469	3,573	3,680	3,790
Increase/(Decrease) in Provision	310	319	329	339

Salary & Wages Recovery

The cost of employees working on capital or other division's projects is allocated to the specific projects as work is completed (through work order costing). This includes design, survey, project management and supervision, community consultation and construction or maintenance staff. The Employee Cost budget includes labour costs for all employees and an estimate for the annual employee allocation budgeted to be recovered from capital works or other divisions. This recovery is shown in Internal Charges as a negative expense which reduces the operating cost to the correct level. Under this structure, the capital budget is required to include sufficient works to employ these resources and, where other divisional work is intended, it should be negotiated and provided for in advance.

OTHER EMPLOYEE COSTS

Learning & Development

The Learning & Development budget is held centrally with a portion provided for corporate programs and the remainder allocated to divisions. The following budget is for external provision of training and does not include programs that are delivered internally or labour costs.

Table 17

Learning & Development				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Training, Conferences & Seminars	1,193	1,224	1,256	1,289

Cadets, Apprentices & Trainees

Council has a commitment to providing training opportunities through its cadet, apprentices and trainee program. The following budget includes payments to employees under this scheme, other supporting expenses such as reimbursement of study expenses as well as allocation of support salary staff that administer the program. This is recognised as a corporate initiative with the budget held in a central area.

Table 18

Cadets & Apprentices				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Cadets & Apprentices	2,436	2,479	2,520	2,590

Fringe Benefits Tax

Council incurs a range of fringe benefit costs, some of which are recovered through salary packaging. The majority of FBT exposure in future years is associated with housing benefits at tourist parks.

Table 19

Fringe Benefits Tax				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Fringe Benefits Tax	186	191	196	201

BORROWING COSTS (FINANCING)

Borrowings are considered as part of the Infrastructure Delivery Program and Capital Budget process in accordance with the Financial Sustainability Policy and Asset Management Policy.

Council has applied for funding under the NSW Government's Low Cost Loans Initiative to support the delivery of housing-enabling infrastructure within the Local Government Area. The application seeks for a subsidy to be received by Council in relation to loan funding of approximately \$25M to assist in delivering the capital works outlined in the application. At the time of preparing this report, the outcome of the application is not yet known. As a result, no external loan borrowings or associated debt servicing costs (principal and interest) have been included in the exhibited budget.

Should the application be successful, Council will seek to borrow funds under the initiative. The associated financial impacts, including loan repayments and any related revenues received through the Low Cost Loans Initiative, will be incorporated into Council's financial planning through a future budget review and reporting cycle at the loan value.

The Infrastructure Delivery Program proposes works in Waste Services of \$71.2M over the next four years. These works are planned to be funded from the Waste Facility income that is collected through the gate fee over the life of the facility. The fees collected have exceeded the capital expenditure to date with the excess funds being held in the Waste Disposal Facility restricted asset. The programmed expenditure to 2027-2028 will exceed available restricted funds and require internal and/or external borrowings. Any internal borrowings will have interest allocated to the restricted asset to offset the forgone income to general operations.

MATERIALS, CONTRACTS & OTHER EXPENSES

Forecasts for materials, contracts and other expenses are either specifically budgeted or based on existing service level resourcing plus indexation. The following sections and tables provide background to the key items in this category.

Waste Levy

The Waste levy is applicable to waste and cover materials going to landfill. Rates applicable are determined by the New South Wales Environment Protection Authority based on geographic location, with Wollongong classified as being within the Extended Regulated Area. Application of the levy to cover materials was introduced in March 2007. Current operational expenditure forecasts and fee structures propose that Council will be able to source an amount of cover materials on site to reduce the overall cost of this levy.

A portion of the levy relates to Domestic Waste which is recovered through the internal Waste Charge to Domestic Waste Management.

At Council's current landfill site, there are two types of cover materials in use: slag and VENM (Virgin Excavated Natural Material). The quantity of cover material required is impacted by tonnages of waste that are processed to landfill. The current model is based on slag cover ratio of 0.06 and VENM of 0.10 to waste tonnages. Both slag and VENM incur the EPA levy, however, VENM attracts a 10% pricing discount. Where cover materials are site sourced, these do not attract the levy. Current projections are based on Council being able to site source 100% of VENM requirements on site for the next five years. These projections are reviewed annually both in terms of waste tonnages and

availability of site sourced materials as well as changes in practices that may impact on the quantity of material required.

Table 20

Waste Levy	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Waste Levy - Council	421	424	440	457
Waste Levy - Commercial	3,819	3,898	4,044	4,194
Waste Levy - Domestic	7,924	8,000	8,300	8,608
Waste Levy - Cover Material	-	594	616	639
Waste Levy - Residential Drop Off	862	880	913	946
Total Waste Levy	13,026	13,796	14,313	14,844

Street Lighting

Street lighting costs are made up of an infrastructure charge and a consumption charge. Council also receives a rebate from the NSW Government resulting in a net cost to Council.

Council secured a zero emissions Power Purchase Agreement for contracted electricity and street lighting consumption pricing for a period of 10 years commencing 1 January 2023.

Council is working with Endeavour Energy to replace existing street lights with light-emitting diodes which may have a positive return for Council in the future.

Table 21

Street Lighting	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Street Lighting	3,402	3,524	3,524	3,524
Street Lighting Subsidy	- 806	- 827	- 851	- 877

Emergency Services

Emergency services operations are contributed to by Council as below.

Table 22

Emergency Services Contributions	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Rural Fire Service	905	928	956	985
State Emergency Service	691	709	730	752
NSW Fire Brigade	4,788	4,913	5,060	5,212
Total Emergency Services Contributions	6,384	6,550	6,746	6,949

Insurance

Council participates in the CivicRisk Mutual insurance pool, which comprises a number of NSW councils operating collectively under a mutual self-insurance model. Participation in the Mutual provides a range of benefits, including purchasing efficiencies through collective bargaining, access to shared capability and learning across member councils, improved management of claims volatility, and the retention of equity within the pool rather than transferring value to external insurers.

