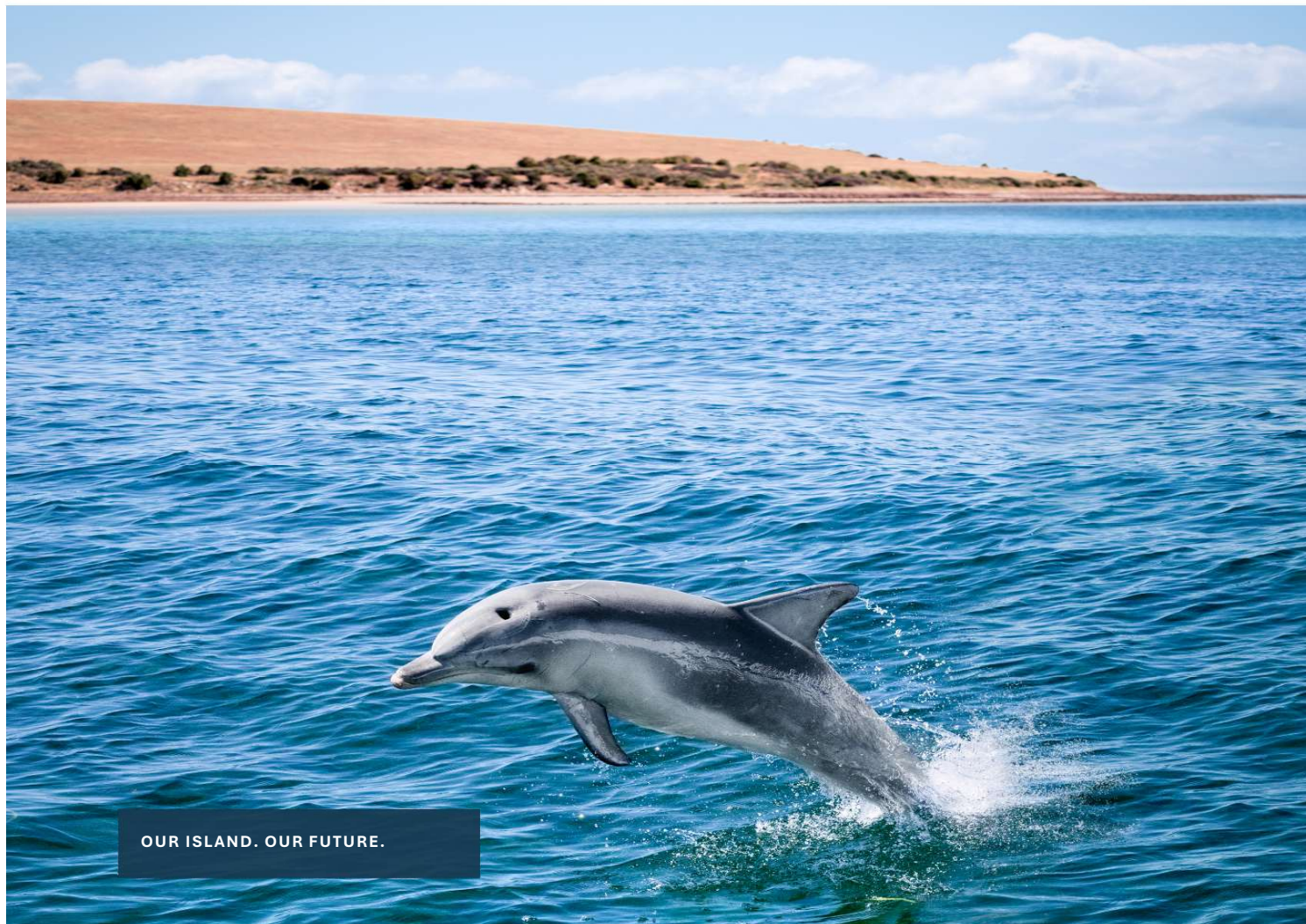




# LONG TERM FINANCIAL PLAN

2026/2027 – 2035/2036

Kangaroo Island Council

Responsible planning for a strong and sustainable future

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## Executive Summary

The Kangaroo Island Council's Long Term Financial Plan (LTFP) is a ten-year forecast of Council's financial performance and position, which serves as a strategic financial roadmap for the financial years 2026/2027-2035/2036. The LTFP is one of Council's Strategic Management Plans translating Council's strategic decisions into financial terms, guiding decision making and resource allocation over the next ten years.

The Long-Term Financial Plan provides Council direction for future service planning and the ability to deliver services and maintain/renew and upgrades the Council's infrastructure. A key consideration on the LTFP is Council's fiscal repair strategy and the disciplined retirement and management of debt over time, by adopting a tighter budget framework.

Council has recently reviewed the Long-Term Financial Plan (LTFP) to ensure alignment with its fiscal repair objectives and to respond to key considerations identified throughout the budget review and development process. The LTFP has been prepared using the audited financial statements for 2024-2025, budget review outcomes for 2025-2026, and the Council-adopted Annual Business Plan for 2026-2027. It also incorporates the Adelaide Consumer Price Index (CPI) for the June 2026 quarter, the Local Government Cost Index (LGCI) for June 2026, assessments of growth in Council's infrastructure asset base and property valuations, and consideration of ratepayers' capacity and ability to pay.

A key challenge facing Kangaroo Island Council is its relatively small rate base, coupled with the significant influence that economic and social factors can have on the Island's two primary industries, tourism and agriculture. To support Council's fiscal sustainability objectives, the Long-Term Financial Plan (LTFP) incorporates an annual general rate increase of 6% and assumes an average population growth rate of 1.1% over the next ten years.

The proposed rate increases have been modelled to ensure Council can maintain existing service levels while addressing the growing costs associated with operating and managing community assets. While population growth is forecast to be modest, Council is responsible for maintaining and renewing an infrastructure asset base valued at approximately \$480 million, placing ongoing pressure on operating and capital expenditure requirements.

In developing this Plan, Council has also considered prevailing economic conditions, including ongoing financial uncertainty, inflationary pressures and the impacts of rising living costs on the community. Further, uncertainty within the financial and economic climate, added inflationary pressure and cost of living impacts have been considered in the development of this plan. As such, an average yearly cost increase of 4.5% has been used for materials and contractors in this plan and 3.5% attributed to employee expenses has been forecasted.

At the core of Kangaroo Island Council's future sustainability will be the ability to adapt and respond to the challenges we face in delivering services more efficiently, provide

increasing operational productivity and developing opportunities to generate additional revenue sources.

Kangaroo Island Council is committed to ensure recommendations by ESCOSA are adhered to and suggestive frameworks are developed to address those recommendations. This LTFP is not a static document and will be reviewed as part of the new election cycle in April 2027 to link with Community Strategic Plan and further reviewed annually as part of Council's strategic planning and budget process to ensure it remains reflective of prevailing internal and external environments.

## Purpose of Long-Term Financial Plan

The Long-Term Financial Plan provides a framework for sustainable financial management balancing our community, economic, environmental, infrastructure and leadership objectives whilst delivering services and facilities to the people of the Kangaroo Island Council. The LTFP is designed as a 'high level' summarised document with emphasis on key components such as rate increase, asset replacement/renewal, debt reduction management and intergenerational equity.

The Long-Term Financial Plan will provide, but not limited to the following benefits:

- An indication of the future financial position and performance of Council,
- A projection of the holistic long-term costs of decisions to fully inform debate and ultimately strategic decision making,
- A tool to assist Council to determine the financial sustainability of both current and projected future service levels,
- Annual Business Plan Integration – The Plan informs the Annual Business Plan and Budget processes by taking a multi-year perspective on income and expenditure.
- A method to determine the risks in adopting future strategic directions,
- A tool to project informed debt level and intergenerational equity attributed to Capital Projects.
- A mechanism for seeking additional grants and contributions from State and Federal Government for community infrastructure.
- The capability for Council and the community to test the outcomes of scenarios resulting from different policy settings and service levels,
- A mechanism to test the robustness and sensitivity of key assumptions underpinning a range of strategic planning alternatives, and
- A vital contribution to the development of Council's Asset Management Strategy and all of Council's plans.

## Legislative Requirement

Section 122 (1) of the Local Government Act and Regulation 5 of the Local Government (Financial Management) Regulation 2026 to produce a Long-Term Financial Plan (LTFP) require that Council's 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.

Under Section 122 (4) (a) of the Local Government Act 1999, a Council must review its Long-Term Financial Plan as soon as practicable after adopting an Annual Business Plan for a particular financial year.

