



Break O'Day
COUNCIL

Budget Estimates 2026 - 2027



Version: 1 – Date: June 2026

from the mountains to the sea | www.bodc.tas.gov.au

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Introduction – Budget 2026 – 2027

Operating Overview

The Budget Estimates for 2026–2027 have been prepared as part of Council’s annual budget process and are presented in accordance with Section 82 of the Local Government Act 1993. They have been developed in line with Council’s Long Term Financial Plan, Financial Management Strategy and Rates and Charges Policy, and reflect the detailed review process undertaken by Council’s management team and Councillors through the April and June budget workshops.

The budget continues the work undertaken over several years to improve Council’s long-term financial sustainability. Council has maintained a strong internal focus on identifying efficiencies and reducing expenditure wherever possible, and that work has delivered savings over time. However, there is now limited scope to reduce expenditure further without affecting service levels, delaying asset renewal or discontinuing services. This is particularly challenging in Break O’Day, where community expectations around roads, waste management, public facilities and broader community services remain high.

Like many regional councils, Break O’Day continues to face significant cost pressures across nearly every area of operation. Construction and contractor pricing remains volatile, fuel costs continue to affect transport and operational costs, insurance premiums have increased substantially, and the cost of maintaining and renewing infrastructure continues to rise. These pressures are amplified by the municipality’s rural and geographically dispersed nature, its large road network, multiple waste facilities and relatively small ratepayer base.

Waste management remains one of the more significant budget pressures. General waste and recyclable materials must be transported outside the municipality for processing and disposal, and the cost of doing so has increased materially. The increase in the State Government Waste Levy, together with the need to replace critical waste infrastructure at the Scamander Transfer Station, has also been reflected in the 2026–2027 Budget Estimates.

This year’s budget has also been developed following the 2026 municipal revaluation undertaken independently by the Valuer-General Tasmania. Because Council uses Assessed Annual Value as the basis for calculating general rates, changes in property valuations affect how the rates burden is distributed across the municipality. The revaluation has not affected all properties or land use categories evenly, meaning there is no single average rates movement that applies uniformly to all properties. In response, Council has reduced the general rate in the dollar across several categories to cushion impacts where possible, particularly for occupied residential and productive land, while still raising the revenue required to deliver core services and fund asset renewal.

The budget has been prepared in a period of broader financial uncertainty for households, businesses and all levels of government. Inflationary pressures, fuel prices, insurance costs, labour market pressures and wider economic volatility continue to create risk. Due to the prudent financial management undertaken by Council over a number of years, Council is in a position to adopt a small deficit budget for 2026–2027 in recognition of these conditions. This is considered a measured and responsible approach that allows Council to absorb some short-term pressure rather than transferring the full impact immediately to ratepayers.

The 2026–2027 Budget Estimates therefore represent a disciplined and balanced response to the financial pressures facing Council and the community. The budget seeks to protect essential services, continue critical asset renewal and maintain the infrastructure the community relies on, while recognising the need for restraint and responsible decision-making in the long-term interests of Break O'Day. Adoption of the budget will support the continued delivery of services and infrastructure in a way that is measured, realistic and financially responsible.

