



2026/27 - 2035/36

Long Term Financial Plan



Acknowledgement of Country

Coorong District Council acknowledges and pays respect to the Ngarrindjeri and Ngarkat People, the traditional custodians of the land on which we meet.

We pay respect to all Australians who have made and continue to make a positive contribution to our culture and way of life in this country we live in and share together – Australia.



Version	Status	Release Date
1	Draft for Council meeting and Special Audit & Risk Committee meeting on 21 April 2026	20 April 2026
2	Draft released for community engagement	1 May 2026
3	Finance Committee	4 August 2026
4	Council Meeting	18 August 2026

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PURPOSE

The Local Government Act 1999 states that one of Council's roles is to plan at the local and regional level for the development and future requirements of its area (Section 7(a)).

A council is, under the system of local government established by this Act (Section 6), to provide for the government and management of its area at the local level, and in particular:

- to act as a representative, informed and responsible decision-maker in the interests of its community
- to provide and co-ordinate various public services and facilities and to develop the community and resources in a socially just and ecologically sustainable manner
- to encourage and develop initiatives within the community for improving the quality of life of the community
- to represent the interests of its community to the wider community
- to exercise, perform and discharge the powers, functions, and duties of local government under this and other Acts in relation to the area for which it is constituted to plan at the local and regional level for the development and future requirements of its area.

This plan expresses in financial terms the activities Council proposes to undertake in not only the short term, but also the medium and long term. It has been developed to assist in the guidance of future strategies and to ensure that Council operates in a sustainable manner.

By preparing a Long Term Financial Plan (LTFP), Council will not only be able to see into the long term but will also have the ability to determine whether service levels and community expectations are able to be funded. The LTFP has been prepared with Draft Asset Management Planning in mind and more recently, extensive strategy development and planning work across the main service areas.

The LTFP represents a comprehensive approach to consolidate and integrate the various financial strategies of Council which when combined produce the financial direction of the Council, as shown below:

Long Term Financial Plan

- » Annual Business Plan
- » Asset Management & Service Level
- » Capital Works Projects & Funding
- » Community Vision & Other Strategic Plans
- » Debt Management
- » Fees & Charges
- » Operational Requirements
- » Rating Strategy
- » Reserves & Restricted Funds

OBJECTIVES

Section 122(1) of the Local Government Act 1999 requires that councils must develop and adopt strategic management plans, including the LTFP, which is a moving document updated on a rolling basis over a ten-year term.

The key objective of the LTFP is to determine financial sustainability in the medium to long term, whilst achieving the Council's strategic platforms as specified in the Community Vision Plan and other strategic plans.

Coorong District Council aims to achieve this by:

- improving on the operating result from continuing operations
- identifying the required level of revenue to have a sustainable organisation
- maintaining stable and predictable rate increases
- maintaining a responsible and sustainable asset management program
- ensuring the continuation and effective delivery of essential community and infrastructure services
- managing current and future liabilities
- providing a framework to deliver responsible financial budgets.

SUSTAINABILITY

A financially sustainable Council can meet its funding requirements relative to the provision of required services including maintenance, renewal, and replacement of assets without imposing excessive debt on current or future generations, and without unplanned rate revenue increases or service level reductions.

A successful LTFP will assist Council to predict performance and position, to improve not only infrastructure levels but also standards without the need for unplanned increases to rates or reductions to services. For the strategy, financial sustainability is defined in the diagram below, modelled essentially on a hierarchy of needs approach.

Long term sustainability: replacing assets when required to maintain service levels and meet community needs.

Medium term sustainability: operating surplus achieved.

Critical short-term sustainability: working capital, cash liquidity and debt levels.

With expected regional growth over the next ten years coupled with a commitment to identifying internal efficiencies, the district is well positioned to strive for future opportunities. While heartened by growth projections and infrastructure planning, Council is cognisant of external influences affecting financial sustainability, including materials and contractors, rate increases and operating deficits.

CEO STATEMENT ON FINANCIAL SUSTAINABILITY

In line with the provisions of the Local Government Act 1999, the Council reviews and updates its Long Term Financial Plan annually. This process enables the Council to reassess the potential impacts on the organisation's financial sustainability, taking into account both internal and external factors.

This LTFP captures the key objectives of Council, which include:

- Meeting the expectations of the whole community by ensuring key services respond to demand and are delivered with sustainable funding of these activities.
- Funding Council's medium to long-term maintenance and renewal requirements of community-owned assets.
- Keeping downward pressure on rates, whilst managing increasing costs due to inflationary pressures.
- Incorporating the capacity within the LTFP to deliver major projects that support the district's growth and enhance community wellbeing.
- Ensuring the Council operates in a financially sustainable and responsible way.

In the 2024/25 financial year, the Essential Services Commission of South Australia (ESCOSA) undertook a review of the Council's financial sustainability as part of its regular Local Government Advice process. ESCOSA's assessment indicated that the Council's financial position, both current and projected, was largely sustainable, marking a strong outcome. To ensure ongoing financial health, the Council has made updates to its Long Term Financial Plan, reinforcing its commitment to this positive trend. To this end, it is essential that Council continues to follow the forecasted financial path to achieve these goals. Council closely monitors growth in both revenue and expenditures (seeking efficiencies where possible), including depreciation, and regularly updates its LTFP to enhance decision-making, ensure transparency for ratepayers, and fulfill its legislative obligations under relevant Acts and Regulations.

Council has been continuously improving its approach to asset management by dedicating additional resources to this area to ensure the effective maintenance and timely replacement of assets as they age. This proactive strategy is particularly crucial for our road network, which spans 8,832 square kilometres, making it the largest Local Government area in the state, with nearly 2,000 kilometres of roads. The importance of this responsibility is further emphasised by the essential role our roads play in supporting the local economy, particularly industries such as grain farming, sheep, and cattle production, all of which depend heavily on this infrastructure.

The Long-Term Financial Plan includes increased revenue to address inflation-driven price increases, as well as the growing demands for asset renewal. By renewing assets on time, the Council aims to prevent significant infrastructure costs in the future. For the 2026/27 financial year, an operating deficit is anticipated, with a return to surplus projected for 2030/31 (year 5) and beyond. These early operating deficits are primarily a result of inflationary impacts, asset management planning, and revaluations, which have led to higher depreciation costs and the need for accelerated asset renewal. The operating deficit in year 1 is projected to be \$665,000, reflecting the immediate financial pressures caused by these factors.

In delivering asset renewal programs and major projects, Council will maintain loans within responsible borrowing levels, with borrowings expected to peak in year 5 of the plan before starting to decrease for the remainder of the LTFP.

In formulating the LTFP, Council has been mindful of the cost-of-living pressures on the community such as drought and economic conditions, and this was front of mind when considering major infrastructure projects and how to best fund their delivery over the life of this LTFP.

In assessing the long-term financial impact, the key financial indicators indicate that the Council continues to operate in a financially responsible manner over the course of the plan, supporting the achievement of its long-term financial objectives, provided that the proposed financial strategy is adhered to. Establishing a sustained position of 100% asset renewals and modest budget surpluses starting from year 2 of the LTFP will strategically position the Council for the next decade, during which the district is expected to experience significant growth.

Overall, the Council remains accountable to the community for the efficient and effective delivery of services, the ongoing maintenance and renewal of assets, and ensuring the district is well-positioned for future success. The outcomes of the ESCOSA review continue to provide a strong foundation for maintaining this progress.

This plan demonstrates that the Council can sustain its ability to deliver critical community outcomes while maintaining the flexibility needed for major project delivery in the coming years. The LTFP reaffirms that the Council will remain financially sustainable throughout the life of the plan. However, if any key aspects of the plan are not met or unforeseen events occur, there is a risk that the projected position may be impacted.

Identified risks include changes to the condition of assets, their useful lives, and the potential impacts of bushfires and floods. Additionally, the reliance on non-recurring grant funding from external sources poses a risk to the plan's success. Another key risk is the possibility of not achieving the forecasted rate increases outlined in the plan or experiencing unexpected cost growth. These, along with other unforeseen risks, may prevent the Council from achieving its desired outcomes, particularly if there is a shift in these key parameters.

LINKAGES TO COUNCIL PLANS

The plan has been developed within an overall planning framework, which guides the Council in identifying community needs and aspirations over time. The long and medium-term strategies are identified through the Community Vision Plan. Short-term objectives are defined in the Annual Business Plan and Budget, which are then assessed to ensure accountability is maintained (Audited Financial Statements).

STRATEGIC PLANNING FRAMEWORK

The Community Vision Plan (CVP) has been incorporated, summarising the financial impacts of the objectives and strategies, and determining the sustainability of those objectives and strategies. The Annual Business Plan is then framed within the CVP, considering the activities and initiatives included in the Annual Budget, which contribute to achieving the strategic objectives specified in the Community Vision Plan. The diagram below shows the strategic planning framework of Council.



The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Local Government Act 1999 states that the Community Vision Plan, including all Strategic Plans and the Long Term Financial Plan, are required to be reviewed annually and comprehensively within two years of a general election. These documents are reviewed each year to ensure that they remain relevant and focused on achieving Council's long-term strategy.

Ideally, the LTFP is incorporated into the financial monitoring process whereby making the budget or revised budget the first year of the plan against which the Council can monitor and evaluate with the aim that the LTFP establishes future budgets and aids in decision making and strategic direction.

GUIDING THEMES OF COUNCIL FROM THE COMMUNITY VISION PLAN

In preparing the LTFP, the Council's guiding themes are identified below: -



Each of these action areas has supporting activities and measures for the community's aspirations to be more connected, thriving and sustainable.

Source: Coorong District Council Community Vision Plan 2026-2030, page 19

This version of the LTFP was developed in consultation with Council's Executive Leadership Team, Elected Members and community consultation. Workshops were held with Elected Members to specifically review Council's rating strategy, subsequent rating scenarios and Council's overall budget. This in turn informed the approach for the revised LTFP.