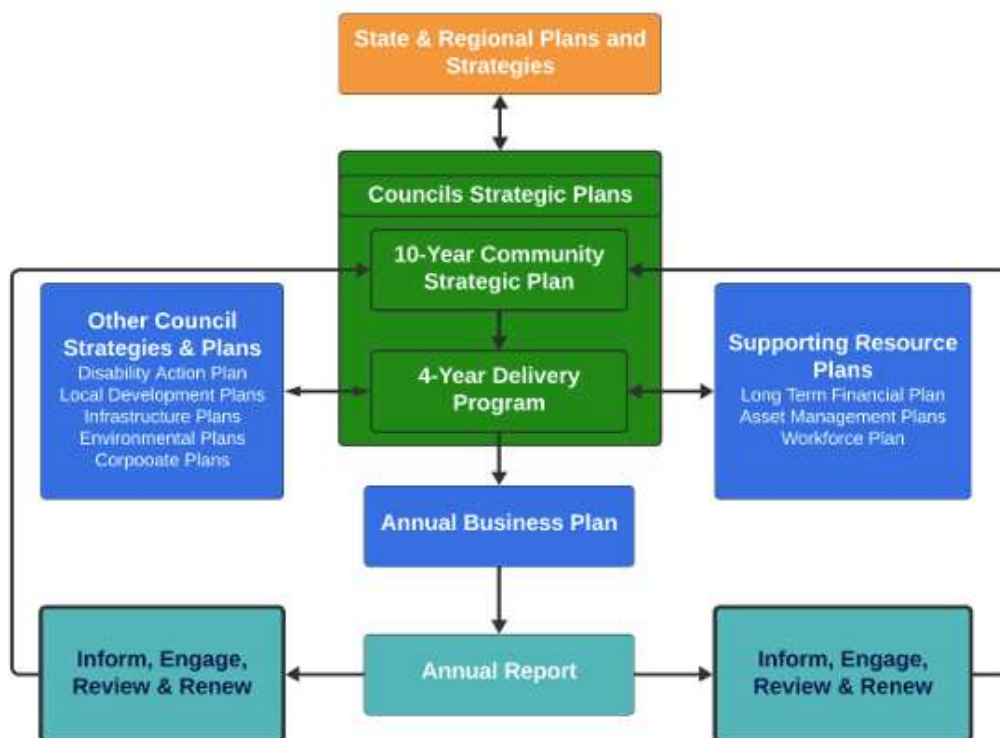
## Strategic Context

Under the Local Government Act 1999 (SA) Council must develop and adopt Strategic Management Plans. Kangaroo Island Council has adopted the Integrated Planning and Reporting (IP&R) framework where Council prepares a number of plans, which detail how the council intends to deliver services and infrastructure in the short and long term, based on community priorities identified through the community engagement process.

The key documents required under the legislation are:

- The **Community Strategic Plan (CSP)** – identifies long term goals and priorities for the community and the local government area.
- The **Delivery Program (DP)** – identifies what the Council is responsible for delivering to support the Community Strategic Plan. The DP allows the Council to set priorities for its elected term.
- The **Annual Business Plan (ABP)** – details the actions and programs to be undertaken each year to support the Delivery Program.
- Council's **Resourcing Strategy** – comprises of **Long-Term Financial Plan (LTFP)**, **Workforce Management Plan** and **Asset Management Plans**.

# THE FRAMEWORK



## Resourcing Strategy

The Resourcing Strategy informs, influences, and ultimately reflects Council's Community Strategic Plan which outlines the needs and aspirations of the residents of Kangaroo Island Council both now and into the future. Accordingly, all the plans contained within the Resourcing Strategy provide key input in shaping both the Delivery Program (4 years) and Operational Plans (annual) of Council.

The Integrated Planning Framework encourages and supports the implementation and review of plans relating to the Financial, Assets and Workforce contributions to Council. Through sound financial planning, strategic asset management and the development of a strong and diverse workforce, the Council can continue to address and improve its long-term sustainability and deliver the outcomes desired by the community.

The LTFP is a ten-year forecast of Council's financial performance and position based on its strategic plans, current service levels and social, economic and political indicators. It acts as a guiding tool to support Council's decision making and confirms Council's financial capacity to deliver services, maintain assets and achieve its strategic objectives in a financial responsible manner.

The LTFP is updated annually to reflect the latest available information using the Adopted Annual Business Plan as its base. Key outputs include a comprehensive set of financial

indicators and forecast financial statements in accordance with the legislative requirements.

## ESCOSA – Local Government Advice- February 2026

In February 2026, ESCOSA provided advice on the financial position of the Council, which outlined major challenges to achieving and maintaining financial sustainability. Based on the prior Long Term Financial Plan and a Draft Long Term Financial Plan (Working Document) along with other strategic documents, ESCOSA found Kangaroo Island Council **unsustainable**. ESCOSA's concerns are primarily attributed to:

- Continuous delivery of operating deficits.
- Net financial liabilities ratio under pressure- indicating high usage of debt.
- Ability to repay – debt.
- Impaired ability to renew its assets or fund routine and emergency expenditure.
- Inability to raise required rates revenue.
- Up to date Asset valuation, condition assessments and useful life of all assets within the Asset Management Plans.

Over next two years ESCOSA expects Councils to have undertaken an assessment of its operating cost structure in particular 'materials, contracts and other expenses and employee costs to identify savings.

## Statement on Financial Sustainability by the CEO

The Australian Local Government Associations adopted definition of financial sustainability is as follows:

*“A Council’s long term financial performance and position is sustained where planned long term service infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services”*

It is based on the principles that:

- The current generation are able to “pay their way” by funding the services and infrastructure they utilise
- Investments in new infrastructure and assets funded through borrowings will not over burden future generations

Council monitors and evaluates future actions set on three Key Financial Indicators:

- **Operating Surplus Ratio** – which monitors the affordability of Council’s service to its operational income.
- **Net Financial Liabilities** – which monitors the affordability of Council’s borrowing and commitments relative to its operational income.

- **Asset Renewal Funding Ratio** – which monitors the rate at which Council is renewing its assets relative to the Councils Asset Management Plans.

Over recent years, it has become clear—through both internal review and external assessment—that our financial position reflects the cumulative impact of historical settings, optimistic assumptions, and organisational practices that were not sufficiently aligned to long-term financial capacity. While these challenges are significant, they are not insurmountable. Importantly, we now have a clear understanding of the issues, and a structured, well-governed program of reform is firmly underway.

This Plan sets out a pragmatic and responsible path forward. It prioritises fiscal repair, the restoration of a sustainable operating position, and the disciplined retirement of debt over time. These are not simply corrective measures—they are foundational steps that will strengthen Council’s resilience, protect essential services, and ensure we can meet our obligations to the community both now and into the future.

Driven by a cultural change in financial management, Council management has commenced a Fiscal Repair Strategy with a significant focus on repayment of debt, an internal assessment of organisational structure aligning with Council level of service, development of cash reserves and updating the plan with current Asset Management Plan (Adopted December 2025). Council continues to assess major own source revenue such as rates and annual user charges, however, is conversant with ratepayers’ ability and capacity to pay.

Over the past year Council has tightened its budgetary practices and improved the data available for sound decision making. Of note is the creation of a debt reduction strategy aligned specifically for the Community Waste Management System. Council is also currently assessing and aligning its workforce to a skilled workforce with agile and transferable skill set. Compared to previous plan Council’s cash position has increased and with better internal controls now in place true strategic financial decisions are made. Council has also changed in approach to Capital Works which require co-contribution and consider the whole life-cycle cost approach to capital projects. There has been a significant reduction in carry-forward capital works compared to previous years.

Acknowledging the work required to achieve a financial sustainable organisation will require a collaborative and financially sound Community Consultation. Council aims to commence this after the election in April 2027, after which, changes to the plan will also be made. Council takes the recommendations set out by ESCOSA in their advice seriously and will develop strategies and framework to address those.

Importantly, this is a forward-looking Plan. The actions outlined are not about contraction—they are about creating a stronger, more resilient organisation capable of delivering consistent and reliable outcomes. As financial stability is restored, Council will be better positioned to respond to community aspirations, support local industry, and invest in the infrastructure and services that underpin the Island’s future prosperity.

## Key Influence and Risks

Although the Long-Term Financial Plan is based on the latest available information, it is a future projection and is therefore subject to risk and external influences. It cannot anticipate inherent risk such as unforeseen economic, political, environmental and market changes and so on this basis should be considered as a guide to future actions and opportunities, a tool for Council to assess the long-term financial sustainability of its decisions.

### **Economic and Market Conditions**

The current and long-term economic outlook remain uncertain. The impact of the Middle East conflict has resulted in a significant increase in fuel prices. With that many by-products of fuel have also seen a significant increase in costs impacting businesses. This increase leads to purchasing goods and materials at a much higher rate than inflation and is hard to predict. As with many parts of the country, Council has also seen suppliers adding fuel levy surcharge on my many services.

Recent government tax changes have also contributed to a decline in property investment and ownership. For Kangaroo Island Council, this may present a challenge to achieving the projected population growth rate of 1.1%, which is expected to result in approximately 1,150 additional dwellings being required across the Island by 2051. Reduced investor interest could limit the availability of housing development opportunities. A further contributing factor is the higher cost of residential construction on Kangaroo Island, driven by its remote location and the associated transport and logistical expenses.

