Wakefield Regional Council

Long Term Financial Plan 2026-27 to 2035-36



30 June 2026

Contents

Executive Summary 3
Purpose of this plan 4
Strategic Plan – Wakefield 2030 4
Report by Chief Executive Officer 5
Basis of Preparation 5
Key Assumptions 6
Financial Sustainability - Key Financial Indicators 6
Council's Long-Term Sustainability Based on Forecasts 9
Summary of Financial Performance & Position Statement 9

Executive Summary

In accordance with Section 122 (4)(a)(ii) of the Local Government Act 1999, Council must review its Long-Term Financial Plan (LTFP) on an annual basis. The purpose of the review is to capture changes in financial forecasts, facilitate financial adjustments to ensure the plan remains current and to provide a formal process for Council to monitor its performance against its long-term financial plan.

Wakefield 2030

Over the past 4 years, Council has made good progress on the delivery of Wakefield 2030 - our strategic plan. Our vision of creating a thriving and connected regional community known for its lifestyle, vibrant towns and economic prosperity is coming to life. We can now see significant improvements in the standard of our unsealed and sealed roads, enhanced main streets across several towns and the delivery of high-quality community facilities including our public swimming pools. These important economic and community layers will begin to attract new people to our district, encourage new development and entice fresh industries and businesses to our region.

Even though we have made positive and timely progress over the past 4 years, Council may need to adjust some delivery timeframes within Wakefield 2030. This is because we are experiencing considerable economic pressures and rising costs, driven by world events, which are impacting Council's financial capacity to deliver, in the short-term, aspects of Wakefield 2030. To continue delivering at the same pace would put upward pressure on Council rates.

Economic Conditions

Consumer Price Index (CPI) for the 2026 March quarter was at 4.9% for Adelaide and 4.6% nationally, noting the high levels of inflation in the past 4 years has put pressure on residential households, local businesses and Council.

Council has experienced inflationary pressures with a significant increase in the cost of electricity, fuel, materials, external contractors and plant and equipment. These increases have required budget adjustments, which will flow across the 10-year financial forecast within this LTFP. Improving the quality of Council's assets will however remain a strong focus across the life of this plan.

Asset Management

Wakefield 2030 is directly informed by Council's suite of Infrastructure Asset Management Plans (IAMPs), which include Transport (roads, footpaths), Bridges, Stormwater, Community Wastewater Management Systems and Buildings. Council has accounted for all financial maintenance and renewal requirements of each IAMP and has carefully balanced the financial demands of IAMPs across the life of this plan.

Council will invest more than $110M over the next 10 years, maintaining and renewing its existing assets. The majority of this expenditure relates to the renewal of Council's road network with more than $42M expected to be invested over the next 10 years. Council will aim to support new works with 50% external grant funding (State and Federal Government), a consolidation of existing land and building assets and a review of the service standards of the unsealed road network.

Borrowing Levels

To continue to deliver Wakefield 2030, Council will increase its use of borrowings from $7.6M in 2024-25 to approximately $9.4M in 2026-27. Borrowings are required to fund Council's suite of strategic plans including; reducing the infrastructure backlog on council's road network, enhancing and beautifying townships, maintaining and upgrading public assets, maintaining council owned buildings and supporting environmental and economic development initiatives. These key goals directly inform the financial numbers within this LTFP and provide a clear financial road map to help understand affordability and to support Council's current and future decision making.

Financial Monitoring

To ensure the long-term financial sustainability of Council, this LTFP has set a series of financial targets which include:

- ✓ Operating Surplus Ratio - Target 0% to 10%
- ✓ Net Financial Liabilities Ratio - Target 0% to 70%
- ✓ Asset Renewal Funding Ratio - Target 90% to 130%

The financial targets provide clear parameters that guide current and future financial decisions of Council. Financial ratios are explained in more detail on pages 7 to 9 of this plan.

Summary

This plan has carefully considered external economic conditions, the ongoing cost of maintaining and renewing existing assets, the review of the use of Council buildings and land, a review of the service standards within the unsealed road network, the sustained economic development of the district, returning the organisation to budget surplus and importantly, the responsible management of property rate increases.

In summary, Council remains in a strong financial position with operating surplus positions forecast within the life of this plan. It is acknowledged that Council's borrowing levels will peak at approximately $10.2M in 2027-28 however, borrowings remain within Council's Net Financial Liability Ratio Target of 0% to 70%, peaking at 59%.

Purpose of this plan

This LTFP is a key component of Council's strategic management framework. The plan expresses the objectives within Council's strategic management plan and asset management plans in financial terms. It is a guide for future actions, based on the longer-term impact of revenue and expenditure. The long-term financial implications can be readily identified and if warranted, proposed future activities revised.

Long-term financial plans are particularly important for local governments as they are responsible for managing a high level of long-lived assets relative to their income base. A council may have long periods with modest levels of asset renewal requirements and then other periods when significant outlays are necessary. All councils need to generate revenue in an equitable manner over time and ensure they have capacity to finance peaks in asset management and other outlays when, and including by way of borrowings, where necessary.

The preparation of a LTFP generates improved information to guide decisions about the mix and timing of outlays on operating activities and additional assets and the funding implications of these. Without a soundly based LTFP and asset management plans, an organisation with significant asset management responsibilities, is unlikely to have sufficient data to determine sustainable service levels and affordable asset management strategies, appropriate revenue targets and optimal treasury management.

The *Local Government (Financial Management) Regulations 2011* requires LTFPs to include:

- A summary of proposed operating and capital investment activities;
- Estimates and target ranges adopted by the Council for each year of the LTFP (in terms of operating surplus ratio, net financial liabilities ratio and an asset renewal funding ratio);
- A statement which sets out the purpose of the plan, the basis on which it has been prepared and key conclusions which may be drawn from the estimates, proposals and other information in the plan.

