



Upper Lachlan Shire Council

**2025-2026**

# **SUMMARY OF OPERATIONAL PLAN**



## **MAYORAL MESSAGE**

As Mayor of the Upper Lachlan Shire, I am pleased to present the draft 2025/2026 Operational Plan for public comment. Public submissions to the draft Operational Plan close on 30 May 2025 and will be tabled and considered at the Ordinary Council Meeting held on 19 June 2025.

The Council's draft 2025/2026 Operational Plan and 2025/2026 – 2028/2029 Delivery Program and a suite of other integrated plans are prepared for public exhibition.

I encourage everyone to view the integrated plans and submit their feedback in writing to: Chief Executive Officer, Upper Lachlan Shire Council by email to [council@upperlachlan.nsw.gov.au](mailto:council@upperlachlan.nsw.gov.au).

### **Council Draft Operational Plan 2025/2026**

Upper Lachlan Shire Council has projected a consolidated operating budget deficit (before capital grants and contributions) of \$2.85 million. Council has a projected consolidated cash flow surplus in all funds (including the restricted funds of water supply, sewer and domestic waste funds) totalling \$1 million, after transfers from reserves funding has been accounted for.

Council has prepared a comprehensive capital expenditure works program for the Shire totalling \$12 million in 2025/2026. The capital works program consolidates on the past years capital investment and the budget for the next four years has been scheduled to spend \$39 million on capital infrastructure works including asset renewal and rehabilitation projects and delivering new community assets.

The Operational Plan budget deficit result projection has reduced significantly from the 2024/2025 budget projection of a \$4.3 million deficit, which is positive news that Council is addressing the financial sustainability issues detailed in 2023.

Considerable large increases in operational expenses for insurances, fuel, electricity and superannuation guarantee increase to 12% has adversely impacted on business units, in addition to cost shifting from State Government equating to around 5% of the operational budget annually coupled with the income constraints of rate pegging.

It is always a delicate balance, managing the expectations of our community, while ensuring that Council remains in a sound financial position. Council has reviewed all community submissions and included a number of those submissions within the draft Operational Plan.

The integrated plans and resourcing strategies have been prepared and are evidence that Council remains committed to deliver quality services and take prudent steps to safeguard Council's future and increase spending on Council asset renewals.

**Clr Paul Culhane**  
**Mayor**

## **SUMMARY: UPPER LACHLAN SHIRE COUNCIL OPERATIONAL PLAN 2025/2026**

- Council has prepared a \$41.9 million operating budget. The table below dissects the operational budget by each individual fund.

<b>INCOME STATEMENT</b>	<b>General Fund</b>	<b>Domestic Waste Fund</b>	<b>Water Supply Fund</b>	<b>Sewerage Fund</b>	<b>Consolidated Total</b>
<b><u>OPERATIONAL INCOME</u></b>					
Rates and Annual Charges	10,351,952	1,827,361	1,386,429	1,746,775	15,312,517
User Charges and Fees	5,281,429	1,030	1,328,073	323,743	6,934,274
Interest and Investment Income	762,329	107,773	181,743	326,583	1,378,428
Grants and Contributions provided for Operating Purposes	14,849,211	0	0	0	14,849,211
Net Gain from the Disposal of Assets	0	39,488	11,496	0	50,984
Other Revenues	536,844	0	0	0	536,844
<b>Total Income from continuing operations</b>	<b>31,781,765</b>	<b>1,975,652</b>	<b>2,907,741</b>	<b>2,397,101</b>	<b>39,062,259</b>
<b><u>OPERATIONAL EXPENSES</u></b>					
Employee Benefits and on-costs	12,516,955	360,535	944,292	645,084	14,466,865
Materials and Services	11,737,188	1,440,017	1,148,297	669,051	14,994,554
Borrowing Costs	195,790	0	21,681	5,064	222,535
Depreciation, Amortisation & Impairment of Non-Financial Assets	8,857,810	175,100	923,370	603,567	10,559,847
Net Loss from the Disposal of Assets	817,871	0	0	0	817,871
Other Expenses	847,235	0	7,210	0	854,445
<b>Total Expenses from continuing operations</b>	<b>34,972,849</b>	<b>1,975,652</b>	<b>3,044,850</b>	<b>1,922,766</b>	<b>41,916,117</b>
<b>Net Operating Result (Deficit) for the year (before Grants and Contributions provided for capital purposes)</b>	<b>(3,191,084)</b>	<b>0</b>	<b>(137,109)</b>	<b>474,335</b>	<b>(2,853,858)</b>