Council's excess levels for its two major insurance categories, Industrial Special Risk (property damage) and Public & Professional Liability, are currently \$20k and \$100k respectively. These excess levels are reviewed regularly and may be adjusted over time in accordance with market conditions, risk assessments and mutual pool decisions.

Table 23

Insurances				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Insurance Premiums				
Industrial Special Risk Property Insurance	1,553	1,553	1,553	1,553
Motor Vehicle/Plant Insurance	490	490	490	490
Statutory Liability/Civil Defense Orders Insurance	176	176	176	176
Public Liability/Professional Indemnity	2,105	2,105	2,105	2,105
Crime/Fidelity Guarantee Insurance	72	72	72	72
Hangars Keeper Insurance	6	6	6	6
Fine Arts Insurance	53	53	53	53
Fine Arts - Fire Insurance	2	2	2	2
Cyber Liability Insurance	147	147	147	147
Total Insurance Premiums	4,603	4,604	4,604	4,604
Excess Payments				
Public Liability Below Excess Payments	200	200	200	200
Insurance Claims Below Excess covered from Divisional Budgets	100	100	100	100
Total Excess Payments	300	300	300	300

Legal Costs

The following expenditure represents payments to external professional providers for legal services as well as in-house lawyers directly employed by Council since mid-2010-2011.

Table 24

Legal Expenses				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
External Legal Costs	650	667	687	707
"In House" Legal expenditure including employees	783	807	832	857

Fuel & Oil

Fuel is subject to fluctuation in global oil pricing and currency valuations and due to this volatility is subject to an annual review rather than an application of indices. With volatile fuel prices experienced due to the current global environment, there is a risk the financial forecasts may not be sufficient to cover the costs if they continue to rise in the future. Moving forward, adjustment will also be required for fuel costs as the light fleet transitions to non-combustion vehicles.

Table 25

Fuel & Oil				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Fuel & Oil	1,652	1,663	1,675	1,686

Affiliates Contributions**Table 26**

Affiliates Contributions				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Tourism Support & Contributions	1,880	1,929	1,986	2,046
Performing Arts Centre	895	918	946	974
Total Affiliates Contributions	2,775	2,847	2,932	3,020

This represents the direct financial support to these organisations and does not include in kind support like asset use charges such as building occupancy.

Table 27**Other Contributions, Donations & Subsidies**

The Local Government Act 1993 provides the legislative framework under which Council may contribute financial assistance to other organisations, including through contributions, donations and subsidies made in accordance with section 356 of the Act. The following table outlines budgeted Other Contributions, Donations & Subsidies.

Other Contributions, Donations and Subsidies				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Affordable Housing - Housing Trust	2,894	-	-	-
Gong Shuttle Contribution	434	-	-	-
Illawarra Shoalhaven Joint Organisation	101	104	107	110
Dam Safety Emergency Management Plans	95	115	78	78
Sponsorship Fund	85	87	90	92
Local Grants Scheme Heritage Properties	74	76	78	80
Illawarra Surf Lifesaving Contribution	69	71	73	75
Business/Industry Development Activities	68	70	72	74
City Centre - Events and Marketing	53	55	56	58
Community Arts Programme -Small Grants Program	51	52	53	55
Neighbourhood Youth Program - Port Kembla	49	51	52	54
Illawarra Institute Sport Contribution	45	46	48	49
Neighbourhood Youth Program - Berkeley	38	39	40	41
Neighbourhood Small Grants Program	22	22	23	24
Anzac Day Support	18	19	19	20
UOW Scholarships	17	17	18	19
Public Bands Contribution	11	11	12	12
Southern Stars Contribution	10	10	10	11
Life Education Illawarra Contribution	9	9	9	10
Aboriginal Activities	8	8	9	9
Illawarra Historical Society	5	5	5	5
WCC Social Club	5	5	5	5
Minor Donations	4	4	5	5
Wollongong Eisteddfod	4	4	4	5
NAIDOC Week Grants	3	3	3	3
Total Other Contributions, Donations and Subsidies	4,172	883	869	893

Councillors' Expenses**Table 28**

Councillor Expenses				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Councillor support costs	21	22	22	23
Councillors	695	716	738	760
Councillor Expense	716	738	760	783

Telecommunications**Table 29**

Telecommunications				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Telecommunications	729	748	770	793

Postage

Table 30

Postage	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Postage - Central Admin Budget	229	235	242	249
Postage - other areas budget	331	340	350	360
Total Postage	560	575	592	610

Council Rates

This budget represents the costs of Council owned or controlled properties used for commercial purposes or that are currently under lease agreements to other parties.

Table 31

Council Rates	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Council Rates Expense (Council owned properties)	617	636	654	673

Housing Affordability Program

Council has entered into a Memorandum of Understanding with the Commonwealth Government that has allowed Council to retain funding originally provided through the Building Better Regional Cities Program to develop a program that facilitates the delivery of affordable housing in the region.

At its meeting on 10 December 2018, Council provided a range of guidelines for the program that included a focus on innovative, energy efficient and sustainable solutions, the ability for proposals to generate income streams that will support a continuation or expansion of the program into the future and support for schemes that target (but are not limited to) single women aged over 50 years. Council also resolved that existing funds be equally committed to affordable housing delivery proposals from not-for-profit organisations and an affordable home ownership scheme for low to moderate income earners to enter the housing market that could be combined with land owned by Council in the West Dapto release area.

During December 2019, Council completed a tender process (Round 1) for the provision of the first part of the above commitment. Council has entered into an agreement with the Illawarra Community Housing Trust Ltd (trading as Housing Trust) for the delivery of affordable rental housing managed by Illawarra Housing Trust. The agreement seeks the completion of 17 units (minimum) to be constructed to target, but not limited to, single women over 50 years.

In 2022-2023, Council entered into an agreement with Head Start Homes for Round 2 of the Housing Affordability Program. Through this agreement, Council made a one-off payment to Head Start Homes in 2022-2023. The tender process for Round 3 of the program was completed in 2023. This round recommended Head Start Homes for a two stage payment process of a total of \$5M which has been supported, with the final \$2.9M allocated in 2026-2027.

Depreciation

While depreciation is not cash expenditure, it is an important part of the real cost of maintaining Council services. Depreciation represents the consumption of an asset over its life. This deterioration in value of assets occurs through use, ageing or obsolesce.