Strategic Plan – Wakefield 2030

Wakefield 2030 includes the following statements:

Vision Statement

Wakefield is a thriving and connected regional community known for its lifestyle, vibrant towns and economic prosperity. The region is growing, supported by quality assets and driven by a strong sense of pride and confidence. Wakefield is a great place to do business and a great place to belong."

Themes

There are three key themes or areas of focus to bring the community's vision to life. These are shown below, with a short description of what success will look like by 2030:

LIVEABLE COMMUNITIES	Wakefield is a great place to live, work and play. Our vibrant, attractive towns are full of energy and excitement, with places and spaces designed for people to pursue recreation, leisure and fun. Our communities are connected by social events, a sense of pride and belonging and quality infrastructure that serves them well.
THRIVING REGION	Wakefield is open for business. Our region's economic future is bright as existing businesses thrive and expand, while new businesses and industries put down local roots. Our population is growing as people recognise the affordable, quality lifestyle on offer, with new housing options enticing people to move to the area.
SUSTAINABLE FUTURE	Wakefield has a clean, green future. Strong partnerships between Council, the community and other agencies have been formed as we come together to manage our environment in the best possible way. We are seen as a region that respects its natural assets and seeks sustainable outcomes for the community.

The content of this LTFP has been prepared based on the pursuit of this vision and themes.

Report by Chief Executive Officer

In accordance with the requirements of the Local Government Act 1999, each year Council reviews and updates its LTFP. This allows Council to reassess potential impacts on the organisation's financial sustainability due to internal and external influences.

This LTFP shows that Council will experience an operating deficit in 2025-26 before returning to a gradually improving surplus position from 2026-27 apart from 2027-28.

Within the first year of this plan Council's capital expenditure on new/upgraded asset has an allowance for carry over of 2025-26 projects that have grant funding attached.

To ensure financial sustainability and continued delivery of Wakefield 2030, Council's forecast annual general rate increase will need to be a minimum of CPI plus an average sustainability factor of less than 1.0% across the life of the plan.

In determining the annual general rate increases, Council has considered the value of borrowings. The leveraging of borrowings will help to lessen the burden on today's rate payer and will share some of the financial pressure with future generations using debt. Council's borrowings will increase from $7.6M in 2023-24 to $10.2M in 2027-28. It is important to recognise that borrowings remain within Council's Net Financial Liability Ratio Target of 0% to 70%, peaking at 59%.

Council is responsible to the community for the efficient and effective maintenance and renewal of its assets and for ensuring the district is positioned for future success. This plan continues to address historical asset underspend and will carefully steer the district towards future growth and prosperity under the guidance of Wakefield 2030.

Council's long-term financial position is expected to enable Council to undertake asset management in a thorough and sustainable manner and continue to deliver key strategic objectives in accordance with Council's strategic plans. Council's long-term financial position is under pressure but is considered sustainable in the long-term, with Council moving to an operating surplus in 2026-27.

Basis of Preparation

This LTFP projects a steady improvement in Council's financial position over the next 10 years, with a surplus in all years except for 2027-28. The plan effectively manages Council's debt at an acceptable level, maintaining a Net Financial Liability Ratio below the maximum tolerable level of 70%. This is based on the achievement of the financial strategy described below:

1. Include all the maintenance and capital renewal expenses as outlined in Council's five (5) Asset Management Plans.
2. The timing of capital outlays achieves an average asset renewal ratio of 105% for the life of this plan for Transport, Bridges, Stormwater, Community Wastewater Management Systems and Buildings.
3. No renewal backlog for transport assets (roads and footpaths) by 2035.
4. Assets that are surplus to Council's requirement (land, buildings and plant and equipment) will be disposed of enabling the funds required for future upgrade and additions during the life of this plan.
5. A review of the service standards within the unsealed road network in accordance with Council's Unsealed Road Classification Policy.
6. Service charges for Community Wastewater Management Scheme (CWMS) and mobile garbage bin collection are increased to enable Council to fully recover the costs associated with the delivery of the services, including where appropriate, the cost of capital.
7. Total rates raised will increase as follows:
    - 2026-27 – 1.79% above inflation (sustainability factor)
    - 2027-28 – 2.0% above inflation (sustainability factor)
    - 2028-29 – 2.0% above inflation (sustainability factor)
    - 2029-30 – 2.0% above inflation (sustainability factor)
    - From 2023-31 to the end of the plan, rates will increase by CPI only.

A sustainability factor is required in first half of the plan to produce a small surplus and allow Council to operate within its borrowing capacity both of which are set by Councils lending authority.

Key Assumptions

The following assumptions are the basis for forecast LTFP calculations:

1. The content of the LTFP is based on budgeted (2026-27) dollar values.
2. Ongoing government operating grants are included at known amounts or where there is a reasonable expectation of continuation.
3. Expenditure on assets is as per the requirements of the current Asset Management Plans.
4. Future capital and maintenance expenditure is inflated using 3.5% average inflation rate which is 0.5% higher than current RBA target range, this is to recognise the limitation of their cash rate changes to regulate global economic factors.
5. An average inflation rate of 3.5% is used to inflate other expenses and revenue streams from 2026-27.
6. Employee costs are budgeted to be increased based on the current enterprise bargaining agreements which are linked to CPI.
7. An average interest rate of 5.10% has been used for borrowings through Local Government Finance Authority (LGFA).

    This plan assumes any new fixed loans will be at a favourable rate compared to the existing Cash Advance Debentures (CADs) variable rate and will be used if appropriate. The accounts payable and accounts receivable balances are based on last four years' average balances adjusted for known items.
8. Revaluation of assets are factored into the plan as per Council's asset revaluation schedule. The Impact of asset revaluation on depreciation are captured through the LTFP model by adjusting for new and upgraded assets and increasing depreciation by the inflation factor each year as opposed to having a large adjustment in the revaluation years. It is proposed that an indexation of revalued fixed asset registers will be implemented after the revaluation of transport and building assets to be conducted as at 1 July 2026 changing the above method of addressing future depreciation prediction.