Profit and Loss

Profit and Loss

Break O'Day Council
Budget 2026-2027

| Account | 2026 Annual Budget | Forecast 2026 | Budget 2027 Estimates |
|---|--------------------|-------------------|--------------------------|
| Trading Income | | | |
| Rates | 14,369,102 | 14,565,809 | 16,455,473 |
| User Fees | 1,477,883 | 1,690,858 | 1,799,237 |
| Operating Grants | 4,217,477 | 4,376,876 | 4,684,184 |
| Interest & Investment Income | 1,048,000 | 1,266,618 | 1,272,277 |
| Contributions | 6,037 | 58,500 | 0 |
| Other Revenue | 49,739 | 193,895 | 124,184 |
| Total Trading Income | 21,168,238 | 22,152,555 | 24,335,354 |
| Gross Profit | 21,168,238 | 22,152,555 | 24,335,354 |
| Capital Grants | | | |
| Grants - Commonwealth Capital | 0 | 1,015,451 | 0 |
| Grants - Roads to Recovery | 1,035,853 | 1,035,853 | 1,230,076 |
| Grants - Capital Other | 0 | 350,000 | 0 |
| Grants - State Capital | 1,130,000 | 1,367,016 | 0 |
| Total Capital Grants | 2,165,853 | 3,768,319 | 1,230,076 |
| Other Non Operating Income | | | |
| Net Gain/Loss on Disposal of Assets | 100,000 | 21,067 | 100,000 |
| Total Other Non Operating Income | 100,000 | 21,067 | 100,000 |
| Total Non Operating Revenue | 2,265,853 | 3,789,387 | 1,330,076 |
| Operating Expenses | | | |
| Employee Costs | 6,939,061 | 6,712,279 | 7,706,040 |
| Materials & Services | 8,747,236 | 8,388,094 | 10,044,059 |
| Interest | 42,076 | 40,349 | 28,720 |
| Depreciation | 5,258,739 | 5,945,310 | 6,180,253 |
| Other Expenses | 342,536 | 348,725 | 424,503 |
| Total Operating Expenses | 21,329,648 | 21,434,757 | 24,383,574 |
| Operating Net Profit | (161,410) | 717,798 | (48,220) |
| Net Profit (Including Non Operating Revenue) | 2,104,443 | 4,507,184 | 1,281,856 |

Budgeted Cash Flow Statement

Statement of Cash Flows

Break O'Day Council
Budget 2026-2027

| Account | Actual 2025 | Forecast 2026 | Budget 2027 Estimates |
|---|--------------------|--------------------|--------------------------|
| Operating Activities | | | |
| Receipts from customers | 1,689,665 | 1,715,747 | 1,729,237 |
| Receipts from rates | 13,414,011 | 14,565,809 | 16,455,473 |
| Receipts from Operational Grants | 3,087,319 | 4,160,222 | 4,214,681 |
| Contributions | 53,665 | 58,500 | 0 |
| Interest received | 899,801 | 878,618 | 884,277 |
| Dividends received | 465,600 | 388,000 | 388,000 |
| Payments to employees | (6,398,399) | (7,302,596) | (7,664,690) |
| Payments to suppliers | (8,787,643) | (9,373,467) | (9,984,059) |
| Finance Costs | (143,733) | (40,349) | (28,720) |
| Cash receipts from other operating activities | 1,288,954 | 193,895 | 124,184 |
| Cash payments from other operating activities | (3,002) | (348,725) | (424,503) |
| Net Cash Flows from Operating Activities | 5,566,237 | 4,895,655 | 5,693,880 |
| Investing Activities | | | |
| Payment for property, plant and equipment | (7,251,921) | (8,050,143) | (8,580,625) |
| Capital Grants received | 2,623,201 | 3,644,304 | 1,230,076 |
| Proceeds from sale of property, plant and equipment | 58,175 | 178,609 | 100,000 |
| Payment for investments | 4,500,000 | (1,500,000) | 2,000,000 |
| Other cash items from investing activities | (151,500) | 0 | 0 |
| Net Cash Flows from Investing Activities | (222,045) | (5,727,231) | (5,250,549) |
| Financing Activities | | | |
| Proceeds of trust funds and deposits | 16,401 | (3,734) | 0 |
| Repayment of loans | (2,605,557) | (384,495) | (75,042) |
| Repayment of lease liabilities | (25,932) | (75,199) | (71,819) |
| Net Cash Flows from Financing Activities | (2,615,088) | (463,428) | (146,861) |
| Net Cash Flows | 2,729,104 | (1,295,004) | 296,470 |
| Cash and Cash Equivalents | | | |
| Cash and cash equivalents at beginning of period | 4,725,768 | 7,454,872 | 6,159,868 |
| Net change in cash for period | 2,729,104 | (1,295,004) | 296,470 |
| Cash and cash equivalents at end of period | 7,454,872 | 6,159,868 | 6,456,338 |

