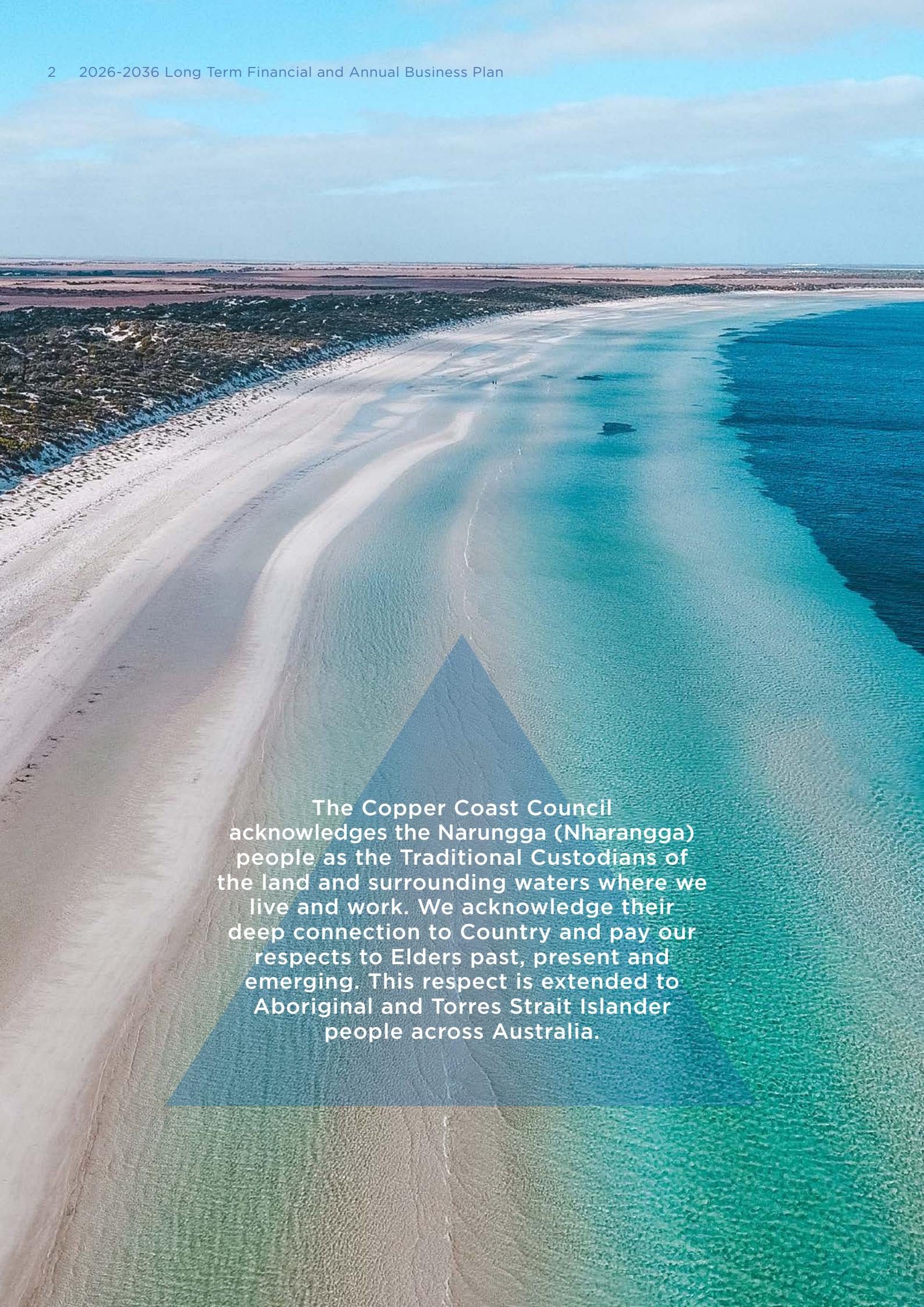
2026-2036 Long Term Financial and Annual Business PLAN

COPPER COAST COUNCIL



The Copper Coast Council acknowledges the Narungga (Nharangga) people as the Traditional Custodians of the land and surrounding waters where we live and work. We acknowledge their deep connection to Country and pay our respects to Elders past, present and emerging. This respect is extended to Aboriginal and Torres Strait Islander people across Australia.

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About this PLAN

PURPOSE

Under Section 123 of the Local Government Act 1999 ("the Act"), Council is required to have a budget for each financial year. The budget must be considered as part of the Council's Annual Business Plan and must be adopted before 31 August each financial year.

This document contains Council's Annual Business Plan (ABP) together with the Long Term Financial Plan (LTFP). Copper Coast Council has taken this approach to bring the two plans together into a single document so that there is alignment, and that the impacts of decisions taken through the annual budget process can be understood in a long term financial context.

PUBLIC CONSULTATION AND STATEMENT OF SIGNIFICANT CHANGES

Before the Council adopts its Annual Business Plan, it must prepare a draft plan and undertake a public consultation process of the document.

During the public consultation period, copies of Council's draft Annual Business Plan and any other associated documents must be made available for inspection and purchase by the public at the Principal office of the Council.

Section 123(6a) of the Act sets out a requirement for Council to provide a statement outlining significant amendments made to the draft Annual Business Plan after public consultation.

LONG TERM FINANCIAL PLAN

The LTFP is required by Section 122 of the Act, and the purpose is to monitor the financial sustainability of councils. Financial sustainability is defined by the sector nationally:

A Council's long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

Based on this definition the elements of being financially sustainable are having ongoing service provision, infrastructure is provided and renewed to support service provision and that rate increases are stable.

THE PLANNING PROCESS

For the second consecutive year, the planning process has brought together two key plans: the Long Term Financial Plan (LTFP) and the Annual Business Plan (ABP). This integration means that the first year of the LTFP is presented as the 2026/27 budget within the ABP. By linking these plans, Council ensures a coordinated approach to financial and operational planning.

Throughout the planning process, careful attention is given to Council's asset base. This ensures that the provision and management of assets are thoughtfully planned for the entire 10-year period covered by the LTFP. The planning is closely aligned with both the Council's Strategic Plan and the Strategic Asset Management Plan, ensuring consistency and a long-term perspective in decision-making.

Message from THE MAYOR

Each year, our Annual Business Plan gives us the opportunity to pause, reflect, and refocus on what matters most to the Copper Coast community.

It is our roadmap for the year ahead — shaped by your feedback, guided by our long-term vision, and grounded in the values that define our region. This plan sits within a broader framework that includes our Long Term Strategic Plan, Long Term Financial Plan, and Asset Management Plans. Together, these documents ensure that our decisions are responsible, sustainable, and aligned with the future we are working toward.

We prepare this plan because responsible, transparent planning is essential to building a thriving and sustainable Copper Coast. Our community expects us to manage resources wisely, invest where it counts, and make decisions that strengthen our towns for today and for the generations that follow. By drawing on our long-term plans, we ensure that every action we take is considered, financially sound, and consistent with the priorities our community has helped shape.

We approach the year with a commitment to collaboration, financial responsibility, and practical action. We listen to our residents, businesses, and community groups. We prioritise projects that deliver the greatest benefit. And we work methodically — balancing essential services, infrastructure renewal, and strategic investment — so that every dollar contributes to a stronger, more resilient region.

This year's plan focuses on continuing to improve our core services, progressing key infrastructure projects, supporting local business and tourism, and enhancing the liveability of our towns. We aim to create safer roads, better community spaces, and more opportunities for growth and connection. Above all, we want to ensure the Copper Coast remains a place where people feel proud to live, work, invest, and visit.

Our community is at the heart of every decision we make. Thank you for your ongoing engagement, your ideas, and your belief in what we can achieve together. With a clear plan, strong foundations, and a shared purpose, the year ahead holds great possibility.

Roslyn Talbot
MAYOR

About the COPPER COAST

Located at the top of the Yorke Peninsula, a comfortable hour and a half drive from Adelaide, the Copper Coast is a region steeped in rich history and natural beauty.

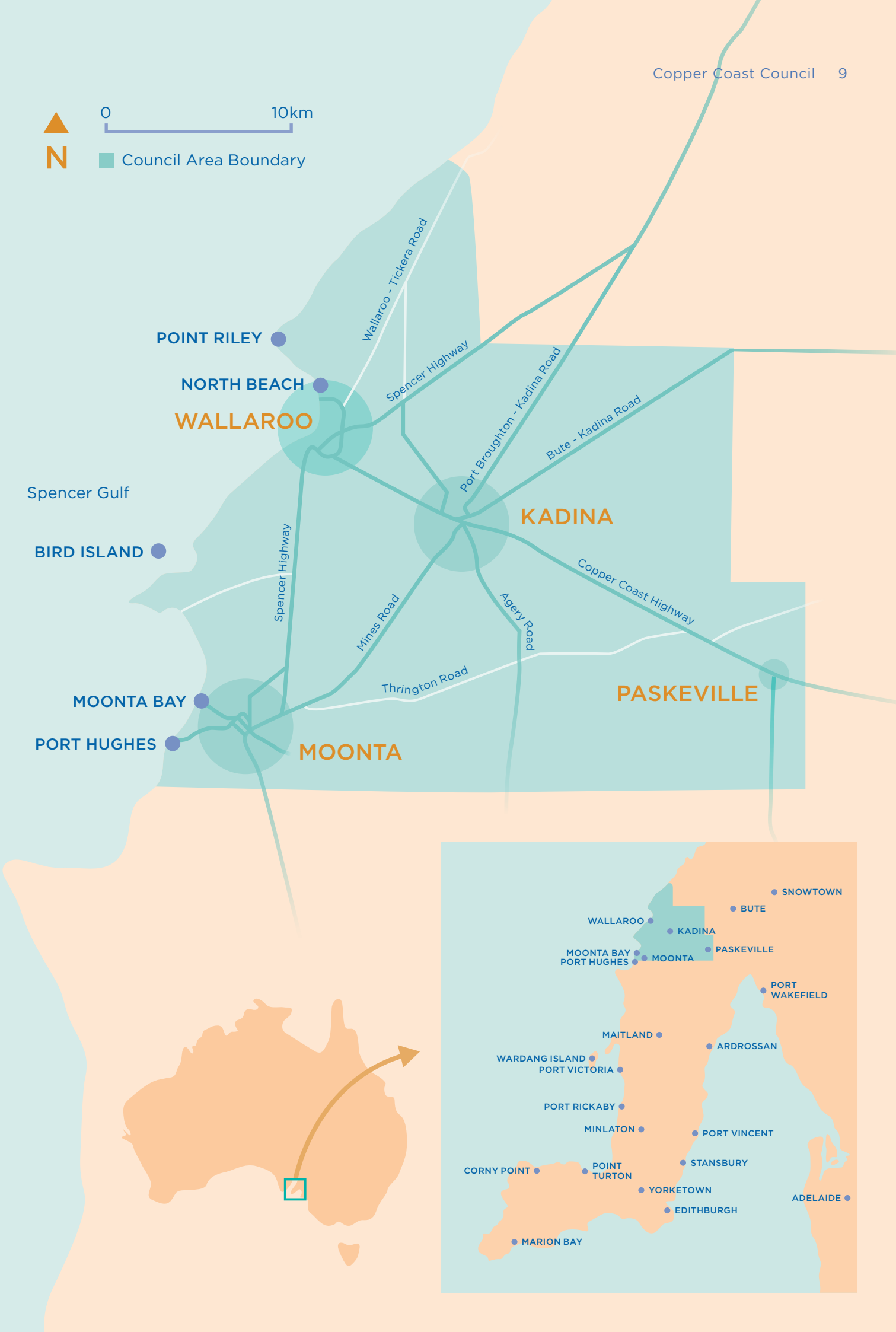
From its stunning coastal and agricultural landscapes to its vibrant towns and centres, the Copper Coast embodies a unique blend of heritage, culture, and innovation.

The area's history begins with the traditional owners, the Narungga (Nharangga) people, who have lived on this Country for over 60,000 years. The Narungga (Nharangga) people moved between coastal camps along the Yorke Peninsula that provided a regular supply of food and fresh water, as well as a gathering place for social and religious ceremony. They maintain a strong cultural and physical connection to the land and sea and the Copper Coast Council pays its respect to Elders past, present and future.

The first pastoral lease was granted to European settlers in 1841. Through innovation and crop diversification, agriculture remains a strong part of the region's economy. The area has an international reputation as a dryland farming centre of excellence, which is showcased biennially in Paskeville at Australia's oldest and one of its largest Field Days. The region is also known for its commercial, and recreational fishing industries.

The area is named Copper Coast in recognition of the copper mining heritage of the region dating back to 1859 when copper was first discovered at Wallaroo Mines and in 1861 at Moonta Mines. The discoveries led to mass immigration of skilled Cornish miners and the area soon become known as 'Australia's Little Cornwall'. This proud Cornish heritage is celebrated every two years at the Kernewek Lowender festival, one of South Australia's leading cultural events. The importance of the Moonta Mines area is recognised as it is a National Heritage site and a bid is currently underway for World Heritage status.

Today, the Copper Coast is home to around 15,000 residents and attracts over 500,000 visitors each year who enjoy the beaches, natural beauty, history, hospitality, services and amenities that support our enviable lifestyle and a prosperous economy.


0
10km
N
Council Area Boundary
POINT RILEY
NORTH BEACH
WALLAROO
Spencer Gulf
BIRD ISLAND
MOONTA BAY
PORT HUGHES
MOONTA
KADINA
PASKEVILLE
Wallaroo - Tickera Road
Spencer Highway
Port Broughton - Kadina Road
Bute - Kadina Road
Copper Coast Highway
Mines Road
Agery Road
Thrington Road
SNOWTOWN
BUTE
WALLAROO
KADINA
PASKEVILLE
MOONTA BAY
PORT HUGHES
MOONTA
PORT WAKEFIELD
MAITLAND
ARDROSSAN
WARDANG ISLAND
PORT VICTORIA
PORT RICKABY
MINLATON
PORT VINCENT
STANSBURY
CORNY POINT
POINT TURTON
YORKETOWN
ADELAIDE
EDITHBURGH
MARION BAY

Council is Part of YOUR EVERY DAY

Most people are surprised when they learn about all the things Council provides for the community. Have you thought about how your everyday life is improved by the services provided by the Copper Coast Council? Below is a list of the services Copper Coast Council do or provide support to make the region a **thriving regional centre inspired by lifestyle, driven by possibility.**

Infrastructure & Asset Management

Managing & maintaining roads, footpaths & bike paths, street furniture & lighting, cemeteries, stormwater drainage & waste water plants

Waste & Recycling

Kerbside waste collection including organics collection, resource recovery centre & event bins, street cleaning & graffiti removal

Education Services

Supporting furthering studies by studying locally at the Copper Coast Uni Hub

Customer Service & Information

Attend to enquiries, respond to & share community & tourism information, after hours emergency services

Inclusion & Support Services

Community & volunteer programs, Services for youth & the aged, Disability Access & Inclusion Group Council operated Retirement Units

Heritage

Supporting heritage building retention, & heritage listed places

Planning & Development

Development planning, & control including building safety assessments

Tourism Marketing, Events & Attractions

Festivals & events, Visitor Information Centre, tourist facilities, services & attraction including Flame Festival.

Compliance & Parking

Animal management, outdoor dining & trading, nuisance & litter control, parking enforcement, fire prevention

Transport

Community transport services, advocating for transport to attend appointments

Public Health

Regulating food safety, community wastewater systems, water quality, sanitation, swimming pools and spas, vermin control

Library Services

Copper Coast Library services, activities & events for all ages (inc. 24 hour access, toy library & home delivery service)

Coastal Protection & Environment

Foreshore maintenance, vegetation management, pest animal & plant control

Emergency Planning

Regional bushfire management plan, local and zone emergency management plans

Arts & Cultural Activities

Galleries, Cinema, Wallaroo Silo Art visual display, Markets

Parks & Recreation

Maintaining parks, playgrounds, street trees, walking-bike trails, SplashTown waterpark, Sports & Leisure Centre, Putt Putt Golf, boating facilities, caravan parks

Administration

Regulatory activities, records management, FOI requests, S7 searches, maintaining voters roll, elections, council and committees support

Economic Development

Economic development strategy delivery, supporting & attracting investment

Corporate Services

HR, organisational development, financial and risk management, computers and telecommunications

Community Development

Grant programs, community facilities and meeting places, advice, advocating on behalf of the community

Your COUNCIL MEMBERS

Roslyn Talbot
MAYOR

Neil Sawley
DEPUTY MAYOR

Peter Oswald
COUNCILLOR

Andrew Male
COUNCILLOR

Sandra Paddick
COUNCILLOR

Peter Sims
COUNCILLOR

Bruce Schmidt
COUNCILLOR

Catherine Vluggen
COUNCILLOR

Brent Walker
COUNCILLOR

The Council area is represented by a Mayor and eight (8) Councillors who form the decision making body that set the strategic direction, form policies and determine priorities for provision of services to the community.