Notwithstanding this, it is crucial that revenue keeps pace with increase in costs to ensure that Council can continue to deliver services at current levels.

### **Inflation**

Inflation significantly impacts Local government industry by driving up operational and infrastructure cost much faster than standard revenue growth. Compounded by increase in cost across the Council various service levels, with only few revenue streams to counter the increase contributes to operational deficit. Further, as Australia currently faces a cost-of-living crisis, driven by inflation above the target Reserve Bank of Australia rate, the impact on low socio economic LGA's ratepayers is felt the most. Inflation is expected to stay above the target range of 2%-3% through late 2026 and early 2027 before returning sustainably to target back by late 2027. Inflation is expected to ease towards 2.5% by mid-2028, and growth is forecast to be lower than previously expected (*Reserve Bank of Australia, Statement of Monetary Policy – May 2026*).

### **Interest Rates**

Inflation and interest rates have a direct, responsive relationship. Interest rates trends over the immediate past and future reflect an increasing trend as a tool to manage

inflation. Following three separate rate rises in 2026, the RBA has paused interest rate for now holding the cash rate steady at 4.35% (May 2026). At present the current variable cash advance debenture interest rate is 5.85% with the average weighted interest rate of Council's borrowing at 5.51%. Council has taken a precautionary approach pending national economic and financial factor linking a strong probability of increasing interest rates. As such Councils LTFP has been based on an interest rate of 6.05% for the next ten years.

#### **Access to and timing of grant funding**

Council receives a substantial percentage of its annual revenue in the form of various State and Federal grants. Some of these grants are recurring while others must be applied for and are uncertain. The quantum and timing of grant receipts have a material impact on future financial performance of the Council. Some grants are also required to have a Council co-contribution and as such adds more monetary pressure on council budgets.

#### **Natural disasters and other events**

Natural disasters such as bushfires and drought play a significant impact on Council operations. Recently, Kangaroo Island Council community faced the impact of Algae Bloom and is currently monitoring the impacts of Bird Flu within the business and operational impact of Council and its ratepayers. Such events lead to an increase in hardship claim and impacts future rate settings.

Council also saw a decline in campground bookings with a higher fuel increase. This resulted in a loss in this revenue stream.

#### **Employee Cost – Enterprise Bargaining**

Approximately 31% of Council's operating cost base relates to employee costs and a majority of the employees of council are subject to a relevant Industrial Award. Enterprise Bargaining outcomes will therefore have a material impact on financial performance of Council over the LTFP period. Council also struggles to acquire and retain qualified staff due to remoteness of the Island and lifestyle choice.

#### **Material inflationary pressure**

The impact of COVID -19 on the global supply chain has seen a significant and lingering impact on economy. Followed by current conflicts in Ukraine-Russia and Middle East has resulted in cost of materials to increase significantly over the past 6 years, with certain materials presenting a 20-40% increase in costs. Not only has this increased operational expenditure to unsustainable levels but also indexing Council assets based on current replacement cost indicates a much higher cost attributed to capital expenditure into the future.

## Key Financial Assumptions

The LTFP is key to establishing the affordability of Council's Asset Management Plans and other strategic community initiatives, ensuring Council can operate on a financially sustainable basis. It enables Council to effectively and equitably manage service levels, asset funding and revenue raising decisions.

In developing the LTFP, key financial principles are established that underpin Council's forecast financial performance and position over a 10-year time frame.

Due to the variable nature of the assumptions, an annual review of the LTFP provides the Council with the opportunity to review the financial principles to easily adapt to external influences, changes in proposed service levels or projects.

A number of factors are considered when assessing the assumptions upon which the LTFP is based. Factors such as inflation and indexation have been considered. As such, even though expected inflation may be lower in mid-2028, Council has assumed a percentage higher than inflation to reflect sustainability factor and cost of conducting business on a remote island.

### Income:

**General Rates** – General Rate contribute approximately 47% of Council revenue. Anticipated increase in general rates is in line with forecast inflation. Council LTFP plan assumes a 6.0% rate rise each year for the next ten years to address operational and capital expenditure requirements, especially ongoing operating deficits primarily attributed to depreciation of Council assets. Any additional income generated through other own source revenue may enable Council to reduce % increase in rates.

**Community Wastewater Management System (CWMS)** – CWMS contribute approximately 10% of Council revenue. Over the past two financial years, CWMS charges have increased by 12.5% per year. From FY 2027-2028 the increase is based on 5.0% per annum for the duration of the plan to keep in line with projected inflation plus sustainability factor and cost of major capital works within the duration of the plan. A primarily reason for the significant increase over past two years was Council not increasing its fees in line with inflation since 2020 and significant borrowings associated with CWMS network.

**Waste Management Service** - Fleurieu Regional Waste Authority (FRWA) is responsible for Kangaroo Island Council's waste operations, including collection of kerbside collected waste and operations of Kangaroo Island's Waste and Recycling depot. FRWA sets the Council contribution for the year based on the type of service required and Council distribute these costs among applicable ratepayers to fund this service. For this LTFP, a continuous 5.0% increase has been used.

**Landscape Levy** – The landscape levy is a State Government tax which the Council is required to collect under the Landscape South Australia Act 2019. The fees are set by the Landscape board. For this LTFP, a continuous 3.0% increase has been used.

**Statutory Charges**- Fees and Charges set by Statute (via State Government) such as fees associated with service regulated under the Roads Traffic Act 1961, the Planning, Development and Infrastructure Act 2016, the South Australian Public Health Act 2011, the Food Act 2001 and the Dog & Cat Management Act 1995. For this LTFP, a continuous 5.0% increase has been used.

**User Charges** - Charges set by Council and are reviewed each year in conjunction with the development of the Annual Business Plan and Budget. For this LTFP, a continuous 5.0% increase has been used, unless there are specific circumstances that will have a material impact on fees and charges such as Cemeteries Fees – to bring in line with independent audit recommendations.

**Grants, Subsidies and Contributions** – Annual Grants, subsidies and contributions are assumed to continue for the duration of the LTFP at current level, indexed at 2.5% per annum. Where grants and subsidies are for specific projects, they will be recognised in the LTFP in line with relevant accounting standards.

It is important to note that Kangaroo Island Council is the only Council in South Australia to receive an additional \$3.5 Million from the Department of Infrastructure and Transport for roads related capital and maintenance programs. For this plan the maintenance component of \$1.5 Million has been indexed at 2.5% each year. Currently, the deed between Council and the department is signed for a period of two years, ending in FY 27-28, it is expected that this will continue for the foreseeable future and hence has been treated as an ongoing grant for the duration of the plan. The capital component of the funding is constant at \$2 million and not indexed.

## **Expenses:**

**Employee Costs** – The current Enterprise Agreement is due for finalisation by October 2026. Therefore, the rate included in the LTFP for future years remain in line with average CPI. Employee Costs are matched up with Industry Standards and the % increase forms part of the broader negotiations. Actual increases will be dependent upon future enterprise agreement, with new agreements reflected in the LTFP upon the completion of negotiations. Increase in the Superannuation Guarantee are consistent with the Australian Taxation Office advice. Employee Costs on average are approximately 31% of Council operational expenditure.

**Materials, Contracts and Other Expenses (Including Utilities)** – For the purpose of this plan a 4.5% increase has been assumed for the life of the plan. This considers the expected inflation associated with construction materials and increases in asset valuations through indexation, in addition to cost of doing business on a remote island. This category forms approximately 42%-45% of Council operational expenditure.

**Finance Costs** – The model considers existing debt levels of council and the due dates for each debt. For this LTFP, a continuous 6.5% interest rate has been used for the duration of the plan reflecting the market uncertainty and economic conditions. Increase in cash rate set by RBA have a direct correlation with funding authority assessment on interest rates. Council has seen an increase in interest rates over the past several months. A noticeable increase in finance costs can be seen from the year 2032/33 which correlates to major renewal works to be completed at the Airport.

**Depreciation** – A non-cash expense which forms approximately 29% of Councils expenditure. Council needs to account for this expenditure as it forms a key component for Asset Renewal and Maintenance into the future years.