Financial Sustainability - Key Financial Indicators

The following financial indicators help to easily understand the financial projection within this plan and to assess its sustainability. In local government there are three (3) key financial indicators used to assess the financial sustainability of the council, these ratios are provided in detail below.

Operating Surplus Ratio

The operating surplus ratio is the operating surplus (or deficit) as a percentage of total revenue.

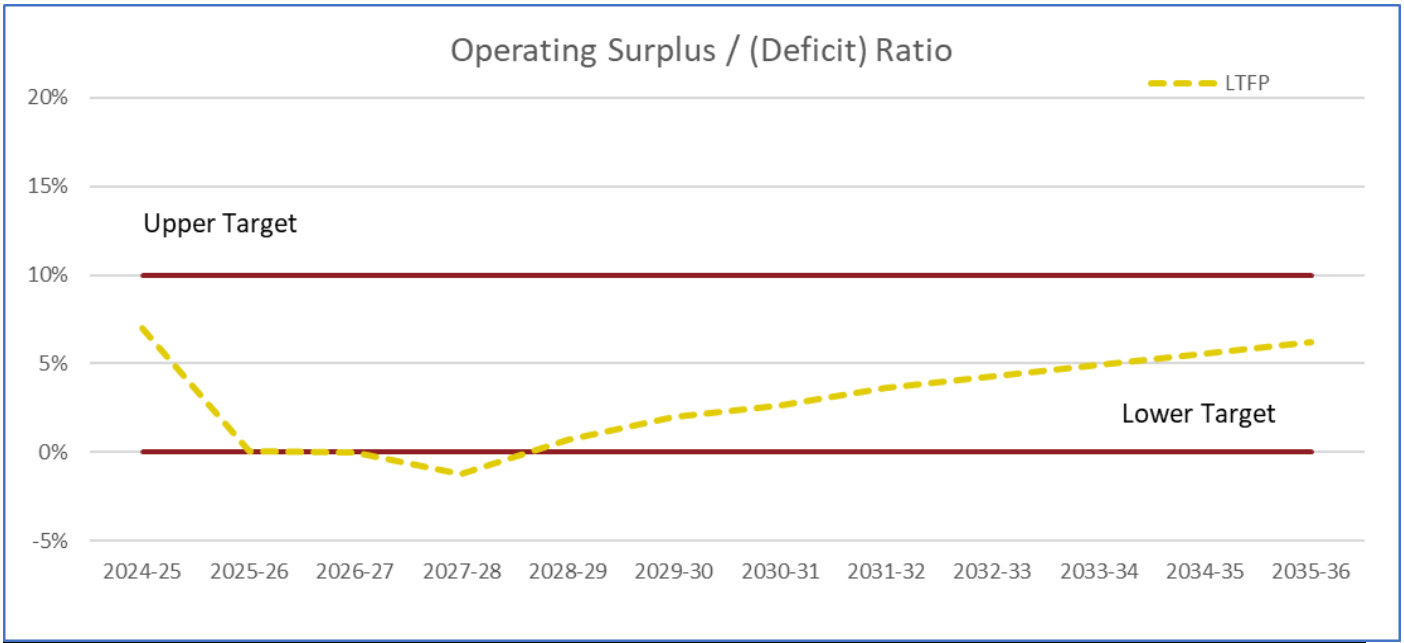
This ratio is calculated as;

$$\frac{\text{Operating Revenue less Operating Expenditure}}{\text{Total Operating Revenue}}$$

A positive ratio indicates the percentage of operating income available to help fund capital expenditure. If the relevant amount is not required for this purpose in a particular year, it can be held for future capital expenditure needs by either increasing financial assets or preferably, where possible, reducing debt in the meantime.

A negative ratio indicates the percentage increase in operating income or the approximate decrease in operating expenses required to achieve a break-even operating result.

Ideally, councils should target breakeven or a small surplus position each year. This LTFP shows that an operating surplus will be achieved and maintained from 2028-29.



2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
7.0%	0.0%	0.0%	(1.2%)	0.7%	2.0%	2.6%	3.6%	4.3%	4.9%	5.5%	6.2%

Net Financial Liabilities Ratio

The net financial liabilities ratio shows Council's net financial liabilities at the end of a financial year as a percentage of operating income for the year.