Significant Amendments to the ADOPTED ANNUAL BUSINESS PLAN

In accordance with S123(6a) of the Local Government Act 1999 (SA) this statement advises significant amendments to the Annual Business Plan subsequent to public consultation and the reasons for those amendments.

1. Increase to rate revenue of 4.9% compared to the initial 3.3% consistent with the CPI increase as at 31 March 2026 to minimise the operating deficit.
2. Additional budget of $9.1M allocated to the capital works expenditure for the Wallaroo Aquatic Facility, Port Hughes Wastewater Transfer Plant and Wallaroo Holiday Park Expansion.
3. Regional Landscape Levy has increased $26,368 to $612,091.
4. Additional $584k was included in the Employee Costs for additional staffing allocations, including the Preventive Health Officer which is a grant funded position. These staffing requirements were outlined throughout the growth strategy review complete in 2026.
5. Additional $1.282M budgeted for amounts received specifically for new or upgraded assets for the Wallaroo Aquatic Facility.

2026/27 to 2035/36 LONG TERM FINANCIAL PLAN

CEO SUSTAINABILITY Report

In accordance with Section 122(4)(b) of the Act the information contained within pages 15 to 25 of this document and Appendix A are to be taken as the CEO's sustainability report.

The content of these pages sets out the practices of the Copper Coast Council to seek to operate in a financially sustainable manner with all indicators within the target ranges endorsed by Council, and with the intent of continuing to manage rate increases to Local Government Construction CPI, although each year is subject to Council decision, which is discussed further under "Assumptions".

CONTEXT

The importance of financial sustainability is to ensure that each generation 'pays their way', rather than any generation 'living off their assets' and leaving it to future generations to address the issue of repairing worn out infrastructure. Such issues are frequently referred to as 'intergenerational equity'.

With community infrastructure such as roads, footpaths, and stormwater drainage comprising a major proportion of Councils' balance sheets, it is important that Councils implement appropriate strategies towards the effective upkeep of such assets – so that the maintenance and renewal of such assets is fairly and equitably funded from current ratepayers (i.e. general rate income) and future ratepayers (long term loan borrowings).

Given the importance of ensuring financial sustainability of Council operations in the longer term, it is a legislative requirement that individual Councils adopt a Long Term Financial Plan and Asset Management Plans (minimum 10 years) as part of future planning.

To ensure each generation 'pays its way', it is subsequently crucial that current ratepayers effectively fund the current net cost of services provided and community assets consumed. Without this being achieved (i.e. an operating deficit), future generations are effectively subsidising the current cost of service provision and asset consumption.

Based on this, the financial sustainability of a Council is measured by the surplus/deficit (before capital revenues) disclosed in the Income Statement financial report – with a consistent breakeven or operating surplus result indicative of a Council that is financially sustainable in the long term.

Other financial sustainability indicators recommended by the Financial Sustainability Inquiry, and endorsed by the Copper Coast Council, are separately included within this report.

The Objective of the Plan is to be financially sustainable over Years 1 - 10 by achieving a cumulative breakeven result.

With the process used for the annual review of the Plan, estimates are used for the asset revaluations and a number of key assumptions, and this enables a more accurate cost of these assets held.

ASSUMPTIONS

Year Ending June 30	Year 1 2027	Year 2 2028	Year 3 2029	Year 4 2030	Year 5 2031	Year 6 2032	Year 7 2033	Year 8 2034	Year 9 2035	Year 10 2036
General										
Expected CPI Movement	4.9%	2.8%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Local Government Price Index	3.4%	3.0%	2.9%	2.9%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
EA Movements (ASU)	4.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
EA Movements (AWU)	7.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Rates & Charges (Increases)										
Residential	4.9%	3.5%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Vacant Land	4.9%	3.5%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Commercial / Industrial	4.9%	3.5%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Primary Production	4.9%	3.5%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Other	4.9%	3.5%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
CWMS Service Charge Increase	4.9%	3.5%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
NRM (State Government Charge)	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Finance Charges										
Borrowings - Interest Rate	5.60%	5.99%	6.10%	6.15%	6.37%	6.37%	6.37%	6.37%	6.37%	6.49%
Investments - Interest Rate	3.36%	3.23%	3.28%	3.35%	3.48%	3.65%	3.82%	3.93%	4.06%	4.15%

The preparation of the Long Term Financial Plan (LTFP) has been based on several key assumptions endorsed by Council.

The Financial Reports and information currently used to provide the basis for this review:

- 2024/25 Audited Financial Statements
- 2025/26 Council Budget (adopted July 2025)
- Previous Long Term Financial Plans
- Annual Business Plan and the Strategic Plan, and Infrastructure and Asset Management Plans
- ESCOSA Local Government Advice (Febuary 2026) - Appendix H

The LTFP assumptions are primarily based on the statistics published by the Local Government Association being the most up to date information available.

Consumer Price Index

Expected Consumer Price Index (CPI) has been based on the Australian Bureau of Statistics March 2026 and later years are based on the RBA target rate being between 2%-3%.

EA Movements (Salary & Wages)

These percentages are based on the expected increase to salary and wages following EB negotiations which were finalised through the 2025/26 financial year. Current year increases are set to be 4.5% for ASU staff and 7% for AWU staff. The Superannuation Guarantee Charge is a legislated amount which will remain at 12% from 1 July 2026.

Interest Rates

The interest rates used are based on the 10 year bond publication rates along with the LGFA borrowing rates set out over 10 years.

Rate increases

Over the long-term rates are planned to increase by CPI with the actual rate each year being determined by Council following community consultation period. Using the CPI allows Council to plan for increases more aligned with costs incurred by Council for the ongoing costs of infrastructure and maintenance costs.

For the 2026/27 budget Council will budget for an increase of 4.9% on rates revenue to ensure we support the budgeted capital works program.

INITIATIVE FUNDING

Year Ending June 30 ($)	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Capital - Renewal / Replacement	3,837,487	4,013,301	4,145,833	4,279,667	4,314,853	4,451,447	4,589,505	4,729,085	4,647,403	4,786,825
Capital - New /Upgrade	17,670,513	7,568,730	7,791,791	8,024,544	8,367,281	8,620,300	8,883,908	9,158,425	9,001,358	9,271,400

Renewal Capital Expenditure

Copper Coast Council has approximately $388 million in infrastructure assets provided to the community and has an obligation to maintain and renew these assets. This is a key consideration in our plans, with the LTFP being aligned to the renewal requirements of the Strategic Asset Management Plan (SAMP), which was available for public consultation with the community in January 2025.

New & Upgrade Capital Expenditure

Expenditure on new assets and upgrade of existing assets is contained within the SAMP, with current year figures determined by our $6M carry over of projects from 2025/26 along with planned projects for the 2026/27 year which includes upgrades to Wallaroo Entrance Road, Wallaroo Aquatic Facility and Port Hughes Waste Water Treatment Plant all resulting in a higher expenditure on new and upgraded assets being set at $17.6M.

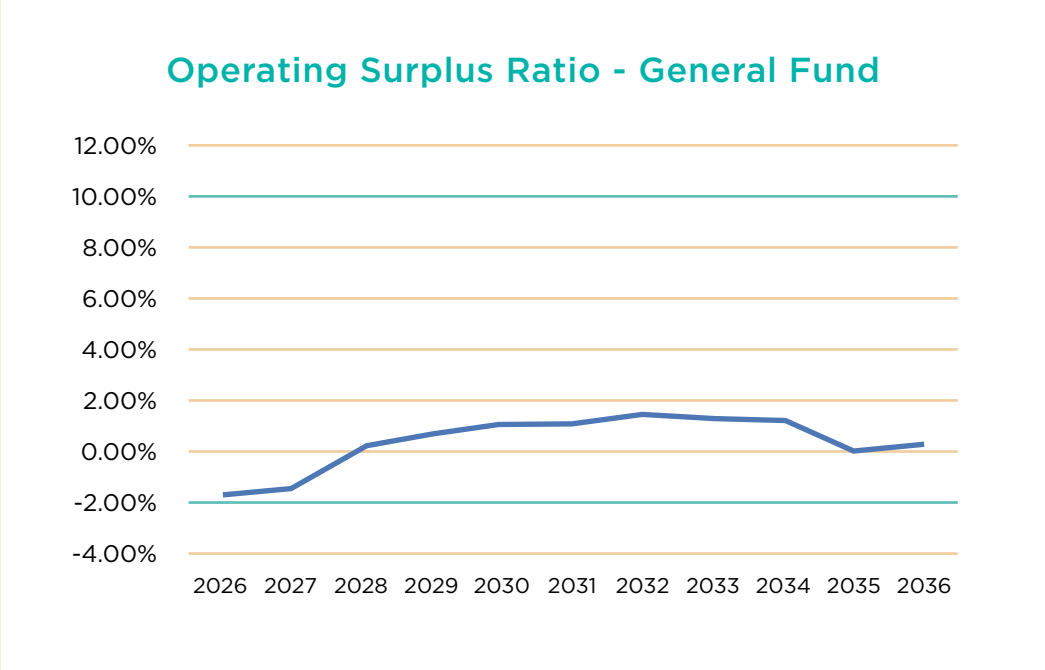
Year Ended	2026 Budget $'000	2027 Plan $'000	2028 Plan $'000	2029 Plan $'000	2030 Plan $'000	2035 Plan $'000
Revenue						
Rates	33,103	34,244	35,259	36,303	37,202	42,337
Statutory Charges	842	865	888	912	937	1,070
User Charges	5,200	5,179	5,325	5,474	5,627	6,657
Grants, Subsidies and Contributions - operating	1,518	1,937	1,990	2,043	2,098	2,397
Grants, Subsidies and Contributions - capital	485	498	512	525	540	616
Investment Income	800	534	551	571	591	721
Reimbursements	336	434	446	458	470	537
Other Income	406	446	458	471	483	552
Net gain - equity accounted Council businesses	-	-	-	-	-	-
Total Operating Revenue	**42,689**	**44,138**	**45,428**	**46,757**	**47,949**	**54,889**
Expenses						
Employee Costs	12,631	13,108	13,487	13,877	14,279	16,469
Materials, Contracts and Other Expenses	18,764	18,697	19,295	19,979	20,615	24,669
Depreciation, Amortisation & Impairment	11,113	11,287	11,398	11,601	11,838	13,121
Finance Costs	788	959	928	798	696	514
Total Operating Expenses	**43,297**	**44,050**	**45,108**	**46,256**	**47,427**	**54,773**
Operating Surplus / (Deficit)	**(608)**	**88**	**321**	**501**	**522**	**116**
Amounts Received Specifically for New or Upgraded Assets	1,863	800	800	800	800	800
Net Surplus / (Deficit)	**1,256**	**888**	**1,121**	**1,301**	**1,322**	**916**
Other Comprehensive Income - Amounts which will not be reclassified subsequently to operating result						
Changes in Revaluation Surplus – I,PP&E	-	892	-	387	2,491	886
Total Other Comprehensive Income	**-**	**892**	**-**	**387**	**2,491**	**886**
Total Comprehensive Income	**1,256**	**1,780**	**1,121**	**1,689**	**3,813**	**1,802**

The full 10 year Long Term Financial Plan Budgeted Financial Statements are contained within Appendix G.

FINANCIAL INDICATORS

The Financial Sustainability Inquiry recommended the adoption by the Local Government sector of a standard set of financial indicators or Key Performance Indicators (KPI's). The seven indicators outlined below have been developed specifically to focus attention on factors that the Inquiry identified as key to securing a Council's long-term financial security.

Operating Surplus/(Deficit) Ratio



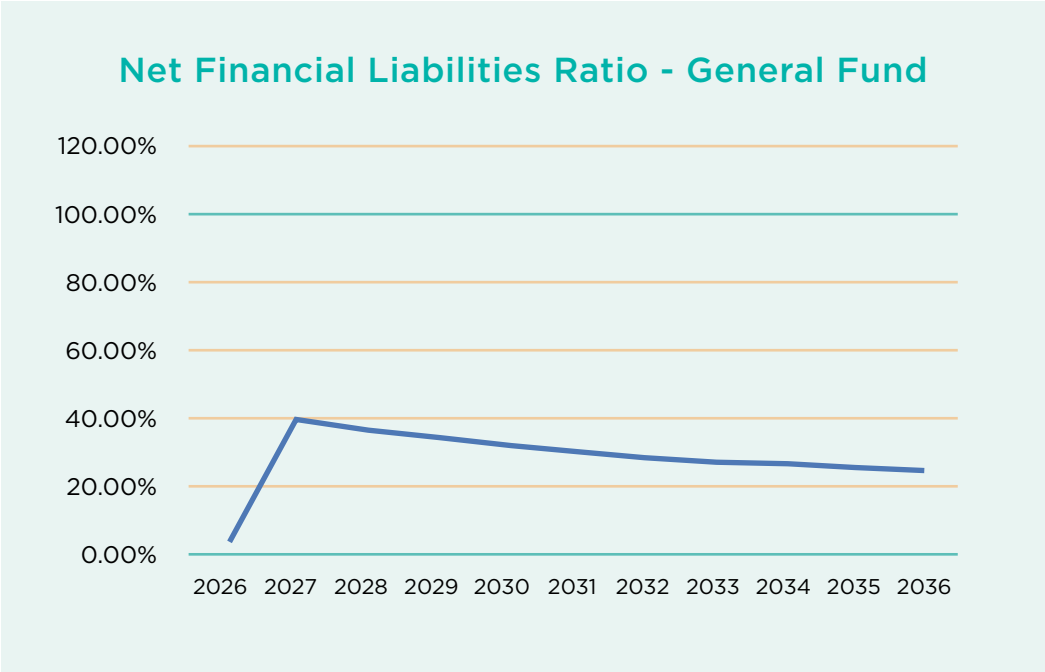
Graph – Consolidated Projected Operating Surplus / (Deficit) Ratio 2025/26 to 2035/36

Proposed Target: 10% - (2%)

The graph above illustrates the projected operating surplus/(deficit) after capital revenues as a percentage of general rate revenue. A negative ratio indicates the percentage increase in total rates that would have been required to achieve a break-even operating result.

Industry proposed targets are that a Council should achieve an operating surplus ratio over any five-year period, as a measure towards ensuring the financial sustainability of Council's operations in the long term.

Net Financial Liabilities Ratio



Graph – Consolidated Projected Net Financial Liabilities ratio 2025/26 to 2035/36

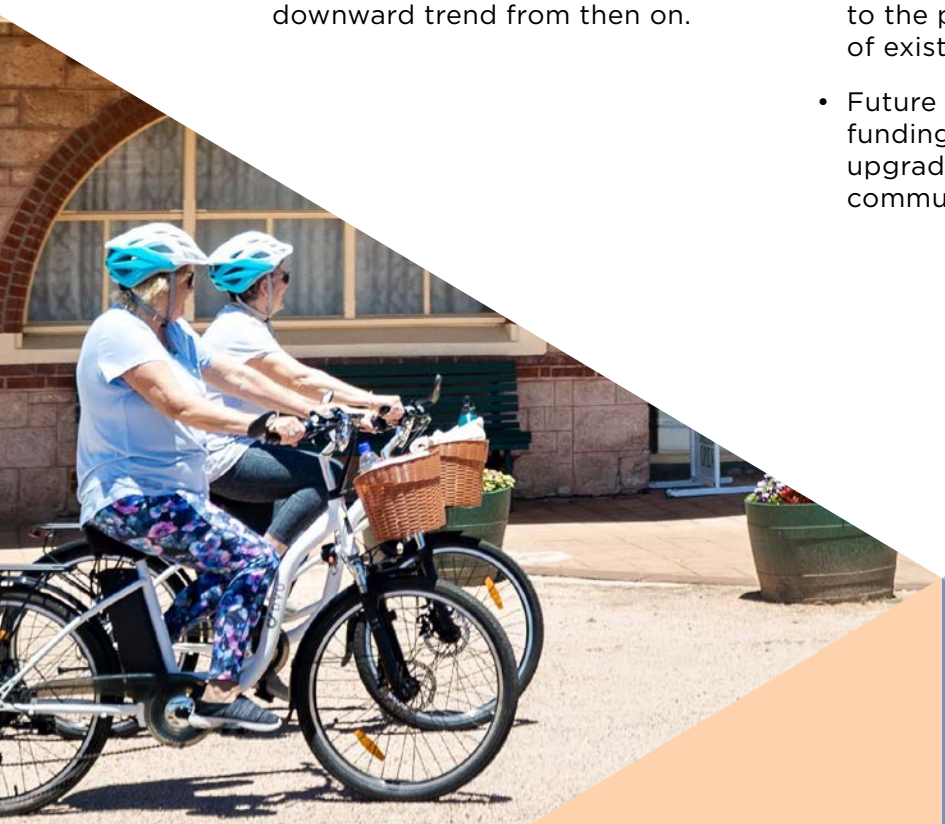
Proposed Target: Net financial liabilities ratio is greater than 0% but less than 100% of total operating revenue.