Council is required to ensure that the value of its assets reflect their fair value at each reporting period. Revaluations of asset classes occur at least every five years. Revaluations can significantly impact depreciation due to changes in asset values and lives.

Council's maturity in asset management is improving and as new information becomes available changes may occur, particularly to asset lives and valuation information. Depreciation forecasts in the long term financial projections include provision for additional assets that are included in the capital works program (excluding West Dapto) and conservative estimates for expected growth

through revaluation. No provision is currently included for any assets that may be contributed to Council from other levels of government or future developments.

CENTRALLY HELD BUDGET CAPACITY

The operational expense budget also includes centrally held amounts that are distributed for specific purposes through the planning process. These are held in the financial projections as follows:

Rates Growth

The growth in rateable assessments and population leads to additional requirements in some services and the need for additional resources to meet those demands. The Rates Growth provision provides financial resourcing for these additional impacts directly from additional rate income. While some Services are directly or indirectly impacted by growth, other areas are not, thereby creating natural economies of scale that lead to increased capacity.

Council's modelling indicates that 40% of the rates increase is required to maintain existing service levels to a broader population in the short to medium term and 30% is required to fund depreciation relating to additional assets and future renewal. The remaining 30% will be available for allocation to new or enhanced service. Funds are generally allocated through the strategic planning process to ensure it matches growth and service demand driven by that growth.

The following table provides funding provision and availability for the four year period.

Table 32

Rates Growth				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Rates Growth	1,451	1,524	2,230	3,994
<i>Comprised Of:</i>				
Volume increase impacts	554	140	357	1,601
Asset enhancement impacts	897	1,384	1,872	2,393
Economies of scale	-	-	-	-

Operational Contingency

It is intended that a central Operational Contingency be held in the budget that supports minor non-recurrent or unplanned projects and events or to address short term pricing or other issues that may arise from time to time. This historically has been relatively small compared to Council's overall operating expense budget with an indicative annual target of around \$1.0M (less than 0.3% of Revenue).

Allocation of these funds is through the strategic planning process including Business Proposals, Service Reviews, Pricing Adjustments, or as otherwise directed by the Executive Management Committee.

Table 33

Budget Capacity - Operational				
	2026/2027 Forecast \$'000s	2027/2028 Forecast \$'000s	2028/2029 Forecast \$'000s	2029/2030 Forecast \$'000s
Budget Capacity - Operational	985	1,000	954	1,000
Operational Contingency - Southern Suburbs Community Centre and Library	430	437	437	446
Operational Contingency - Helensburgh Community Centre Library	399	409	421	434

OTHER BUDGET CONSIDERATIONS

West Dapto Development

The development at West Dapto in Wollongong's south-west will be the largest stand-alone growth for this city. The development commenced in 2011-2012 and is expected to add in the vicinity of 19,800 new dwellings and increase the Local Government Area population by 57,400 over a 40 to 60 year period. The development has extensive infrastructure requirements and poses some challenges due to geographic and environmental factors as well as uncertain development patterns and timing due to disaggregated land ownership.

Council has invested significant resources in planning for the construction of infrastructure and analysing potential financial impacts. The Long Term Financial forecasts are based on the most recent plans and data, however, these projections may need to be modified over time as the underlying assumptions that support these changes.

Revenue

The main income streams from this development will be from developer contributions and rates.

Developer contributions income is based on pricing that is contained in the West Dapto Section 7.11 Developer Contributions Plan and expected timing of lot release. Council adopted its current contribution plan on 7 April 2025.

Rates income estimates are aligned to the estimated staging of the release area. It is expected that the rate revenue increase will precede operational demand and assets built will require little renewal or maintenance in the initial years of their lives, creating an improved cash position through increased Funds Available from Operations. Experience in developing councils has shown the negative long-term impacts that the delayed expense pattern has if additional rate revenue is built into other recurrent operations. Under Council's Financial Sustainability Policy, this income will be restricted and only allocated to operational expenditure as the area develops. The annual revenue in the early stages of development will be made available to meet infrastructure or planning requirements in the area or be applied to meet existing infrastructure renewal requirements for the West Dapto Access Strategy.

Capital Programs

Council continues to support the West Dapto Urban Release Area through delivering capital projects, particularly to improve transport, stormwater, sports and recreation and open space.

These works are primarily funded from Section 7.11 Developer Contributions and grant funds including NSW Housing Acceleration Fund and NSW Resources for Regions. Council continues to investigate funding opportunities to accelerate the delivery of infrastructure in the West Dapto Urban Release Area. Council can only fund 'essential infrastructure work' from the Section 7.11 Developer Contributions, which excludes necessary Community and Sporting building facilities.

The West Dapto capital budget shows a significant investment in the completion of conceptual and detailed civil designs of the key transport infrastructure identified in Council's West Dapto Access Strategy. In addition to specific projects, forward projections also include capital budgets at an aggregated level that will become specific projects as project scopes are further developed.

Contributed Assets

Financial projections for the West Dapto release area recognise that a level of infrastructure requirements will be provided by developers. This is primarily subdivision works such as roads, drains, open space contributed by developers as subdivisions are made available for development. The value of these assets is reflected in the financial projections as capital income and contributed assets based on expected timing of receipt of these. Estimates of future depreciation, operating and maintenance costs for these have been included in forecast operational expenses.

Operational Expenses

The Long Term Financial Plan includes depreciation, operating and maintenance costs associated with services that will be required by the new population in that area such as community, library and

open space facilities that are aligned to population growth. These estimates are based on planned asset construction and cost of providing these services to our existing population. As development progresses, revenue from the area will be used to fund the maintenance and operation of new assets and services as part of Council's overall budget. Operational costs also include additional staff costs for the introduction of a dedicated West Dapto development team and expected cost for the delivery of services as the population grows. Service delivery costs are currently held centrally at this stage and will be distributed to relevant service delivery areas when timing and requirements can be better defined.