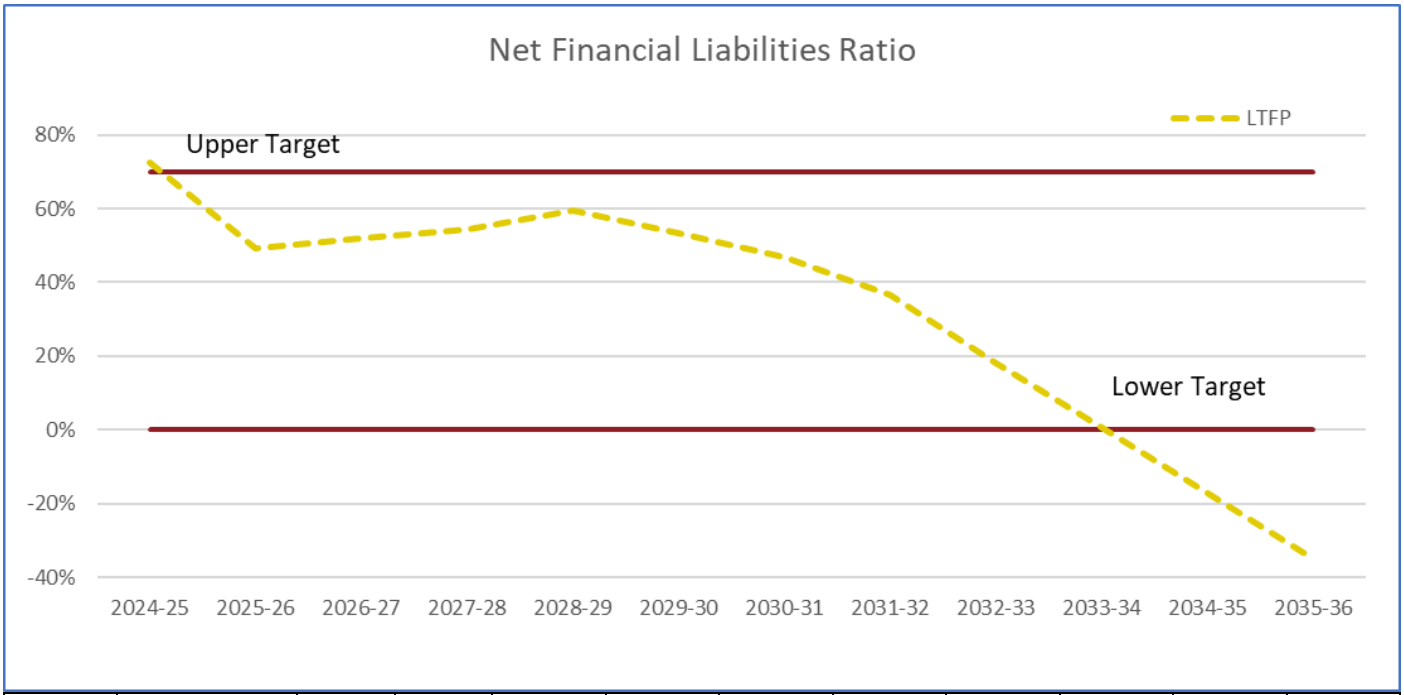
This ratio is calculated as;

$$\frac{\text{Net Financial Liabilities}}{\text{Total Operating Revenue}}$$

If the ratio falls, over time, this indicates that the Council's capacity to meet its financial obligations from operating income is strengthening.

An increase in the net financial liabilities ratio will sometimes mean that a Council is incurring higher operating expenses (e.g. because of additional maintenance/capital activities).

The LTFP target for the current plan is for a Net Financial Liabilities Ratio between 0% and 70%.



2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
49%	52%	54%	59%	53%	47%	36%	18%	0%	(17%)	(35%)	(54%)

Asset Renewal Funding Ratio

This ratio indicates the extent to which existing infrastructure assets are being renewed and replaced, compared with the asset renewal and replacement expenditure identified as required in our infrastructure and asset management plans.

This ratio is calculated as;

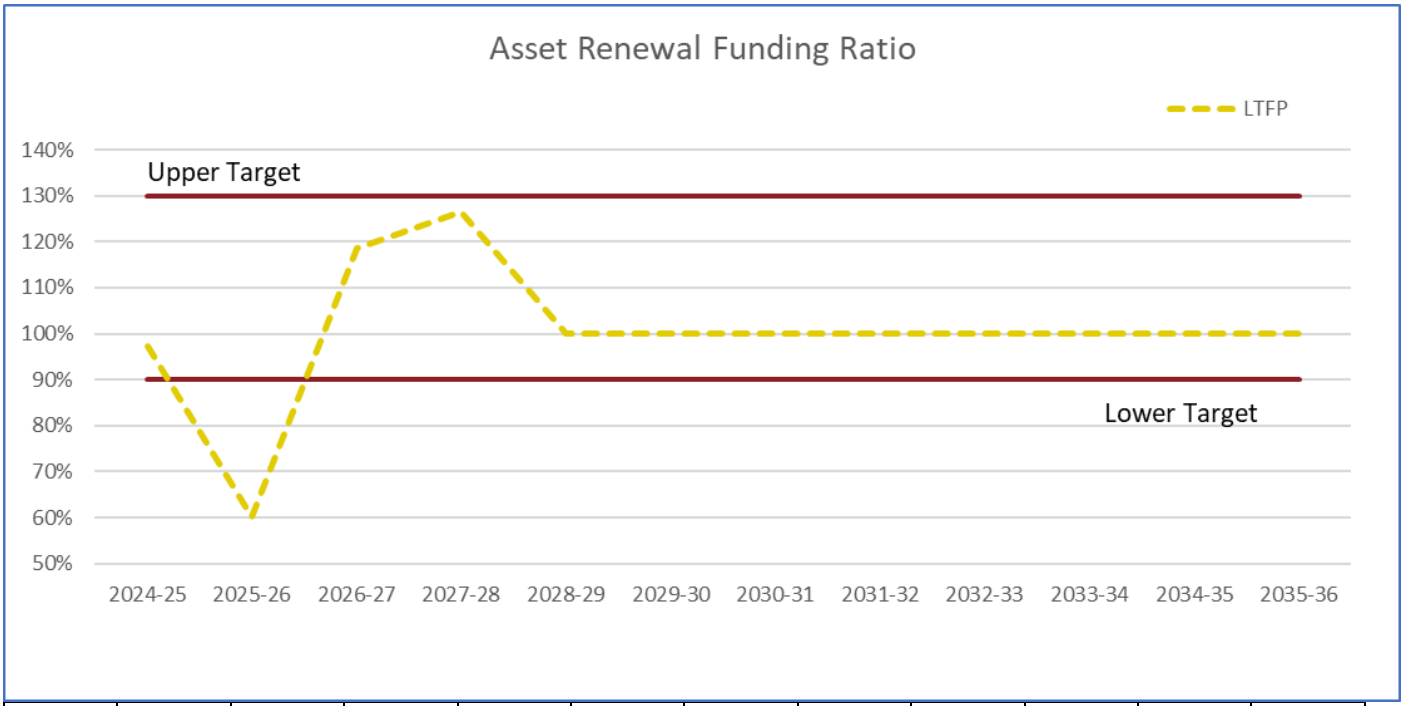
$$\frac{\text{Expenditure on renewal/replacement of assets}}{\text{Expenditure identified in asset management plans}}$$

It is calculated by measuring capital expenditure on renewal or replacement of assets for a period, divided by the optimal level of such expenditure in the IAMPs.