The graph above illustrates Council's net financial liabilities as a percentage of the total operating revenue for each year.

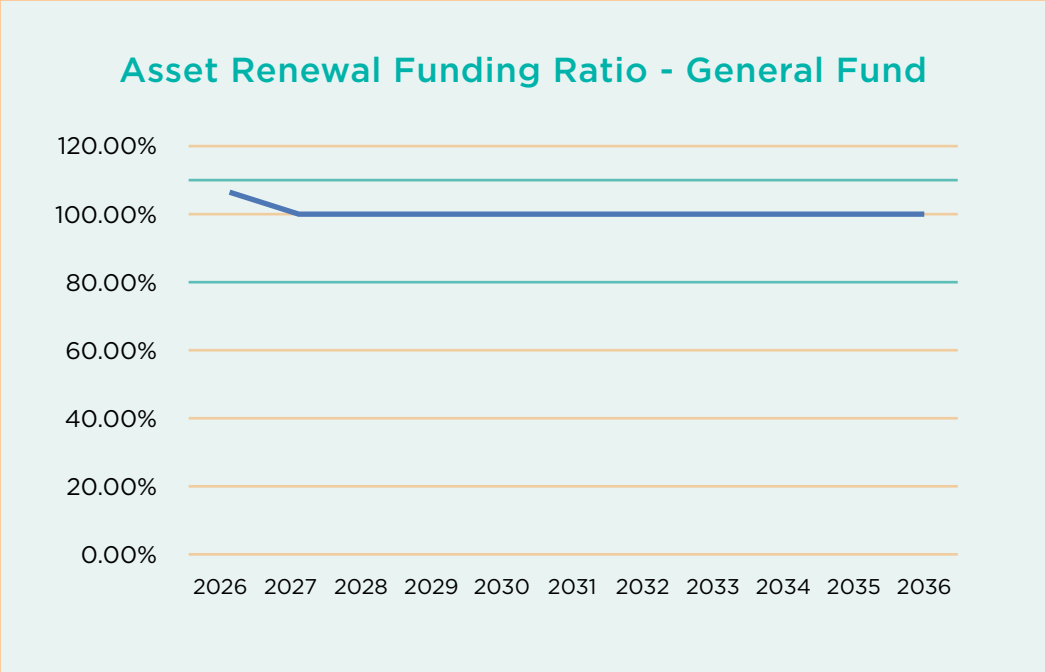
The LTFP reflects Council's net financial liabilities ratio peaking in the 2025/26 year, followed by a downward trend from then on.

Subsequently, the LTFP is moving towards current targets. It is important that borrowing capacity should be utilised for:

- Future programmed improvements to the Infrastructure and Asset Management Plan where it is identified that additional capital expenditure is required relating to the programmed replacement/renewal of existing assets; or
- Future Councils elect to provide funding for the provision of new and upgraded assets to meet future community demand.



Asset Renewal Funding Ratio



Graph – Consolidated Projected Asset Sustainability Ratio 2025/26 to 2035/36

Proposed Target: Capital outlays on renewing/replacing assets net of proceeds from sale of replaced assets is greater than 80% but less than 110% of depreciation over a rolling 3 year period.

The graph above reflects whether existing assets are being replaced at the rate they are wearing out by comparing capital outlays on renewing/replacing existing assets (net of any proceeds from sale of replaced assets) to the annual depreciation expense allocated against such assets.

The graph above highlights the importance of Councils adequately renewing and replacing their existing asset stock – which is often overlooked due to community pressures to establish new assets.

The LTFP reflects a ratio peaking at 105% in 2025/26. This reflects the commitment by Council to its renewal/ replacement of its assets as per the Strategic Asset Management Plan.

Role of COUNCIL

Everything Council does helps to shape the future of the Copper Coast. We want to continue to see Copper Coast to be the inspired by lifestyle, driven by possibility.

Like all Councils in South Australia, the Copper Coast Council is established and empowered by the State government under the Act. In addition to this, there are more than 50 other Acts of legislation that assign roles, power and responsibility to Council.

Council have a responsibility to create an environment for residents and visitors that is safe, healthy and contributes to the quality of life of the broader community. This is achieved by:

- Preparing and implementing policies and procedures that ensure development of the area is directed to the overall wellbeing of the community and the environment.
- Providing the community with an acceptable level of physical, environmental and economic services.

The provision of services is one way we respond to the needs of our community. Some of these services are statutory (we must do them) and are undertaken on behalf of the State government. Others are discretionary (we are not required to do them) and we choose to provide them for our community.

The principal roles of a Council are to provide Government and management of its area at the local level. This can be done by:

- Providing leadership by setting direction to meet current and future needs, usually through policy, strategies, plans and reviews.
- Planning for the development and future requirements of the area.
- Managing community assets including buildings, facilities, public space, reserves and the natural environment.
- Undertaking a regulatory role in response to specific legislation.
- Acting as an information provider including developing resources to promote an understanding of the community and informed decision making.
- Liaison, advocacy and lobbying on behalf of the community.
- Acting as an initiator or facilitator to stimulate community action or bring stakeholders together.
- Providing developmental support to enhance the capacity of the community to identify and respond to its own needs.
- Being a direct provider of services, facilities and infrastructure.
- Being an indirect provider or part funder of services, facilities and infrastructure.
- Acting as an agent by providing service on behalf of another party that funds the services.

Many of our community's needs are outside the direct responsibility of Council, or cannot be achieved by Council alone, and require the involvement of other levels of Government. The Copper Coast Council works closely with the State and Federal governments to plan for services and infrastructure that support the community and protect the natural environment.

STRATEGIC MANAGEMENT
Planning Framework

Council's Strategic Management Planning Framework assists with strategic decision making and outlines how our plans deliver on our vision for the Copper Coast.

Note: Councils are required to review their Strategic Plan within two years of a Local Government election, and a major review of the Council's Strategic Plan was complete in 2024/25.

Council has been working with the community, business, industry and other stakeholders to best represent a unified vision for the future.

The new Strategic Plan was finalised in 2024/25, whilst many key strategies are expected to remain relatively unchanged, emerging projects and trends across the community will guide new projects and activities for each year, therefore it should be noted that this Annual Business Plan will be reported against the current Strategic Plan 2025-2035.

Founded on the vision we see for the Copper Coast, the current Strategic Plan highlights our commitment, desire and capacity to deliver major projects, capital works and services to maintain and enhance the Council area over the next ten years.

The Strategic Plan reflects Council's commitment to the Copper Coast community with its objectives.

Focusing on the three themes, Council has developed a framework for its future Strategic Plans.

- **Cohesive –** A healthy and resilient community where people feel welcome and safe to enjoy their lifestyle at all stages of life.
- **Sustainable –** Care and balance in the stewardship of our natural environment and heritage assets, to ensure they can be enjoyed by future generations.
- **Prosperous –** A well-planned regional centre that embraces innovation, attracts investment and meets the service needs of our community.

The goals underpinning these themes are supported by Council's functional service areas:

- Executive Services,
- Corporate & Community Services,
- Infrastructure Services, and
- Developmental Services.

The organisation is structured to deliver the key strategies through these functional service areas.

A key component of the framework is the Annual Business Plan and Budget, which shows how Council plans to allocate funds available for that year to assist in the delivery of the aspirations within our Strategic Plan. It also outlines sources of revenue, rating policies, and shows how we intend to measure our performance.

Annually through its Annual Business Plan and Budget, Council aligns budgets and programs against its key directions and strategies whilst periodically reviewing its Strategic Plan.

Council will test key themes and outcomes with the community prior to final review and adoption by Council in 2026. The Plan will directly inform future projects, resources and budget allocations to support strategic actions.

The 2026/27 budget directly reflects some of the key emerging themes informing the new Strategic Management Plan, and the remaining strategies will be addressed in future Annual Business Plans once finalised.

DEFINING TARGETS AND MEASURING PROGRESS

As part of its Management Plan, Council prepares a Budget and Works Program and an Annual Business Plan to deliver the specific outcomes that will make up and achieve its strategic management objectives.

The annual process of defining targets and measuring progress is an integral part of the Council's Management Plan. By setting specific targets and measuring progress against the wider strategic objectives, achievement will be measured. These forms of measurement are a clear indication of progress, continuous improvement, program delivery and the performance of the Council as a whole.

Leadership Commitments

Theme 1

Cohesive

Goal: A healthy and resilient community where people feel welcome and safe to enjoy their lifestyle at all stages of life.

Theme 2

Sustainable

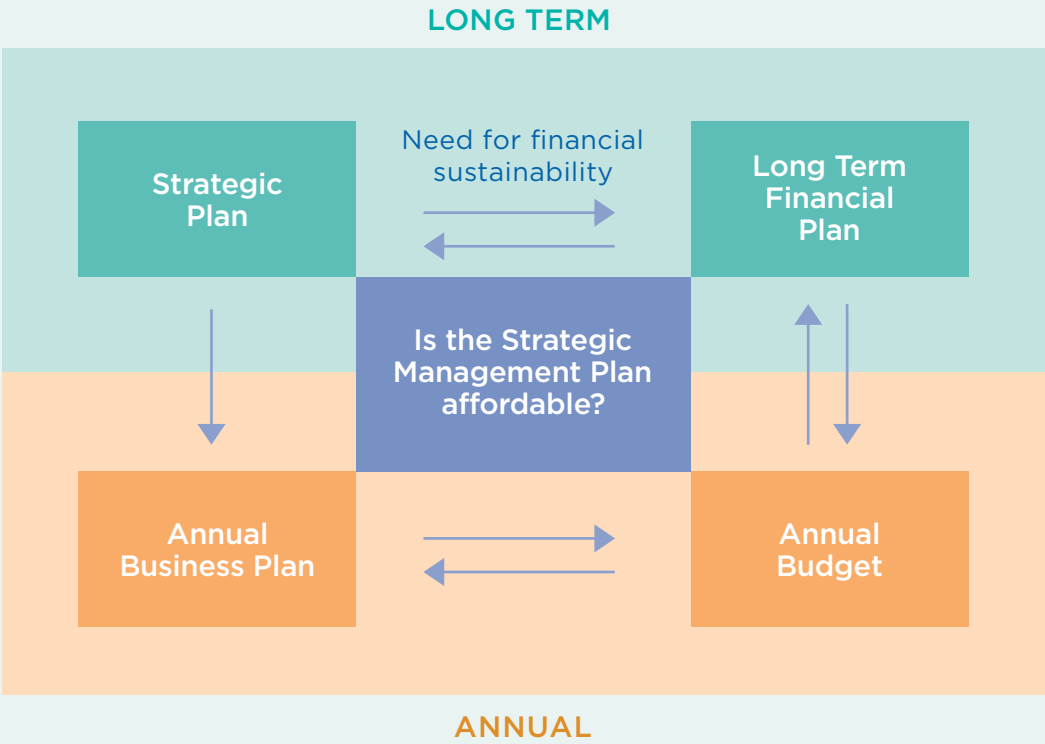
Goal: Care and balance in the stewardship of our natural environment and heritage assets, to ensure they can be enjoyed by future generations.

Theme 3

Prosperous

Goal: A well-planned regional centre that embraces innovation, attracts investment and meets the service needs of our community.

FINANCIAL PLANNING PROCESS



1. The Annual Business Plan sets out the Council's services, programs and projects for 2026/27. It sets the Council's specific objectives for the year in the context of its forecast long term financial position to ensure that a sound financial position is maintained. Council aims to meet the needs of the community whilst maintaining a financial sustainable position.
2. Our financial planning process involves the integration of a number of approaches in order to deliver our objectives.
3. The annual financial planning process includes:
4. Business planning undertaken by Council staff in relation to budget requirements, new initiatives and emerging expenditure trends.
5. Development of the capital budget based on Asset Management Plans, emerging areas of concern and community feedback.
6. Development of the draft operating budget based on the continuation of current services.
7. Preparation of operating budget proposals that represent either new services or activities, or an increase to current service levels.
8. Preparation of the Annual Business Plan incorporating the budget, key planned activities, significant projects and the rating policy.

The documents are presented to Elected Members in workshops (Information Sessions) held over several months. The process also includes a period of public consultation and the consideration of feedback received.

This approach allows Council to make decisions on a budget that provides for community and organisational needs, effectively use rating revenue and ensure intergenerational equity.

Strategic Management Plans

Following the Local Government elections in 2022, Council is required to undertake a comprehensive review of all its Strategic Management Plans, as required under "the Act". This process was completed in the 2025/26 financial year.

Council's suite of Strategic Management Plans include:

- Strategic Plan
- Long Term Financial Plan
- Asset Management Plans including the Five-Year Road Transport Plan

Asset Management Plans

Given the asset-intensive sphere of Local Government, it is imperative that Councils have appropriate plans in place to effectively manage the considerable fixed asset stock under their control. Council is continuing to work towards a com-prehensive suite of Asset Management Plans guiding the programmed maintenance and replacement of its significant fixed asset stock. We are also moving towards a consistent Asset Management System with Tonkin Consulting using Conquest Software.

As custodian of approximately net $388M of fixed assets, ranging from the extensive road network infrastructure (including road pavement, kerb and footpaths, stormwater drainage) to sewerage treatment facilities, sporting ground facilities and community buildings such as libraries and town halls, there is an important need for such key plans.

With a robust improvement plan incorporated within the Asset Management Plan, the Five-Year Road Transport Plan effectively acts as a 'roadmap' towards the effective management of Council's transport assets. The plan also addresses other fixed asset stock, including:

- Programmed maintenance schedules;
- Programmed asset replacement and renewal;
- Depreciation rates required to ensure that the consumption of such fixed assets is amortised over their effective useful lives.

Our plan will form the starting point for our planning going forward and such expenditure requirements incorporated in annual updates to Council's Long Term Financial Plan and the Annual Budget.

CMV

SIGNIFICANT INFLUENCES and Priorities

A number of significant factors have influenced the preparation of Council's Annual Business Plan for 2026/27. These include:

- The increase in the Consumer Price Index (CPI) was 4.9% for the year ended 31 March 2026. Council is acutely aware of the cost-of-living financial pressures on its residents.
- Councils face higher cost increases due to high infrastructure costs and the capital-intensive nature of the goods and services purchased. Fuel and Electricity prices are large components of costs and are impacting significantly on budgets moving forward. Consideration is also given to the Local Government Cost Index ("LGCI"), which measures the increase in costs for Local Government which in using the latest series data for 2025/26 was 3.6%. This figure will be updated upon the release of the LGA figures throughout the consultation period and is expected to rise.
- Council continues to work with independent asset management experts to record all infrastructure assets in management software which will improve and provide a link through to strategic reporting on an annual basis on all our major assets.
- Council has undertaken a CWMS infrastructure and pricing review which has guided the budget preparation in 2026/27.
- Negotiated Enterprise Bargaining Agreements were agreed on in the 2025/26 financial year resulting in increases of 7% (AWU staff) and 4.5% (ASU staff) and an superannuation guarantee to remain at 12% for 2026/27.
- Increasing fees and charges imposed by other levels of Government. This will include delivering the changes to local service levels in this area where budgets allow. Predominately in the area of Waste Management.
- Requirements to maintain and improve infrastructure assets to acceptable standards, including roads, footpaths, stormwater drainage and community wastewater management systems.
- Service delivery and infrastructure needs for a growing population.
- Consistency with key objective of the Long Term Financial Plan to ensure Council achieves and maintains financial sustainability over the life of the plan while ensuring at least the current levels of service and infrastructure are maintained for the community.