***The cumulative impact of the key assumptions outlined in this plan has resulted in a significant improvement in Council's financial position and performance.***

***Compared with the Long-Term Financial Plan presented to ESCOSA in February 2026 for its determination, which forecast an accumulated deficit of approximately \$45 million over 10 years, the current plan now projects an accumulated deficit of \$16.5 million over the same period.***

***While this represents a substantial improvement, Council will continue to review and strengthen its income streams and pursue opportunities to reduce operating expenses, with the objective of achieving an operating surplus in the future.***

## Key Financial Indicators

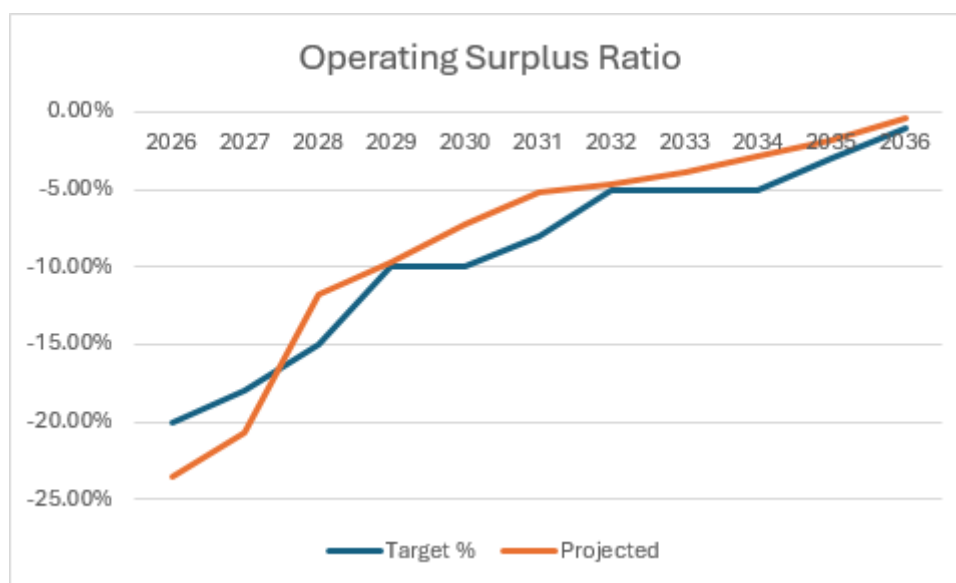
The following Key Financial Indicators are deemed by the Local Government to be the best indicators for determining financial sustainability:

- Operating surplus/ (deficit) ratio;
- Net financial liabilities ratio; and
- Asset Renewal Funding ratio.

**Operating Surplus/ (deficit) Ratio** - The Operating Surplus Ratio is the operating surplus/(deficit) expressed as a percentage of operating income. A positive ratio indicates the percentage of operating income available to help fund proposed capital expenditure. A negative ratio indicates the percentage increase in operating income or decreases in operating expenses required to achieve a break-even operating result.

**Target** – The Financial Sustainability Information Paper (FSIP) No.9 recommends the target is to achieve an average operating surplus ratio between 0% and 10%. Council continues to show a negative operating surplus ratio for the duration of the plan with current assumptions in place. The ratio sits well below the accepted benchmark of between 0% and 10%. However, significant improvements in the ratio can be seen with a positive trajectory to achieve 0% at the end of 10 years.

Council expects the ratio to be below its target % for the short term (2 year or less) with a better or equal performance from 3<sup>rd</sup> year of the plan and then consistently being slightly above the target %.

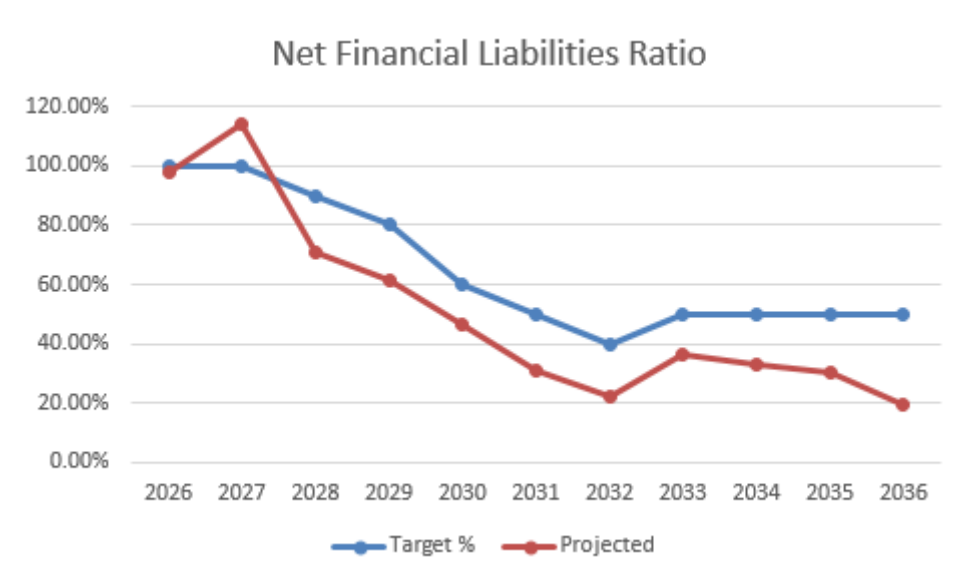


Council is addressing this shortfall as high priority and reassessing its rating structure, rates, other own source revenue to address the operating deficit. Council should also consider its existing level of services and continuation of those service for the community to address reduction in operating expenditure to achieve a positive ratio.

**Net Financial Liability Ratio** - The Net Financial Liabilities Ratio represents Council's net financial liabilities (total liabilities less financial assets) expressed as a percentage of total operating income. If the ratio falls, over time, this indicates that the Council's capacity to meet its financial obligations from operating revenue is strengthening.

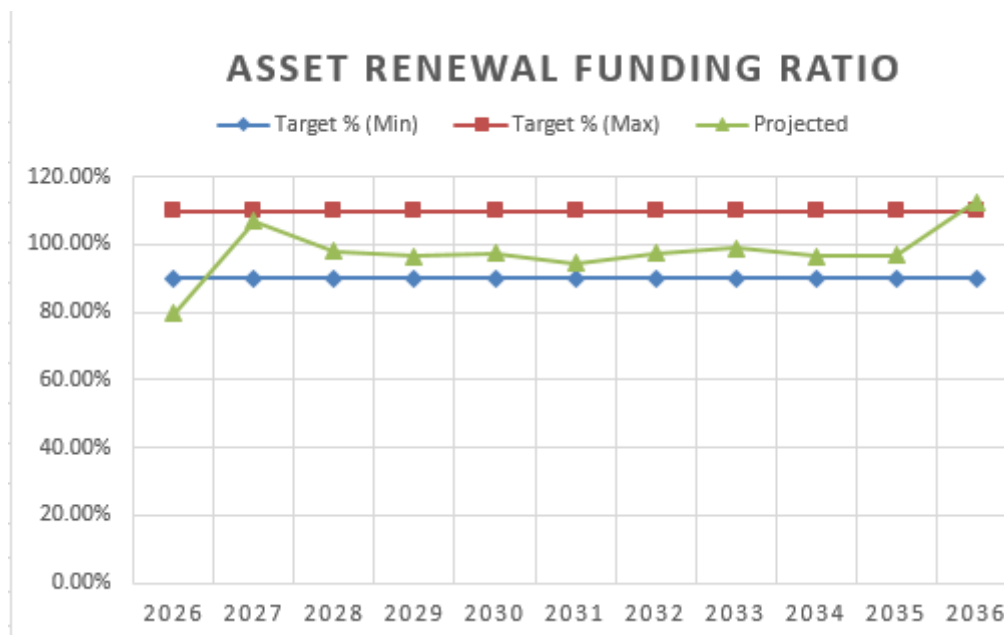
**Target** – Achieve a target of less than 100% of total operating revenue on average over the life of the LTFP (noting that the FSIP suggested range is between 0% and 100% of total operating income).

Councils' current ratio is higher than 100% due to significant liability accrued over the past few years with heavy reliance on CAD's and fixed term loans. However, strategies have been incorporated to reduce this debt and repay debt as they come due which is indicated by improvements in the ratio over the next 5 years, which can be seen in the graph below. Further, as part of this modelling it is expected that Council will borrow funds for renewal works to be completed at the Airport if Council fails to secure grants from State or federal Government.



**Asset Renewal Funding Ratio** – Expenditure on asset renewals as a percentage of forecast expenditure required as per the asset management plan. It reflects whether existing assets are being replaced or renewed at the rate they are being consumed and ensures consistent services delivery as determined by the Asset Management Plans.