If capital expenditure on renewing or replacing existing assets is at a level consistent with that in soundly prepared IAMPs (i.e. that is based on long-run affordable service levels) then it is likely that a Council is reasonably optimising timing of asset renewal activity.

The LTFP target for the Asset Renewal Funding Ratio is maximum 130% and minimum 90%.

This LTFP achieves an average asset renewal funding ratio of 105% over the life of the plan.



2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
60%	119%	127%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Council's Long-Term Sustainability Based on Forecasts

During the development of Council's strategic management plans extensive community consultation was undertaken, which has shown that improvement to our roads network and other key infrastructure such as sporting and leisure facilities, are extremely important to our community. In response, Council will invest more than $110M over the next 10 years, maintaining and renewing its existing assets. Most of this expenditure relates to the renewal of Council's road network with more than $42M expected to be invested over the next 10 years. Council will aim to support new and upgrade works through external grant funding (State and Federal Government), a consolidation of existing land and building assets and a review of the service standards of the unsealed road network.

Achieving future financial sustainability and prosperity for the district will be a delicate balancing process, which will require a careful balance of service standards, the provision of facilities and the timing of delivery of projects.

The key financial indicators within this plan show Council operating in a manner that is financially sustainable and that it has the funds necessary to confidently deliver its suite of strategic management plans.

This LTFP will be reviewed and refined at least annually as part of the Annual Business Planning process and carefully monitored to ensure Council remains within its financial targets.

Summary of Financial Performance & Position Statement

The Summary of Uniform Presentation of Finances together with the results of the Key Financial Indicators provides a summarised report that focuses on Council's finances at a strategic level.

This summary highlights the operating surplus or deficit and shows the 'net lending/(borrowing)' as the bottom line. The net lending/ (borrowing) considers both operating and capital activities for each year.

A zero-result means that council has met all its operating and capital expenditure from the current year's income. A net lending result means that council has excess funds for the year after paying for all operating and capital expenditure. A net borrowing result means that council has used more funds than it raised in the year in paying for its operating and capital expenditure.

ASSUMPTIONS

TOTAL RATES INCREASE INCLUDED	**6.00%**	**4.70%**	**6.69%**	**5.50%**	**5.50%**	**5.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Estimated CPI		**2.20%**	**4.90%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Actual Adelaide March Qtr CPI	**2.20%**	**4.90%**										

ESTIMATED STATEMENT OF COMPREHENSIVE INCOME

	2024-25 Actual $'000	2025-26 BR 3 LTFP $'000	2026-27 Year 1 LTFP $'000	2027-28 Year 2 LTFP $'000	2028-29 Year 3 LTFP $'000	2029-30 Year 4 LTFP $'000	2030-31 Year 5 LTFP $'000	2031-32 Year 6 LTFP $'000	2032-33 Year 7 LTFP $'000	2033-34 Year 8 LTFP $'000	2034-35 Year 9 LTFP $'000	2035-36 Year 10 LTFP $'000
INCOME												
Rates	13,823	14,406	15,269	16,041	16,853	17,707	18,313	18,942	19,595	20,264	20,862	21,473
Statutory charges	303	263	233	241	249	258	267	276	286	296	305	314
User charges	691	663	597	618	640	662	685	709	734	760	783	806
Grants, subsidies & contributions - Capital	698	1,372	1,520	1,074	1,074	945	945	945	945	945	945	945
Grants, subsidies & contributions - Operating	4,998	3,274	3,322	3,334	3,362	3,391	3,421	3,452	3,484	3,517	3,546	3,576
Investment income	19	21	19	18	17	15	15	15	90	259	428	615
Reimbursements	321	237	154	159	165	171	177	183	189	196	202	208
Other income	3	10	10	10	10	10	10	10	10	10	10	10
Total Income	20,854	20,247	21,125	21,496	22,370	23,159	23,834	24,533	25,334	26,247	27,081	27,947
EXPENSES												
Employee costs	6,573	6,596	7,255	7,517	7,781	8,053	8,335	8,627	8,929	9,241	9,519	9,804
Materials, contracts & other expenses	6,313	6,858	6,612	6,699	6,686	6,707	6,781	6,857	6,935	7,017	7,090	7,164
Depreciation, amortisation & impairment	6,076	6,363	6,709	6,995	7,272	7,537	7,811	8,096	8,391	8,697	8,971	9,253
Finance costs	435	425	549	543	471	402	284	68	-	-	-	-
Total Expenses	19,397	20,241	21,125	21,753	22,210	22,700	23,211	23,649	24,255	24,955	25,580	26,221
OPERATING SURPLUS / (DEFICIT)	1,457	6	0	(257)	160	460	623	884	1,078	1,292	1,501	1,726
Physical resources received free of charge	14											
Asset Disposal & fair value adjustments	(432)	(22)	(100)	(200)	(300)	(400)	(400)	(100)	(200)	(300)	(400)	(400)
Amounts received specifically for new or upgraded assets	300	750	2,665	160	-	-	-	-	-	-	-	-
NET SURPLUS/(DEFICIT)	**1,339**	**734**	**2,565**	**(297)**	**(140)**	**60**	**223**	**784**	**878**	**992**	**1,101**	**1,326**
Other comprehensive income												
Change in Revaluation Surplus - I,PP&E	201	-	12,000	1,000	200	-	-	14,000	1,100	220	-	-
Impairment Recoupment Offset TO AAR	-	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	201	-	12,000	1,000	200	-	-	14,000	1,100	220	-	-
Total comprehensive income	1,540	734	14,565	703	60	60	223	14,784	1,978	1,212	1,101	1,326