In response to these factors and with consideration to the public consultation process, Council is committed to minimise the burden on ratepayers, the Annual Business Plan and Budget has been prepared within the following guidelines:

- An increase of 4.9% from 2025/26 to general rate income (increase of $1.2M from 2025/26). This increase was also applied to corresponding service and fixed charges. Council will review the change to the differential rate in the dollar once the Annual Valuation File is received and reviewing movement in capital value of properties throughout the Council area, along with public comments received and priorities.
- Council has seen a decrease in vacant land available and an increase in residential properties along with continued capital value increases.
- To acknowledge the impact of cost of living pressures on the community, Council has reviewed all operating expenses and have held budgets where possible, within levels of the previous financial years and adjusted by either CPI or LGCI allowing above indexation increases to be allocated directly to maintaining community assets, electricity, assets such as stormwater infrastructure, roads and footpaths.
- Council is working through planned stormwater priorities and is committed to completing the stormwater master plan for Wallaroo.
- Planned road reseals, grading of rural roads and re-sheeting roads have been planned in accordance with the 5-year Road Transport Plan, with continued commitment to construct 5km of footpaths each year and our wide range of services and facilities.
- Council will continue the major project known as the upgrade to the Wallaroo Entrance Road in partnership with Department of Infrastructure and Transport (DIT) which will also include the Wallaroo Bypass Road. Council is responsible for its part of the upgrade to the Copper Coast Highway (Wallaroo Entrance Road and Wallaroo Bypass Road) which includes stormwater and footpath construction which is a multi year project.
- Council has allocated a budget to further support and progress the World Heritage Recognition process for the Australian Cornish Mining Sites – Moonta & Burra.

The Copper Coast Council's key priorities for 2026/27 are:

- Facilitate future financial sustainability of Council by ensuring the financial operations remain within policy targets adopted for such purpose.
- Continue reviewing of existing recurrent service levels provided in consultation with the community.
- Continue with implementation of the 5-Year Road Transport Plan for all roads, footpaths and kerbing.
- Undertake Council's annual works program with a commitment to fund road reconstructions and reseals, footpaths, walking trails and foreshore developments.
- Continue the development of storm water management plans focussing on Wallaroo, and maintenance and renewal of storm water infrastructure; includes a major project on Moonta Road and West Terrace, Kadina.
- CWMS Lagoon capacity increases and other Community Wastewater Projects and upgrades.
- Ongoing delivery of the Wallaroo Foreshore Master Plan.
- Continue with the Wallaroo Entrance Road Project, which also includes an upgrade to the Wallaroo Bypass Road.
- Delivery of the Port Hughes Jetty upgrade.
- Continued delivery of the Moonta CBD upgrade.
- Delivery of the Wallaroo Aquatic Facility.

*Projects may be subject to external funding or variables.

The detailed explanation of services provided by Council to the Community are broken up into four organisational areas of Council: Corporate and Community Services, Infrastructure Services, Developmental Services; and Executive Services. The cash flows generated by provision of these services are summarised in the budget for the financial year ending 30 June 2027.

CORPORATE & COMMUNITY SERVICES

Governance

There are two categories of governance being organisational and elected member. Expenses incurred in this service include executive salaries, elected members expenses and allowance, member training, memberships, travel, conferences, public liability, insurance, administration, business continuity and risk management and executive support to Council.

Administration

Administration services cover the following activities:

- **Financial services –** provision of accounting services, budgeting, internal controls, record keeping, accounts payable, accounts receivable, payroll, insurance, taxation compliance, financial and management reporting.
- **Human resources –** compliance with Work Health and Safety (WHS) policies and legislation, recruitment, rehab-ilitation and performance management.
- **Information technology –** operation of the Council's information technology systems, management of computer hardware and software.
- **Communication –** telephone/internet services.
- **Rates administration –** setting and collection of rates and associated record keeping.
- **Records management –** maintenance of records management system.
- **Customer service –** customer support for the Council offices plus a range of community administration services.

Financing and Investing

Covers cash inflows and outflows associated with Councils financing and investing activities.

Home & Garden
Cooking
Borrow Box.
BORROW BESTSELLING EBOOKS AND EAUDIOBOOKS
Adult Fiction

Library Services

Council ensures the library services at Kadina, Wallaroo and Moonta continue to meet the needs of the growing population. Our libraries operate within the State Government Libraries Board one operating system which is consistent within the State. The Moonta library is operated under the School Community Library funding model.

The services currently provided by these libraries include:

- **Mobile lending facilities;**
- **Public internet access;**
- **Toy library;**
- **Book bugs and other youth reading programs;**
- **Rostered JP Services;**
- **School Holiday Programs;**
- **Floating collection borrowing is available which increases and improves services to the community and wider South Australian community;**
- **Electronic (E-Books);**
- **Self Service Kiosks are now available in our Wallaroo and Kadina branches; and**
- **History trust facilities as well as the regular book lending services.**

Kadina Library was the first 24/7 library in South Australia and has been recognised by peers as an innovative service. The colocation with the Copper Coast University Centre is seen as a generational learning centre.

Aged Services

This service covers the following activities:

- **Residential Aged Care Homes –** maintenance of Council owned independent living retirement units in Wallaroo (15) and Moonta (12) including McCauley Homes (10).
- **Care in Motion, Community Care and Transport Services (previously YP Community Transport) –** financial support provided towards the motor vehicle operating costs and administration costs. These vehicles pick people up from different areas of Yorke Peninsula and take them to Adelaide and back for medical appointments. The contribution helps with covering the shortfall in funding provided from the State Government for this scheme.
- **Community Care and Transport operate a Community Bus Service –** an initiative primarily funded by DIT that allows community members to dial a bus as an intra-town service, operating three days per week.
- **Doctors Housing –** housing costs are subsidised by the Council to assist in attracting quality Doctors to the region.
- **Volunteer Resource Centre –** responsibility for preparation and printing of community newsletters is supported by staff located at the Moonta Visitor Information Outlet.

Youth Services

Supporting Youth programs including the Copper Coast Youth Network and working with education providers in the Council area

Cultural and Arts

This service covers the following activities:

- **Ascot Theatre –** Ascot Theatre houses, the Kernewek Lowender Art Collection, a gift shop and monthly exhibition. A Cinema operates in the Ascot and there are plans for a Cinema to return to the Moonta Town Hall in the future.
- **Moonta Gallery of the Arts –** The Gallery is run by a dedicated group of volunteers supported by staff and hosts exhibitions free to the public on a monthly basis.
- **Wallaroo Silo Art –** the visual display which illuminates the Wallaroo Silo each evening is prepared by Council staff working together with contractors and from contributions from the Community.
- **Paskeville Silo Art –** Council staff will continue to work with the community to facilitate a tourism attraction which may include art on the Paskeville Silos.
- **Council staff currently support the Art Gallery volunteers with assistance with rostering, exhibition planning and gallery management. This also involves assistance with the SALA annual exhibitions and openings.**

Copper Coast University Centre

Council was successful to receive Commonwealth funding under the Higher Education Support Act 2003 for a three (3) year period to establish and operate a Regional University Centre located in the Copper Coast. The centre supports all Commonwealth assisted students to undertake study, including students that are not studying a course delivered through the Centre, by providing infrastructure and facilities, academic support services, administrative support and pastoral care. The facility is co-located at the Kadina TAFE and Kadina Library service and does allow out of hours access also to students. A Service Agreement exists with the Spencer Gulf Uni Hub to provide support and services to the Centre.

Council, together with UniHub Spencer Gulf have discussed future operational modelling for the centre. The agreed approach is to novate the Commonwealth grant funding to UniHub Spencer Gulf to ensure consistency across the operations and services provided to our Communities.

Council was advised in 2022/23 from the Commonwealth that funding will continue to be provided for a further four year period to support Regional University Centres.

Sports and Recreation

Council provides and maintains a variety of sporting facilities and ovals/grounds as well as the Copper Coast Sports and Leisure Centre (CCSLC).

The services provided by Councils sports and recreation function include:

- **Skate parks, picnic and BBQ areas;**
- **Jetties;**
- **Walking and Bike Trails;**
- **Splash Town Water Park;**
- **Copper Coast Putt Putt;**
- **Sea based swimming enclosures and water play activities; and**
- **CCSLC Program pool.**

Council also supports local community sporting and recreation groups.

Council successfully co-ordinated the South Australian Masters Games in 2021 being the largest games in the events history and successfully hosted the games again in April 2023 and 2024.

Visitor Information Services, Events and Festivals

The Copper Coast Visitor Information Centre is an accredited centre which provides information on the local Yorke Peninsula's Copper Coast area including the major townships of Kadina, Wallaroo, Moonta and the Yorke Peninsula region and the whole of South Australia.

The Centre stocks a large range of souvenirs, local produce, history books and a range of novels and books by local authors. The Centre provides the gateway to The Farm Shed Museum, Copper Coast Putt Putt and the Copper Coast Indoor Play Centre and Independently operated Hedonbar Brewery.

A Visitor Information Service Outlet has been established at the historic Moonta Railway Station which expands the services and product range available at the Kadina Centre.

Flame Festival – Council have supported the community with an event for the alternative year to Kernewek Lowender with the creation of a new three-day festival showcasing local products and artisans throughout the Copper Coast and Yorke Peninsula. This inaugural festival was held in May 2024 and May 2026 to celebrate Food, Light, Art, Music and Entertainment. The talents of the Copper Coast local groups and artisans brought life to the event with performances, cultural displays, work-shops and many other creative events.

INFRASTRUCTURE SERVICES

Community Wastewater Management System (CWMS)

The CWMS Infrastructure includes two (2) mechanical wastewater treatment plants and storage in Wallaroo and Moonta and facultative lagoons in Kadina as well as numerous pump stations and networks.

This service covers maintenance and construction of sewer and effluent schemes throughout the Council region. Activities include, amongst other things, repairs to pumps and electrical wiring for all systems as well as repairing and replacing pump and gravity lines as required. Ongoing inspections of system connections are also conducted to ensure all connections have been installed and operate correctly.

Council works closely with ESCOSA and relevant State Government Departments to ensure our facilities safe and compliant operations.

Roads and Footpaths

This service covers the following activities:

- **Road and footpaths construction –** annual works program and developer contributed works.
- **Street cleaning and lighting.**
- **Car parking and public conveniences.**
- **Works depot.**
- **Road maintenance -** fixing pot holes, reinstating trenches across roads, small patches of resealing and repairing and straightening rough edges. Kerbing, water tables and traffic signage are also charged to this activity.
- **Ongoing upgrade and replacement of ageing plant and equipment.**
- **Road maintenance of rural unsealed roads –** grading, tree trimming and spraying of weeds.
- **Footpath maintenance -** laying and rolling of crusher fines along the footpath, general footpath rolling, potholing and minor re-sheeting.
- **Street sweeping in each of the towns -** commercial areas periodically, footpath pavement, the picking up of litter by hand and contract management for the cleaning of bins.
- **The Copper Triangle Aerodrome -** inspections including checking of runway light functionality as well as the windsock. Maintenance also includes potholing and slashing of overgrowth.
- **Footpath capital commitment ongoing for 5km of paths.**

Parks and Gardens

This service covers the provision and maintenance of parks and recreational facilities including parks and reserves as well as playgrounds.

Parks and gardens include the town squares, reserves and roundabouts. Maintenance includes the trimming of trees, cutting of lawns, repairs to sprinkler systems, repairs to playgrounds, repairs to seating and benches as well as general maintenance to the numerous structures built within these parks and reserves.

This will include an annual allocation of $5,000 for two (2) free trees per property.

Foreshore Protection

This service covers the management of coastal environment and provision of facilities to enable sustainable use of coastal areas including the provision of boat ramps. Revegetation will be undertaken where required to ensure protection of the foreshores. Foreshore maintenance will continue along the length of Councils beach front maintaining and repairing the retaining walls as needed. Minor maintenance issues will be attended to such as cleaning up of seaweed, fixing shelters and beach front seating.

Stormwater Drainage

This service covers the stormwater management and recycling, including management and collection of streets runoff and the development of capital schemes to enable the reuse and treatment of stormwater. Stormwater management plans including the prioritising of works and developing a works program to enable the upgrade of the region's stormwater infrastructure will continue through 2026/27.

Private

This service covers the infrastructure work performed by Council on behalf of individuals or the Government. This work is charged out at commercial rates.

Cemeteries

Council operates cemeteries in each of the townships for the local and regional community. Expenditure includes the costs involved in locating, digging and backfilling of graves and general maintenance.

General Maintenance involves repairs to fencing and gates, the emptying of bins, gardening, watering and mowing as and where required.

Repair work will continue again this year as per the Council recommendation on the Kadina and Moonta cemetery walls.

The Cemetery Management Plans recommendations will be gradually worked through and work will commence to plan for future changes. This will include working through the logistics and planning to ensure wastewater provision to the Moonta and Wallaroo cemeteries for future greening and improved signage.

Halls and Public Conveniences

Council has main Town Halls in Kadina, Moonta and Wallaroo, as well as other Council maintained buildings. The maintenance and cleaning of halls and public conveniences is undertaken by Council on a regular basis. Council will continue to undertake maintenance and upgrades of these facilities as and when required. Public conveniences are cleaned on a programmed basis with basic plumbing and other repairs and maintenance carried out as required.

Council has adopted a Master Plan for the Moonta Town Hall after working with consultants (Habitable Places) and the community to finalise plan for a possible community centre to be operated from within the Moonta Town Hall. This work will continue into the 2026/27 budget if grant funding can be secured.

Disability Discrimination Access and Inclusion

Council is always looking at ways to ensure Council properties and facilities comply with Disability Discrimination Access and Inclusion requirements to allow disabled access to services and community participation and integration, includes an annual allocation of $50,000 for projects that address this access.

DEVELOPMENTAL SERVICES

Planning

Assessing development applications in accordance with planning policy and legislation, in an accurate and timely manner and building safety assessments and planning & development compliance.

Natural Resource Management (Regional Landscape Levy)

Council collects a levy on behalf of the State Government and the Northern and Yorke Landscape Board. Decisions relating to natural resource management are made by this Board independently from the Council. The total Regional Landscape Levy received by Council is forwarded to the Board, less an administration fee. The 2026/27 levy rate will be $612,091. The levy for 2025/26 was $585,723.

Environmental Health

Council regulates, promotes and provides information in relation to food safety. We also assess, monitor, regulate and promote safe and responsible management of prescribed waste and wastewater systems.

Compliance

Legislative compliance cover dog and cat management, traffic control, fire control, health control and emergency services as required under various pieces of legislation.

Council undertakes inspection and compliance in relation to Council By-laws and also the Management and compliance of parking offences and waste management.

Council provides safe and enjoyable open space, reserves and recreation areas where the community and domestic animals can co-exist. Council also facilitates public order and safety by promoting, monitoring and enforcing domestic animal management controls.

Fire Prevention

Council is committed to educate the community and enforce fire prevention legislation and provide fire mitigation strategies to reduce community risk.

Waste Management and Recycling

Council manages the kerbside waste, recycling and organics collection services and public litter collection; the Resource Recovery Centre operation with additional services to reduce materials (solid waste) going to landfill.

The solid waste levy payable to the Environment Protection Authority for materials deposited to landfill historically increases every year. The levy for 2026/27 financial year is not available until 1 July each year. The amount by which it will increase is unknown at this stage and will have to be factored into the budget at the time when it is made available.

Council will continue to provide weekly business kerbside collection and fortnightly residential collection of general waste, recycling and organics.

A review of all waste management services is undertaken on an ongoing basis.

Additional general waste household bin collection will be available to large families or families with medical conditions. Council will provide additional waste collection services based on the rates set in the Fees and Charges Schedule.

The two green waste vouchers and one hard refuse waste voucher system for residential ratepayers will continue for 2026/27. Residential properties are entitled to two, at no charge, deliveries of up to 175 kg of clean organic waste per year, and one, at no charge, delivery of hard waste of up to 175 kg to the Resource Recovery Centre under the supervision of staff. Charges will apply for waste above 175kg as per the adopted fees and charges register.

Council continues to apply for grant funding to assist with the transport and operational costs with this provision of waste services to ratepayers and reduce to infrastructure costs to provide a sustainability and circular economy of waste service.

EXECUTIVE SERVICES

Economic Development

Economic development activities include strategic land development divisions, Regional Development Australia membership, encouraging industrial development as well as representing the Copper Coast's interests at other levels of Government. The budget includes an allocation to support the Regional Development Australia - Yorke and Mid North.