LONG TERM FINANCIAL PLAN INFLUENCES

PLANNING PROCESS

The Long Term Financial Plan captures a wide range of elements and project details, covering all areas of Council. Council's strategic documents and asset management plans are reviewed by relevant staff to identify the actions they contain, along with their timing and associated costs. Where possible, these actions are incorporated into the LTFP, with recurring income and expenditure based on historical data and known factors, including potential future legislative changes.

The Long Term Financial Plan is an evolving document that is reviewed and updated annually to reflect confirmed results. Management's focus is to use the LTFP and its ongoing refinements to maintain a clear long-term financial outlook that ensures the sustainable delivery of affordable services to the community.

In preparing the plan it is necessary to make several assumptions about the internal and external environment within which the Council operates. This section outlines the key internal and external factors that influence the development of this plan.

SAVINGS

This plan incorporates all identified and realized savings. Accordingly, it includes revised interest expense forecasts that reflect savings achieved through the deferral of loan drawdowns, thereby reducing applicable interest costs. Where appropriate, Council has utilized Cash Advance Deposits (CAD's), ensuring that interest is calculated only on the portion of funds drawn at any given time, rather than the full approved loan amount.

In addition, LTFP is based on the assumption that there will be no increase in full-time equivalent (FTE) staff over the life of the plan. As a result, increases in output and associated expenditure are expected to be delivered through materials and contracts, while maintaining the current FTE base. The ratio of rate revenue to FTE's declines over time, as illustrated in the graph titled "Employee Costs as a Percentage of Rate Income".

These measures have contributed to achieving budget surpluses from year five onwards, as outlined in the plan.

ASSET MANAGEMENT PRACTICES

With such a significant fixed asset base (predominantly comprised of major community infrastructure such as roads, footpaths, stormwater drainage and community wastewater management systems), it is imperative that there is an appropriate link and consistency between Council's infrastructure management plans, asset revaluations and the LTFP, as legislation requires them to be consistent. This also ensures that the LTFP provides for the planned capital outlays for the life of the plan.

The Asset Management Strategy is now in place. This has seen significant internal works undertaken between 2023/24 and 2025/26 to provide an overview of Council's assets, how they are performing, the service levels provided, the valuation of assets and related financial projections. In reviewing this LTFP, it is critical that there is strong alignment between the LTFP and Council's asset base.

SNAPSHOT OF THE COORONG DISTRICT COUNCIL

Coorong District Council operates under the provisions of the Local Government Act 1999 and associated regulations and is the statutory organisation responsible to the ratepayers and residents within the district.



8,832

square
kilometres



5,627

estimated
resident
population*



5.8%

identify as Aboriginal
or Torres Strait
Islander People**



27%

of our
population
volunteer**



4,680

rateable
properties
(2025/26)^



742

registered
businesses †



2,349

employed**



\$570M

gross regional
product ††



5

libraries



106

kilometres of
coastline



403

kilometres
sealed roads



1,674

kilometres
unsealed
roads

* Source: Australian Bureau of Statistics (ABS), Regional Population Growth, Australia (3218.0, released 31 March 2026)

** Source: ABS Census of Population 2021

^ Source: Coorong District Council 2025/26 Annual Business Plan & Budget

† Source: ABS Counts of Australian Businesses, Including Entries & Exits 2024-25

†† Source: National Institute of Economic & Industry Research (NIEIR) 2025, estimated figure (microsimulation model) for 2023-24

KEY ASSUMPTIONS

All financial estimates have been based on the 2026/27 Budget, with adjustments made for any significant, specific non-recurrent funded projects.

The plan provides a retrospective look at Coorong District Council's financials to give rise to trend analysis to minimise financial risk going forward. The concept of 'business as usual' therefore has been used as the base to calculate this plan.

The plan has been established in the same context as the Annual Budget and is being presented in the form of commentary and graphs. Consumer Price Index (CPI) in this plan factors in the Australia wide CPI from the Reserve Bank of Australia's February 2026 publication.

Revenue Type	Increase average over plan										
	Item	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10
Rate increase, CPI, Growth	CPI	4.2%	2.9%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%
	Growth	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
	Rate increase	1.36%	0.83%	1.13%	1.14%	1.14%	1.14%	1.15%	1.15%	1.15%	1.16%
Service Charges	Based on cost recovery										
Statutory Fees & Charges	RBA* target inflation rate** 2.5%+ 1%										
User Charges & Fees	2.5%** + 1%										
Operating Grants - recurrent	2.5%**										
Operating Grants - non recurrent	Estimated based on historical agreements with indexation applied										
Investment Income	2.5%** + 1%										
Reimbursements	2.5%** + 1%										
Other Income	2.5%** + 1%										

* Reserve Bank of Australia

** Reserve Bank of Australia Inflation Target – Target for monetary policy in Australia is to achieve an inflation rate of 2-3 per cent. This is a rate of inflation sufficiently low that it does not materially distort economic decisions in the community (Source: rba.gov.au) Council has based the target inflation rate for the purpose of the LTFP midway through this range, that being 2.5%.

CONSUMER PRICE INDEX ***

The consumer price index (CPI) is regarded as Australia's key measure of inflation for household consumables. This aims to provide a measure of price inflation for Australian households and the sector. CPI measures changes over time in prices of goods and services acquired by Australian metropolitan households. This Long Term Financial Plan is based on CPI of 4.2% for year 1 of the plan, 2.9 % for year 2 then 2.6% for years 3 to 10 of the plan. These rates were based on the Reserve Bank of Australia's February 2026 publication***.

*** Reserve Bank of Australia, Statement on Monetary Policy – February 2026 (www.rba.gov.au/publications/smp/2026/feb/)

FINANCIAL INDICATORS

Operating Surplus / (Deficit) ratio

An operating surplus indicates the extent to which operating revenues are sufficient to meet all operating expenses including depreciation, and consequently the extent to which the burden of expenses is being met by current ratepayers.

An operating deficit occurs when the total operating expenses exceed total operating revenues and consequently the burden of a portion of expenses will need to be met by future ratepayers.

Council's Long Term Financial Plan indicates that it will operate in years 1 to 4 of the plan at an operating deficit before returning to surpluses in years 5 to 10. Council has been prudent in budgeting in its forecast and anticipates reaching an operating surplus in year 5 of the LTFP. The current operating deficit position (year 1) is a result of a reduction of grant revenue which has been reprofiled to later years within the plan, significant increases in materials as a result of inflationary and fuel-related cost pressures and depreciation expenditure which Council has been managing closely to ensure it is renewing its assets prudently. These items continue to impact Council's overall operating position resulting in deficit operating results for years 1 to 4 of the LTFP before returning to surpluses from year 5 onwards in the plan. A 3.08% operating deficit ratio is indicated for year 1 of the plan.

Net Financial Liabilities (NFL) ratio

The Net Financial Liabilities ratio is defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue. The level of net financial liabilities decreases when a net lending result occurs in a financial year and will result in a Council purchasing financial assets and / or repaying liabilities and vice versa.

Council is projected to reach its peak borrowings in year 7 of the plan with a NFL of 18.10% before declining over the remaining life of the plan. This will ensure that Council can maintain its financial sustainability by reducing its borrowings whilst returning to surplus budgets from 2030/31.

Asset Renewal Funding ratio

This ratio measures whether the Council is renewing or replacing its physical assets at the same rate they are deteriorating. A result of 100% indicates that asset renewal spending is aligned with what is required.

At times, the Council may choose to increase or decrease spending. This may occur to address past underinvestment or to invest more upfront—where identified—to reduce future maintenance costs or achieve efficiencies.

The Council's target is 100%, meaning it aims to fully fund asset renewal needs as identified in the Asset Management Plan (AMP). According to the Long Term Financial Plan, this ratio is expected to remain at 100% over the life of the plan, reflecting a consistent approach to maintaining assets at the required standard.

REVENUE

Rates & Service Charges

Rates and service charges income is the amount which Council will receive as a result of raising rates and related charges on properties within each financial year.

Service charges include fees for waste collection (including the collection and disposal of domestic, organic matter and recycling) and Community Wastewater Management Systems (CWMS) sewer treatment and disposal of effluent. Water connections and supply also form part of these services charges, such as Peake non-potable water supply. It is noted that from 1 July 2026, Wellington East water service charges will no longer be levied by Council, as the infrastructure will be transferred to SA Water, which will assume responsibility for its operation, management, and associated charges.

Assumption: Service charges will be determined based on a cost recovery approach.

Statutory Charges

Statutory charges are levied under various Acts and Regulations, such as Health, Planning, Building, Cemeteries, Fire Management and Animals.

User Charges

User fees and charges relate to services where Council has the discretion to levy its fee amount or where fees are statutory in nature and prescribed by the Federal and State Governments. This area includes both Council defined User Charges and Statutory Fees. The main sources of User Charges are hall hire, swimming pool admission, burials and other hire/rental type charges.

Operating Grants

Operating grants include funding from the State Government and agencies such as the Grants Commission and from the Federal Government.

The Grants Commission provides Council with two types of funding including Financial Assistance Grants (FAGS). These include general revenue and untied local roads funding. Both funding types have percentage increases each year based on the total funding received from the Grants Commission and are based on their allocation calculations.

Roads to Recovery (R2R) funding is received from the Federal Government to undertake local road construction and renewal. This is allocated at a rate determined for each year in five-year tranches. Council must maintain its own funding contribution on these road projects. The plan also assumes that this funding will be ongoing over the life of the plan.

Assumption: Operating grants are increased by a flat rate of 2.5% for the life of the plan.

Grants

Non recurrent grants include all monies received from the State and Federal Governments and any other external sources for the purpose of funding specific projects.

Over the previous three years, Council has received significant grant funding, but it is expected that based on current economic conditions, this income source may reduce in future years.

Assumption: Grants of this nature may decrease in the future due to tightening of the economic environment. They are also difficult to predict, hence there is inherent risk when budgeting for these grants which may impact the LTFP. However, any funding opportunities will be vigorously pursued and catered for in future budgets and reviews.