Enhanced Community Centre & Library Services

Financial forecasts include a preliminary estimate for the potential impact on operational costs associated with proposed new Southern Suburbs and Helensburgh community centre and libraries. These projects are currently planned for construction to commence within the next four years. As the project progresses, the level of additional operating costs may need to be reviewed. These projects will be funded from the rates growth for enhanced services relating to population growth.

Restricted Revenue

The level of available or untied cash is expressed as cash and investment holdings after allowance for restricted assets. Assets, generally cash, may be externally or internally restricted. External restrictions are usually imposed by an external or legislative requirement that funds be spent for a specific purpose. This may include unspent grant funds that have been provided to Council for the delivery of a particular project or service, funds collected as developer contribution under Development Contributions Plans, or surpluses achieved in the delivery of domestic waste. In some of these instances, Council is also required to restrict investment earnings that are generated by these cash holdings. Internal restrictions are funds that Council has determined will be used for a specific future purpose, such as the future replacement of waste facilities.

Council's approach is management of capital works through a centralised process and a longer term planning focus and minimise the creation of internally restricted assets. The current Long Term Financial Plan maintains this approach. The Four Year Restricted Asset Summary shows anticipated restrictions and the subsequent table outlines the nature of funding and purpose of the current internally restricted asset funds.

4 YEAR RESTRICTED ASSETS SUMMARY

PURPOSE OF RESTRICTED ASSET	2026/2027 Forecast \$'000				2027/2028 Forecast \$'000			2028/2029 Forecast \$'000			2029/2030 Forecast \$'000		
	Opening 30/06/26	Transfer In	Out	Balance 30/06/27	Transfer In	Out	Balance 30/06/28	Transfer In	Out	Balance 30/06/29	Transfer In	Out	Balance 30/06/30
Internally Restricted Assets													
Strategic Projects	19,977	11,249	20,220	11,006		2,068	8,938		3,956	4,982		2,625	2,357
Strategic Projects (unallocated)	22,351	2,287	11,249	13,389			13,389			13,389			13,389
Property Investment Fund	5,557	229	143	5,643	138	147	5,634	108	152	5,590	95	157	5,528
MacCabe Park Development	2,341	150		2,491	150		2,641	150		2,791	150		2,941
Car Parking Strategy	1,587	795	432	1,951	822	507	2,267	850	423	2,694	879	77	3,495
Sports Priority Program	680	266	409	536	324	409	450	321	409	362	316	409	269
Natural Areas Fund	173			173			173			173			173
West Dapto Rates (additional)	17,796	5,670	776	22,690	5,756	795	27,651	4,891	813	31,728	5,625	833	36,521
West Dapto Community Facilities	28,690	1,179	100	29,769	590	6,900	23,459	607		24,066	607		24,674
Lake Illawarra Estuary Management Fund	480	165	138	507	165	130	542	165	120	586	165	124	628
Darcy Wentworth Park	18			18			18			18			18
Waste Disposal Facilities ***	3,735	8,039	4,641	7,133	7,232	21,672	(7,307)	7,404	24,089	(23,991)	7,753	20,820	(37,058)
Total Internal Restricted Assets	103,384	30,029	38,107	95,306	15,177	32,629	77,855	14,496	29,963	62,388	15,590	25,045	52,934
Externally Restricted Assets													
Developer Contributions (general)	84,262	29,901	14,245	99,917	28,479	23,306	105,090	28,694	33,466	100,318	29,834	39,801	90,351
Specific Purpose Unexpended Grants	24,731	38,438	45,792	17,377	19,393	23,004	13,765	4,532	1,086	17,211	4,529	2,878	18,862
Domestic Waste Management	8,959	424	3,627	5,756	203	2,483	3,475	182	1,782	1,875	183	1,490	567
Private Contributions	2,845	362	285	2,922	263	81	3,104	250	76	3,279	254	77	3,455
Special Rates Levies	1,102	1,350	1,409	1,043	1,391	1,436	998	1,432	1,488	942	1,475	1,530	887
Housing Affordability	3,199	129	2,894	434	151		585	132		716	132		848
Stormwater Management	405	1,946	1,640	711	1,967	1,611	1,068	1,989	1,575	1,481	2,011	1,877	1,616
Total External Restricted Assets	125,501	72,550	69,891	128,160	51,847	51,922	128,084	37,212	39,474	125,823	38,418	47,654	116,587
Grand Total	228,885	102,579	107,998	223,466	67,024	84,550	205,939	51,708	69,437	188,211	54,008	72,698	169,521

*** The Waste Disposal Facilities Restricted Asset is held for the development and renewal of assets within Council's waste facilities and for the rehabilitation of the sites at the end of their lives. Council's Waste Strategy and Master Plan for facilities is currently being reviewed and will potentially change the life and capital requirements of the facilities. While this review is being progressed the forward capital works program only includes specific works that are not impacted by a revised strategy. Adjustments to the works program will be made where necessary following completion of the review program. Cash collections have been estimated in accordance with the current program.