ASSUMPTIONS

TOTAL RATES INCREASE INCLUDED	**6.00%**	**4.70%**	**6.69%**	**5.50%**	**5.50%**	**5.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Estimated CPI		**2.20%**	**4.90%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Actual Adelaide March Qtr CPI	**2.20%**	**4.90%**										

ESTIMATED STATEMENT OF FINANCIAL POSITION

	2024-25 Actual $'000	2025-26 BR 3 LTFP $'000	2026-27 Year 1 LTFP $'000	2027-28 Year 2 LTFP $'000	2028-29 Year 3 LTFP $'000	2029-30 Year 4 LTFP $'000	2030-31 Year 5 LTFP $'000	2031-32 Year 6 LTFP $'000	2032-33 Year 7 LTFP $'000	2033-34 Year 8 LTFP $'000	2034-35 Year 9 LTFP $'000	2035-36 Year 10 LTFP $'000
ASSETS												
Current Assets												
Cash and cash equivalents	64	10	10	10	10	11	11	11	3,110	7,805	12,935	18,571
Trade & other receivables	1,640	2,880	1,762	1,323	1,320	1,309	1,314	1,319	1,324	1,332	1,344	1,344
Inventories	824	516	516	516	516	516	516	516	516	516	516	516
Total Current Assets	2,528	3,406	2,288	1,850	1,846	1,836	1,841	1,846	4,950	9,653	14,795	20,431
Non-current Assets												
Financial Assets	-	61	39	16	-	-	-	-	-	-	-	-
Infrastructure, property, plant & equipment	152,436	154,040	170,052	172,077	171,269	170,289	168,331	178,894	176,532	173,150	169,242	165,032
Other Non-current assets	2,425	2,085	1,637	1,637	1,637	1,637	1,637	1,637	1,637	1,637	1,637	1,637
Total Non-current Assets	154,861	156,186	171,728	173,730	172,906	171,926	169,968	180,531	178,169	174,787	170,879	166,669
Total Assets	157,389	159,592	174,016	175,579	174,752	173,762	171,809	182,376	183,119	184,440	185,674	187,100
LIABILITIES												
Current Liabilities												
Trade & other payables	2,954	3,704	2,395	2,346	2,420	2,497	2,577	2,659	2,744	2,825	2,904	2,978
Current Borrowings	9	2	-	-	-	-	-	-	-	-	-	-
Current Provisions	1,214	1,214	1,274	1,319	1,366	1,414	1,464	1,515	1,568	1,589	1,637	1,656
Total Current Liabilities	4,177	4,920	3,669	3,665	3,786	3,911	4,041	4,174	4,312	4,414	4,541	4,634
Non-current Liabilities												
Non Current Borrowings	7,573	8,281	9,383	10,242	9,228	8,046	5,736	1,380	-	-	-	-
Non Current Provisions	130	148	155	160	166	172	178	184	190	197	203	209
Other Non-current Liabilities	50	50	50	50	50	50	50	50	50	50	50	50
Total Non-current Liabilities	7,753	8,479	9,588	10,453	9,444	8,269	5,964	1,613	240	247	253	259
Total Liabilities	11,930	13,399	13,257	14,118	13,230	12,180	10,005	5,787	4,552	4,661	4,794	4,893
NET ASSETS	145,459	146,193	160,759	161,462	161,522	161,582	161,804	176,589	178,567	179,779	180,880	182,207
EQUITY												
Accumulated Surplus	23,107	23,841	26,407	26,109	25,970	26,030	26,252	27,037	27,915	28,907	30,008	31,334
Asset Revaluation Reserve	122,272	122,272	134,272	135,272	135,472	135,472	135,472	149,472	150,572	150,792	150,792	150,792
Other Reserves	80	80	80	80	80	80	80	80	80	80	80	80
TOTAL EQUITY	145,459	146,193	160,759	161,461	161,522	161,582	161,804	176,589	178,567	179,779	180,880	182,206

ASSUMPTIONS

TOTAL RATES INCREASE INCLUDED	**6.00%**	**4.70%**	**6.69%**	**5.50%**	**5.50%**	**5.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Estimated CPI		**2.20%**	**4.90%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Actual Adelaide March Qtr CPI	**2.20%**	**4.90%**										