Investment Income

Interest earnings reflect returns on cash invested with financial institutions, including the Local Government Finance Authority. Projections are based on a base rate due to variability in RBA interest rates and fluctuations in cash flows.

While interest rates have increased recently, Council applies available cash to offset its Cash Advance Debenture (CAD), resulting in lower investment income compared to previous LTFP projections.

Reimbursements

Reimbursements include diesel fuel rebates from the Australian Taxation Office (ATO), insurance rebates, workers compensation reimbursements and risk management performance bonuses.

Other Income

Funds received from the community and other external parties. Ancillary type income that may be once-off payments, retail sales from gallery proceeds, donations etc.

Asset Disposals and Fair Value Adjustments

The net loss or gain on disposal of assets relates to the sale of Council assets and is usually associated with land, plant replacements and building sales. The disposal of infrastructure assets on replacement / renewal also accounts for a considerable portion of disposals. It represents the difference between the amount received (proceeds) for the sale or trade-in compared to the carrying amount or book value of the item in Council's asset register at the expected time of the sale. A conscious effort has been applied as to when, what and how relative items will be disposed of within the plan. For the purposes of the plan, it is assumed that the proceeds from sale net off against the residual value.

EXPENDITURE

Employee costs

Salaries and wages include all employee expenses such as annual leave loading (where applicable) and long service leave. It is assumed that staffing numbers will remain constant throughout the plan from years 1 to 10.

Under the award structure employees can move through bands within their pay level each year (for up to 4 years). After calculating the average increase of band movement, an overall increase has been applied.

Assumption: An increase in salaries and wages has been incorporated into the plan in line with enterprise bargaining agreements, where known (it is noted that both the Australian Workers' Union (AWU) and Australian Services Union (ASU) agreements are currently pending negotiation).

Superannuation

This represents the amount payable on all employee superannuation in line with the Superannuation Guarantee Scheme. It is based on a total percentage of salaries and wages, taking into consideration the statutory percentage and any other industry or legislative contributions.

Assumption: Council factors in a salaries and wages percentage increase based around CPI, where feasible (percentage increase will be confirmed following Australian Workers' Union (AWU) and Australian Services Union (ASU) enterprise bargaining finalisation). They are exclusive of any fully funded grant positions and superannuation increases are tied to the same increases in Salaries and Wages.

Financial Year	%
1 July 2023 – 30 June 2024	11
1 July 2024 – 30 June 2025	11.5
1 July 2025 – 30 June 2026	12
1 July 2026 – 30 June 2027	12
1 July 2027 – 30 June 2028 and onwards	12

Workers Compensation

This represents the amount payable on workers compensation. It is based on a percentage of total salaries and wages, including superannuation and claims history. Included in this item is income protection and disability insurance.

MATERIALS, CONTRACTS & OTHER EXPENSES

Materials, services and contracts include all expenditure incurred by Council in the day to day operating of the business (that is not employee benefits or financial costs).

This includes all non-capital maintenance on Council equipment, consumables, and the consumption of stock on non-capital projects, payments to contractors and professional services in respect of non-capital projects and the costs of operating Council plant, machinery and buildings.

Inflationary pressures in the current economic environment have led to increases in the cost of some materials in recent years. More recently, geopolitical events have contributed to a further rise in inflation. As a result, this presents a potential risk to expenditure within the LTFP if actual inflation differs significantly from the assumptions built into the plan.

Assumption: Materials and contracts are assumed to increase by 4.2% in year 1, 2.9% in year 2, and align with the RBA CPI target (2–3%) thereafter.

DEPRECIATION

Depreciation is an accounting measure to assess the consumption of Council's property, plant and equipment assets, including infrastructure assets such as roads and associated assets in a given year.

Historically there has been an increase seen in depreciation due to the addition of assets as a result of Council's capital works program and asset revaluation regime.

The LTFP has a set of revised depreciation figures which are based on Council's current draft Asset Management Plans (AMPs). This is largely projected on the anticipated capital works program and valuation metrics of all assets as held in the Conquest asset management system, as at June 2026.

As a result of Council revaluations and changes applied to various parameters such as useful life, depreciation has increased to \$6.87 million (which reflects changes and updates to valuations and AMPs that are being further developed). Depreciation expense will continue to increase, and in year 10 of the LTFP will be \$10.57 million. This figure is also the amount Council anticipates spending on its capital renewal expenditure.

As further revaluations are scheduled to be completed in coming years and as the updating and maturing of the AMPs occur these updates may likely influence further changes in this area.

Historically, depreciation levels have not been adequately funded, however this plan looks to provide more accurate levels of funding based on Council's assets and current management plans and methodologies including a regular approach to revaluation reviews. Council is currently awaiting final updates of its Land, Building, Structures and Stormwater assets which will then be reflected in the next iteration of the LTFP.

The depreciation figures throughout the LTFP correlate with the draft Asset Management Plans (AMPs) – bridging document. As such, there are potential risks that may affect the depreciation figures until all asset data and valuations are complete and subsequently updated. These may include (but not limited to):

- Variances in valuations and parameters surrounding useful lives of assets.
- Unknown / unidentified assets that are yet to be captured in the asset register and subsequently the draft AMPs.
- Timing and accuracy of asset valuations.
- Indexation of asset values in conjunction with a revaluation of assets on a regular schedule are critical to ensuring accuracy of this information.

Other factors may affect the depreciation figure and given some of the variables mentioned, if any of these inputs change (despite a robust methodology that has been used in the AMPs) this may impact on the depreciation figure, hence the potential risk.

FINANCE COSTS

This item refers to the interest expense incurred by Council on borrowings and overdraft facilities.

Additional cash is required over the life of the plan for asset renewal and new works, with

peak net loan liabilities of approximately \$10.3 million in year 7. Interest has been included and is reflected in operating expenditure.

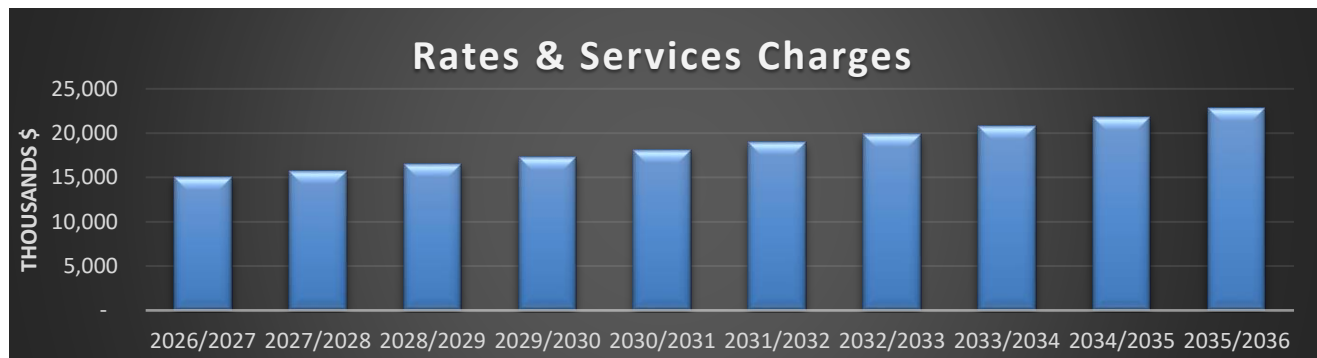
With the projected loan requirements, it is prudent to ensure that the identified rate increases are achieved throughout the plan. If this is not achieved, Council will not be able to reduce its borrowings as per the plan, thereby leading to potential increased interest expenditure.

The net financial liabilities ratio displays that at year 4 of the plan, Council will reach its peak liability ratio at just under 19.3% then this will continue to subside as Council progresses through the LTFP. This displays that Council is managing its debt responsibly and has curtailed a plan that continues to navigate towards sustainability whilst maintaining and renewing its assets according to the AMPs as it progresses through the plan.

Assumption: Interest costs and loan repayments are in line with the current loan program.

THE PLAN IN FINANCIAL TERMS

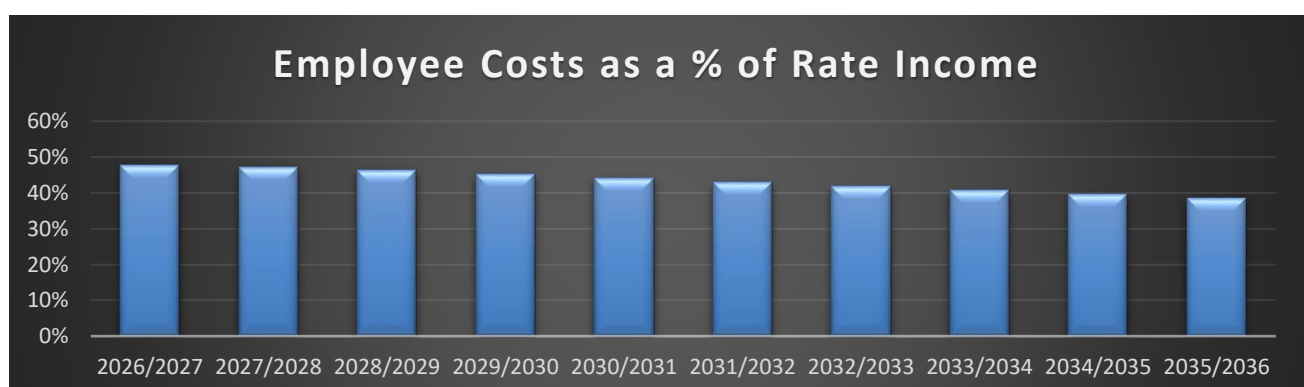
RATES & EMPLOYEE COSTS AS A PERCENTAGE OF RATES



It is proposed that Council's total annual rate income from General Rates and Service Charges when combined (noting that Service Charges are cost-recoverable) increases each year by an amount of CPI plus 1% growth as the base, plus the net increase, which in year 1 is 1.36%. Annual increases in proposed rates and service charges revenue are shown in the table below and decrease to 0.83% in year 2 before averaging out at 1.15% between years 3 and 10 of the plan.