- Note: The above operational expense in materials and services of over \$1 million is funded by a transfer from reserves. The funds relate to the early payment of the NSW Government Regional Emergency Road Repair Fund (RERRF) grant income that was recognised as income in the 2023/2024 financial year and the expenses are outlaid on the projects in 2024/2025 and 2025/2026.

### **Ordinary (General) Rates:**

- Ordinary (General) Rate peg limit is set by IPART for Local Government. Ordinary Rates are calculated on unimproved land values, at base date 1 July 2024, supplied by the Valuer General's Office. There has been a general land revaluation across the Shire and the new land values will be used to calculate the ordinary rates and if you have an issue with the land valuation you are directed to contact the Valuer General's Office with your objection.

<b>Rates Description</b>	<b>Increase %</b>	<b>Increased Income</b>
Ordinary (General) Rates	5%*	\$458,000

- \* The \$ value increases per Rateable property assessment will vary due to the land revaluation recently undertaken.

### **Sewerage Charges:**

<b>Sewerage Charges</b>	<b>Increase</b>
Sewerage Access Annual Charge for Residential Categories	3% or \$31 increase per Assessment; \$1,059 per Residential property.*
Unoccupied Sewerage Access Charge for Residential Categories	3% or \$21 increase per Assessment; \$696 per Residential property.

- \* The Sewerage Access Charge for Gunning, Crookwell, and Taralga are uniform.
- Council utilises the Sewerage Best Practice Pricing Structure. For Non-Residential and Business properties, the charge will be not less than the Annual Residential Sewerage Access Charge of \$1,059. The \$ value increase for business properties will vary depending on water consumption and the sewerage discharge factor applied.

### **Water Supply Charges:**

<b>Water Charge</b>	<b>Increase</b>
Water Supply Access Charge; and Water Supply Availability Charge	3% or \$18 increase per Assessment; \$619 per annum per connection. *
Water Usage Charge^	5% increase:- <ul style="list-style-type: none"><li>* \$4.61 per kilolitre for water consumption less than 200 kilolitres</li><li>* \$6.10 for every kilolitre over 200.</li></ul>

- \* The Water Supply Access Charges and water consumption user-pays charges for the towns of Dalton, Crookwell, Gunning and Taralga are uniform.
- ^ Note that NSW Government water regulations require a minimum 50% of all town water supplies income to be generated from the water usage charge.

### **Stormwater Charges:**

- There is a zero increase. The Stormwater Annual Charge will continue to be levied for the towns of Crookwell, Gunning, Collector and Taralga. This levy will remain at \$25 for Residential properties and \$50 for Businesses.

### **Domestic Waste Management (Garbage) Charges:**

<b>Domestic Waste Management Charge</b>	<b>Increase</b>
Domestic Waste Management Charge* (For the Shire)	4% or \$26 increase. \$657 per annum per service
Domestic Waste Availability Charge (All vacant properties in towns where the garbage service is available)	4% or \$10 increase. \$259 per Assessment.

### **Commercial Waste (Garbage) Charges:**

<b>Commercial Waste Charge</b>	<b>Increase</b>
Commercial Waste Charge (Business Rate Categories)	4% or \$30 increase. \$778 per annum per service
Commercial Waste Availability Charge (All vacant business land in towns where the garbage service is available)	4% or \$10 increase. \$259 per Assessment.