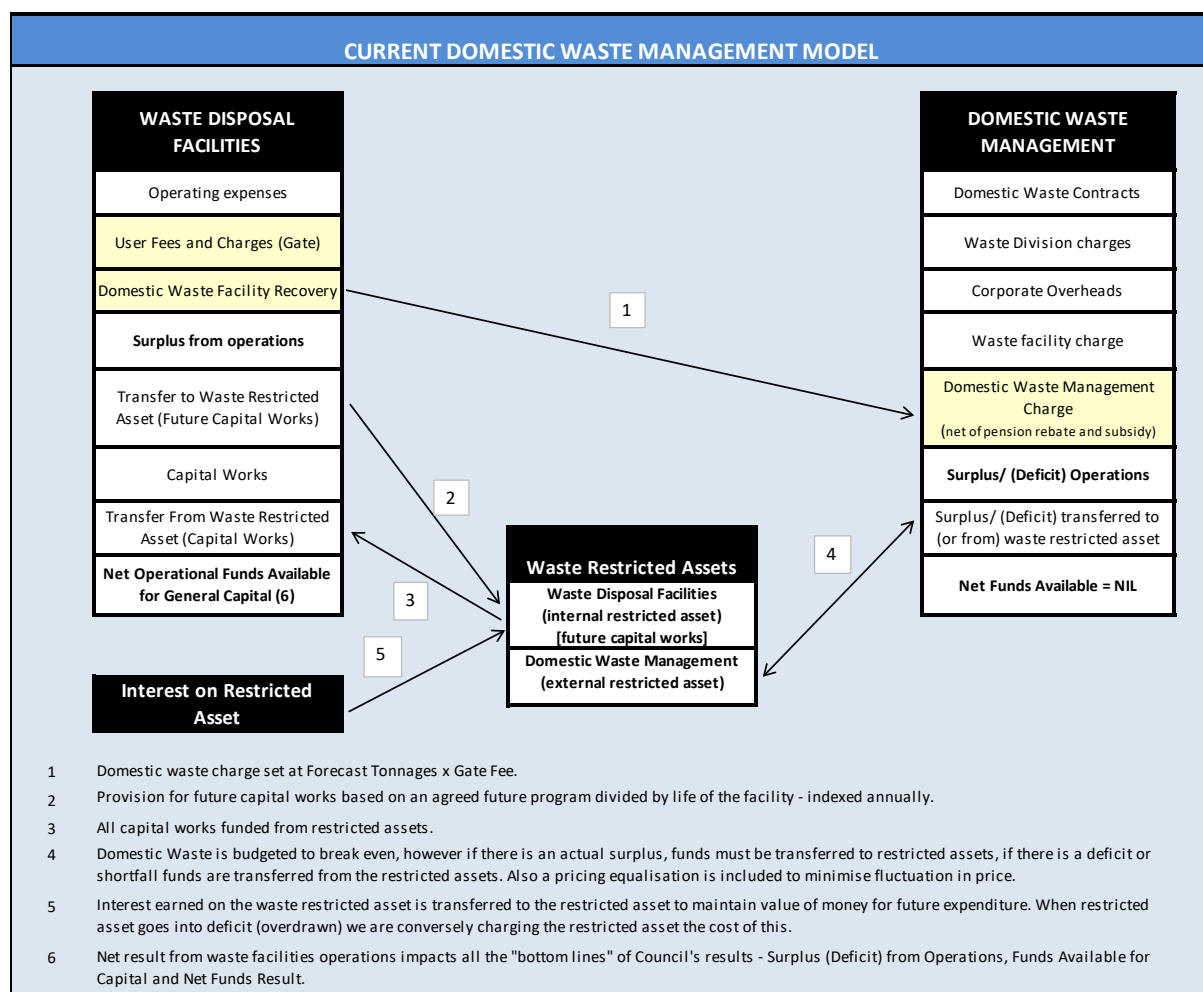
4 YEAR DEVELOPER CONTRIBUTIONS RESTRICTED ASSETS SUMMARY

PURPOSE OF RESTRICTED ASSET	2026/2027 Forecast \$'000				2027/2028 Forecast \$'000			2028/2029 Forecast \$'000			2029/2030 Forecast \$'000		
	Opening 30/06/26	Transfer In	Out	Balance 30/06/27	Transfer In	Out	Balance 30/06/28	Transfer In	Out	Balance 30/06/29	Transfer In	Out	Balance 30/06/30
Externally Restricted Assets													
West Dapto	39,914	24,435	2,796	61,553	24,349	15,444	70,458	24,586	30,613	64,431	25,663	38,572	51,523
Calderwood	418	17		435	14		449	13		462	13		474
City Centre	11,396	951	2,663	9,685	651		10,336	623		10,959	614	300	11,273
City Wide	32,532	4,497	8,787	28,242	3,464	7,862	23,844	3,472	2,853	24,464	3,545	929	27,079
Total Developer Contributions Restricted Assets	84,260	29,901	14,245	99,915	28,479	23,306	105,088	28,694	33,466	100,316	29,834	39,801	90,349

Internally Restricted Assets	
Purpose	Source of Funds
Strategic Projects	
Support for future strategic projects to be approved by Council.	Where Available Funds level are above minimum requirements, additional funds will be transferred to the Strategic Projects Restricted Asset and consideration given to the allocation of funds through the Strategic Planning process.
MacCabe Park Development	
To accumulate cash for the acquisition of properties adjacent to MacCabe Park, as and when they are offered to Council in accordance with the planning provisions to achieve the objectives of extending MacCabe Park.	Recurring annual allocation made by Council.
City Parking Strategy	
<p>To fund future parking, transport and pedestrian access, bicycle and public transport projects in the city centre.</p> <p>The Operational Plan 2020-2021 approved a 10 year funding of projects that will support the recovery and reactivation of the City Centre post COVID-19 from the City Parking Strategy.</p>	Net surplus of the Inner City Parking Strategy.
Sports Grants Program	
To provide funding for projects recommended by the Sports & Facilities Reference Group.	Annual allocation made by Council and telecommunication licence fees (50% Fernhill & Woonona Soccer Clubs, and Berkeley Sports & Social Club grounds and 100% of other sports grounds).
West Dapto Operations	
Increased annual rate revenue created from subdivision in West Dapto will be restricted and only allocated to operational expenditure as the area develops. In the interim period, the annual revenue should be made available to meet infrastructure or planning requirements in the area.	Net surplus of West Dapto operations including additional rates revenue and operational expenditure.
Darcy Wentworth Park	
Upgrading sporting facilities in the local ward. On completion of these facilities, additional funds to be allocated to the Sports & Facilities Reference Group, to embellish sporting facilities across the City.	Rental proceeds from Darcy Wentworth Park car park.
Waste Disposal Facilities	
The Waste Facilities restricted asset is held for the development and renewal of assets within Council's waste facilities and for the rehabilitation of the sites at the end of their lives.	A proportion of the annual waste fee is allocated for the estimated future development and rehabilitation of waste facilities. This estimate is included in the annual calculation of the waste fees.