YEAR	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10
	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036
CPI	4.20%	2.90%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Rate increase	1.36%	0.83%	1.13%	1.14%	1.14%	1.14%	1.15%	1.15%	1.15%	1.16%

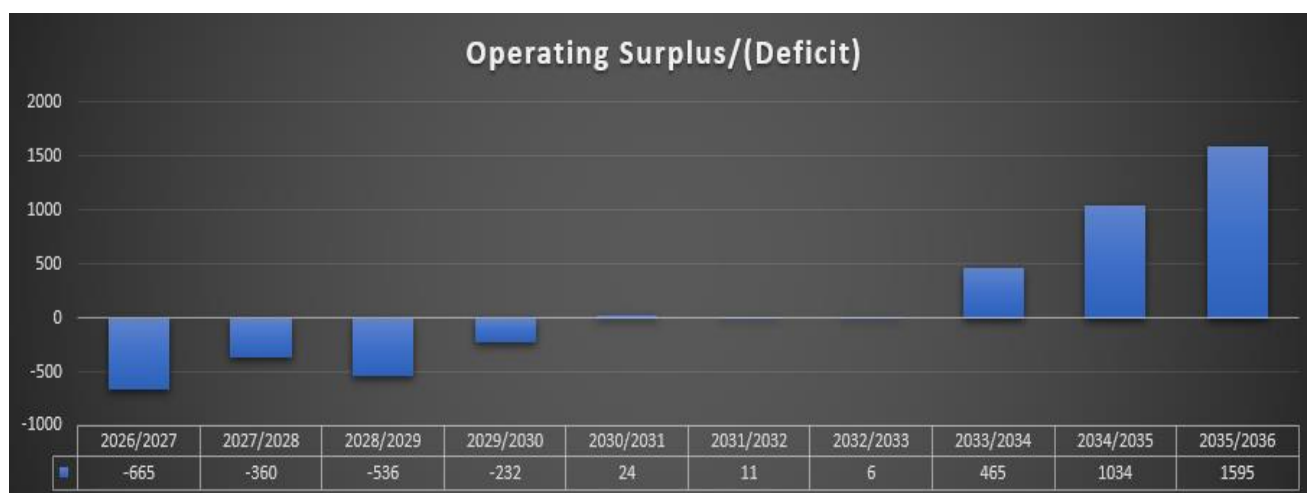
The above table displays a combined increase of 6.56% for year 1. This is comprised of 1% growth, 4.2% CPI and net increase of 1.36%. By year 3 of the plan, it will be 1% growth, 2.6% CPI and a net 1.03% increase. This net increase (excluding CPI and growth) is then maintained for the remainder of the plan, which provides the community with consistency and rate affordability whilst maintaining financial sustainability.



National, state and local workforce trends and pressures, as well as those relating directly to the local government sector, will be the major influences on Council's salary adjustments into the future. These trends and pressures will affect costs both generally and in relation to operational areas at various times.

Assumption: The plan does not factor in any increase in full-time equivalent (FTE) positions.

OPERATING RESULT



The plan shows an operating deficit of \$665,000 in year 1 and \$360,000 in year 2, with operating surpluses forecast from year 5 onwards. Achieving and maintaining surpluses as soon as practicable was a key message from the ESCOSA review, and this surplus trajectory is reflected in the LTFP, with Council achieving surplus budget from year 5 onwards, in the plan.

The year 1 deficit reflects a budget rebuild phase which has been occurring in recent years, driven by historically low rate increases during the COVID period and the need to fund appropriate operating and capital renewal expenditure. Previous depreciation estimates also understated asset consumption, resulting in insufficient renewal funding.

This updated LTFP aligns with the current draft AMPs based on a range of assumptions and will continue to be refined alongside them. An operating surplus will be first achieved in year 5 to support long-term financial sustainability. This result is before any capital income.

CAPITAL WORKS

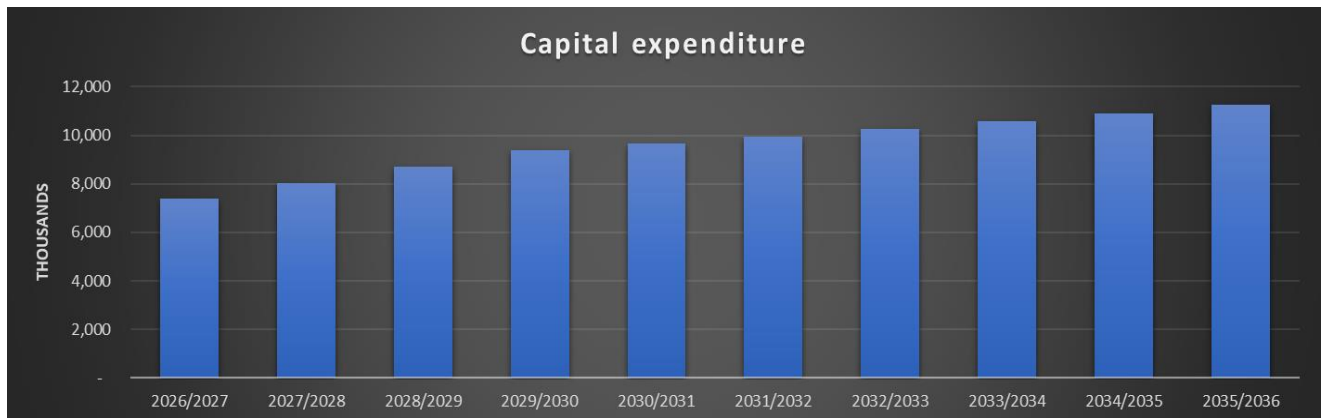
The plan includes \$96.1 million in capital works over a ten-year period, averaging approximately \$9.6 million per annum. It assumes that capital outlay is broadly aligned with depreciation expense, adjusted for grant funding, where known.

If Council wishes to include new assets beyond those funded by capital grants, these must be clearly identified as strategic priorities and carefully considered in future iterations of the Long-Term Financial Plan. Any proposed additions should also consider the associated ongoing operating and maintenance costs, as well as the impact on depreciation.

It is recommended that Council limit new capital expenditure at this stage to avoid placing further pressure on its operating position. Any additional capital investment will require the identification of funding sources, whether external funding, internal cash reserves (where available), or additional borrowings beyond those already considered in the plan.

Priority should be given to restoring a surplus operating position before committing to new or upgraded assets.

Assumption: The capital expenditure within the plan is based on the draft March 2026 AMPs and current at the time of production of this document. These draft AMP figures may change as these plans mature with future reiterations of the LTFP to be updated where necessary.

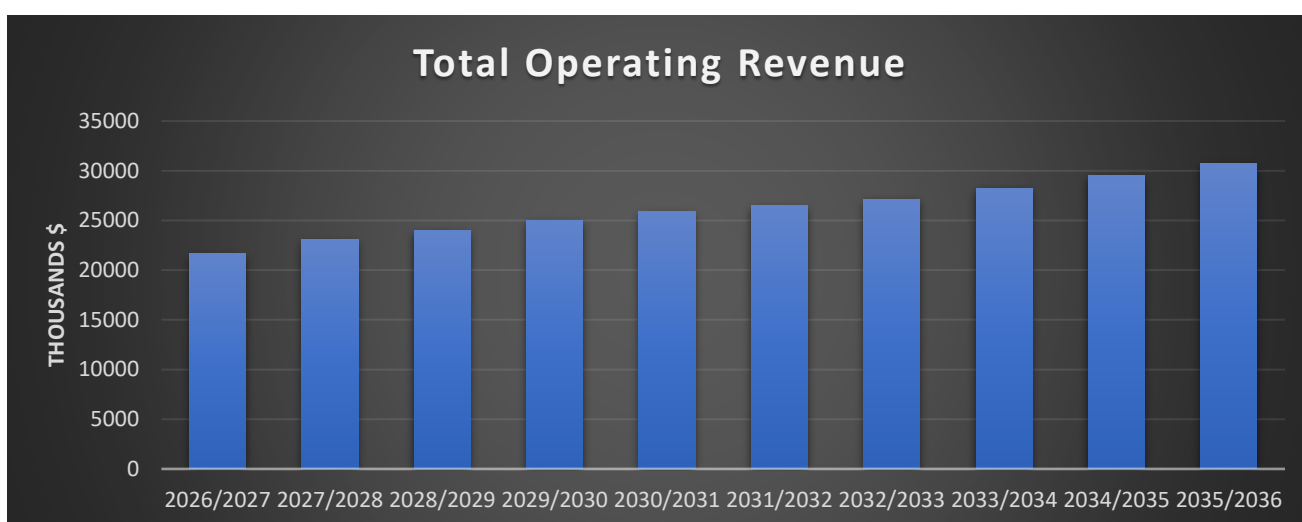


REVENUE

TOTAL OPERATING REVENUE

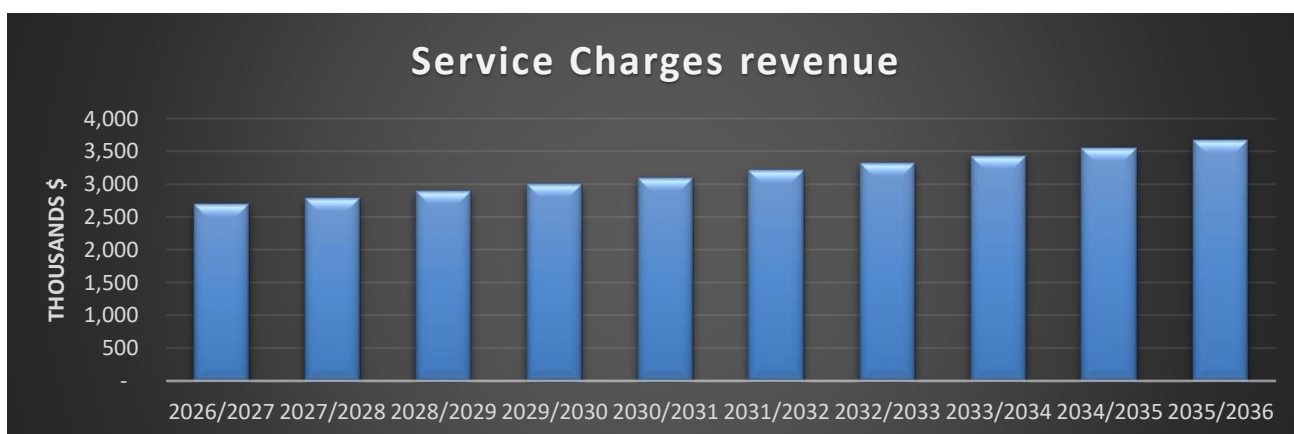
Operating revenue comprises income sources that are recurrent in nature or are used to fund non-routine operating expenditure (for example, drought assistance and Local Action Plan grants). It includes grants, rates and associated service charges, user fees and charges, and interest on investments.