Budget Balance Sheet

Balance Sheet

Break O'Day Council
Budget 2026-2027

| Account | 30-Apr-26 | Forecast 2026 | Budget 2027 Estimates |
|--------------------------------------|--------------------|--------------------|--------------------------|
| Assets | | | |
| Current Assets | | | |
| Cash & Cash Equivalents | 6,237,889 | 6,159,868 | 6,456,338 |
| Trade & Other Receivables | 1,799,116 | 1,400,000 | 1,470,000 |
| Investments | 9,476,479 | 6,500,000 | 4,500,000 |
| Inventory | 221,372 | 100,000 | 105,000 |
| Other Assets | 2,838 | 2,838 | 2,838 |
| Total Current Assets | 17,737,694 | 14,162,706 | 12,534,176 |
| Non-current Assets | | | |
| Trade and Other Receivables | 14,392 | 14,392 | 14,392 |
| Property, Plant & Equipment | 215,867,803 | 273,499,642 | 286,840,000 |
| Right of Use Asset | 734,211 | 659,012 | 1,155,000 |
| Investment in Water Corporation | 36,442,103 | 37,535,367 | 39,036,781 |
| Other Investments | 30,000 | 30,000 | 30,000 |
| Mineral Resources Bond | 151,500 | 151,500 | 151,500 |
| Total Non-current Assets | 253,240,010 | 311,889,912 | 327,227,673 |
| Total Assets | 270,977,703 | 326,052,618 | 339,761,849 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade & Other Payables | 895,001 | 1,100,000 | 1,155,000 |
| Contract Liabilities | 0 | 469,503 | 0 |
| Lease Liability | 75,199 | 71,819 | 59,836 |
| Interest Bearing Loans & Borrowings | 300,956 | 75,042 | 78,734 |
| Provisions | 1,014,570 | 399,874 | 415,869 |
| Trust Funds and Deposits | 574,035 | 574,035 | 574,035 |
| Total Current Liabilities | 2,859,762 | 2,690,273 | 2,283,474 |
| Non-current Liabilities | | | |
| Lease Liabilities | 659,012 | 587,193 | 527,357 |
| Interest Bearing Loans & Borrowings | 609,491 | 534,450 | 455,716 |
| Provisions | 731,066 | 633,871 | 659,226 |
| Total Non-current Liabilities | 1,999,570 | 1,755,514 | 1,642,299 |
| Total Liabilities | 4,859,331 | 4,445,787 | 3,925,773 |
| Net Assets | 266,118,372 | 321,606,831 | 335,836,076 |
| Equity | | | |
| Accumulated Surplus | 48,055,331 | 51,380,649 | 52,662,505 |
| Reserves | 218,063,041 | 270,226,182 | 283,173,571 |
| Total Equity | 266,118,372 | 321,606,831 | 335,836,076 |

Capital Works Summary

Capital Works - Summary

Break O'Day Council
Budget 2026-2027

| | 2027 | Grant Funded | Council Funded | New | Renewal |
|-------------------------------------|------------------|---------------|------------------|------------------|------------------|
| Plant & Equipment | 1,330,000 | - | 1,330,000 | 490,000 | 840,000 |
| Furniture & IT | 50,000 | - | 50,000 | - | 50,000 |
| Buildings | 2,325,000 | - | 2,325,000 | 1,600,000 | 725,000 |
| Parks, Reserves & Other | 160,000 | - | 160,000 | 70,000 | 90,000 |
| Roads | | | | | |
| Roads - Streetscapes | 575,000 | - | 575,000 | 575,000 | - |
| Roads - Footpaths | 165,000 | - | 165,000 | 25,000 | 140,000 |
| Roads - Kerb & Channel | 100,000 | - | 100,000 | - | 100,000 |
| Roads - Resheeting | 750,000 | - | 750,000 | - | 750,000 |
| Roads - Reseals | - | - | - | - | - |
| Roads - Reconstruction/construction | 380,000 | - | 380,000 | - | 380,000 |
| Totals Roads & Footpaths | 1,970,000 | - | 1,970,000 | - | - |
| Bridges | 430,000 | - | 430,000 | 40,000 | 390,000 |
| Stormwater | 250,000 | - | 250,000 | 150,000 | 100,000 |
| Waste Management | 2,065,625 | 50,000 | 2,015,625 | 2,065,625 | - |
| Total Capital Works | 8,580,625 | 50,000 | 8,530,625 | 5,015,625 | 3,565,000 |