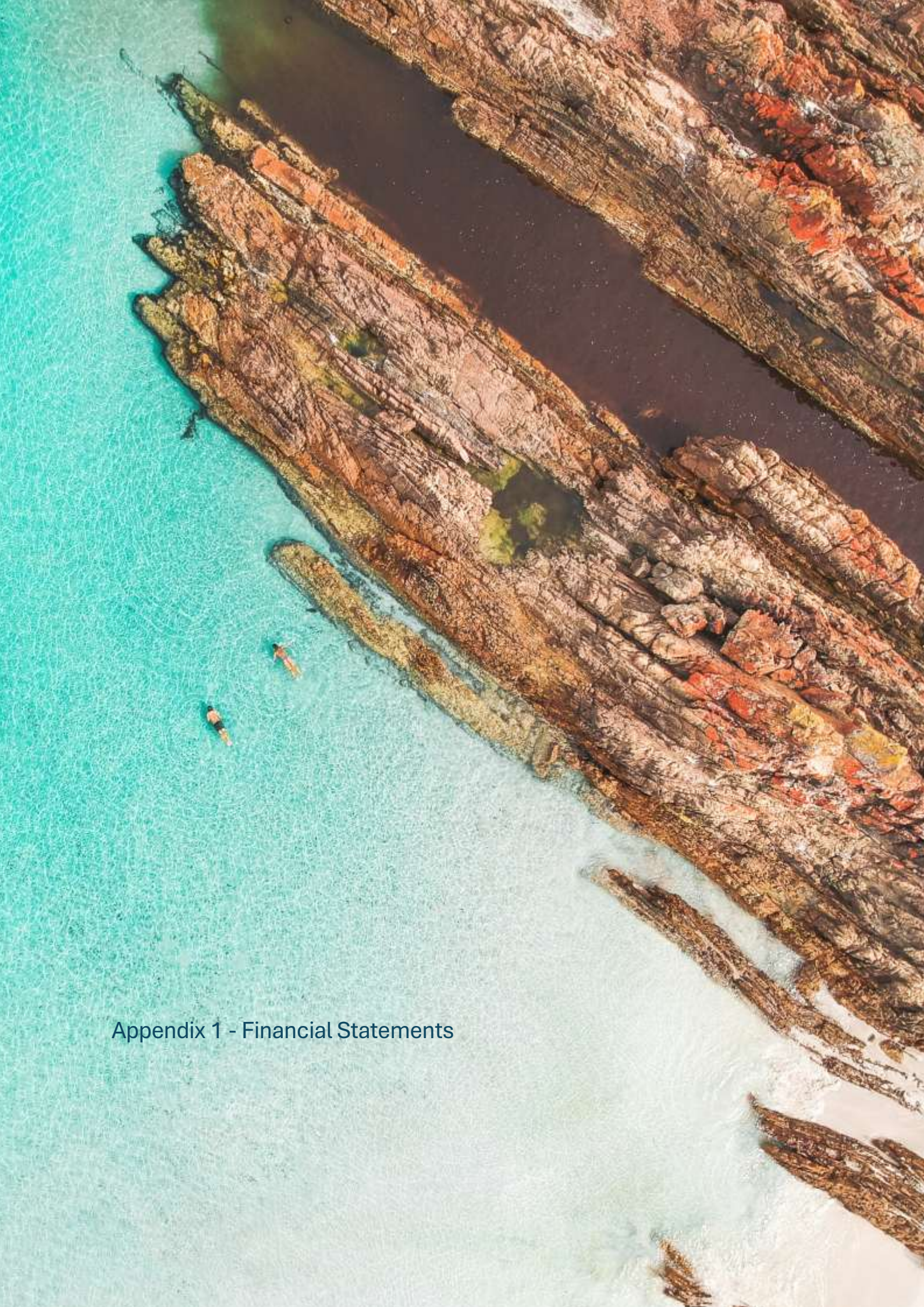
**Target** – A ratio lower than 100% indicates that Council is not maintaining and renewing its assets infrastructure to optimise asset lives. Council has undertaken a review of its Asset Management Plan and assessed capital projects based on condition and priority. Council updated Asset Management Plan (December 2025) have been incorporated in the development of this LTFP.



As demonstrated from the graph above Council ratio is higher than the proposed Asset management Plan for the FY 2026/2027. Subsequently the ratio balances towards the benchmark and is maintained throughout the duration of the plan.

As Council improves its condition assessment information and asset management plans this ratio may change.





## Appendix 1 - Financial Statements

## Kangaroo Island Council

10 Year Financial Plan for the Years ending 30 June 2035

## STATEMENT OF FINANCIAL POSITION - GENERAL FUND

Scenario: Base Case

|                                                                          | Actuals<br>2024/25 | Final Budget<br>Review<br>2025/26 | 2026/27            | 2027/28            | 2028/29            | 2029/30            | Projected Years    |                    |                    |                    |                    |                    |
|--------------------------------------------------------------------------|--------------------|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                          |                    |                                   |                    |                    |                    |                    | 2030/31            | 2031/32            | 2032/33            | 2033/34            | 2034/35            | 2035/36            |
| <b>ASSETS</b>                                                            |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Current Assets</b>                                                    |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Cash & Cash Equivalents                                                  | 264,000            | 850,000                           | 850,000            | 850,000            | 850,000            | 850,000            | 850,000            | 850,000            | 850,000            | 850,000            | 850,000            | 850,000            |
| Trade & Other Receivables                                                | 1,127,000          | 1,547,548                         | 1,574,578          | 1,591,073          | 1,661,491          | 1,735,559          | 1,813,473          | 1,895,444          | 1,981,692          | 2,072,449          | 2,167,960          | 2,268,487          |
| Other Financial Assets                                                   | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Inventories                                                              | 1,002,000          | 757,766                           | 757,304            | 791,383            | 826,995            | 864,210            | 903,099            | 943,739            | 986,207            | 1,030,586          | 1,076,963          | 1,125,426          |
| Other Current Assets                                                     | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Non-current assets classified as "Held for Sale"                         | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| <b>Total Current Assets</b>                                              | <b>2,393,000</b>   | <b>3,155,315</b>                  | <b>3,181,882</b>   | <b>3,232,456</b>   | <b>3,338,486</b>   | <b>3,449,768</b>   | <b>3,566,573</b>   | <b>3,689,183</b>   | <b>3,817,899</b>   | <b>3,953,035</b>   | <b>4,094,923</b>   | <b>4,243,912</b>   |
| <b>Non-Current Assets</b>                                                |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Financial Assets                                                         | -                  | 0                                 | 0                  | 2,508,755          | 1,889,847          | 244,307            | 654,046            | 1,056,470          | -                  | -                  | -                  | -                  |
| Equity Accounted Investments in Council Businesses                       | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Investment Property                                                      | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Infrastructure, Property, Plant & Equipment                              | 480,963,000        | 486,762,837                       | 491,261,537        | 489,253,494        | 492,682,194        | 495,288,195        | 497,744,659        | 501,932,039        | 512,714,333        | 519,036,476        | 525,757,535        | 530,345,857        |
| Intangible Assets                                                        | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Non-current assets classified as "Held for Sale"                         | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Other Non-Current Assets                                                 | 347,000            | 347,000                           | 347,000            | 347,000            | 347,000            | 347,000            | 347,000            | 347,000            | 347,000            | 347,000            | 347,000            | 347,000            |
| <b>Total Non-Current Assets</b>                                          | <b>481,310,000</b> | <b>487,109,837</b>                | <b>491,608,538</b> | <b>492,109,249</b> | <b>494,919,041</b> | <b>495,879,502</b> | <b>498,745,705</b> | <b>503,335,509</b> | <b>513,061,333</b> | <b>519,383,476</b> | <b>526,104,535</b> | <b>530,692,857</b> |
| <b>TOTAL ASSETS</b>                                                      | <b>483,703,000</b> | <b>490,265,152</b>                | <b>494,790,420</b> | <b>495,341,705</b> | <b>498,257,527</b> | <b>499,329,271</b> | <b>502,312,278</b> | <b>507,024,692</b> | <b>516,879,232</b> | <b>523,336,511</b> | <b>530,199,458</b> | <b>534,936,769</b> |
| <b>LIABILITIES</b>                                                       |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Current Liabilities</b>                                               |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Cash Advance Debenture (New Facilities Required)                         | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Trade & Other Payables                                                   | 4,290,000          | 2,971,588                         | 6,202,632          | 2,917,500          | 3,034,010          | 3,158,504          | 3,293,641          | 3,434,845          | 3,582,389          | 3,736,558          | 3,897,650          | 4,066,563          |
| Borrowings (P&I current)                                                 | 282,000            | 410,363                           | 304,395            | 241,790            | 166,018            | 30,206             | 30,904             | 31,619             | 32,351             | 33,099             | 17,319             | -                  |
| Provisions                                                               | 911,000            | 906,605                           | 906,605            | 906,605            | 906,605            | 906,605            | 906,605            | 906,605            | 906,605            | 906,605            | 906,605            | 906,605            |
| Other Current Liabilities                                                | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Liabilities relating to Non-Current Assets classified as "Held for Sale" | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| <b>Total Current Liabilities</b>                                         | <b>5,483,000</b>   | <b>4,288,556</b>                  | <b>7,413,632</b>   | <b>4,065,895</b>   | <b>4,106,634</b>   | <b>4,095,315</b>   | <b>4,231,151</b>   | <b>4,373,070</b>   | <b>4,521,345</b>   | <b>4,676,263</b>   | <b>4,821,574</b>   | <b>4,973,168</b>   |
| <b>Non-Current Liabilities</b>                                           |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Cash Advance Debenture Current Facilities Balances ( after called in)    | 7,146,000          | 10,206,641                        | 12,170,519         | 12,363,980         | 10,863,980         | 6,873,000          | 4,145,000          | 3,025,000          | 6,830,504          | 6,835,506          | 6,875,691          | 4,227,255          |
| Trade & Other Payables (Payment in Adv NC inc rates)                     | 5,853,000          | 5,447,875                         | 5,444,885          | 4,422,875          | 3,910,375          | 3,397,875          | 2,885,375          | 2,372,875          | 1,860,504          | 1,347,875          | 835,375            | 322,875            |
| Borrowings (P&I current)                                                 | 1,519,000          | 1,004,444                         | 583,306            | 341,516            | 175,498            | 145,292            | 114,388            | 82,768             | 50,418             | 17,319             | -                  | -                  |
| Provisions                                                               | 175,000            | 179,395                           | 179,395            | 179,395            | 179,395            | 179,395            | 179,395            | 179,395            | 179,395            | 179,395            | 179,395            | 179,395            |
| Liability - Equity Accounted Council Businesses                          | 1,512,000          | 1,512,000                         | 1,513,440          | 1,513,476          | 1,514,989          | 1,516,540          | 1,518,129          | 1,519,758          | 1,521,428          | 1,523,140          | 1,524,895          | 1,526,693          |
| Other Non-Current Liabilities                                            | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Liabilities relating to Non-Current Assets classified as "Held for Sale" | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| <b>Total Non-Current Liabilities</b>                                     | <b>16,205,000</b>  | <b>18,350,355</b>                 | <b>19,891,545</b>  | <b>18,821,242</b>  | <b>16,644,236</b>  | <b>12,112,101</b>  | <b>8,842,287</b>   | <b>7,179,796</b>   | <b>10,442,120</b>  | <b>9,903,234</b>   | <b>9,415,355</b>   | <b>6,256,218</b>   |
| <b>TOTAL LIABILITIES</b>                                                 | <b>21,688,000</b>  | <b>22,638,911</b>                 | <b>27,305,177</b>  | <b>22,887,137</b>  | <b>20,750,870</b>  | <b>16,207,416</b>  | <b>13,073,437</b>  | <b>11,552,866</b>  | <b>14,963,465</b>  | <b>14,579,497</b>  | <b>14,236,929</b>  | <b>11,229,386</b>  |
| <b>Net Assets</b>                                                        | <b>462,015,000</b> | <b>467,626,241</b>                | <b>467,485,243</b> | <b>472,454,568</b> | <b>477,506,657</b> | <b>483,121,854</b> | <b>489,238,841</b> | <b>495,471,826</b> | <b>501,915,767</b> | <b>508,757,014</b> | <b>515,962,529</b> | <b>523,707,383</b> |
| <b>EQUITY</b>                                                            |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Accumulated Surplus                                                      | 30,621,000         | 31,156,948                        | 31,918,317         | 32,640,992         | 33,408,569         | 34,691,951         | 36,438,246         | 38,263,116         | 40,243,888         | 42,500,678         | 45,046,050         | 48,051,466         |
| Asset Revaluation Reserves                                               | 422,377,000        | 428,354,660                       | 428,354,660        | 433,113,810        | 437,910,822        | 442,755,137        | 447,638,328        | 452,558,944        | 457,534,613        | 462,631,570        | 467,804,213        | 473,056,151        |
| Available for Sale Financial Assets                                      | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Other Reserves                                                           | 9,017,000          | 8,114,633                         | 7,212,266          | 6,699,766          | 6,187,266          | 5,674,766          | 5,162,266          | 4,649,766          | 4,137,266          | 3,624,766          | 3,112,266          | 2,599,766          |
| <b>Total Equity</b>                                                      | <b>462,015,000</b> | <b>467,626,241</b>                | <b>467,485,243</b> | <b>472,454,568</b> | <b>477,506,657</b> | <b>483,121,854</b> | <b>489,238,841</b> | <b>495,471,826</b> | <b>501,915,767</b> | <b>508,757,014</b> | <b>515,962,529</b> | <b>523,707,383</b> |