Operating revenue within the Long Term Financial Plan is projected at \$21.6 million in year 1, increasing to \$30.7 million by year 10. Total operating revenue over the ten-year period is \$262 million, with an average of \$25.2 million per annum.



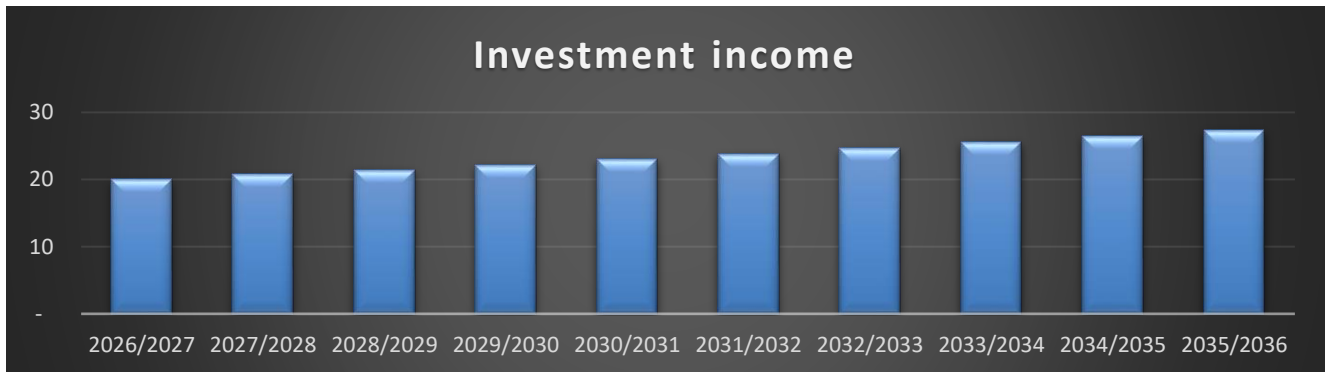
SERVICE CHARGES REVENUE

It is proposed that service charges revenue such as Community Waste Management Systems (CWMS), Waste Management Charge (Bins), Water Supply, and relevant levies be increased based on a cost recovery approach and / or as specified by relevant state legislation. Service charges income in year 1 will be \$2.7 million, increasing to \$3.7 million in year 10, with an average over the period of \$3.2 million. Accumulative associated service charges income in the LTFP is \$32 million.

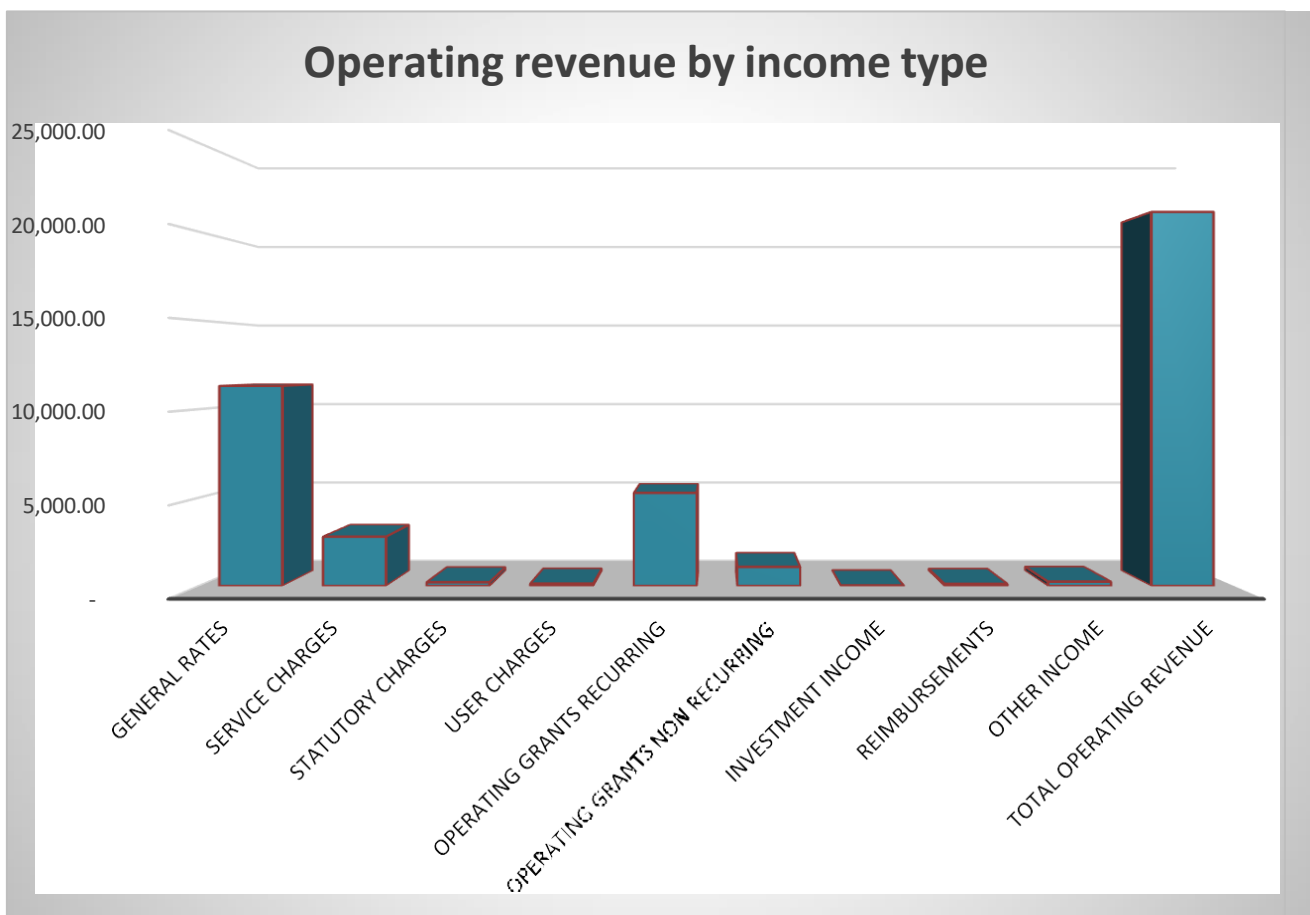


INVESTMENT INCOME

Interest income is earned on Council's cash holdings held at bank. The plan assumes average investment earnings of approximately \$24,000 per annum, with a cumulative total of \$235,000 over the ten-year period.