Capital Works Budget

Capital Works Program

Break O'Day Council
Budget 2026-2027

| Project Details | Estimated Carried Forward 30/06/2026 | New Budget Items 2026/2027 | Budget Estimates 2026/2027 | Comments |
|---|--------------------------------------|----------------------------|----------------------------|--|
| Plant & Equipment | | | | |
| New Case Loader | | 250,000 | 250,000 | Old Loader to Scamander WTS. |
| Replace Builders Ute with EV Truck | | 75,000 | 75,000 | |
| Replace 1318 Toyota Hilux 2 door flat tray (Valley Crew) | | 75,000 | 75,000 | Replace with EV or Hybrid vehicle |
| 1378 Garbage Truck - Rear Loader Urbin 6m3 | | 250,000 | 250,000 | Explore Options |
| Replace 1403 Toro G3- Z-Master 4000 Series 60" | | 55,000 | 55,000 | EV Mower |
| Replace 1409 Toro Mower 52" side chute | | 55,000 | 55,000 | EV Mower |
| 1437 Triton Ute L64UG - Works Operations Manager | | 65,000 | 65,000 | Replace with EV or Hybrid vehicle |
| Small Plant | | 45,000 | 45,000 | Annual allocation |
| Development Services Coordinator - Car | | 55,000 | 55,000 | Replace with EV vehicle - SUV |
| Community Services Manager - Car | | 55,000 | 55,000 | Replace with EV vehicle - SUV |
| Building Surveyor - SUV | 55,000 | | 55,000 | Replace with Hybrid |
| Infrastructure Manager - SUV | | 55,000 | 55,000 | Replace with EV. RAV4 HEV Pool Car |
| Senior Town Planner new vehicle | | 55,000 | 55,000 | |
| EV charging stations | | 185,000 | 185,000 | Works Depot, plus potential public charging sites at St Helens & St Mary's |
| Total Plant & Equipment | 55,000 | 1,275,000 | 1,330,000 | |
| Furniture & IT | | | | |
| IT Hardware Upgrades (All sites) | | 50,000 | 50,000 | |
| Total Furniture & IT | - | 50,000 | 50,000 | |
| Buildings | | | | |
| Demolition of Gazebo, Wombat Walk (Asset No. 8114) - Potentially operational | | 5,000 | 5,000 | Structural Failure |
| Demolition of Fingal Toilet Block, Short Street, Fingal - Potentially operational | | 5,000 | 5,000 | End of Life |
| Bus Shelter Replacement Project, Sites to be Confirmed | | 30,000 | 30,000 | School Apprenticeship Project- Co Funded |
| Scamander Sports Complex Kitchen Improvements & Internal Alterations | | 50,000 | 50,000 | Scoping not yet complete |
| Portland Hall - New Windows & Curtains | | 45,000 | 45,000 | Awaiting Quotes |
| Memorial Park Toilet - Construction Phase | | 400,000 | 400,000 | |
| Medea St land subdivision and dwelling | | 750,000 | 750,000 | |
| St Helens Old Police Station Acquisition | | 850,000 | 850,000 | |
| Roof Mounted Solar Panels - St Mary's Tip Shop, St Mary's Hall, St Mary's Indoor Centre | | 40,000 | 40,000 | |
| St Helens Foreshore Design | | 50,000 | 50,000 | |
| St Marys Exhibition Building Upgrades | 80,000 | 20,000 | 100,000 | Separate report to be prepared for Council consideration |
| Total Buildings | 80,000 | 2,245,000 | 2,325,000 | |
| Parks, Reserves & Other | | | | |
| St Helens Foreshore Playground - Fence replacement | | 50,000 | 50,000 | |
| O'Connors Beach Toilets/Shower, BBQ | | 40,000 | 40,000 | Area & Building Design |