Council have committed to a review and updating the Council's Economic Development and Marketing Plan to reflect past outcomes and future possibilities.

The Economic Development and Marketing Plan adopted by Council, helps our community to better understand our opportunities, to create a pathway forward and to advertise the region to enhance those opportunities.

Council have been approached by childcare operators and the business operators regarding the lack of supported long day care places. This is hindering business recruitment and families returning to work. Council continues to advocate with Government for support in this area.

Council is also working with Renewal SA in regards to parcels of land which can be identified to address the lack of housing availability in the Council area, especially for Police, Education and Health employees.

Council have also adopted a Growth Strategy which will assist in future decision making.

Tourism

Tourism activities include increasing visitation by tourists through the operation of visitor information centres, marketing and promotion, special events, development of tourism assets including the Farm Shed and Caravan Parks.

The budget includes an allocation to support Yorke Peninsula Tourism with an ongoing increase at or around CPI.

Council has partnered with the Regional Council of Goyder to recognise on the world stage the importance of the heritage to both areas. Barry Gamble, a UK-based independent World Heritage consultant with over 20 years' experience and advisor to a number of successful nominations to the World Heritage List, has been engaged to work and prepared the bid for World Heritage Status. Barry Gamble is a geographer and geologist, and a specialist in mining heritage.

A successful bid will greatly increase tourism with local, interstate, intrastate and international tourists visiting the area. A budget allocation to assist with this process has been included in the budget for 2026/27.

CAPITAL AND MAJOR PROJECT PRIORITIES FOR THE YEAR

Project priorities to be undertaken during the year ending 30 June 2027 are as follows:

- Continue the Wallaroo Entrance Road Project, including completing Stage 1, Copper Coast Highway, Stage C.1, Victoria, Owen and Irwine Streets.
- Delivery of final year of the current 5-year Road Transport Plan, Footpath Plan and Stormwater Plan.
- Ongoing improvements to the Community Wastewater Management Systems including expansion of the Port Hughes Treatment Plant.
- Minor plant and equipment and plant replacement.
- Continued implementation and delivery of the Wallaroo Foreshore Master Plan including the Wallaroo Aquatic Facility* and Toilets at Office Beach.
- Commence implementation of the Moonta Town Hall Master Plan*.
- Delivery of the Port Hughes Jetty upgrade*.
- Completion of the Stormwater Management Plan for Wallaroo.
- Further implementation of the Moonta CBD upgrade.
- Commence upgrade of McCauley Park stormwater management and biodiversity upgrade*.
- Commencement of Stage 2 Moonta Road, Moonta Bay.
- Frances Terrace, road upgrade in Kadina.
- Commence upgrade to Wallaroo Holiday Park expansion.

All uncompleted projects and their funding allocation currently included in the 2025/26 budget will be reviewed and where relevant continue to form part of the 2026/27 works program.

* projects may be subject to external funding or variables.

Following is a detailed explanation of the proposed project priorities to be undertaken by Council.

Governance

Community Grants - Council will continue to provide funding to various community groups each year through a grants program. The 2026/27 allocation will be distributed in line with the Community Support Policy. This Policy details the support that Council provides for the community through its grants programs, direct assistance, loans, waiving of fees, leasing of land or in-kind support ($140,000 in 2025/26).

Sport and Recreation

Bicycle and Walking Tracks – Council will continue to construct and upgrade tracks in consultation with local community groups including schools, local businesses and clubs. These tracks could include surfaces such as rubble/hot mix, boardwalk and fencing to walking and bike tracks throughout the Council area.

A priority project will be to continue to investigate a path between Kadina and Moonta for walking and cycling.

Connecting with neighbouring Councils to lengthen the shared trails available will be investigated for future budgets.

Waste Management and Recycling

Closure and capping of landfill sites – Continuing the implementation of the closure plans for Wallaroo and Kadina Land-fills in accordance with EPA requirements.

Resource Recovery Centre – Council will continue to apply for grant funding to assist with the purchase of machinery to assist with the handling of waste and operations of the Resource Recovery Centre.

Roads and Footpaths

Road Network – Councils re-sheeting of unsealed Rural and Urban roads which will be supported with a re-sealing and road works program. This currently includes a Roads to Recovery Allocation of $580,985 in 2026/27. The budget includes co-funding upgrades in accordance with the Council's Upgrade of Roads Policy.

Moonta CBD – Implementation of minor works to address issues, such as heavy vehicles (using Blanche Terrace), parking, pedestrian crossings, stormwater, supermarket expansion and outdoor trading.

The implementation of the project will be determined in consultation with representatives of the Moonta Progress Association and the Moonta Traders Group.

Major Road Reconstruction – Council has agreed and is responsible for its part of the upgrade to the Copper Coast Highway (Wallaroo Entrance Road and Wallaroo Bypass Road) includes stormwater and footpath construction. This will be a multiple year project.

Footpaths - Council has again committed to the construction of new or replacement footpaths within the Copper Coast towns.

Stormwater Drainage

Various Projects – Council is currently prioritising the Wallaroo Stormwater Management Plan and this will enable projects to be prioritised for work.

Upgrades and installation of stormwater assets will occur on Moonta Road to enable it to be sealed.

Plant and Vehicles

Plant Replacement – Plant to be replaced in line with Council's plant replacement schedule, including an allowance for minor plant.

Motor Vehicle Replacement – Motor vehicles are replaced in line with Council's vehicle replacement schedule.

Community Wastewater Management Systems

CWMS – The existing systems will continue to need work completed under maintenance programs which are funded through the operating budget. The replacement of pumps and other infrastructure however is a capital cost. Additional works will be undertaken on the system from augmentation funding received in addition to the budgeted allocation.

Work commenced in 2019/20 on the Kadina treatment lagoons and the management of these within the Environmental Improvement Plan (EIP) endorsed by Council in 2018/19. This works continue into 2026/27 as it is a staged plan.

As major developments are approved and come online the existing treatment plants and storage lagoons need to be monitored for capacity. Increases in the infrastructure will be required in the near future.

Distribution and utilisation of the treated water forms part of the CWMS project and to this end the Council will be working with the Moonta Golf Club to establish an irrigation network within their land leased from Council and other Moonta Sporting Groups to provide an alternative water source. Provision of water supply will need to be balanced between all users and calculated as part of the project. To enable this project, grant funding will be required.

Council Buildings and Public Conveniences

Halls and Other Council Buildings - Council will continue to maintain the Town Halls and other Council buildings within the area through a series of minor works to ensure the facilities continue to meet community needs.

After the work to repair to the Moonta Town Hall was completed, Council commenced a public consultation project around increasing the usage of the hall of which a master plan has been prepared and is currently in the market to obtain detailed costings to then be used to apply for future grant funding for the upgrades.

Public Toilets – Council is to undertake a programmed upgrade of toilet facilities within the Copper Coast.

Cemeteries

Cemeteries – ongoing works to improve these areas. A key focus for this period will be to continue working towards a long-term solution for the cemetery walls/fencing. The ongoing maintenance is budgeted through the operating budget.

Cemetery Management Plans have been produced for the four Council cemeteries in Kadina, Moonta, Wallaroo and Greens Plains. These will be reviewed and recommendations worked through for prioritisation in 2026/27 and planning for future budgets.

Public Spaces and Recreational Areas

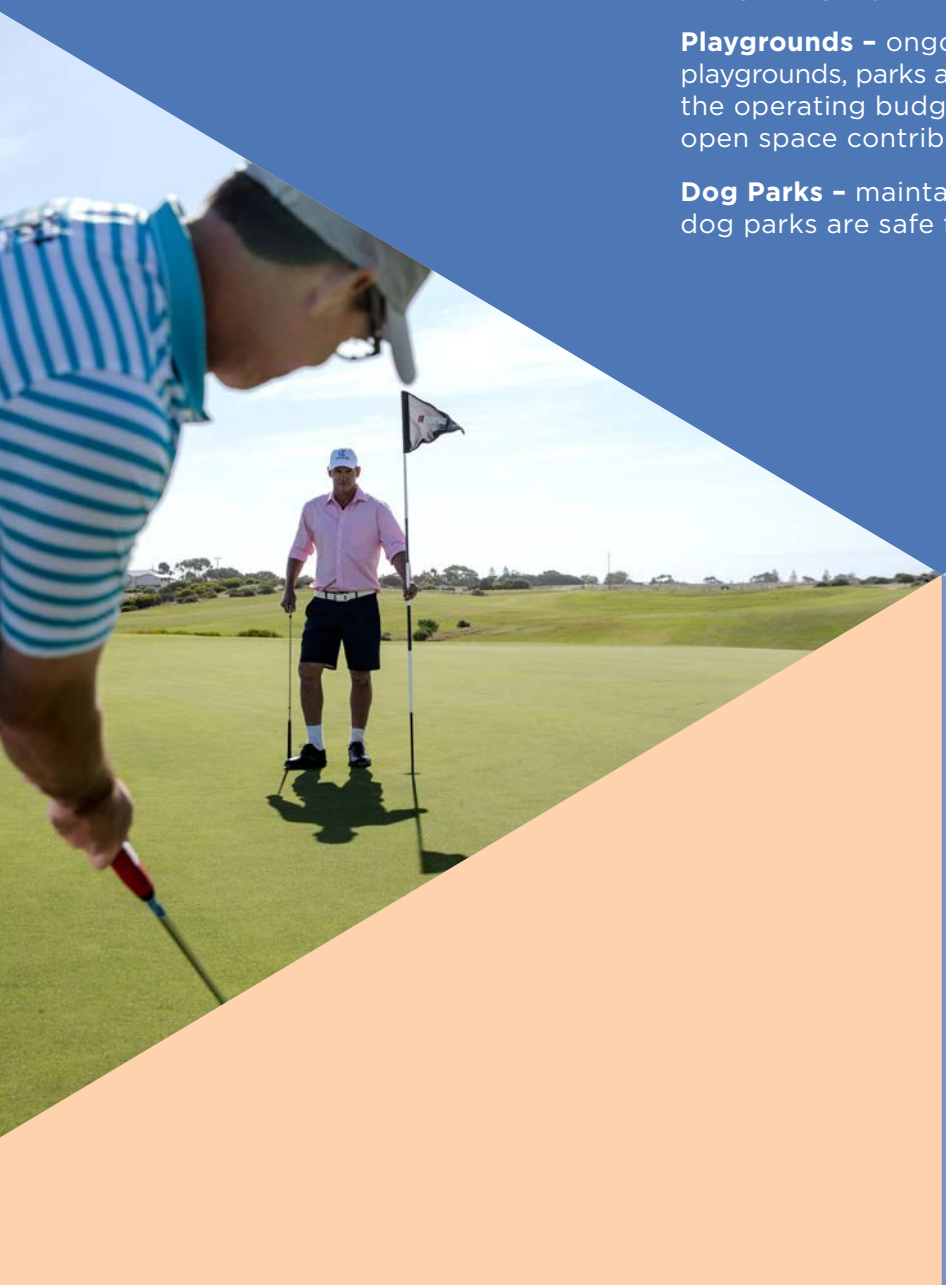
Council maintains a variety of open space areas to cater for active and passive use depending on the needs of a particular area of the community. The foreshores are an important public space from both a recreational and economic perspective. Recent foreshore works have seen a rise in community engagement and interaction with these areas as well as an increased number of tourists and economic activity in the region. Additional works will be undertaken from developer's public open space contributions received in addition to the budgeted allocation.

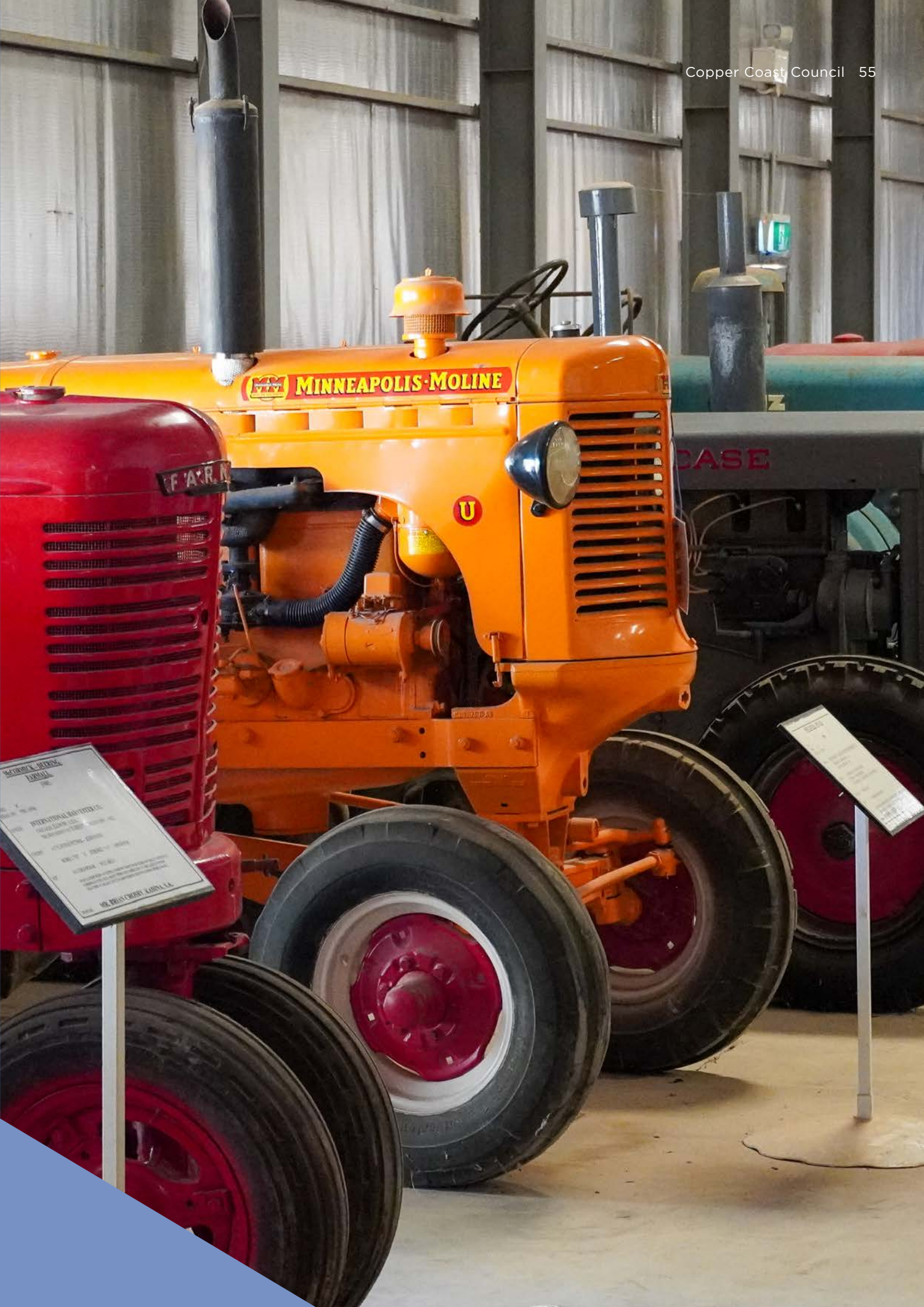
Foreshore Redevelopment – Council will continue with the program to upgrade and redevelop the foreshores, including the access paths, beach access stairs and seawalls.

Wallaroo Foreshore Master Plan is a key focus for Council and the identification of projects from this plan will see a staged implementation throughout many budget processes.

Playgrounds – ongoing works to improve the areas playgrounds, parks and reserves will be completed through the operating budget and supported by additional open space contributions provided by developments.

Dog Parks – maintain and ensure that the dog parks are safe for all users.

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MEASURING Performance

Council recognises the importance of regularly reporting its performance to the local community and embraces the ethos of transparency in governance.

Council has a number of mechanisms already in place to measure and assess the performance of its operations – from the production of statutory reports such as the Annual Report and Annual Financial Statements to various Key Performance Indicators (KPIs) used to measure service delivery outcomes.

The Annual Business Plan has been prepared to deliver the following Council objectives:

THEME 1: COHESIVE

Goal 1: A healthy and resilient community where people feel welcome and safe to enjoy their lifestyle at all stages of life.