Internally Restricted Assets	
Purpose	Source of Funds
Property Investment Fund	
To provide funding for investment in longer term income generating activities.	Proceeds from property sales (excluding those already identified through the property rationalisation program), investment income on accumulated funds held and dividends from investments funded from this source.
Lake Illawarra	
<p>Wollongong and Shellharbour Council now share the responsibility for the management of Lake Illawarra and its surroundings after the State Government disbanded the Lake Illawarra Authority in July 2014.</p> <p>The Coastal Management Plan (CMP) for Lake Illawarra was gazetted in late 2020. The CMP sets out actions to be undertaken over the next 10 years to protect and enhance the health of the lake. The total cost to undertake all actions is approximately \$35.3M. The CMP nominates an indicative funding arrangement shared between Wollongong City Council, Shellharbour City Council and various State Government agencies</p>	<p>Wollongong Council's allocation is made annually through the budget process to provide funding for Lake Illawarra works. Shellharbour's City Council makes contribution for a portion of works that will come as an external contribution. Funding for the Lake Illawarra CMP will be in the proportion of 2/3rds Wollongong to 1/3rd Shellharbour.</p> <p>The funding may be allocated over multiple years, so unspent funds are retained in this Restricted Asset and the external contributions restricted asset.</p>

Overview of Domestic Waste Model



Budget Limitations/Development

The current financial information has a number of recognised limitations as follows that will require adjustment over a period of time.

Indices

The financial forecasts are comprised of both recurrent and non-recurrent income and expenditure. The non-recurrent items have specified values and timing of delivery. Recurrent items may be subject to the application of indices or may be set based on known commitments for expenditure, such as loan repayments, or may be adjusted for volume impacts or future pricing changes. Indices were derived from a number of publications including long term economic projections published by the Commonwealth Government including the Federal Government Budget Reports and Australian Bureau of Statistics (ABS), various banks and IPART recommendations for rates pegging as well as anticipated levels for utilities from Council's longer term supplier contracts.

Variation in actual prices and cost to Council compared to these indices will impact financial results. The extent of this impact will depend on the size of the income or expenditure that is subject to the indices, the extent of variation and the degree to which Council is able to actively mitigate the variation. Council reviews its indices at least annually and analyses the impacts of these changes. Significant changes are addressed as they become known.

Utility Cost

Projected increases for utility costs are generally based on IPART publications, where applicable, other than for electricity which also includes recognition of specific negotiated contracts that are in place for street lighting and Council Buildings and Facilities Sites and Small Sites. Street lighting is subject to separate contracts for infrastructure and electricity. Council's electricity contracts for street lighting and large sites are for a 10 year period commencing in January 2023. Small sites contracts were finalised subsequently and are linked to IPART pricing.

Asset Management - Valuation and Asset Lives

As an industry, Local Government has recognised a need to provide for ongoing asset replacement. The consumption of these assets is represented by depreciation, which is based on expected asset lives, condition assessments and valuations. While the maturity of this information is improving, many of the assumptions are unproven due to the nature of this exercise. For example, it is difficult to estimate asset lives in relatively new cities, such as Wollongong, where there may not be historical data available or comparability with other cities due to differing environmental factors and construction approaches. In addition, changing technologies may impact on renewal and maintenance costs. A substantial program is currently underway to review Council's assets and produce revised asset plans that will help refine these forecasts going forward.

Lake Illawarra

The Coastal Management Plan (CMP) for Lake Illawarra was gazetted in late 2020. The CMP sets out actions to be undertaken over the next 10 years to protect and enhance the health of the lake. The total cost to undertake all actions is approximately \$35.3M. The CMP nominates an indicative funding arrangement shared between Wollongong City Council, Shellharbour City Council and various NSW Government Agencies.

Internal Charging

There have been continuing efforts to better reflect the costs of capital and services by distributing the cost of internal assets and services. There are existing charges for buildings, plant, vehicles, desktop computing, marketing, printing, waste tipping fees, insurances, Fringe Benefits Tax (FBT), cost of capital (plant and vehicles only), infrastructure assets and internal labour services.

Contributed Assets

Council's estimates do not currently provide fully for potential assets that may be contributed or donated to Council over time. An estimate has been made for contributions from West Dapto developers, which are based on the broad assumptions for West Dapto. Other contributions are not reasonably forecast.

Development Contributions (excluding West Dapto)

Development contributions income projections are based on the adopted plan and anticipated timing of receipts. The recent economic climate has had a significant impact on projected income. There are a range of projects that have been included in the Delivery Program that are dependent on funding from this source. The timing and capacity to deliver these will need to be monitored in the context of ability to achieve income projections.

Property Sales and Investment

While Council is actively pursuing the sale of some properties, a decision has been made not to forecast sale dates or values due to uncertainty in delivery. As property sales become more certain, they will be added to budgeted sources of funding. Consideration of advancing existing projects or investing in new assets to be funded from sales will be given at that time.

Climate Change

Local Government is considered to be on the frontline facing the impact of climate change on communities. The Commonwealth Government has indicated that councils have a role in early planning to identify and prepare for the risk from climate change and help protect the wellbeing of communities, local economies and the built and natural environment and to contribute to a low pollution future. In addition to a planning role, councils also own or directly manage a range of assets that potentially will be impacted by climate change. Increased emphasis on climate change related activities may require a redirection of funding. Activities in this regard will be guided by the adopted Climate Change Mitigation Plan 2023-2030 and the Climate Change Adaptation Plan 2022.

Section 2

Capital Budget 2026-2027 to 2029-2030

Section 2 of this report sets out Council's four year Capital Works Budget for the renewal, upgrade and delivery of new infrastructure assets to meet the existing and future needs of the city. The program reflects projects identified in Council's Infrastructure Development Program 2026-2027 to 2029-2030 (Attachment 2), while also incorporating additional budgetary elements required for financial reporting and delivery, including the value of funding sources, overall capital project contingency provisions, and contributed assets.

The significant drivers for this program are:

- Community input and strategic directions outlined in Our Wollongong 2035 - Community Strategic Plan
- Council's Asset Management Policy and associated Asset Management Strategies and Plans
- Economic, tourism and growth factors, including planned growth within the West Dapto area
- The availability, timing and certainty of funding

The Infrastructure Development Program 2026-2027 to 2029-2030 reflects capital expenditure service area and is structured to allocate a significant proportion of funding towards the renewal of essential community infrastructure, including roads, footpaths, cycleways, buildings, stormwater systems, recreation, sporting and aquatic facilities. The Infrastructure Development Program 2026-2027 to 2029-2030 draws on community input and technical assessments from Council's Asset Management Plans to develop a program of works.