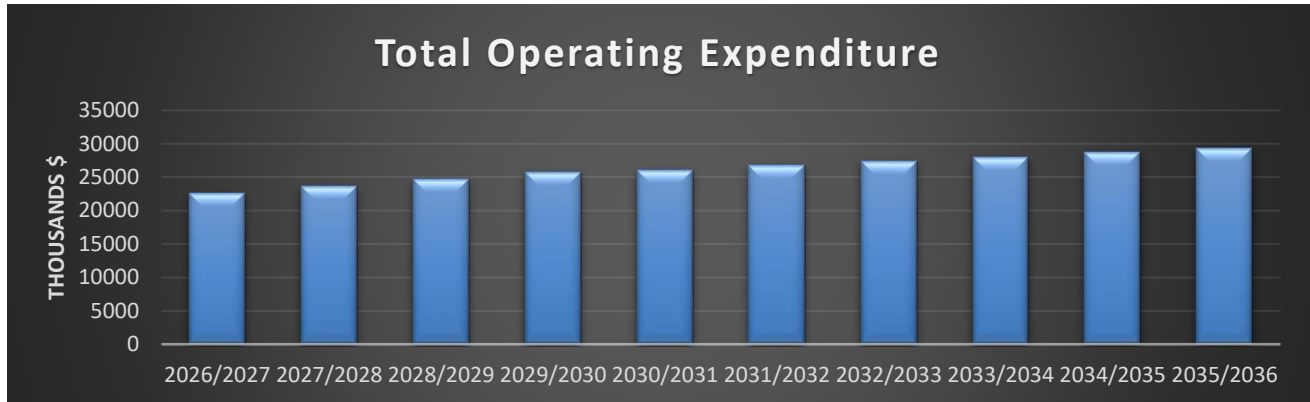


OPERATING REVENUE BY INCOME TYPE IN THE LTFP



OPERATING EXPENDITURE

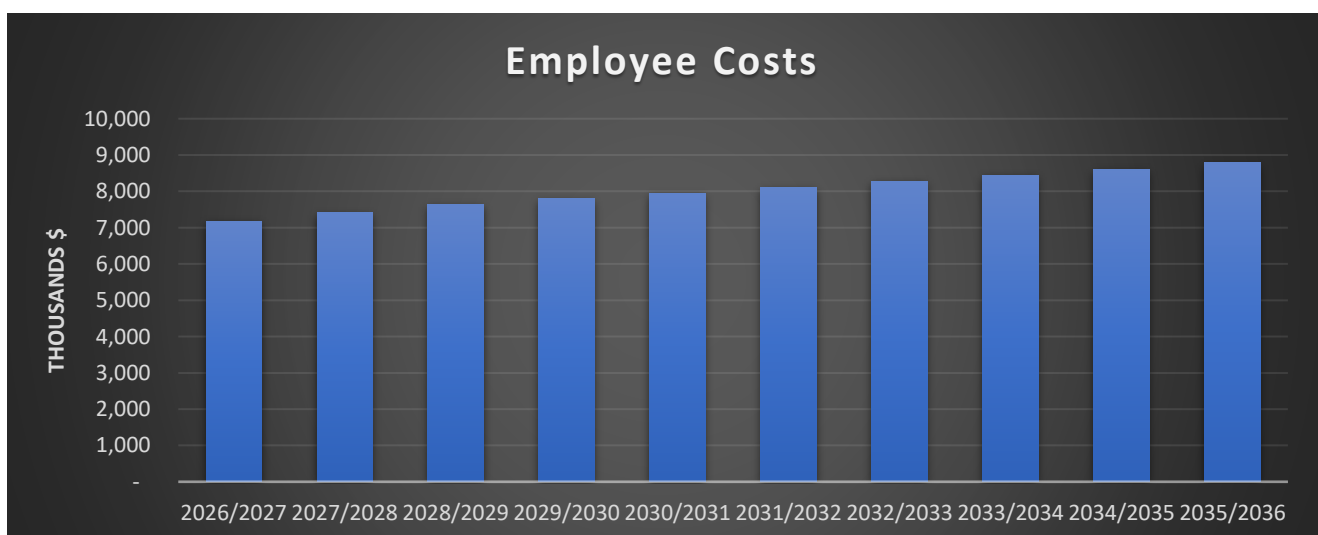
Operating expenditure within the Long-Term Financial Plan is forecast to be \$22.5 million in year 1, rising to \$29.38 million by year 10, with a cumulative total of \$263 million over the ten-year period.



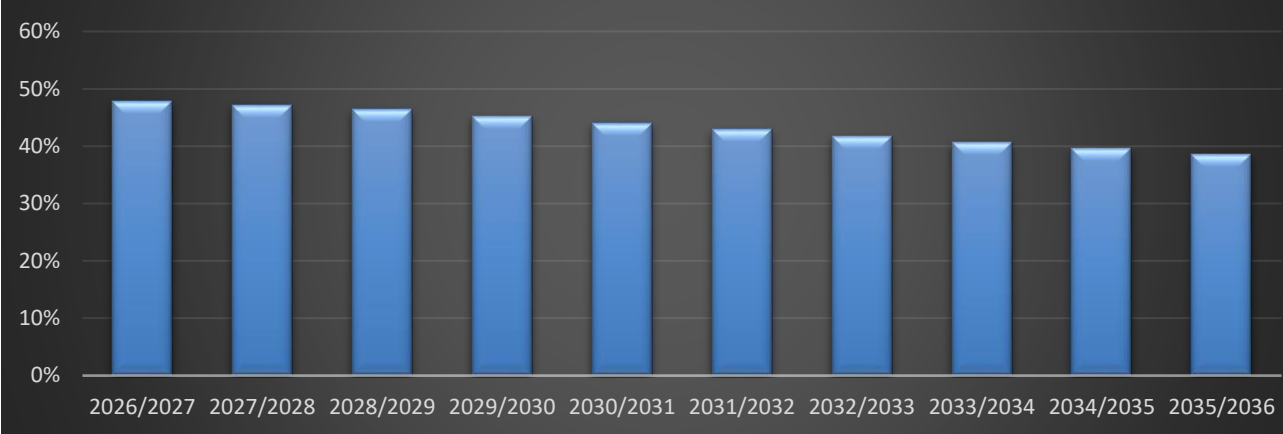
EMPLOYEE COSTS

Employee costs include labour-related expenditure such as salaries and wages, superannuation, training, staff uniforms, workers compensation, and income protection insurance.

An increase has been applied across the ten-year period in line with Enterprise Bargaining Agreement (EBA) arrangements where known. Employee costs are projected to increase from \$7.2 million in year 1 to \$8.8 million in year 10. The cumulative cost over the life of the plan is \$80.2 million, with an average of \$8 million per annum.



Employee Costs as a % of Rate Income



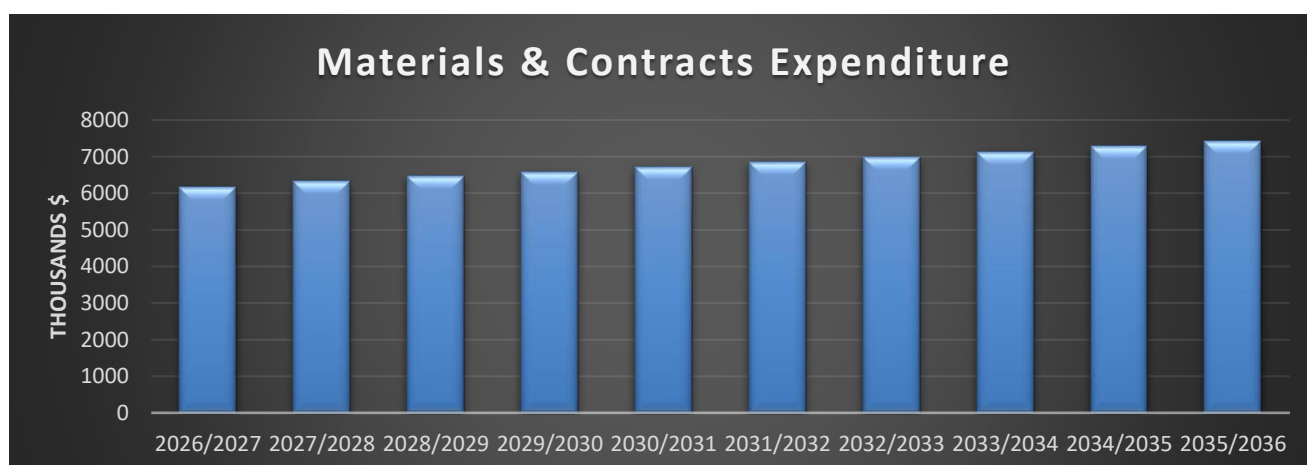
MATERIALS & CONTRACTS

Materials and Contracts expenditure includes the purchase of goods and services from contractors and external third parties in relation to operating activities. This encompasses statutory services (for example, kerbside waste collection), contractors and consultants, legal and professional fees, and general consumables, including plant operating costs.

These costs relate solely to operating expenditure and exclude any outlays associated with capital expenditure.

The Long Term Financial Plan projects costs in this category to increase from \$8.1 million in year 1 to \$9.5 million in year 10 (excluding other expenses, utilities, insurance, and prescribed expenses). The primary driver of this increase is inflationary pressure, particularly in relation to fuel, contractors, and materials, which represent a significant proportion of Council's operating activities.

Total expenditure over the ten-year period is projected to be \$87.8.1 million, with an average of \$8.8 million per annum.



SIGNIFICANT LONG TERM FINANCIAL PLAN RISKS

To support agile decision-making and effective risk mitigation, Council is committed to an integrated approach to risk management. This approach informs the development of appropriate strategies and plans, ensuring objectives are achieved and decisions are made in the best interests of the community and Council's workforce. The aim is not to eliminate all risks, but to manage those inherent in Council's functions and services in a way that creates and protects value for stakeholders and the broader community.

Council maintains and reviews its strategic risk register annually. This register informs the LTFP and other key strategic documents by considering Council's risk environment, including financial sustainability, asset and infrastructure management, cyber security, business continuity, statutory and regulatory obligations, governance, and climate change and adaptation.

In developing the LTFP, Council has identified five key strategic risks:

1. **Dependency on Grant Funding:** The LTFP may rely on external grant funding to support major initiatives, infrastructure, and service delivery.

This creates exposure to funding uncertainty, as grants are often finite, competitive, and subject to external decision-making processes. Any reduction or withdrawal of funding could disrupt planned projects, place pressure on operational budgets, and impact Council's ability to meet financial commitments.

2. **Environmental Risks:** Council faces environmental risks such as drought, bushfire, flooding, and the broader impacts of climate change. These risks may affect the local economy, infrastructure, and natural resources, as well as disrupt key industries such as agriculture through changing conditions and potential impacts on export markets.
3. **Economic Risks:** Economic volatility—including commodity price fluctuations, policy changes, global downturns, and international influences—may affect revenue streams and overall financial stability. Reliance on a limited number of industries, such as agriculture or tourism, may increase vulnerability. Strengthening economic diversity and regional partnerships can help mitigate these risks.
4. **Asset Management Risks:** There is a risk that asset deterioration may occur at a different rate than forecast in Asset Management Plans (AMPs), potentially requiring earlier or increased expenditure than anticipated.
5. **Demographic Risks:** Population changes, including ageing demographics, migration trends, or population decline, may impact service demand, workforce availability, and long-term financial sustainability. Strategies to attract and retain a skilled work force, support local businesses, and enhance community amenity are important to addressing these challenges.

By identifying and actively managing these risks, Council strengthens its resilience, adaptability, and long-term sustainability.

Despite these uncertainties, the LTFP projects a realistic return to surplus by year five of the plan. This outcome reflects a considered and responsible approach to financial management, balancing risk, community expectations, and the continued delivery of essential services.