Strategies	Key Actions	Measures of Success
1.1 Support the health, wellbeing, and safety of the community	• Provide and maintain sports, leisure, and recreational facilities and open spaces in partnership with community groups to promote active and healthy lifestyles • Establish physical and virtual community hubs that help connect people to the information, services, and support they need to live well • Advocate for enhanced healthcare and emergency support services in the Copper Coast to meet regional needs • Use a risk-based approach to regulatory services to protect and enhance community safety	• Achievement of actions in the Regional Public Health Plan • Increased use of open spaces, parks, gardens and reserves • Community satisfaction with services and facilities • Relevant Plans and Strategies are developed, monitored, reviewed and updated as required
1.2 Create a strong sense of belonging by being an inclusive community that supports civic participation	• Ensure everyone can have a say in Council decision making • Make places and services accessible for people of all ages and abilities • Foster the development and retention of young people through engagement, training, and skills development • Support local groups, clubs, and organisations, and develop volunteering programs • Facilitate transport options that maintain physical and social connections between our communities	• Achievement of actions in the Disability Access and Inclusion Plan • Volunteer participation in the Copper Coast exceeds the State average • Increased participation in Council's public consultations • Working and reference groups provide Council with a diverse range of voices • Increased retention of young people in the region
1.3 Reinforce our community identity by elevating and sharing our history and cultural heritage	• Identify opportunities to recognise Narungga (Nharangga) culture and connection to Country • Create exciting and unique visitor experiences that tell the stories of the Copper Coast and leave a lasting impression • Support community programs and events that celebrate heritage, history, the arts and cultural diversity	• World Heritage Status for the Australian Cornish Mining sites: Burra and Moonta • Increased local and visitor participation in events and experiences • Increased accommodation offerings • Formalised partnership with the Narungga Nation Aboriginal Corporation

THEME 2: SUSTAINABLE

Goal 2: Care and balance in the stewardship of our natural environment and heritage assets to ensure they can be enjoyed by future generations.

Strategies	Key Actions	Measures of Success
2.1 Protect, preserve, enhance, and enjoy our coastline and natural assets	• Deliver management plans for foreshores, parks, gardens, and reserves that balance use and conservation • Promote biodiversity and the restoration of important habitats and ecosystems using nature-based solutions • Undertake a climate risk assessment and implement local actions to enhance regional climate resilience • Increase regional resilience to drought	• Relevant Plans and Strategies are developed, monitored, reviewed, and updated as required • Increased green space footprint within towns • Increased wastewater capture and reuse • Natural hazards are incorporated within Council's risk management plans
2.2 Implement environmental best practice and innovation in our projects and services	• Asset upgrades that aim to improve energy efficiency, reduce waste and use sustainable materials • Work with partners to advance a regional circular economy, and enhance waste management practices • Encourage communities and businesses to adopt sustainable practices, and participate in environmental initiatives	• Asset Management Plans consider and embed appropriate sustainability measures • Establish a baseline and set a target for reducing carbon emissions • Increased waste diversion rate for residential kerbside waste • Council water and electricity consumption is reduced • Increase community participation in environmental programs
2.3 Facilitate sustainable and environmentally responsible development	• Deliver a Growth Strategy to guide development and strategic investment across the area • Increase protection of local heritage places and historic areas through management plans and development controls • Incorporate water sensitive urban design principles in stormwater management plans • Advocate for changes to planning policies and laws where needed to facilitate improved development and ecological outcomes	• Relevant Plans and Strategies are developed monitored, reviewed, and updated as required • Council's Growth Strategy is supported by the Yorke and Mid North Regional Plan and Statewide Planning and Design Code • Stormwater infrastructure is developed and maintained in accordance with adopted Plans and service levels • Achieve amendments to the Planning and Design Code to strengthen local heritage

THEME 3: PROSPEROUS

Goal 3: A well-planned regional centre that embraces innovation, attracts investment and meets the service needs of the broader community.

Strategies	Key Actions	Measures of Success
3.1 Promote the Copper Coast as a great place to live, work, and do business	• Develop attractive, vibrant and functional business precincts with good parking, connectivity, and pedestrian safety • Build partnerships with public and private sector stakeholders to position the Copper Coast as a regional centre where it is easy to do business • Undertake strategic planning to ensure the supply of appropriately zoned land to meet forecast future demand • Unlock local entrepreneurship by supporting new business start-ups	• Efficient processing of permits and consents within statutory timeframes • Increased number of businesses registered in the Copper Coast • Increased occupancy rate in business precincts • Increased government and essential service providers located in the Copper Coast
3.2 Strategic Investments in public infrastructure, facilities, and services	• Plan for, provide and maintain quality infrastructure and assets to benefit residents, stimulate economic growth, and attract government funding • Invest in value adding facilities and services that benefit residents, visitors, and businesses • Support the safe, convenient, and efficient movement of people and freight across the region • Plan for the strategic use and optimisation of Council owned property • Assist the growth, innovation, and sustainability of the region's Primary Industries	• Delivery of Infrastructure and Asset Management Plans • Implementation of Transport Plans • Growth in annual visitor numbers to the region • Growth in average visitor spend in the region • Increased Gross Regional Product • Growth in employment • Increased Federal and State government investment in the Copper Coast
3.3 Create opportunities for everyone to share in the benefits of a prosperous economy	• Advocate for local education and training services to attract and retain a skilled workforce • Advocate for childcare services to support the regions workforce • Support more quality and affordable housing • Develop strong business networks to facilitate collaboration • Collaborate with other Councils for the benefit of the region	• Community satisfaction with Council's role as a local leader and voice for the community • Increased number of young people and families living in the area • Increased Kadina campus Spencer Gulf Uni Hub registrations • Increased number of childcare places provided in the area

Funding OUR PLAN

With regard to the Council's Long Term Financial Plan, an operating deficit (before capital income) of ($607,689) is budgeted in 2026/27. The operating surplus/(deficit) measures the difference between operating revenue and expenses for the period. The Council's long term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

Council's 2026/27 revenue is budgeted to be $42.7M of which approximately $26.4M will be raised from general rates, (excluding the Landscape Levy and CWMS service charges). Due to increasing costs of goods and services and inflationary pressures Council is budgeting to keep operating costs to a minimum. All efforts were made to budget for a rate increase of around the Local Government CPI, however due to capital values continuing to rise we have aimed to keep the increase to rate revenue to 4.9%.

SEPARATE RATES

Kadina CBD - The Kadina Commercial Business District requested a separate rate to fund planning towards development in the CBD ($30,000). This rate will continue and funds will be transferred to the Kadina Chamber of Commerce who will continue to administer them.

Port Hughes Golf Course (Dunes) - The Council introduced in the 2013/14 financial year a new separate rate to partly fund the maintenance of the Port Hughes Golf Course (Dunes). This replaced the existing annual development levy that each landowner agreed to pay to the developer of The Dunes Port Hughes. Council has liaised with the Copperclub Golf and Community Association Inc to apply a 3% cap on the separate rate increase, as compared to the March quarter CPI increase of 4.9%. This rate will increase to $854 for the 2026/27 year and all income is passed directly onto the Copperclub Golf and Community Association Inc.

Riley Cove Community Corporation - During 2014/15 residents of the Riley Cove Community Corporation approached Council to adopt a separate rate of $265 to fund the internal road maintenance at the Riley Cove Village. This rate will continue for a period of 100 years and reviewed regularly during this period.

Other sources of revenue for the Council are:

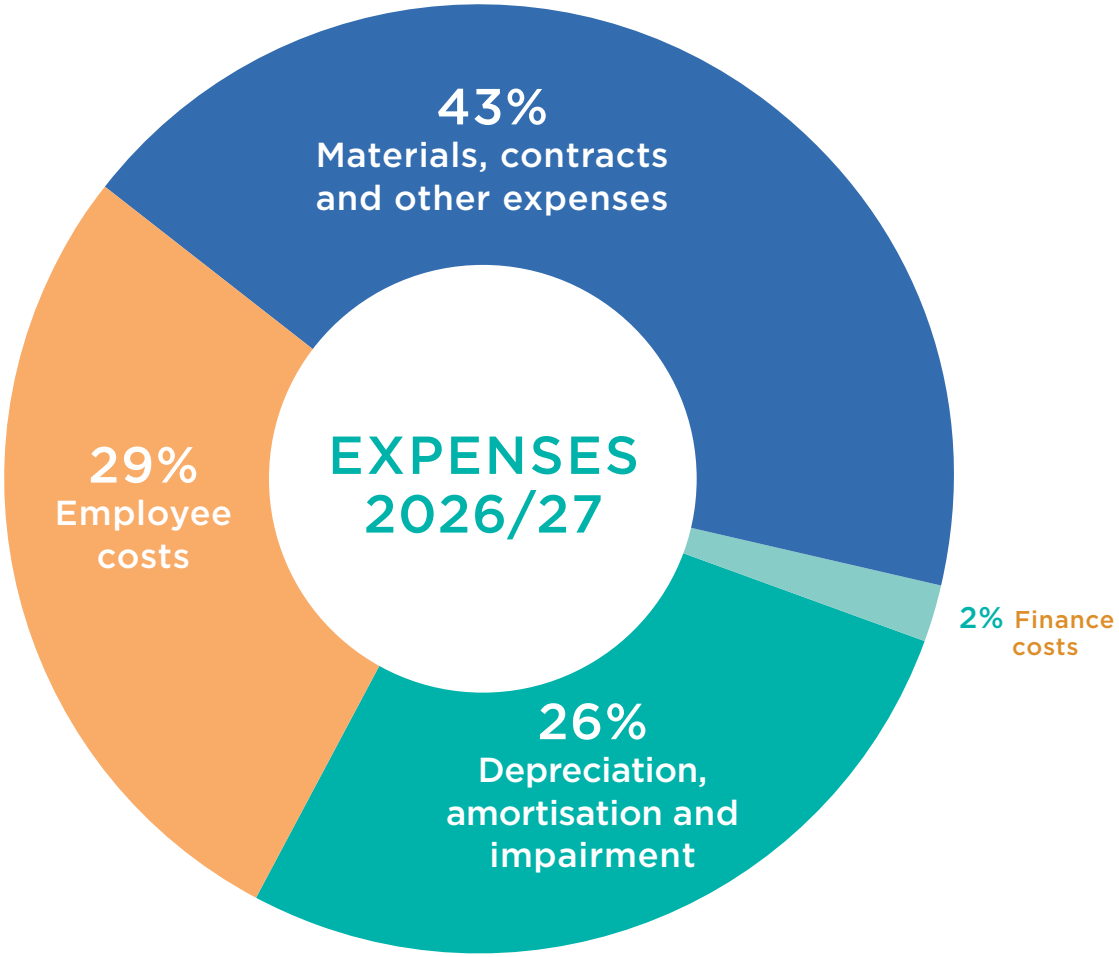
Statutory Charges set by State Government – these are fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications and dog registrations. Revenues generally offset the cost of the service.

User Pay charges set by Council - these comprise charges for the Council's fee-based facilities such as the boat ramps, caravan parks and waste management services.

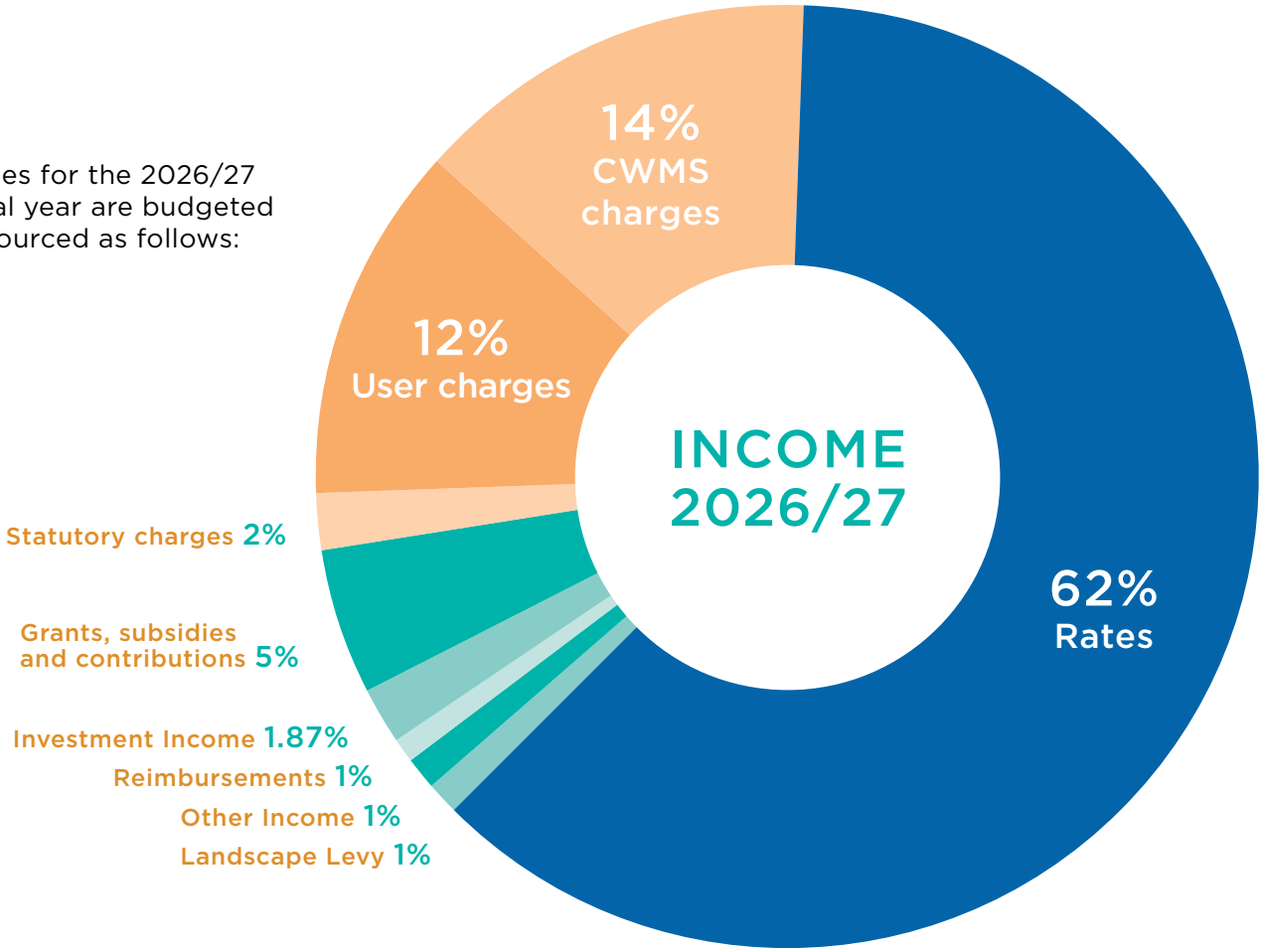
Investment Income – Council invests funds for future maintenance and capital projects in interest bearing accounts.

Grants, Subsidies and Contributions – the Council normally seeks to attract as much grant funding as possible from other levels of Government, and major projects of wider State benefit are usually joint funded in partnership with the State Government and other relevant parties.

Expenses for the 2026/27 financial year are budgeted to be incurred as follows:



Revenues for the 2026/27 financial year are budgeted to be sourced as follows:



Impact on Council's FINANCIAL POSITION

After taking account of planned net outlays on existing and new assets in 2026/27, the Council's net lending (net borrowing) in 2026/27 is budgeted to be ($15,139,102). Accordingly, the level of the Council's net financial liabilities (adjusted for retirement village bonds) is expected to be $12,106,743 at 30 June 2027.

Net financial liabilities is a key indicator of the Council's financial position. It measures total liabilities less financial assets (i.e. what the Council owes to others, less money the Council has or is owed). The expected level of net financial liabilities at 30 June 2027 represents 32% of estimated operating revenue in 2026/27.

What it means FOR RATES

The Annual Business Plan for 2026/27 aims to strike a balance between the level of services for the community and the need to ensure the long-term financial sustainability of Council. Council has limited options to generate the income required to pay for services which it provides to the community. The primary source of income for Council is a property-based tax – rates.

In setting its rates for the financial year the Council needs to give primary consideration to strategic directions, budget considerations, the current economic climate and the likely impacts on the community.

To prepare the Annual Budget, rate income was projected in line with the key assumptions within the Long Term Financial Plan and has been adjusted accordingly as information is received from the Office of the Valuer General regarding the capital values within the Council area and ESCOSA advice.

Council considers the service delivery needs and related expenditure. Rate levels are then determined only after consideration of expenditure priorities in relation to the Strategic Plan and community needs.