|                                                                  |                    |                     |                    |                    |                    |                    |                    |                        |                    |                    |                    |                    |
|------------------------------------------------------------------|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Kangaroo Island Council</b>                                   |                    |                     |                    |                    |                    |                    |                    |                        |                    |                    |                    |                    |
| <b>10 Year Financial Plan for the Years ending 30 June 2035</b>  |                    |                     |                    |                    |                    |                    |                    |                        |                    |                    |                    |                    |
| <b>STATEMENT OF CHANGES IN EQUITY - GENERAL FUND</b>             |                    |                     |                    |                    |                    |                    |                    |                        |                    |                    |                    |                    |
| <b>Scenario: Base Case</b>                                       |                    |                     |                    |                    |                    |                    |                    |                        |                    |                    |                    |                    |
|                                                                  | <b>Actuals</b>     | <b>Final Budget</b> |                    |                    |                    |                    |                    | <b>Projected Years</b> |                    |                    |                    |                    |
|                                                                  | <b>2024/25</b>     | <b>Review</b>       | <b>2026/27</b>     | <b>2027/28</b>     | <b>2028/29</b>     | <b>2029/30</b>     | <b>2030/31</b>     | <b>2031/32</b>         | <b>2032/33</b>     | <b>2033/34</b>     | <b>2034/35</b>     | <b>2035/36</b>     |
|                                                                  | <b>2025/26</b>     |                     |                    |                    |                    |                    |                    |                        |                    |                    |                    |                    |
| <b>Opening Balance</b>                                           | 458,953,000        | 462,015,000         | 467,811,791        | 467,485,243        | 472,454,568        | 477,506,657        | 483,121,854        | 489,238,841            | 495,471,826        | 501,915,767        | 508,757,014        | 515,962,529        |
| Net Surplus / (Deficit) for Year                                 | 1,353,000          | (366,419)           | 185,952            | (116,775)          | 255,077            | 770,883            | 1,233,795          | 1,312,369              | 1,468,272          | 1,744,290          | 2,032,872          | 2,492,916          |
| Other Comprehensive Income                                       |                    |                     |                    |                    |                    |                    |                    |                        |                    |                    |                    |                    |
| - Gain (Loss) on Revaluation of I,PP&E                           | 1,709,000          | 5,977,660           | -                  | 4,759,150          | 4,797,012          | 4,844,315          | 4,883,191          | 4,920,616              | 4,975,669          | 5,096,957          | 5,172,642          | 5,251,939          |
| - Available for Sale Financial Instruments: change in fair value | -                  | -                   | -                  | -                  | -                  | -                  | -                  | -                      | -                  | -                  | -                  | -                  |
| - Other Movements                                                | -                  | -                   | -                  | -                  | -                  | -                  | -                  | -                      | -                  | -                  | -                  | -                  |
| <b>Other Comprehensive Income</b>                                | 1,709,000          | 5,977,660           | -                  | 4,759,150          | 4,797,012          | 4,844,315          | 4,883,191          | 4,920,616              | 4,975,669          | 5,096,957          | 5,172,642          | 5,251,939          |
| <b>Total Comprehensive Income</b>                                | 3,062,000          | 5,611,241           | 185,952            | 4,642,375          | 5,052,088          | 5,615,198          | 6,116,986          | 6,232,985              | 6,443,941          | 6,841,247          | 7,205,514          | 7,744,854          |
| Transfers between Equity                                         | -                  | -                   | (512,500)          | 326,950            |                    |                    |                    |                        |                    |                    |                    |                    |
| <b>Equity - Balance at end of the reporting period</b>           | <b>462,015,000</b> | <b>467,626,241</b>  | <b>467,485,243</b> | <b>472,454,568</b> | <b>477,506,657</b> | <b>483,121,854</b> | <b>489,238,841</b> | <b>495,471,826</b>     | <b>501,915,767</b> | <b>508,757,014</b> | <b>515,962,529</b> | <b>523,707,383</b> |