ESTIMATED STATEMENT OF CHANGES IN EQUITY

	2024-25 Actual $'000	2025-26 BR 3 LTFP $'000	2026-27 Year 1 LTFP $'000	2027-28 Year 2 LTFP $'000	2028-29 Year 3 LTFP $'000	2029-30 Year 4 LTFP $'000	2030-31 Year 5 LTFP $'000	2031-32 Year 6 LTFP $'000	2032-33 Year 7 LTFP $'000	2033-34 Year 8 LTFP $'000	2034-35 Year 9 LTFP $'000	2035-36 Year 10 LTFP $'000
ACCUMULATED SURPLUS												
Balance at end of previous reporting period	21,768	23,107	23,841	26,407	26,109	25,970	26,030	26,252	27,037	27,915	28,907	30,008
Net Surplus/(Deficit) for year	1,339	734	2,565	(297)	(140)	60	223	784	878	992	1,101	1,326
Other Comprehensive Income												
Transfers between reserves	-	-	-	-	-	-	-	-	-	-	-	-
Balance at end of period	23,107	23,841	26,407	26,109	25,970	26,030	26,252	27,037	27,915	28,907	30,008	31,334
ASSET REVALUATION RESERVE												
Balance at end of previous reporting period	122,071	122,272	122,272	134,272	135,272	135,472	135,472	135,472	149,472	150,572	150,792	150,792
Net Surplus/(Deficit) for year												
Other Comprehensive Income												
Change in Revaluation Surplus - I,PP&E	201	-	12,000	1,000	200	-	-	14,000	1,100	220	-	-
Impairment Recoupment Offset TO AAR	-	-	-	-	-	-	-	-	-	-	-	-
Balance at end of period	122,272	122,272	134,272	135,272	135,472	135,472	135,472	149,472	150,572	150,792	150,792	150,792
OTHER RESERVES												
Balance at end of previous reporting period	80	80	80	80	80	80	80	80	80	80	80	80
Net Surplus/(Deficit) for year												
Other Comprehensive Income												
Transfers between reserves	-	-	-	-	-	-	-	-	-	-	-	-
Balance at End of Period	80	80	80	80	80	80	80	80	80	80	80	80
Total Equity												
Balance at end of previous reporting period	143,919	145,459	146,193	160,759	161,461	161,522	161,582	161,804	176,589	178,567	179,779	180,880
Net Surplus/(Deficit) for year	1,339	734	2,565	(297)	(140)	60	223	784	878	992	1,101	1,326
Other Comprehensive Income												
Gain on revaluation of infrastructure,Property plant & equipment	201	-	12,000	1,000	200	-	-	14,000	1,100	220	-	-
Balance at End of Period	145,459	146,193	160,759	161,461	161,522	161,582	161,804	176,589	178,567	179,779	180,880	182,206

ASSUMPTIONS

TOTAL RATES INCREASE INCLUDED	**6.00%**	**4.70%**	**6.69%**	**5.50%**	**5.50%**	**5.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Estimated CPI		**2.20%**	**4.90%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Actual Adelaide March Qtr CPI	**2.20%**	**4.90%**										

ESTIMATED STATEMENT OF CASH FLOWS

	2024-25 Actual $'000	2025-26 BR 3 LTFP $'000	2026-27 Year 1 LTFP $'000	2027-28 Year 2 LTFP $'000	2028-29 Year 3 LTFP $'000	2029-30 Year 4 LTFP $'000	2030-31 Year 5 LTFP $'000	2031-32 Year 6 LTFP $'000	2032-33 Year 7 LTFP $'000	2033-34 Year 8 LTFP $'000	2034-35 Year 9 LTFP $'000	2035-36 Year 10 LTFP $'000
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts												
Rates - general & other	13,840	14,406	15,269	16,041	16,853	17,707	18,313	18,942	19,595	20,264	20,862	21,473
Fees & other charges	300	263	233	241	249	258	267	276	286	296	305	314
User charges	688	663	597	1,058	636	657	680	704	729	747	763	794
Investment receipts	19	21	19	18	17	15	15	15	90	259	428	615
Grants utilised for operating purposes	4,908	3,274	3,322	3,334	3,362	3,391	3,421	3,452	3,484	3,517	3,546	3,576
Reimbursements	193	237	154	159	165	171	177	183	189	196	202	208
Other revenues	93	10	10	10	10	10	10	10	10	10	10	10
Payments												
Employee costs	(6,435)	(6,596)	(7,196)	(7,461)	(7,722)	(7,992)	(8,272)	(8,563)	(8,863)	(9,147)	(9,430)	(9,718)
Materials, contracts & other expenses	(6,161)	(6,660)	(6,413)	(6,753)	(6,618)	(6,637)	(6,708)	(6,782)	(6,857)	(6,858)	(6,937)	(7,018)
Finance payments	(457)	(423)	(549)	(543)	(471)	(402)	(284)	(68)	-	-	-	-
Net Cash provided by (or used in) Operating Activities	6,988	5,196	5,447	6,105	6,482	7,178	7,620	8,170	8,664	9,284	9,749	10,254
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Grants utilised for capital purposes	809	1,372	1,020	1,074	1,074	945	945	945	945	945	945	945
Amounts specifically for new or upgraded assets	-	550	2,665	160	-	-	-	-	-	-	-	-
Sale of replaced assets	278	293	326	523	352	238	241	346	369	431	386	386
Sale of surplus assets	-	703	-	-	-	-	-	-	-	-	-	-
Repayments of Loans by community groups	13	18	21	22	23	16	-	-	-	-	-	-
Payments												
Expenditure on renewal/replacement of assets	(5,208)	(7,316)	(8,318)	(6,942)	(6,917)	(7,194)	(6,496)	(5,104)	(5,498)	(5,966)	(5,950)	(5,950)
Expenditure on new/upgraded assets	(1,421)	(1,469)	(2,262)	(1,800)	-	-	-	-	-	-	-	-
Loans to community groups	-	(100)	-	-	-	-	-	-	-	-	-	-
Net Cash provided by (or used in) Investing Activities	(5,529)	(5,949)	(6,548)	(6,963)	(5,467)	(5,996)	(5,310)	(3,813)	(4,184)	(4,590)	(4,619)	(4,619)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Proceeds from borrowings	162	708	1,102	859	-	-	-	-	-	-	-	-
Payments												
Repayments of borrowings	(1,777)	-	-	-	(1,014)	(1,182)	(2,310)	(4,356)	(1,380)	-	-	-
Repayment of finance lease liabilities	(8)	(8)	(2)	-	-	-	-	-	-	-	-	-
Net Cash provided by (or used in) Financing Activities	(1,623)	700	1,100	859	(1,014)	(1,182)	(2,310)	(4,356)	(1,380)	-	-	-
Net Increase (Decrease) in cash held	(164)	(53)	(1)	1	0	0	0	0	3,100	4,694	5,130	5,636
Cash & cash equivalents at beginning of period	228	64	10	10	10	10	11	11	11	3,110	7,805	12,935
Cash & cash equivalents at end of period	64	10	10	10	10	11	11	11	3,110	7,805	12,935	18,571