There will continue to be economic pressures applying to the Council in a number of ways, which will have an impact on the Council's budget and therefore put pressure on rates, for example:

- as other tiers of Government re-assess their core business, it is likely that Local Government will be required to provide more services to fill gaps;
- recent natural disasters, environmental and economic factors impacting on the level of funding available;
- as households income changes, the community will become increasingly reliant on Local Government for the provision of additional services;
- State and Federal Governments are increasingly promoting a philosophy of user-pays for service provision and delivery;
- cost increases which are unavoidable, for example, waste, fuel and water;
- demand for contractors is increasing prices;
- inflationary pressures.

Councils major source of income is Rates. To respond to the increased service demands and additional costs detailed above, an increase in the Rate income will be unavoidable to maintain services.

When preparing the Budget, the following principles are considered and assessed:

1. Rates constitute a system of taxation on the community, for Local Government revenue purposes and are based on the capital value of land, reinforces the equity principle that property value is a relatively good indicator of wealth.

2. There is a commitment to ensure that the total rates levied is equitably applied and collected across the community, while collecting a minimum contribution from all ratepayers.

3. Council's is committed to balancing the five (5) principles of taxation:

   a. Benefits received (i.e. services provided, or resources consumed). Reliance on this principle suggests that (all other things being equal) a person who received more benefits should pay a higher share of tax.

   b. Capacity to-pay. This principle suggests that a person who has less capacity to pay should pay less; and that persons of similar means should pay similar amounts.

   c. Administrative simplicity. This principle refers to the costs involved in applying and collecting the tax and how difficult it is to avoid.

   d. Economic efficiency. This refers to whether or not the tax distorts economic behaviour.

   e. Policy consistency. The principle that taxes should be internally consistent, and based on transparent, predictable rules that are understandable and acceptable to taxpayers.

4. Consideration is given to the effect of the required rate revenue distribution on differing ratepayers including those with land assessed as residential, commercial, industrial, vacant or other.

5. Capital value is used as the basis for valuing land within the Council area, as determined by the Valuer-General each year.

6. A differential rate applying to residential, vacant land, commercial, industrial, primary production, marina berths and other properties and a fixed charge will be applied as a means of raising revenue within the community.

7. The Council will, as is required under the Landscape South Australia Act 2019, impose a separate rate to fund the operations of the Regional Landscape Management Board.

8. Council will accept payment of Rates by one of the three followings options:

   a. in full, one lump sum;

   b. in quarterly (4) instalments; or

   c. in regular periodical amounts, aligned to the ratepayer's income cycles;

   provided the quarterly amount due is received on or before the 'last day to pay' as shown on the front of the rate notice.

9. Payment can be made in person at the Council Office, or by mail, Centrelink deduction, AustPost, BPAY or Internet banking using the unique Customer Reference number as shown on the front of the rate notice.

10. The Council will impose late payment penalties as required in accordance with the Local Government Act 1999.

11. The Council may enforce the sale of land for non-payment of rates when rates outstanding exceeds three years in accordance with the Local Government Act 1999.

12. The Council will consider any application from a ratepayer to partially or wholly remit rates or to postpone rates based on hardship in accordance with Section 182 or Section 182A of the Local Government Act 1999.

13. The Council will apply mandatory rebates and may apply discretionary rebates in accordance with Chapter 10, Division 5 of the Local Government Act 1999.

14. The Council advises that a rate cannot be challenged on the basis of non-compliance with the rating policy and rates must be paid in accordance with the required payment provisions.

COUNCIL'S REVENUE RAISING POWERS

All land within a Council area, except for land specifically exempt (e.g. Crown Land, Council occupied land and other land prescribed in the Local Government Act 1999), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties or through differential general rates which, applies to the use of properties.

The Council also raises revenue through fees and charges, which are set, giving consideration to the cost of the service provided and any equity issues.

METHOD USED TO VALUE LAND

The Council will continue to use capital value as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- Property value is a relatively good indicator of wealth. Capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.

ADOPTION OF VALUATIONS

Council will adopt the valuations made by the Valuer-General as provided to the Council effective 1 July 2026.

If a person is dissatisfied with the valuation made by the Valuer-General then they may object to the Valuer-General in writing, within 60 days of receiving the notice of the valuation, explaining the basis for the objection - provided the person has not:

a. previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first notice; or

b. previously had an objection to the valuation considered by the Valuer-General. The Council has no role in this process. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

The 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause.

DIFFERENTIAL GENERAL RATES

The Council will continue to apply the differential general rates on properties within the Council area. Land use is used as the factor to levy differential rates.

Council believes that differential general rates are appropriate for reasons of equity and relative benefit between classes of ratepayers given the nature, mix and significant capital values in a coastal community like the Copper Coast.

Council receives its Capital Valuations between April and June and the increase/decrease of the differential rate in the dollar is dependant upon these valuations. Council is budgeting for a 4.9% increase in rateable income for 2026/27.

FIXED CHARGE

The Council imposes a fixed charge system, rather than a minimum rate, which tends to distort the equity principals of taxation. Council will budget for no change in the fixed charge for 2026/27. The fixed charge was $475 per year in 2025/26.

The fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if the same owner occupies and owns them.

The reasons for imposing a fixed charge are:

- The Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities and the creation and maintenance of the physical infrastructure that supports each property.
- The fixed charge system has a lesser proportionate impact on lower income earners than a minimum rate system.
- The fixed charge system is more readily understandable than a minimum rate system.

SEPARATE RATES

Pursuant to Section 154 of the Act, a Council may declare a separate rate on rateable land within a part of the area of the Council for the purpose of planning, carrying out, making available, supporting, maintaining or improving an activity that is, or is intended to be, of particular benefit to the land, or the occupiers of the land, within that part of the area, or to visitors to that part of the area. These are as follows:

Separate Rate – Kadina CBD

In 2012/13 the local traders in the Kadina Business District requested a separate rate to fund planning towards development in this area. This rate will be continued to be raised against Kadina CBD businesses (minimum of $50) and will raise approximately $30,000 to be transferred to the Kadina Chamber of Commerce who will administer the funds. All properties rated will gain immediate membership to the Chamber and be entitled to vote and be part of the decision-making process for the funding. The area concerned is as per the diagram below.

Separate Rate – Port Hughes Golf Course (Dunes)

The Council introduced in the 2013/14 financial year a Separate Rate to partly fund the maintenance of the Port Hughes Golf Course (Dunes). This replaced the annual Development Levy that each landowner has agreed to pay to the developer of The Dunes Port Hughes. The Separate Rate will be ongoing and remain as an annual charge on properties rates notices as long as the course is open and operational and is indexed by the March CPI (Adelaide) each year.

If the additional 9 holes are established the Separate Rate would increase by 100% to reflect the intention of the current encumbrance and the initial intention to have a fully operational 18-hole golf course when the land was originally developed and purchased.

During 2019/20 the CopperClub Golf and Community Association Inc approached Council and requested that the rate not be indexed by the Consumer Price Index and in fact capped until 30 June 2023. They have come back to Council with the same request for 2026/27 which will see the rate capped at 3% instead of the Adelaide CPI rate of 4.9% to assist the ratepayers with the increased cost of living. This will take the rate to $854 for 2026/27. The rate was $829 in 2025/26.

All income is forwarded to the Copperclub Golf and Community Association Inc.

Separate Rate – Riley Cove Community Corporation

The Council was approached in 2014/15 by the residents of the Riley Cove Community Corporation (20692) to assist with the maintenance of the internal roads owned by the Corporation for a period of one hundred (100) years to fund the replacement of the road seal, pavement and kerbing.

The proposal is to resurface the road every 10 years to minimise maintenance and protect the pavement and to allow for kerb replacement and maintenance over a 50 year cycle.

The Council has decided to implement a separate rate of $265 to apply to each allotment per certificate of title for properties adjoining the Community Corporations internal roads (see map). This means it includes all properties that benefit from the road, not just those that are part of the Community Corporation 20692.

Should the project be completed for less than the amount stated, revisited every 10 years, the charge will be reduced by this amount over the remaining years.

SERVICE CHARGE

Pursuant to Section 155 of the Act, Community Wastewater Management Annual Service Charges based on the nature of the service and varying according to the CWMS Property Units Code in accordance with Regulation 12(4)(b) of the Local Government (General) Regulations 2013 be declared and imposed on all land to which the Council provides or makes available the prescribed service for the financial year ending 30 June 2027. This includes the areas covered by the Kadina Community Wastewater Management Systems, the Wallaroo Community Wastewater Management Systems and the Moonta, Pt Hughes and Moonta Bay Scheme. The annual service charge will increase by $30 or 4.9% for the 2026/27 financial year to $654 on each property unit for occupied allotment and $654 on each vacant allotment.

REGIONAL LANDSCAPE LEVY

The Council area falls within the Northern and Yorke Landscape Board area and as such the Council is required pursuant to the Landscape South Australia Act 2019, to raise funds by way of a separate levy to assist in funding the operations of the Board. The levy is imposed as a differential separate rate upon all properties within the area of the Board.

The Council is required to collect this revenue and pay the amount collected to the Landscape Administration Fund for distribution to the landscape board. It does not retain this revenue or determine how the revenue is spent, nor does it determine the amount of the levy to be collected. The amount of the levy per property is set by the total amount of funds Council are required to raise for the Landscape SA, Northern and Yorke Landscape Board. Council will budget for $612,091 until advised by the Northern and Yorke Landscape Board, previously the levy was $585,723 in 2025/26.

Any queries regarding the Regional Landscape Levy should be raised with the Northern and Yorke Landscape Board.

Head Office, 155 Main North Road, Clare SA 5453
Phone: (08) 8841 3400
Website: www.landscape.sa.gov.au/ny/home

REMISSION AND POSTPONEMENT OF RATES

Section 182 of the Local Government Act and the Essential Services Commission of South Australia permit the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates and to partially or wholly remit or to postpone the service charge for CWMS services, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates they are invited to contact the Council office to discuss the matter. The Council treats such inquiries confidentially.

Postponement of Rates for Seniors

Ratepayers who hold a State Seniors Card are now able to apply to Council to postpone payment of Council rates on their principal place of residence.

To be eligible for postponement of rates the applicants need to satisfy the following criteria:

- a State Seniors Card holder (or have applied for the card); and
- the property is the principal place of residence (where you live most of the time); and
- no other person, other than the applicant's spouse, has an interest as an owner of the property.

A minimum amount of $500 of the annual rates must be paid.

The interest rate which will apply to the amount of rates postponed is prescribed in the Local Government Act 1999, Section 182A(12). Interest will be charged and compounded monthly on the total amount postponed, until the debt is paid.

The accrued debt including interest is payable at the time of disposal or sale of the property. However, there is an option for the payment of all or any part of the debt at an earlier time.

RATE CONCESSIONS

State Government concessions

To check your entitlement for a State Government concession, contact the **Concessions SA Hotline 1800 307 758** or go to **www.sa.gov.au/topics/care-and-support/concessions**

Should you be eligible for a State Government funded concession, this will be paid directly to you by the Department of Human Services and is not provided via your rate notice.

PAYMENT OF RATES

Council rates will be payable by quarterly instalments falling due on 1 September 2026, 1 December 2026, 1 March 2027 and 1 June 2027. The total outstanding balance of rates may be paid in full at any time.

Council rates may be paid:

- In person at any Post Office
- In person at the principal office of Council in Kadina
- By telephone at the ratepayers participating financial institution using B-Pay
- By internet with ratepayers online banking using B-Pay
- By Post BillPay service
- By mail (by cheque or by credit card details advised on the Rate Account remittance advice).

(Methods of payment details are outlined on the reverse of the rates notice)

In addition, regular prepayments of Council Rates are allowed at any time and can be made at the principal Council office, via Bpay and via Australia Post.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard arrangements should contact the **Rates Officer on 8828 1200** to discuss alternative payment arrangements. Such enquiries are treated confidentially by the Council.

National Debt Helpline

Trained financial counsellors are available for free financial counselling, enquiries through the National Debt Helpline (NDH). **For more information visit ndh.org.au or call 1800 007 007.**

Late Payment of Rates

The Council has determined that penalties for late payments will be imposed and levied in accordance with the provisions of Section 181(8) of the Act and relevant Council procedures.

These provisions are the only provisions available to the Council to ensure that all ratepayers pay promptly. The Act provides that:

"If an instalment of rates is not paid on or before the date on which it falls due:

a. the instalment will be regarded as being in arrears, and

b. a fine of two (2) percent of the amount of the instalment is payable, and

c. on the expiration of each full month from that date, interest of the prescribed percentage of the amount in arrears (including the amount of any previous unpaid fine but excluding interest from any previous month) accrues."

Any ratepayer who may or is likely to, experience difficulty with meeting the standard instalments and due dates can contact the Council to discuss alternative payment arrangements. It should be noted that fines and interest are still levied in accordance with the Act under any payment arrangement.

Council will consider applications for remissions of fines in certain extenuating circumstances. A request for waiver of fines should be made in writing, setting out detailed reasons why a fine remission has been requested.

When the Council receives a payment in respect of overdue rates, the Council applies the money received as follows:

- **First –** to satisfy any costs awarded in connection with court proceedings;
- **Second –** to satisfy any interest costs;
- **Third –** in payment of any fines imposed;
- **Fourth –** in payment of rates, in chronological order (starting with the oldest account first).

RECOVERY OF RATES

In accordance with sound financial management principles, the Rates Officer will apply prudent debt management practices to Rate Debtors. This includes an ongoing review of rates in arrears and following a systematic debt recovery approach.

Rates, which remain in arrears for a period exceeding 30 days, will be subject to recovery action in accordance with the Councils normal debt recovery procedures.

SALE OF LAND FOR NON-PAYMENT OF RATES

Section 184 of the Act provides that a Council may sell any property where the rates have been in arrears for three (3) years or more. The Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one (1) month. Except in extraordinary circumstances, the Council will enforce the sale of land for arrears of rates.

2026/27 ANNUAL BUDGET

Planning FRAMEWORK

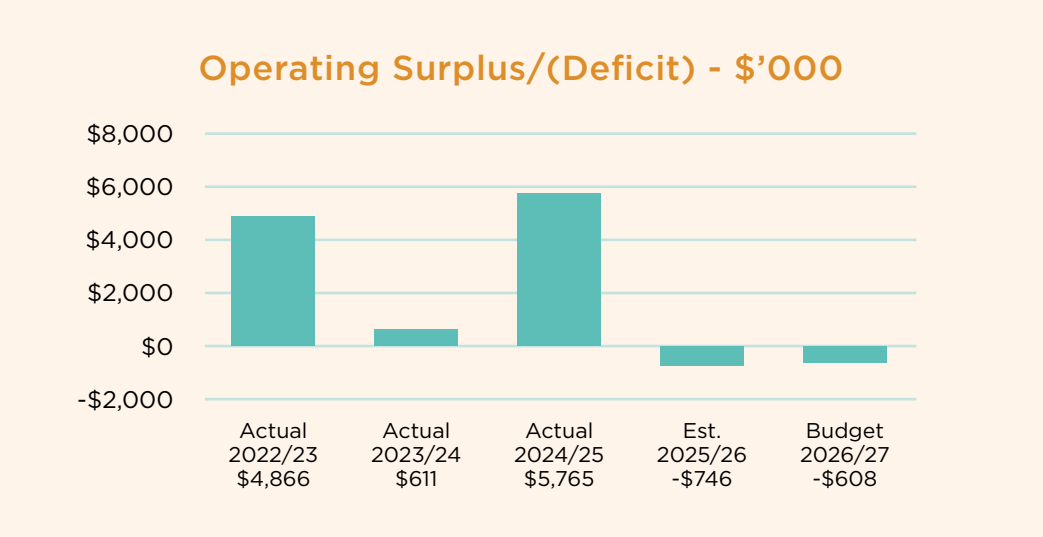
The 2026/27 Budget has been developed within the Council's overall planning framework. The Council's suite of Strategic Management Plans includes a 10-year Long Term Financial Plan supported by an Infrastructure and Asset Management Plan. Council's Strategic Plan and the Annual Report complete Council's suite of corporate documents.

To guide the preparation of its LTFP and Budget, the Council will undertake community conslutation and provide the opportunity for presentations from members of the community during a public meeting in May. Following the public consultation period, at the June 2026 Audit & Risk Committee meeting, members will consider the final draft plan and will be provided the opportunity to consider all written submissions received. Staff will present the final draft Long Term Financial and Annual Business Plan to the July 2026 Council meeting for Elected Members consideration and adoption.