While the Infrastructure Development Program 2026-2027 to 2029-2030 presents project information by service area, this section summarises capital expenditure by Asset Class. This approach aligns with Council's Audited Annual Financial Statements and supports consistency in financial reporting, asset accounting and long-term financial planning.

Capital Budget Funding 2026-2027

In 2026-2027, a total of \$172.3M, including contributed assets, is allocated for capital works. A substantial portion of this funding is directed toward improving the condition and performance of existing community assets, with a strong focus on asset renewal and replacement.

The total Capital Budget for 2026-2027 is derived from a combination of funding sources, including allocations from operational funding (including contributions from operational savings), asset sales, the utilisation of restricted assets, development contributions, State and Commonwealth Government grants, and other external contributions. The budget also incorporates an overall capital project contingency to manage delivery risks across the program.

Table 34

Capital Budget by Funding Source				
	2026/2027 Budget \$M	2027/2028 Forecast \$M	2028/2029 Forecast \$M	2029/2030 Forecast \$M
Operational Funds*	71.5	72.8	73.5	78.6
Asset Sales	5.7	3.8	1.8	1.8
Grants & Contributions (including Developer Contributions)	57.1	44.2	33.0	40.6
Restricted Assets (internal & external)	23.5	29.7	27.0	24.1
Borrowings	0.0	0.0	0.0	0.0
Other Capital Contributions	14.6	14.1	22.5	17.0
Total	172.3	164.6	157.7	162.1
*Operational Funds reflects Funds Available for Asset Replacement and Available Funds Applied to New, Upgraded & Expanded Assets less Grants & Contributions for Existing Assets, Restricted Assets used for Replacement and Asset Sales.				

Upcoming Capital Projects in 2026-2027

The following section highlights a selection of significant projects scheduled for delivery in 2026-2027, as identified within Council's Infrastructure Development Program 2026-2027 to 2029-2030. These projects reflect a mix of planning, design and construction activities across a broad range of infrastructure asset classes and service areas.

PROJECTS - PLANNING AND DESIGN

During 2026-2027 Wollongong City Council plans to continue and complete approximately 115 design projects including the following:

- Balgownie Mountain Bike Access Civil works
- Beaton Park Athletics Track
- Thirroul Carpark Lighting
- Greenhouse Park Environment Remediation
- Mount Kembla Mountain Bike Amenities
- Balgownie Mountain Bike Amenities
- Lavender St, Pioneer Rd to Bellambi Lane, Bellambi
- New Landfill Cell Stage 2B-3, Whytes Gully
- Helensburgh Rehabilitation
- Stage 5 - West Dapto Rd Upgrade

PROJECTS - CONSTRUCTION

During 2026-2027, Wollongong City Council plans to commence or continue over 134 construction projects including the following:

- Southern Suburbs Community Centre and Library
- Gallery & Town Hall - Heating, Ventilation, and Air Conditioning Upgrades
- North Wollongong Seawall Renewal Stage 2
- Stage 1 - Darkes Town Centre Sporting and Community Hub
- West Dapto Rd; Yard St to Shone Ave (Stages 2-4)
- Cleveland Rd Upgrade Stage 2&3
- Wollongong City Centre Skate Park
- West Dapto Rd - Stage 1A
- Helensburgh Community Centre and Library

CAPITAL BUDGET 2026-2027 to 2029-2030

\$'000

Asset Class	2026/2027			2027/2028			2028/2029			2029/2030		
	Expenditure	Funding	Revenue Funding	Expenditure	Funding	Revenue Funding	Expenditure	Funding	Revenue Funding	Expenditure	Funding	Revenue Funding
Roads And Related Assets												
Traffic Facilities	3,750	(2,800)	950	2,169	(1,417)	752	700	(500)	200	825	(415)	410
Public Transport Facilities	80	0	80	300	0	300	300	0	300	100	0	100
Roadworks	12,545	(5,591)	6,954	12,180	(3,279)	8,901	10,709	0	10,709	16,780	(766)	16,014
Bridges, Boardwalks and Jetties	1,180	(50)	1,130	5,490	0	5,490	3,200	0	3,200	2,000	0	2,000
Total Roads And Related Assets	17,555	(8,441)	9,114	20,139	(4,696)	15,443	14,909	(500)	14,409	19,705	(1,181)	18,524
West Dapto												
West Dapto Infrastructure Expansion	26,770	(26,770)	0	39,100	(39,100)	0	30,250	(30,250)	0	38,200	(38,200)	0
Total West Dapto	26,770	(26,770)	0	39,100	(39,100)	0	30,250	(30,250)	0	38,200	(38,200)	0
Footpaths And Cycleways												
Footpaths	14,210	(6,852)	7,358	6,398	(1,838)	4,560	7,231	(1,581)	5,650	5,859	(1,809)	4,050
Shared Paths	5,949	(4,119)	1,830	3,633	(133)	3,500	5,881	(2,271)	3,610	4,259	(1,309)	2,950
Commercial Centre Upgrades - Footpaths and Cycleways	2,050	(1,700)	350	0	0	0	0	0	0	0	0	0
Total Footpaths And Cycleways	22,209	(12,671)	9,538	10,031	(1,971)	8,060	13,111	(3,851)	9,260	10,117	(3,117)	7,000
Carparks												
Carpark Construction/Formalising	1,520	(900)	620	500	0	500	0	0	0	0	0	0
Carpark Reconstruction or Upgrading	50	0	50	1,120	0	1,120	1,100	0	1,100	1,200	0	1,200
Total Carparks	1,570	(900)	670	1,620	0	1,620	1,100	0	1,100	1,200	0	1,200
Stormwater And Floodplain Management												
Floodplain Management	1,190	(743)	448	1,890	0	1,890	1,790	0	1,790	4,415	(1,100)	3,315
Stormwater Management	4,194	(1,415)	2,779	5,905	(225)	5,680	3,915	0	3,915	4,000	(200)	3,800
Stormwater Treatment Devices	10	0	10	300	0	300	10	0	10	400	0	400
Total Stormwater And Floodplain Management	5,394	(2,158)	3,237	8,095	(225)	7,870	5,715	0	5,715	8,815	(1,300)	7,515
Buildings												
Cultural Centres (IPAC, Gallery,	14,500	0	14,500	4,000	0	4,000	0	0	0	0	0	0
Administration Buildings	1,492	0	1,492	200	0	200	2,650	0	2,650	500	0	500
Community Buildings	39,925	(22,070)	17,855	26,313	(6,440)	19,873	16,630	0	16,630	11,281	0	11,281
Public Facilities (Shelters, Toilets etc.)	10	0	10	450	0	450	500	0	500	500	0	500
Total Buildings	55,927	(22,070)	33,857	30,963	(6,440)	24,523	19,780	0	19,780	12,281	0	12,281