**Kangaroo Island Council**  
**10 Year Financial Plan for the Years ending 30 June 2035**  
**STATEMENT OF CASH FLOWS - GENERAL FUND**  
**Scenario: Base Case**

| STATEMENT OF CASH FLOWS - GENERAL FUND                     |             |              | Actuals     | Review       | Projected Years |              |              |              |              |              |              |              |
|------------------------------------------------------------|-------------|--------------|-------------|--------------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Scenario: Base Case                                        | 2024/25     | 2025/26      | 2026/27     | 2027/28      | 2028/29         | 2029/30      | 2030/31      | 2031/32      | 2032/33      | 2033/34      | 2034/35      | 2035/36      |
| Cash Flows from Operating Activities                       |             |              |             |              |                 |              |              |              |              |              |              |              |
| Receipts:                                                  |             |              |             |              |                 |              |              |              |              |              |              |              |
| Rates Receipts                                             | 12,955,000  | 13,441,887   | 15,201,703  | 15,341,572   | 16,200,738      | 17,108,697   | 18,068,246   | 19,082,347   | 20,154,130   | 21,286,909   | 22,484,189   | 23,749,676   |
| Statutory Charges                                          | 335,000     | 312,808      | 316,439     | 330,686      | 345,927         | 363,223      | 381,384      | 400,453      | 420,476      | 441,500      | 463,575      | 486,753      |
| User Charges                                               | 1,476,000   | 1,315,860    | 1,369,854   | 1,431,396    | 1,497,367       | 1,572,235    | 1,650,847    | 1,733,389    | 1,820,059    | 1,911,062    | 2,006,615    | 2,106,946    |
| Grants, Subsidies and Contributions (operating purpose)    | 5,783,000   | 2,962,680    | 3,023,496   | 4,678,615    | 4,866,197       | 4,987,852    | 5,112,549    | 5,240,362    | 5,371,371    | 5,505,656    | 5,643,297    | 5,784,380    |
| Investment Receipts                                        | 62,000      | 42,105       | 47,232      | 48,557       | 48,853          | 49,342       | 49,835       | 50,334       | 50,837       | 51,345       | 51,859       | 52,378       |
| Reimbursements                                             | 78,000      | 56,809       | 40,268      | 37,108       | 37,149          | 37,334       | 37,521       | 37,709       | 37,897       | 38,087       | 38,277       | 38,468       |
| Other                                                      | 1,233,000   | (462,322)    | 229,908     | 29,171       | 29,205          | 29,351       | 29,497       | 29,645       | 29,793       | 29,942       | 30,092       | 30,242       |
| Payments:                                                  |             |              |             |              |                 |              |              |              |              |              |              |              |
| Payments to Employees                                      | (6,957,000) | (6,889,254)  | (7,636,250) | (7,386,598)  | (7,645,129)     | (7,912,708)  | (8,189,653)  | (8,476,291)  | (8,772,961)  | (9,080,014)  | (9,397,815)  | (9,726,738)  |
| Payments for Materials, Contracts & Other Expenses         | (9,228,000) | (10,157,553) | (8,356,903) | (10,274,273) | (10,736,616)    | (11,219,763) | (11,724,653) | (12,252,262) | (12,803,614) | (13,379,777) | (13,981,867) | (14,611,051) |
| Finance Payments                                           | (600,000)   | (592,299)    | (634,692)   | (821,592)    | (686,623)       | (433,277)    | (256,967)    | (498,583)    | (679,201)    | (769,560)    | (879,229)    | (856,820)    |
| Net Cash provided (or used in) Operating Activities        | 5,137,000   | 30,721       | 3,601,055   | 3,414,642    | 3,957,069       | 4,582,287    | 5,158,607    | 5,347,103    | 5,628,788    | 6,035,150    | 6,458,993    | 7,054,234    |
| Cash Flows from Investing Activities                       |             |              |             |              |                 |              |              |              |              |              |              |              |
| Receipts:                                                  |             |              |             |              |                 |              |              |              |              |              |              |              |
| Amounts Received Specifically for New/Upgraded Assets      | 4,154,000   | 3,624,612    | 4,315,056   | 1,740,065    | 2,135,884       | 2,141,110    | 2,146,414    | 2,151,796    | 2,157,252    | 2,162,781    | 2,168,381    | 2,174,049    |
| Grants utilised for capital purposes                       | 1,104,000   | 1,199,769    | 1,101,576   | 1,475,050    | 994,454         | 1,017,487    | 1,041,148    | 1,065,455    | 1,090,430    | 1,116,093    | 1,142,465    | 1,169,568    |
| Sale of Replaced Assets                                    | 54,000      | 291,575      | 291,575     | 291,575      | 291,575         | 291,575      | 291,575      | 291,575      | 291,575      | 291,575      | 291,575      | 291,575      |
| Sale of Surplus Assets                                     | -           | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Sale of Non Current Assets "Held for Sale"                 | -           | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Net Disposal of Investment Securities                      | -           | -            | -           | -            | 618,908         | 1,645,540    | -            | -            | 1,056,470    | -            | -            | -            |
| Sale of Real Estate Developments                           | -           | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Sale of Intangible Assets                                  | -           | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Repayments of Loans by Community Groups                    | 12,000      | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Payments:                                                  |             |              |             |              |                 |              |              |              |              |              |              |              |
| Expenditure on Renewal/Replacement of Assets               | (5,015,000) | (6,577,125)  | (7,412,900) | (5,207,818)  | (6,233,100)     | (5,497,000)  | (5,444,800)  | (5,588,600)  | (12,090,400) | (7,420,250)  | (8,038,500)  | (8,023,672)  |
| Expenditure on New/Upgraded Assets                         | (2,003,000) | (658,000)    | -           | (22,000)     | (23,000)        | (24,000)     | (25,000)     | (1,714,000)  | (1,908,000)  | (2,158,000)  | (2,030,000)  | -            |
| Purchase of Investment Property                            | -           | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Net Purchase of Investment Securities                      | -           | (2,157,339)  | -           | (1,270,376)  | -               | -            | (409,739)    | (402,424)    | -            | -            | -            | -            |
| Capital Contributed to Equity Accounted Council Businesses | (204,000)   | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Other Investing Activity Payments                          | -           | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Net Cash provided (or used in) Investing Activities        | (1,898,000) | (4,276,508)  | (1,704,693) | (2,993,504)  | (2,215,279)     | (425,288)    | (2,400,402)  | (4,196,199)  | (9,402,673)  | (6,007,801)  | (6,466,079)  | (4,388,480)  |
| Cash Flows from Financing Activities                       |             |              |             |              |                 |              |              |              |              |              |              |              |
| Receipts:                                                  |             |              |             |              |                 |              |              |              |              |              |              |              |
| Proceeds from CAD                                          | -           | 4,953,980    | -           | -            | -               | -            | -            | -            | 3,805,504    | 5,002        | 40,185       | -            |
| Proceeds from Borrowings                                   | -           | -            | -           | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| Payments:                                                  |             |              |             |              |                 |              |              |              |              |              |              |              |
| Repayments of CAD                                          | -           | -            | (900,000)   | -            | (1,500,000)     | (3,990,980)  | (2,728,000)  | (1,120,000)  | -            | -            | -            | (2,648,436)  |
| Repayments of Borrowings                                   | (3,240,000) | (292,824)    | (304,395)   | (316,444)    | (233,822)       | (166,018)    | (30,206)     | (30,904)     | (31,619)     | (32,351)     | (33,099)     | (17,319)     |
| Repayment of Principal Portion of Lease Liabilities        | -           | (93,369)     | (105,968)   | (104,695)    | (7,968)         | -            | -            | -            | -            | -            | -            | -            |
| Net Cash Flow provided (used in) Financing Activities      | (3,240,000) | 4,567,787    | (1,310,363) | (421,139)    | (1,741,790)     | (4,156,998)  | (2,758,206)  | (1,150,904)  | 3,773,885    | (27,349)     | 7,086        | (2,665,754)  |
| Net Increase/(Decrease) in Cash & Cash Equivalents         | (1,000)     | 322,000      | 586,000     | -            | -               | -            | -            | -            | -            | -            | -            | -            |
| plus: Cash & Cash Equivalents - beginning of year          | 265,000     | 264,000      | 264,000     | 850,000      | 850,000         | 850,000      | 850,000      | 850,000      | 850,000      | 850,000      | 850,000      | 850,000      |
| Cash & Cash Equivalents - end of the year                  | 264,000     | 586,000      | 850,000     | 850,000      | 850,000         | 850,000      | 850,000      | 850,000      | 850,000      | 850,000      | 850,000      | 850,000      |

Kangaroo Island Council  
10 Year Financial Plan for the Years ending 30 June 2035  
UNIFORM PRESENTATION OF FINANCES - GENERAL FUND