### **Rural Waste Charges:**

<b>Rural Waste Charge</b>	<b>Increase</b>
Rural Waste Charge (Properties that do not have a Domestic Waste Service)	4% or \$11 increase per Assessment. * \$284.90 per Assessment

\* The Rural Waste Charge is subject to GST. The annual charge is \$284.90 per annum per service inclusive of GST with 1/11 of the waste charge being remitted to the ATO.

- The Rural Waste Charge entitles ratepayers to dispose of one standard garbage bin (120-litre bin) of waste per week at no cost at waste transfer centres in the Shire. Disposal of sorted recyclable materials will be accepted free of charge at Council waste transfer centres.

### **Loans:**

- There are no new loans forecast this financial year.
- There is no refinancing of existing loans.



## **Capital Works Expenditure Highlights – 2025/2026 Total Program \$12 million**

<b>Project Description</b>	<b>Project Cost</b>
<b>Plant Replacements (including fleet vehicles) net purchase cost</b>	\$1.35 million
<b>Kerb and Gutter – Orchard Street, Taralga</b>	\$100,000
<b>Kerb and Gutter – King Road, Crookwell</b>	\$380,000
<b>Crookwell Dog Pound upgrade and animal cage installation</b>	\$110,000
<b>Stormwater – Orchard Street, Taralga</b>	\$100,000
<b>Public Halls and Council buildings capital works (throughout Shire)</b>	\$381,000
<b>Roads and Bridges capital budgeted expenditure is as follows:-</b>	
• Bitumen Resealing - Rural Local Roads (throughout the Shire)	\$520,000
• Bitumen Resealing – Urban Roads (throughout the Shire)	\$170,000
• Bitumen Resealing - Regional Roads (throughout the Shire)	\$550,000
• Heavy Patching – Regional Roads	\$332,000
• Breadalbane Road Pavement Rehabilitation (R2R)	\$600,000
• Pavement Rehabilitation – Woodhouselee Road (R2R)	\$524,884
• Pavement Rehabilitation – Redground Road (R2R)	\$400,000
• Gravel Resheeting – Grabine Road (R2R)	\$160,000
• Gravel Resheeting – Sapphire Road (R2R)	\$80,000
• Gravel Resheeting – Ladevale Road (R2R)	\$80,000
• Gravel Resheeting – Golspie Road (R2R)	\$80,000
• Gravel Resheeting program various roads (Section 7.11)	\$250,000
• Warrataw Street, Gunning – Pavement Rehabilitation	\$170,000
• Marks Street (cemetery road), Bigga – Sealing of unsealed road	\$120,000
<b>Waste – Landfill upgrade</b>	\$500,000
<b>Domestic Waste - Truck Replacement net purchase cost</b>	\$530,000
<b>Water Fund capital improvements includes the following:-</b>	
• 4 Towns water supply mains replacements, hydrants and valves / rehabilitation works and Taralga Dam structural repairs	\$737,400
<b>Sewerage Fund capital improvements includes the following:-</b>	
• 3 Towns sewerage mains replacements / rehabilitation works. Pump station upgrade at Grosvenor Street Gunning, Kennedy Street Crookwell pump station upgrade, new sewer headwork's in Crookwell, Sewer line extension for Macarthur Street in Taralga.	\$2.5 million



## To access and view all plans head to Council's website



The public exhibition period commences Tuesday, 22 April 2025 with copies of each plan available for inspection on Council's website, Council's Facebook Page, available to view at the two Council Administration Offices at Crookwell and Gunning and at Crookwell and Gunning libraries.

The draft plans are intended to set the direction of the Council in the forthcoming years. Public submissions in writing will be received by Council during the public exhibition period until 4.00pm, on Friday, 30 May 2025 and are to be addressed to the Council Chief Executive Officer. Before adopting the final plans, Council will take into consideration all submissions received.

All enquiries in relation to the draft plans may be directed to Council by email to [council@upperlachlan.nsw.gov.au](mailto:council@upperlachlan.nsw.gov.au).

Alex Waldron PO Box 42

CHIEF EXECUTIVE OFFICER GUNNING NSW 2581