APPENDIX - FINANCIAL STATEMENTS



**COORONG DISTRICT COUNCIL
2026/27 – 2035/36
LONG TERM FINANCIAL PLAN**

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Statement Of Comprehensive Income - LTFP 26/27 - 35/36

	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10
INCOME	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036
Rates	15,016	15,726	16,471	17,251	18,069	18,926	19,824	20,765	21,752	22,787
Statutory Charges	209	217	225	232	241	249	258	267	277	286
User Charges	127	132	136	141	146	151	157	162	168	174
Operating Grants recurring	4,879	5,003	5,131	5,262	5,396	5,534	5,675	5,819	5,965	6,114
Operating Grants non recurring	1,028	1,609	1,609	1,709	1,609	1,209	775	767	871	872
Investment Income	20	21	21	22	23	24	25	26	26	27
Reimbursements	114	118	122	126	131	135	140	145	150	156
Other Income	232	240	249	258	267	276	286	296	307	318
Total Income	21,625	23,066	23,964	25,002	25,881	26,505	27,140	28,249	29,516	30,734
Expenses										
Employee costs	7,170	7,421	7,644	7,796	7,952	8,111	8,274	8,439	8,608	8,780
Materials & contracts & other expenses	8,122	8,391	8,557	8,423	8,599	8,784	8,962	9,143	9,329	9,518
Depreciation	6,871	7,485	8,130	8,806	9,070	9,343	9,623	9,912	10,209	10,566
Finance costs	377	379	419	459	486	505	525	539	587	524
Total Expenses	22,540	23,676	24,750	25,484	26,108	26,743	27,384	28,033	28,733	29,388
Internal Charges	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)
Operating Surplus/(Deficit)	(665)	(360)	(536)	(232)	24	11	6	465	1,034	1,595
Asset disposal & fair value adjustments	-	-	-	-	-	-	-	-	-	-
Amounts received specifically for new or upgraded assets	-	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	(665)	(360)	(536)	(232)	24	11	6	465	1,034	1,595
transferred to Equity Statement										
Other Comprehensive Income										
<i>Amounts which will not be reclassified subsequently to operating result</i>										
Changes in revaluation surplus - IPP&E	8,656	-	-	9,065	-	-	9,599	-	-	-
Total Other Comprehensive Income	8,656	-	-	9,065	-	-	9,599	-	-	-
TOTAL COMPREHENSIVE INCOME	7,991	(360)	(536)	8,833	24	11	9,605	465	1,034	1,595

Statement Of Financial Position - LTFP 26/27 - 35/36										
	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10
	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036
ASSETS										
Current Assets										
Cash & Cash Equivalents	33	4	1	17	35	25	32	43	35	43
Trade & Other Receivables	1,561	1,771	1,903	1,997	2,054	2,133	2,147	2,341	2,772	3,418
Inventories	857	1,005	1,156	1,392	1,578	1,755	1,985	2,205	2,205	2,205
Total Current Assets	2,451	2,780	3,060	3,406	3,667	3,913	4,164	4,589	5,012	5,666
Non - Current Assets										
Equity Accounted Investments CB										
Infrastructure, Property, Plant & Equipment	176,755	186,192	186,566	186,941	196,926	197,323	197,733	198,154	198,589	199,039
Other Non Current Assets	2,434	2,432	2,430	2,429	2,428	2,427	2,427	2,427	2,427	2,427
Total Non - Current Assets	179,189	188,624	188,996	189,370	199,354	199,750	200,160	200,581	201,016	201,466
TOTAL ASSETS	181,640	191,405	192,055	192,775	203,021	203,663	204,324	205,170	206,028	207,132
LIABILITIES										
Current Liabilities										
Trade & Other Payables	879	902	637	429	425	401	385	385	385	385
Borrowings	-	-	-	-	-	-	-	-	-	-
Provisions	858	841	824	808	682	568	422	422	422	422
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	1,737	1,743	1,462	1,237	1,107	969	807	807	807	807
Non - Current Liabilities										
Borrowings	6,568	7,256	8,354	9,159	9,540	9,916	10,327	10,293	9,686	8,749
Provisions	286	280	275	269	255	250	245	240	235	230
Total Non - Current Liabilities	6,854	7,537	8,629	9,428	9,795	10,166	10,572	10,533	9,921	8,979
TOTAL LIABILITIES	8,591	9,279	10,090	10,665	10,902	11,135	11,379	11,340	10,728	9,786
NET ASSETS	173,049	182,125	181,965	182,111	192,119	192,528	192,945	193,830	195,300	197,346
EQUITY										
Accumulated Surplus	34,043	33,683	33,147	32,915	32,939	32,950	32,956	33,421	34,455	36,050
Asset Revaluation Reserves	137,398	146,837	147,211	147,589	157,573	157,972	158,382	158,804	159,239	159,690
Other Reserves	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607
TOTAL EQUITY	173,049	182,125	181,965	182,111	192,119	192,528	192,945	193,830	195,300	197,346

Statement of Cashflows - LTFP 26/27 - 35/36

	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9	YR 10
	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036
CASH FLOWS FROM OPERATING ACTIVITIES										
<i>Receipts:</i>										
Rates - general & other	15,016	15,726	16,471	17,251	18,069	18,926	19,824	20,765	21,752	22,787
Statutory Income (Fees & Other charges)	209	217	225	232	241	249	258	267	277	286
Grant, Subsidies	5,907	6,612	6,740	6,971	7,005	6,743	6,450	6,586	6,836	6,986
Other Income	232	240	249	258	267	276	286	296	307	318
Reimbursements	114	118	122	126	131	135	140	145	150	156
User Charges	127	132	136	141	146	151	157	162	168	174
Investment receipts	20	21	21	22	23	24	25	26	26	27
TOTAL Income	21,625	23,066	23,964	25,002	25,881	26,505	27,140	28,249	29,516	30,734
<i>Payments:</i>										
Employee Costs	(7,170)	(7,421)	(7,644)	(7,796)	(7,952)	(8,111)	(8,274)	(8,439)	(8,608)	(8,780)
Materials & Contracts	(8,122)	(8,391)	(8,557)	(8,423)	(8,599)	(8,784)	(8,962)	(9,143)	(9,329)	(9,518)
Finance costs	(377)	(379)	(419)	(459)	(486)	(505)	(525)	(539)	(587)	(524)
Internal Charges	250	250	250	250	250	250	250	250	250	250
TOTAL Expenditure	(15,419)	(15,941)	(16,370)	(16,428)	(16,788)	(17,150)	(17,511)	(17,871)	(18,274)	(18,572)
Net Cash provided by (or used in) Operating Activities	6,206	7,125	7,594	8,573	9,094	9,354	9,629	10,377	11,243	12,162
CASH FLOWS FROM INVESTING ACTIVITIES										
<i>Receipts:</i>										
Amounts specifically for new or upgraded	-	-	-	-	-	-	-	-	-	-
Sale of replaced assets	159	174	189	205	211	217	224	231	237	246
Repayment of loans from community groups	20	-	-	-	-	-	-	-	-	-
<i>Payments:</i>										
Expenditure on renewal/ replacement of assets	(6,871)	(7,485)	(8,130)	(8,806)	(9,070)	(9,343)	(9,623)	(9,912)	(10,209)	(10,566)
Expenditure on new/upgraded assets	(530)	(546)	(563)	(580)	(597)	(615)	(633)	(652)	(672)	(696)
Loans made to community groups	(50)	-	-	-	-	-	-	-	-	-
Net Cash provided by (or used in) Investing Activities	(7,273)	(7,858)	(8,503)	(9,180)	(9,456)	(9,741)	(10,032)	(10,333)	(10,644)	(11,016)
CASH FLOWS FROM FINANCING ACTIVITIES										
<i>Receipts</i>										
Proceeds from borrowings	850	2,150	2,400	2,150	2,120	2,350	2,650	2,450	1,450	800
<i>Payments:</i>										
Repayment of borrowings	(1,216)	(1,446)	(1,494)	(1,527)	(1,739)	(1,974)	(2,239)	(2,484)	(2,057)	(1,937)
Net Cash provided by (or used in) Financing Activities	(366)	704	906	623	381	376	411	(34)	(607)	(1,137)
Net Increase (Decrease) in cash held	(1,432)	(29)	(4)	16	18	(10)	7	10	(8)	8
Cash & cash equivalents at beginning of period	1,465	33	4	1	17	35	25	32	43	35
Cash & cash equivalents at end of period	33	4	1	17	35	25	32	43	35	43

Key Financial Indicators - LTFF 26/27 - 35/36

Indicator 1 - Operating Surplus / (deficit) ratio:

This ratio expresses the operating surplus as a percentage of total operating revenue.

An operating surplus indicates the extent to which operating revenues are sufficient to meet all operating expenses including depreciation and consequently the extent to which the burden of expenses is being met by current ratepayers.

An operating deficit occurs when the total operating expenses exceed total operating revenues and consequently the burden of a portion of expenses will need to be met by future ratepayers.

Calculated as :
Operating surplus / (deficit) divided by Total Operating Income.

Council's Long Term Financial Plan indicates that it will operate in year 1 - 4 of the plan with an operating deficit before returning back surpluses in years 5-10 of the plan. The reason for the decline in its operating position is a result of a reprofiling of the roads to recovery grant revenue, which was reduced in 2026/2027 and pushed out into years 2 and 3 of the plan in addition to the Meningie Library funding contribution towards the new portion of the building. Depreciation expenditure due to the maturing of the AMPs has also impacted this deficit. Increases due to re-emerging inflationary pressures have also affected the plan which are planned to ease as the forecasts progress. These items will impact Council's overall operating position.

Council's target is to sustainably increase revenue to counter the increased depreciation and renewal of its assets and to return to a sustainable position by delivering operating surplus by year 5 of the plan.

	YR1 2026/2027	YR2 2027/2028	YR3 2028/2029	YR4 2029/2030	YR5 2030/2031	YR6 2031/2032	YR7 2032/2033	YR8 2033/2034	YR9 2034/2035	YR10 2035/2036
Operating result	(665)	(360)	(536)	(232)	24	11	6	465	1,034	1,595
Total operating income	21,625	23,066	23,964	25,002	25,881	26,505	27,140	28,249	29,516	30,734
Adjusted Ratio * (%)	-3.57%	-2.04%	-2.71%	-1.40%	-0.38%	-0.44%	-0.46%	1.16%	3.02%	4.72%
Ratio (%)	-3.08%	-1.56%	-2.24%	-0.93%	0.09%	0.04%	0.02%	1.65%	3.50%	5.19%

Indicator 2 - Net Financial Liabilities ratio:

Net Financial Liabilities measure a Council's total indebtedness.