Capital Works Program

Break O'Day Council

Budget 2026-2027

| Project Details | Estimated Carried Forward 30/06/2026 | New Budget Items 2026/2027 | Budget Estimates 2026/2027 | Comments |
|--|--------------------------------------|----------------------------|----------------------------|---|
| Pyengana BBQ & Shelter | 10,000 | 60,000 | 70,000 | Design & Construction |
| Totals Parks, Reserves & Other | 10,000 | 150,000 | 160,000 | |
| Roads - Streetscapes & Carparking | | | | |
| CBA Carpark Acquisition and improvements | 550,000 | 25,000 | 575,000 | |
| Total Streetscapes | 550,000 | 25,000 | 575,000 | |
| Roads - Footpaths | | | | |
| Campbell Street, Scamander | | 140,000 | 140,000 | |
| Pedestrian Refuge Installation - Cecilia Street | | 25,000 | 25,000 | In front of Mortys carpark |
| Total Footpaths | - | 165,000 | 165,000 | |
| Roads - Kerb & Channel | | | | |
| General asset renewals - municipality wide | | 100,000 | 100,000 | |
| Total Kerb & Channel | - | 100,000 | 100,000 | |
| Roads - Resheeting | | | | |
| 2026/27 Road Resheeting Program | | 750,000 | 750,000 | |
| Total Resheeting | - | 750,000 | 750,000 | |
| Roads - Reseals | | | | |
| 2026/27 Reseal Program | | - | - | |
| Totals Reseals | - | - | - | |
| Roads - Reconstructions / Construction | | | | |
| 2026/27 Reconstruction Program | | 400,000 | 400,000 | |
| Beaulieu Street St Helens Reconstruction | | 300,000 | 300,000 | |
| Cameron Street - St Helens Design | | 80,000 | 80,000 | Stage 1 Design |
| Totals - Roads Reconstruction / Construction | - | 380,000 | 380,000 | |
| Totals Roads & Footpaths | 550,000 | 1,420,000 | 1,970,000 | |
| Bridges | | | | |
| Bridge 7032 - Davis Gully Road | | 320,000 | 320,000 | Renew in concrete to SM1600 design code |
| St Marys - AHC Precinct - replace two walkway bridge superstructures | | 40,000 | 40,000 | |
| B1315 Anchor Rd - Timber deck replacement | | 20,000 | 20,000 | |
| Gillies Road | 50,000 | | 50,000 | |
| Total Bridges | 50,000 | 380,000 | 430,000 | |
| Stormwater | | | | |
| Minor Stormwater Works | | 50,000 | 50,000 | |
| Annie Street (Northern side) | | 100,000 | 100,000 | New SW main to address local flooding - Price TBC during April 2026 once design is completed and costed (PDA) |

Capital Works Program

Break O'Day Council

Budget 2026-2027

| Project Details | Estimated Carried Forward 30/06/2026 | New Budget Items 2026/2027 | Budget Estimates 2026/2027 | Comments |
|---|--------------------------------------|----------------------------|----------------------------|--|
| Aerodrome Hill - St Helens Point Road | | 50,000 | 50,000 | Install new cut off drains and subsoil drainage to mitigate landslip risk. GeoTech Report to confirm. |
| Beaulieu Street St Helens Reconstruction Stormwater (Cut off drain Long Hill side) | | 50,000 | 50,000 | inconjuction with of road reconstruction project |
| Total Stormwater | - | 250,000 | 250,000 | |
| Waste Management | | | | |
| Waste Cardboard Compactor SH WTS | | 125,625 | 125,625 | Incudes compactor, hardstand prep and power connection. Compactor purchase = \$105,625 (\$50K grant fund and \$55.625K from Council) plus additional money for site preps and power connection at \$20K. |
| Scamander WTS Compactor Replacement | 1,043,000 | 857,000 | 1,900,000 | HIGHEST PRIORITY PROJECT |
| St Helens WTS - Waste drop off area reconfiguration | | 35,000 | 35,000 | Includes, road realignment, development of unused land and waste laydown area ground improvements. |
| Hazardous Waste Temporary Storage Shed | | 5,000 | 5,000 | Funded by Circular North - shed and concrete bund. Cost TBC by CN |
| Total Waste Management | 1,043,000 | 1,022,625 | 2,065,625 | |
| Total Capital | 1,788,000 | 6,792,625 | 8,580,625 | |