| Scenario: Base Case                                                                                                                           | Actuals<br>2024/25 | Final Budget<br>Review<br>2025/26 | 2026/27            | 2027/28            | 2028/29            | 2029/30            | Projected Years    |                    |                    |                    |                    |                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                                                                                               |                    |                                   |                    |                    |                    |                    | 2030/31            | 2031/32            | 2032/33            | 2033/34            | 2034/35            | 2035/36            |
| <b>Income</b>                                                                                                                                 |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Rates                                                                                                                                         | 12,990,000         | 13,661,278                        | 14,574,449         | 15,390,074         | 16,251,994         | 17,162,863         | 18,125,490         | 19,142,845         | 20,218,070         | 21,354,488         | 22,555,616         | 23,825,173         |
| Statutory Charges                                                                                                                             | 335,000            | 326,304                           | 314,598            | 330,328            | 346,844            | 364,186            | 382,396            | 401,515            | 421,591            | 442,671            | 464,804            | 488,044            |
| User Charges                                                                                                                                  | 1,476,000          | 1,371,240                         | 1,361,758          | 1,429,846          | 1,501,338          | 1,576,405          | 1,655,226          | 1,737,987          | 1,824,886          | 1,916,130          | 2,011,937          | 2,112,534          |
| Grants, Subsidies and Contributions - operating                                                                                               | 5,783,000          | 3,027,738                         | 3,022,738          | 4,753,306          | 4,872,139          | 4,993,943          | 5,118,791          | 5,246,761          | 5,377,930          | 5,512,378          | 5,650,188          | 5,791,442          |
| Grants, Subsidies and Contributions - capital                                                                                                 | 1,104,000          | 1,237,948                         | 1,077,186          | 1,104,116          | 1,131,719          | 1,160,012          | 1,189,012          | 1,218,737          | 1,249,206          | 1,280,436          | 1,312,447          | 1,345,258          |
| Investment Income                                                                                                                             | 62,000             | 43,415                            | 47,915             | 48,394             | 48,878             | 49,366             | 49,860             | 50,359             | 50,862             | 51,371             | 51,885             | 52,403             |
| Reimbursements                                                                                                                                | 78,000             | 58,903                            | 36,790             | 36,974             | 37,159             | 37,345             | 37,531             | 37,719             | 37,908             | 38,097             | 38,288             | 38,479             |
| Other Income                                                                                                                                  | 65,000             | 79,454                            | 28,500             | 28,643             | 28,786             | 28,930             | 29,074             | 29,220             | 29,366             | 29,513             | 29,660             | 29,808             |
| Net gain - equity accounted Council businesses                                                                                                | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| <b>Total Income</b>                                                                                                                           | <b>21,893,000</b>  | <b>19,806,280</b>                 | <b>20,463,934</b>  | <b>23,121,680</b>  | <b>24,218,856</b>  | <b>25,373,050</b>  | <b>26,587,380</b>  | <b>27,865,143</b>  | <b>29,209,818</b>  | <b>30,625,084</b>  | <b>32,114,823</b>  | <b>33,683,142</b>  |
| <b>Expenses</b>                                                                                                                               |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Employee Costs                                                                                                                                | 6,915,000          | 6,873,269                         | 7,138,566          | 7,388,416          | 7,647,010          | 7,914,656          | 8,191,669          | 8,478,377          | 8,775,120          | 9,082,249          | 9,400,128          | 9,729,133          |
| Materials, Contracts & Other Expenses                                                                                                         | 8,782,000          | 9,911,115                         | 9,905,069          | 10,350,797         | 10,816,583         | 11,303,329         | 11,811,979         | 12,343,518         | 12,898,976         | 13,479,430         | 14,086,005         | 14,719,875         |
| Depreciation, Amortisation & Impairment                                                                                                       | 6,881,000          | 7,208,646                         | 7,215,445          | 7,287,599          | 7,420,985          | 7,556,328          | 7,693,983          | 7,833,738          | 7,990,124          | 8,151,863          | 8,319,334          | 8,486,994          |
| Finance Costs                                                                                                                                 | 607,000            | 467,692                           | 441,675            | 810,377            | 676,336            | 427,393            | 255,896            | 497,488            | 678,080            | 768,413            | 876,056            | 856,206            |
| Net loss - Equity Accounted Council Businesses                                                                                                | 204,000            | -                                 | -                  | 1,476              | 1,513              | 1,551              | 1,589              | 1,629              | 1,670              | 1,712              | 1,755              | 1,798              |
| <b>Total Expenses</b>                                                                                                                         | <b>23,389,000</b>  | <b>24,460,722</b>                 | <b>24,700,754</b>  | <b>25,838,665</b>  | <b>26,564,428</b>  | <b>27,203,256</b>  | <b>27,955,117</b>  | <b>29,154,750</b>  | <b>30,343,970</b>  | <b>31,483,667</b>  | <b>32,685,277</b>  | <b>33,794,006</b>  |
| <b>Operating Surplus / (Deficit)</b>                                                                                                          | <b>(1,496,000)</b> | <b>(4,654,442)</b>                | <b>(4,236,821)</b> | <b>(2,716,985)</b> | <b>(2,345,571)</b> | <b>(1,830,206)</b> | <b>(1,367,736)</b> | <b>(1,289,607)</b> | <b>(1,134,152)</b> | <b>(858,583)</b>   | <b>(570,454)</b>   | <b>(110,864)</b>   |
| Timing adjustment for grant revenue                                                                                                           | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Less: Grants, subsidies and contributions – Capital                                                                                           | (1,104,000)        | (1,237,948)                       | (1,077,186)        | (1,104,116)        | (1,131,719)        | (1,160,012)        | (1,189,012)        | (1,218,737)        | (1,249,206)        | (1,280,436)        | (1,312,447)        | (1,345,258)        |
| <b>Adjusted Operating Surplus / (Deficit)</b>                                                                                                 | <b>(2,600,000)</b> | <b>(5,892,390)</b>                | <b>(5,314,007)</b> | <b>(3,821,100)</b> | <b>(3,477,290)</b> | <b>(2,990,218)</b> | <b>(2,556,748)</b> | <b>(2,508,345)</b> | <b>(2,383,357)</b> | <b>(2,139,019)</b> | <b>(1,882,900)</b> | <b>(1,456,122)</b> |
| <b>Net Outlays on Existing Assets</b>                                                                                                         |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Capital Expenditure on Renewal and Replacement of Existing Assets                                                                             | (5,015,000)        | (6,577,125)                       | (7,412,900)        | (5,207,818)        | (6,233,100)        | (5,497,000)        | (5,444,800)        | (5,588,600)        | (12,090,400)       | (7,420,250)        | (8,038,500)        | (8,023,672)        |
| Finance Lease payments for Right of Use Assets                                                                                                | -                  | 0                                 | (0)                | (133,195)          | (7,968)            | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| add back Depreciation, Amortisation and Impairment                                                                                            | 6,881,000          | 7,208,646                         | 7,215,445          | 7,287,599          | 7,420,985          | 7,556,328          | 7,693,983          | 7,833,738          | 7,990,124          | 8,151,863          | 8,319,334          | 8,486,994          |
| add back Grants, subsidies and contributions – Capital Renewal                                                                                | -                  | 1,237,948                         | 5,412,692          | 1,104,116          | 1,131,719          | 1,160,012          | 1,189,012          | 1,218,737          | 1,249,206          | 1,280,436          | 1,312,447          | 1,345,258          |
| add back Proceeds from Sale of Replaced Assets                                                                                                | 54,000             | 291,575                           | 291,575            | 291,575            | 291,575            | 291,575            | 291,575            | 291,575            | 291,575            | 291,575            | 291,575            | 291,575            |
| <b>Total Net Outlays on Existing Assets</b>                                                                                                   | <b>1,920,000</b>   | <b>2,161,044</b>                  | <b>5,506,812</b>   | <b>3,342,277</b>   | <b>2,603,211</b>   | <b>3,510,914</b>   | <b>3,729,770</b>   | <b>3,755,450</b>   | <b>(2,559,496)</b> | <b>2,303,623</b>   | <b>1,884,856</b>   | <b>2,100,155</b>   |
| <b>Net Outlays on New and Upgraded Assets</b>                                                                                                 |                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Capital Expenditure on New and Upgraded Assets<br>(including Investment Property & Real Estate Developments)                                  | (2,003,000)        | (658,000)                         | -                  | (22,000)           | (23,000)           | (24,000)           | (25,000)           | (1,714,000)        | (1,908,000)        | (2,158,000)        | (2,030,000)        | -                  |
| Finance lease payments for Right of Use Assets                                                                                                | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| add back Grants, subsidies and contributions – Capital New/Upgraded                                                                           | 1,104,000          | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| add back Amounts Received Specifically for New and Upgraded Assets                                                                            | 4,154,000          | 4,200,750                         | -                  | 1,740,065          | 2,135,884          | 2,141,110          | 2,146,414          | 2,151,796          | 2,157,252          | 2,162,781          | 2,168,381          | 2,174,049          |
| add back Proceeds from Sale of Surplus Assets<br>(including Investment Property, Real Estate Developments & non-current assets held for sale) | -                  | -                                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| <b>Total Net Outlays on New and Upgraded Assets</b>                                                                                           | <b>3,255,000</b>   | <b>3,542,750</b>                  | <b>-</b>           | <b>1,718,065</b>   | <b>2,112,884</b>   | <b>2,117,110</b>   | <b>2,121,414</b>   | <b>437,796</b>     | <b>249,252</b>     | <b>4,781</b>       | <b>138,381</b>     | <b>2,174,049</b>   |
| <b>Annual Net Impact to Financing Activities (surplus / (deficit))</b>                                                                        | <b>2,575,000</b>   | <b>(188,596)</b>                  | <b>192,805</b>     | <b>1,239,242</b>   | <b>1,238,805</b>   | <b>2,637,807</b>   | <b>3,294,436</b>   | <b>1,684,901</b>   | <b>(4,693,602)</b> | <b>169,385</b>     | <b>140,337</b>     | <b>2,818,082</b>   |