ASSUMPTIONS

TOTAL RATES INCREASE INCLUDED	**6.00%**	**4.70%**	**6.69%**	**5.50%**	**5.50%**	**5.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Estimated CPI		**2.20%**	**4.90%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Actual Adelaide March Qtr CPI	**2.20%**	**4.90%**										

ESTIMATED UNIFORM PRESENTATION OF FINANCES

	2024-25 Actual $'000	2025-26 BR 3 LTFP $'000	2026-27 Year 1 LTFP $'000	2027-28 Year 2 LTFP $'000	2028-29 Year 3 LTFP $'000	2029-30 Year 4 LTFP $'000	2030-31 Year 5 LTFP $'000	2031-32 Year 6 LTFP $'000	2032-33 Year 7 LTFP $'000	2033-34 Year 8 LTFP $'000	2034-35 Year 9 LTFP $'000	2035-36 Year 10 LTFP $'000
Income	20,854	20,247	21,125	21,496	22,370	23,159	23,834	24,533	25,334	26,247	27,081	27,947
less Expenses	19,397	20,241	21,125	21,753	22,210	22,700	23,211	23,649	24,255	24,955	25,580	26,221
Operating Surplus / (Deficit)	1,457	6	0	(257)	160	460	623	884	1,078	1,292	1,501	1,726
Net timing adjustment - general purpose grant funding	(1,520)	-	-	-	-	-	-	-	-	-	-	-
Less - grants, subsidies and contributions - capital	(809)	(1,372)	(1,520)	(1,074)	(1,074)	(945)	(945)	(945)	(945)	(945)	(945)	(945)
Adjusted Operating surplus / (deficit)	(872)	(1,366)	(1,520)	(1,331)	(914)	(485)	(322)	(61)	133	347	556	781
Net Outlays on Existing Assets												
Capital Expenditure on renewal and replacement of Existing Assets	(5,208)	(7,316)	(8,318)	(6,942)	(6,917)	(7,194)	(6,496)	(5,104)	(5,498)	(5,966)	(5,950)	(5,950)
Depreciation, Amortisation and Impairment	6,076	6,363	6,709	6,995	7,272	7,537	7,811	8,096	8,391	8,697	8,971	9,253
Grants, subsidies and contributions-capital renewal	809	983	1,520	1,074	1,074	945	945	945	945	945	945	945
Proceeds from Sale of Replaced Assets	278	293	326	523	352	238	241	346	369	431	386	386
Net (Outlays) on Existing Assets	1,956	323	237	1,650	1,782	1,526	2,501	4,283	4,207	4,107	4,353	4,635
Net Outlays on New and Upgraded Assets												
Capital expenditure on new/upgraded assets	(1,421)	(1,469)	(2,262)	(1,800)	-	-	-	-	-	-	-	-
Add Operating Grants - Capital	-	389	-	-	-	-	-	-	-	-	-	-
Amounts received specifically for New/Upgraded Assets	-	550	2,665	160	-	-	-	-	-	-	-	-
Proceeds from sale of surplus assets (Inc non-current assets held for resale	-	703	-	-	-	-	-	-	-	-	-	-
Net (Outlays) on New and Upgraded Assets	(1,421)	173	403	(1,640)	-	-	-	-	-	-	-	-
Annual Net Impact to Financing (surplus/(deficit))	(337)	(870)	(880)	(1,322)	868	1,040	2,179	4,222	4,341	4,454	4,908	5,416

ASSUMPTIONS

TOTAL RATES INCREASE INCLUDED	**6.00%**	**4.70%**	**6.69%**	**5.50%**	**5.50%**	**5.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Estimated CPI		**2.20%**	**4.90%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.00%**	**3.00%**
Actual Adelaide March Qtr CPI	**2.20%**	**4.90%**										

ESTIMATED KEY FINANCIAL INDICATORS

	2024-25 Actual $'000	2025-26 BR 3 LTFP $'000	2026-27 Year 1 LTFP $'000	2027-28 Year 2 LTFP $'000	2028-29 Year 3 LTFP $'000	2029-30 Year 4 LTFP $'000	2030-31 Year 5 LTFP $'000	2031-32 Year 6 LTFP $'000	2032-33 Year 7 LTFP $'000	2033-34 Year 8 LTFP $'000	2034-35 Year 9 LTFP $'000	2035-36 Year 10 LTFP $'000
Operating Surplus Ratio	7.0%	0.0%	0.0%	(1.2%)	0.7%	2.0%	2.6%	3.6%	4.3%	4.9%	5.5%	6.2%
Operating Surplus	1,457	6	0	(257)	160	460	623	884	1,078	1,292	1,501	1,726
Total Operating Income	20,854	20,247	21,125	21,496	22,370	23,159	23,834	24,533	25,334	26,247	27,081	27,947
This ratio expresses the operating surplus as a percentage of total operating revenue.												
Net Financial Liabilities Ratio	49%	52%	54%	59%	53%	47%	36%	18%	0%	(17%)	(35%)	(54%)
Net Financial Liabilities	10,226	10,508	11,485	12,784	11,900	10,860	8,680	4,458	117	(4,476)	(9,485)	(15,022)
Total Operating Income	20,854	20,247	21,125	21,496	22,370	23,159	23,834	24,533	25,334	26,247	27,081	27,947
Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.												
Asset Renewal Funding Ratio	60%	119%	127%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Asset Renewals	5,208	7,316	8,318	6,942	6,917	7,194	6,496	5,104	5,498	5,966	5,950	5,950
Infrastructure & Asset Management Plan required expenditure	8,672	6,165	6,574	6,942	6,917	7,194	6,496	5,104	5,498	5,958	5,950	5,950

Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

Return to Agenda