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.
The level of net financial liabilities increase when a net borrowing result occurs in a financial year and will result in a Council incurring liabilities and / or reducing financial assets.

The level of net financial liabilities decreases when a net lending result occurs in a financial year and will result in a Council purchasing financial assets and / or repaying liabilities.

Council will reach its peak borrowings in year 7 of the plan where borrowings will start to decline for the remaining years of the plan. This will ensure that Council can maintain its financial sustainability by reducing its borrowings, whilst returning to surplus budgets.

Calculated as :
Net Financial Liabilities divided by Total Operating Income.

	YR1 2026/2027	YR2 2027/2028	YR3 2028/2029	YR4 2029/2030	YR5 2030/2031	YR6 2031/2032	YR7 2032/2033	YR8 2033/2034	YR9 2034/2035	YR10 2035/2036
Net Financial liabilities	5,706	4,067	4,601	4,830	4,807	4,795	4,788	4,324	3,289	1,693
Operating income	21,625	23,066	23,964	25,002	25,881	26,505	27,140	28,249	29,516	30,734
Adjusted Ratio * (%)	17.22%	17.72%	19.29%	19.41%	18.66%	18.18%	17.73%	15.38%	11.20%	5.53%
Ratio (%)	17.14%	17.63%	19.20%	19.32%	18.57%	18.09%	17.64%	15.31%	11.14%	5.51%

Indicator 3 - Asset Renewal Funding Ratio

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.

This ratio indicates whether the Council is renewing or replacing existing physical assets at the rate at which they are wearing out. On occasions, the Council will accelerate or reduce asset expenditures over time to compensate for prior events, or invest in assets by spending more now so that it cost less in the future to maintain its assets appropriately.

Council's target is 100%. This is calculated by the amount Council is spending by comparison to the Asset Management Plan (AMP) / Depreciation.

	YR1 2026/2027	YR2 2027/2028	YR3 2028/2029	YR4 2029/2030	YR5 2030/2031	YR6 2031/2032	YR7 2032/2033	YR8 2033/2034	YR9 2034/2035	YR10 2035/2036
Expenditure on renewal of assets	6,871	7,485	8,130	8,806	9,070	9,343	9,623	9,912	10,209	10,566
Proposed expenditure (per AMP) / Proposed Depreciation expense	6,871	7,485	8,130	8,806	9,070	9,343	9,623	9,912	10,209	10,566
% over deprec	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Ratio (% lower AMP)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Adjustments to Ratios *

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants. These Adjusted Ratios adjust for the estimated distortion in key ratios for each year and provide a

UNIFORM PRESENTATION OF FINANCES - LTFP 26/27 - 35/36

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10	
	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036
Income											
Rates	14,091	15,016	15,726	16,471	17,251	18,069	18,926	19,824	20,765	21,752	22,787
Statutory charges	202	209	217	225	232	241	249	258	267	277	286
User charges	123	127	132	136	141	146	151	157	162	168	174
Grants, subsidies and contributions - Capital	5,266	4,879	5,003	5,131	5,262	5,396	5,534	5,675	5,819	5,965	6,114
Grants, subsidies and contributions - Operating	1,072	1,028	1,609	1,609	1,709	1,609	1,209	775	767	871	872
Investment income	18	20	21	21	22	23	24	25	26	26	27
Reimbursements	110	114	118	122	126	131	135	140	145	150	156
Other income	234	232	240	249	258	267	276	286	296	307	318
	21,116	21,625	23,066	23,964	25,002	25,881	26,505	27,140	28,249	29,516	30,734
Expenses											
Employee costs	6,842	7,170	7,421	7,644	7,796	7,952	8,111	8,274	8,439	8,608	8,780
Materials, contracts and other expenses	8,154	8,122	8,391	8,557	8,423	8,599	8,784	8,962	9,143	9,329	9,518
Depreciation, amortisation and impairment	6,286	6,871	7,485	8,130	8,806	9,070	9,343	9,623	9,912	10,209	10,566
Finance costs	354	377	379	419	459	486	505	525	539	587	524
	21,636	22,540	23,676	24,750	25,484	26,108	26,743	27,384	28,033	28,733	29,388
Operating Surplus / (Deficit)	(521)	(915)	(610)	(786)	(482)	(226)	(239)	(244)	215	784	1,345
Timing adjustment for grant revenue	(104)	(107)	(111)	(115)	(119)	(123)	(127)	(132)	(136)	(141)	(146)
Adjusted Operating Surplus / (Deficit)	(624)	(1,022)	(721)	(900)	(601)	(349)	(366)	(376)	79	643	1,199
Net Outlays on Existing Assets											
Capital Expenditure on renewal and replacement of Existing Assets	(6,286)	(6,871)	(7,485)	(8,130)	(8,806)	(9,070)	(9,343)	(9,623)	(9,912)	(10,209)	(10,566)
Add back Depreciation, Amortisation and Impairment	6,286	6,871	7,485	8,130	8,806	9,070	9,343	9,623	9,912	10,209	10,566
Proceeds from Sale of Replaced Assets	146	159	174	189	205	211	217	224	231	237	246
	146	159	174	189	205	211	217	224	231	237	246
Net Outlays on New and Upgraded Assets											
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	(515)	(530)	(546)	(563)	(580)	(597)	(615)	(633)	(652)	(672)	(696)
Amounts received specifically for New and Upgraded Assets	-	-	-	-	-	-	-	-	-	-	-
	(515)	(530)	(546)	(563)	(580)	(597)	(615)	(633)	(652)	(672)	(696)
Annual Net Impact to Financing Activities	(993)	(1,393)	(1,094)	(1,274)	(976)	(735)	(764)	(785)	(343)	208	749

KEY ASSUMPTIONS - LTFP MOVEMENTS - 26/27 - 35/36										
CPI *	4.20%	2.90%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
Growth	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
	<u>25/26</u>	<u>26/27</u>	<u>27/28</u>	<u>28/29</u>	<u>29/30</u>	<u>30/31</u>	<u>31/32</u>	<u>32/33</u>	<u>33/34</u>	<u>34/35</u>
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Income :										
Rates (includes Service Charges)	1.36%	0.83%	1.13%	1.14%	1.14%	1.14%	1.15%	1.15%	1.15%	1.15%
Service Charges	← cost recovery →									
Statutory Charges	← RBA** target inflation rate*** 2.5%+ 1% →									
User Fees & Charges	← 2.5*** + 1% →									
Operating Grants	← 2.5*** →									
Investment Income	← 2.5*** + 1% →									
Reimbursement Income	← 2.5*** + 1% →									
Other Income	← 2.5*** + 1% →									
Expenses :										
Employee costs	4.50%	3.50%	3.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts	4.20%	2.90%	2.60%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other Prescribed Costs	3.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Agency related expenses	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Utilities	← an average between 2-3% of the RBA's long term inflation target over the 10 years →									
Insurances	4.20%	2.90%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
Other :										
Finance Costs	LOAN SCHEDULE	LOAN SCHEDULE	LOAN SCHEDULE	LOAN SCHEDULE	LOAN SCHEDULE	LOAN SCHEDULE	LOAN SCHEDULE	LOAN SCHEDULE	LOAN SCHEDULE	LOAN SCHEDULE
Depreciation	AMPS* ¹	AMPS* ¹	AMPS* ¹	AMPS* ¹	AMPS* ¹	AMPS* ¹	AMPS* ¹	AMPS* ¹	AMPS* ¹	AMPS* ¹
* RBA February 2026 data : https://www.rba.gov.au/publications/smp/2026/feb/										
* ¹ Reserve Bank of Australia										
*** Reserve Bank of Australia Inflation Target – Target for monetary policy in Australia is to achieve an inflation rate of 2-3 per cent. This is a rate of inflation sufficiently low that is does not materially distort economic decisions in the community (Source: rba.gov.au) Council has based the target inflation rate for the purpose of the LTFP midway through this range, that being 2.5%.										
**Asset Management Plans (AMPS) refer to the draft AMPs currently referred to as the AMPdraft bridging document.										

Draft Capital Expenditure Summary by Asset Type - LTFP 26/27 - 35/36

Asset Type	Yr 1 2026/2027	Yr 2 2027/2028	Yr 3 2028/2029	Yr 4 2029/2030	Yr 5 2030/2031	Yr 6 2031/2032	Yr 7 2032/2033	Yr 8 2033/2034	Yr9 2034/2035	Yr10 2035/2036
Land	-	-	-	-	-	-	-	-	-	-
Sealed Roads	1,966	2,144	2,331	2,528	2,603	2,682	2,762	2,845	2,930	3,033
Unsealed Roads	2,985	3,255	3,539	3,837	3,952	4,071	4,193	4,318	4,448	4,604
Drainage / Stormwater	110	120	130	141	145	150	154	159	163	169
CWMS	199	217	236	256	264	272	280	288	297	307
Water Supply	4	4	5	5	5	5	6	6	6	6
Kerb & Gutter	162	177	192	208	215	221	228	235	242	250
Footpaths	48	52	56	61	63	65	67	69	71	73
Plant & Equipment	797	869	945	1,024	1,055	1,087	1,119	1,153	1,187	1,229
Office/IT Equipment/Other	138	142	146	151	155	160	165	170	175	181
Buildings & Structures	463	505	549	595	613	631	650	670	690	714
RENEWALS	6,871	7,485	8,130	8,806	9,070	9,343	9,623	9,912	10,209	10,566
Roads										
Drainage										
Buildings & Structures										
Structures										
Other Assets	530	546	563	580	597	615	633	652	672	696
NEW ASSETS/UPGRADES	530	546	563	580	597	615	633	652	672	696
TOTAL CAPITAL EXPENDITURE	7,402	8,032	8,692	9,385	9,667	9,958	10,256	10,563	10,881	11,262