Asset Class	2026/2027			2027/2028			2028/2029			2029/2030		
	Expenditure	Funding	Revenue Funding	Expenditure	Funding	Revenue Funding	Expenditure	Funding	Revenue Funding	Expenditure	Funding	Revenue Funding
Commercial Operations												
Tourist Park - Upgrades and Renewal	2,000	0	2,000	2,850	0	2,850	0	0	0	1,200	0	1,200
Memorial Gardens and Cemeteries - Upgrades and Renewal	1,240	0	1,240	100	0	100	100	0	100	0	0	0
Leisure Centres & RVGC	150	0	150	150	0	150	150	0	150	200	0	200
Total Commercial Operations	3,390	0	3,390	3,100	0	3,100	250	0	250	1,400	0	1,400
Parks Gardens And Sportfields												
Play Facilities	6,513	(5,003)	1,510	1,390	0	1,390	1,450	0	1,450	2,000	(80)	1,920
Recreation Facilities	0	0	0	0	0	0	0	0	0	300	0	300
Sporting Facilities	891	(986)	(95)	1,767	(1,852)	(85)	1,318	(1,320)	(2)	3,125	(508)	2,617
Total Parks Gardens And Sportfields	7,403	(5,988)	1,415	3,157	(1,852)	1,305	2,768	(1,320)	1,448	5,425	(588)	4,837
Beaches And Pools												
Beach Facilities	0	0	0	0	0	0	0	0	0	0	0	0
Rock/Tidal Pools	0	0	0	0	0	0	10	0	10	0	0	0
Treated Water Pools	0	0	0	500	0	500	6,000	0	6,000	4,300	0	4,300
Total Beaches And Pools	0	0	0	500	0	500	6,010	0	6,010	4,300	0	4,300
Waste Facilities												
Whytes Gully New Cells	4,575	(4,575)	0	21,605	(21,605)	0	24,020	(24,020)	0	20,750	(20,750)	0
Total Waste Facilities	4,575	(4,575)	0	21,605	(21,605)	0	24,020	(24,020)	0	20,750	(20,750)	0
Fleet												
Motor Vehicles	1,275	(672)	603	2,000	(949)	1,051	2,000	(949)	1,051	2,000	(949)	1,051
Total Fleet	1,275	(672)	603	2,000	(949)	1,051	2,000	(949)	1,051	2,000	(949)	1,051
Plant And Equipment												
Mobile Plant (trucks, backhoes etc.)	200	0	200	200	0	200	200	0	200	200	(825)	(625)
Fixed Equipment	3,020	(799)	2,221	3,227	(816)	2,410	4,144	(835)	3,309	3,571	(30)	3,541
Total Plant And Equipment	3,220	(799)	2,421	3,427	(816)	2,610	4,344	(835)	3,509	3,771	(855)	2,917
Information Technology												
Information Technology	2,031	(1,000)	1,031	1,222	0	1,222	960	0	960	1,530	0	1,530
Total Information Technology	2,031	(1,000)	1,031	1,222	0	1,222	960	0	960	1,530	0	1,530

Asset Class	2026/2027		2027/2028		2028/2029		2029/2030									
	Expenditure	Revenue Funding	Expenditure	Revenue Funding	Expenditure	Revenue Funding	Expenditure	Revenue Funding								
Library Books																
Library Books	1,438	0	1,438	1,468	0	1,468	1,503	0	1,503	1,540	0	1,540				
Total Library Books	1,438	0	1,438	1,468	0	1,468	1,503	0	1,503	1,540	0	1,540				
Public Art																
Art Gallery Acquisitions	110	0	110	113	0	113	100	0	100	100	0	100				
Total Public Art	110	0	110	113	0	113	100	0	100	100	0	100				
Land Acquisitions																
Land Acquisitions	250	(250)	0	0	0	0	0	0	0	0	0	0				
Total Land Acquisitions	250	(250)	0	0	0	0	0	0	0	0	0	0				
Non-Project Allocations																
Capital Project Contingency	4,544	0	4,544	3,785	0	3,785	8,379	0	8,379	14,394	0	14,394				
Total Non-Project Allocations	4,544	0	4,544	3,785	0	3,785	8,379	0	8,379	14,394	0	14,394				
Contributed Assets																
Contributed Assets	14,585	(14,585)	0	14,129	(14,129)	0	22,467	(22,467)	0	16,561	(16,561)	0				
Total Contributed Assets	14,585	(14,585)	0	14,129	(14,129)	0	22,467	(22,467)	0	16,561	(16,561)	0				
TOTAL																
	172,244	(100,878)	71,366	164,453	(91,783)	72,670	157,668	(84,192)	73,476	162,098	(83,508)	78,590				
NET REVENUE* FUNDED									71,366		72,670		73,476		78,590	
*Revenue Funding reflects Funds Available for Replacement and Available Funds Applied to New, Upgraded & Expanded Assets less Grants & Contributions for Existing Assets, Restricted Assets used for Replacement and Asset Sales.																

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On Dharawal Country, from the mountains to the sea, we value our natural environment, we respect each other, our past and future. We will be a sustainable, connected, vibrant, and innovative city, with a diverse economy.

We are a sustainable and climate resilient city

We have well planned, connected, and liveable places

We foster a diverse economy, and we value innovation, culture, and creativity

We have a healthy, respectful, and inclusive community



Wollongong City Council

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