Subsection 123(6a) of the Local Government Act 1999 (commenced 6 January 2022) provides that if the Council proposes to adopt an Annual Business Plan with amendments, it must include in the adopted business plan a statement setting out any significant amendments from the draft annual business plan and provide reasons for those amendments.

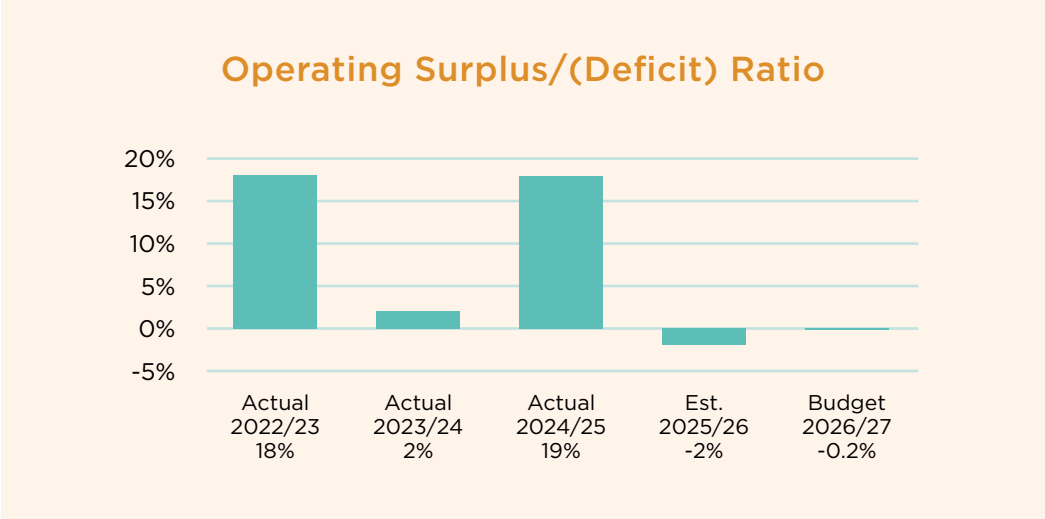
Any changes to the plan from the proposed draft Long Term Financial and Annual Business Plan are summarised in this document on page 13.

OPERATING SURPLUS/(DEFICIT)



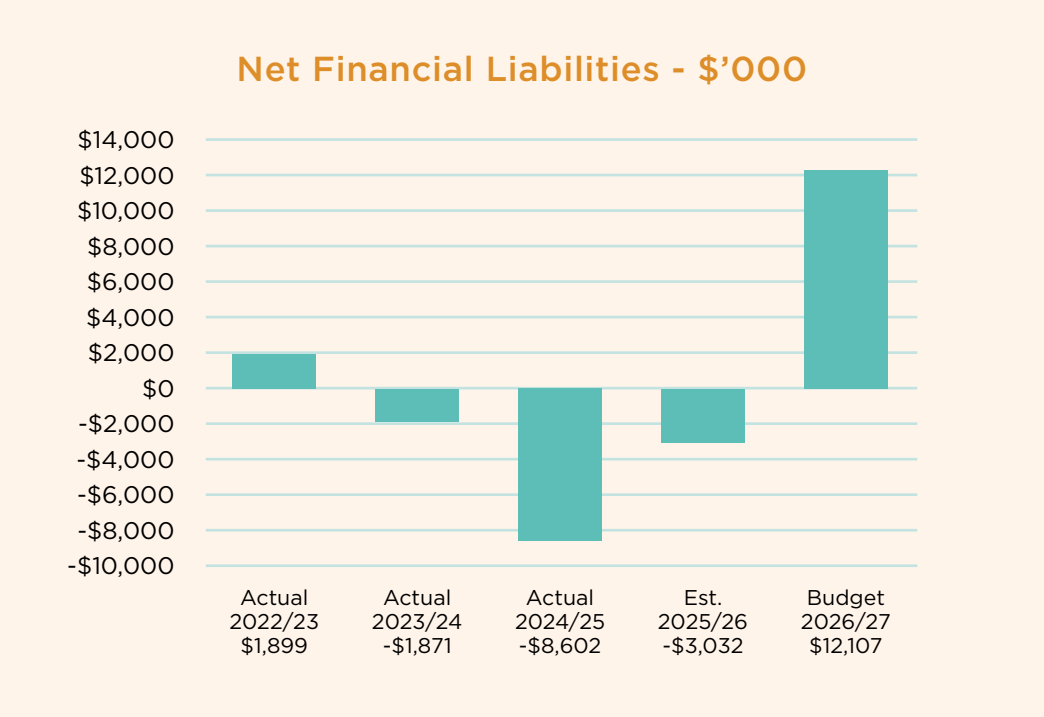
The anticipated operating deficit for 2026/27 is ($607,689) before Capital income. Council's long-term plan is to operate with a balanced budget. The timing of the brought forward payment of the financial assistance grant impacts on this ratio also. Council has not budgeted for any forward payments in the 2026/27 year.

OPERATING SURPLUS RATIO



The budgeted operating surplus in 2026/27 expressed as a percentage of general and other rates (the operating surplus ratio) is budgeted to be (1.9%). The actual results for 2022/23 reflects the income received through the various grant program funds which have been in the majority capitalised assets on the balance sheet.

NET FINANCIAL LIABILITIES



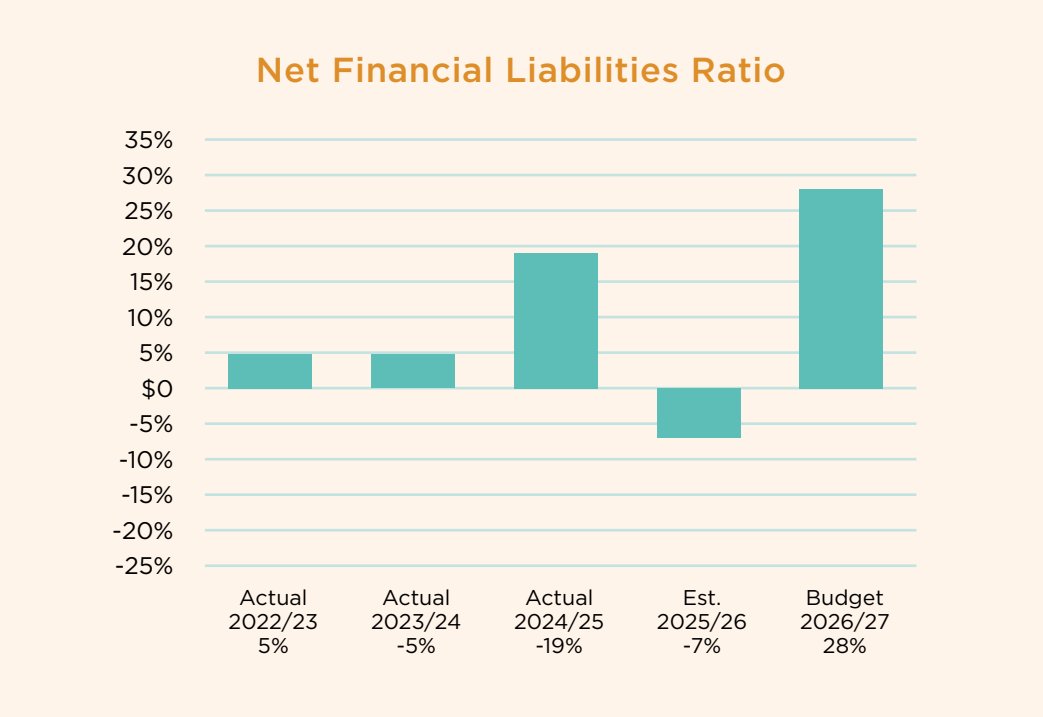
The Council's stock of net financial liabilities is expected to be $12.1M at 30 June 2027.

Council is continuing to manage the cash flow and balances internal borrowings against externally borrowed funds. A table summarising the purposes of the debt is outlined further into this report in Appendix F.

The net financial liabilities balance also includes the provision for the reinstatement of the landfill sites at Wallaroo and Kadina which has reduced to its current provisioned value of $1.75M and also the employee leave liabilities which are managed and reviewed each year.

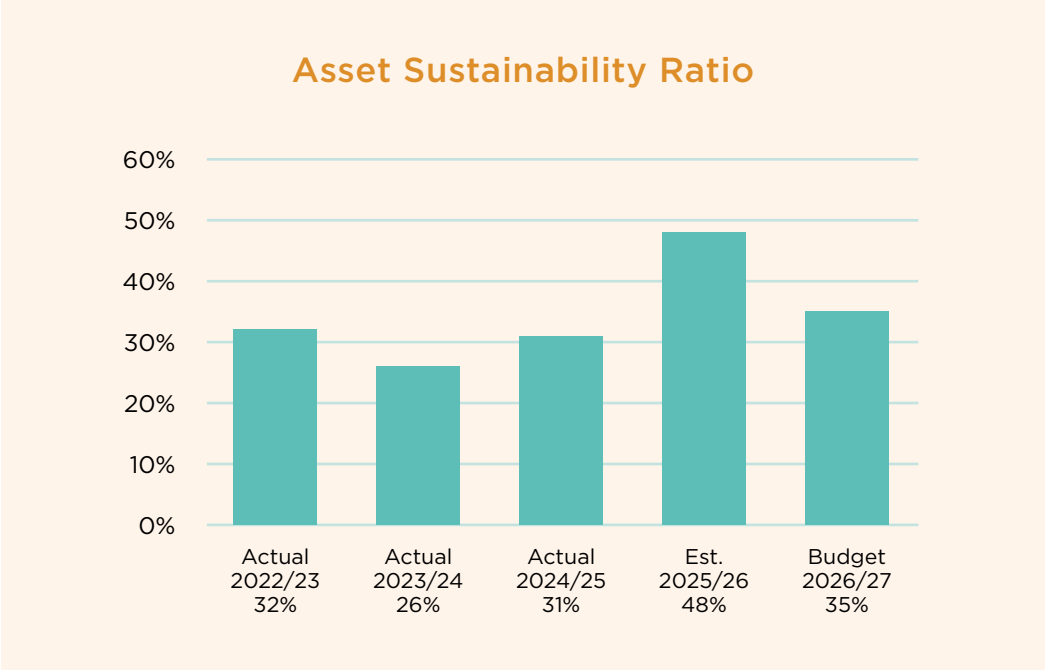
It should be noted that Council manages approximately $4.6 million in loans from Retirement Village residents who purchase a license to occupy Council's aged care residential units. These payments from residents are classified as loans and upon exiting the units they are repaid, and new residents then purchase the license to occupy the vacant unit. Resident loans are interest free. These figures are adjusted to exclude these loans.

NET FINANCIAL LIABILITIES RATIO



The Council's net financial liabilities at 30 June 2027 expressed as a percentage of estimated operating revenue in 2026/27 (the net financial liabilities ratio) is expected to be 28%. It is anticipated as evidenced in the Long Term Financial Plan that this ratio has stabilised as grant funds have been spent and borrowings have been repaid.

ASSET SUSTAINABILITY RATIO



The Council's asset sustainability ratio in 2026/27 is expected to be 35% calculated by comparing planned capital expenditure on renewal and replacement of assets against depreciation expenses in 2026/27. Council has a target range of between 90% and 110% and this is outside this range. This ratio has fluctuated over the years however 2026/27 will see the focus back onto existing assets and a year of consolidation finalising many projects.

SERVICES PROVIDED TO THE COMMUNITY

The following table summarises the various types of cash flows associated with the services delivered to the community by the Council's organisational units. The Annual Business Plan gives a detailed explanation of the service as well as how the provision of each service satisfies goals and objectives specifically listed in the Council's Strategic Plan.

Organisational Unit/Service	Revenue $'000	Operating Expense $'000	Capital Contributions $'000	Capital Expense $'000	Surplus / (Deficit) $'000
Corporate Services					
1. Governance	1	2,616	-	-	(2,614)
2. Administration	28,232	5,581	-	150	22,501
3. Financing and Investing	557	102	-	-	454
Community Services					
1. Aged Services	202	685	-	20	(503)
2. Youth Services	-	9	-	-	(9)
3. Cultural and Arts	13	94	-	-	(81)
4. Library Services	61	704	-	10	(654)
5. Sports and Recreation	187	1,638	1,282	4,933	(5,102)
Infrastructure Services					
1. Community Wastewater Management Scheme	6,491	4,602	-	5,850	(3,962)
2. Waste Man. and Recycling	757	4,164	-	-	(3,406)
3. Roads and Footpaths	436	7,375	581	4,690	(11,049)
4. Foreshore Protection	-	84	-	450	(534)
5. Stormwater Drainage	-	557	-	1,920	(2,477)
6. Private Works	15	13	-	-	1
7. Other	233	4,344	-	845	(4,956)
8. Airport	2	205	-	-	(203)
Environmental Services					
1. Legislative Compliance	341	1,001	-	-	(661)
2. Parks and Gardens	9	2,487	-	380	(2,858)
3. Planning	267	657	-	-	(390)
4. Cemeteries	72	252	-	150	(330)
5. Halls and Public Conveniences	16	1,141	-	330	(1,455)
6. Natural Resource Management	669	657	-	-	12
Executive Services					
1. Economic Development	3,598	2,971	-	1,750	(1,123)
2. Tourism	190	1,020	-	30	(860)
3. University Centre	342	335	-	-	6
Total	**42,689**	**43,297**	**1,863**	**21,508**	**(20,253)**

Analysis of OPERATING BUDGET

The table below and following comments summarise the expected revenues and expenses of the Council for the 2026/27 financial year. It also provides commentary on the budgeted operating result.

OPERATING REVENUE

Revenue Types	Ref	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Rates	4.1	30,337	31,316	33,102
Statutory Charges	4.2	1,093	881	842
User Charges and Commercial Revenue	4.3	5,660	5,139	5,200
Grants, Subsidies and Contributions	4.4	5,714	4,242	2,003
Investment Income	4.5	871	633	800
Reimbursements	4.6	563	430	336
Other Revenue	4.7	949	480	406
Total Operating Revenue		**45,187**	**43,121**	**42,689**

Source: Appendix A

4.1 Rates

General rate revenue after rebates and bad debts is estimated at $26.4 million for 2026/27 which incorporates a 4.9% increase in general rate income.

Since 2012/13 the Kadina Chamber of Commerce have requested a separate rate to fund improvements of the area and this is continued in 2026/27 with the amount raised being approximately $30,000.

The Port Hughes Golf Club separate rate has been increased by a capped rate of 3% for the final budget as per the agreement with the Copperclub.

A section of the Annual Business Plan includes a further discussion and analysis of rates to be levied in 2026/27 together with summary information about the Council's rating structure.

Other rate revenue of $6.08 million is estimated for 2026/27. This represents service charges to residents for the various Community Wastewater Management Systems that the Council maintains. The balance of the Rate Revenue category of $0.612 million is the Landscape levy for which we collect and pass on directly to the State Government.

4.2 Statutory Charges

Statutory charges are fees for regulatory services. These fees are associated with the granting of a permit/licence or the regulation of an activity and include Planning, Development and Infrastructure Act 2016 fees and parking fines.

4.3 User Charges and Commercial Revenue

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. They include amongst other charges the hire of community facilities.

User charges and commercial revenue in 2026/27 are projected to remain stable over the estimated actual income received in 2025/26. The Council caravan parks are a substantial component of the commercial revenue derived in this category being estimated at $2.6 million and an area that has seen a large increase and growth since 2020/21 as a result of an increase in local visitors and interstate visitation and community events. It is anticipated that this revenue will remain stable in 2026/27.

4.4 Grants and Subsidies

This item covers grants and subsidies from all sources but excludes amounts specifically received for new/upgraded assets. The following table summarises the main grants involved:

Grant Funding Types	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
LG Grants Commission – General Purpose Grant	3,984	1,446	1,446
LG Grants Commission - Local Roads	868	460	460
Other	862	2,336	97
Total Grants and Subsidies	**5,714**	**4,242**	**2,003**

Overall, Local Government Grants Commission grants (representing funding provided by the Australian Government) are estimated to be $1.44m in 2026/27. However, no forward payment is being anticipated in the budget papers.

The Commonwealth Government did not pay the brought forward payment in the 2025/26 financial year which has resulted in a significant decrease in budgeted figures for the 2026/27 finanical year.

Roads to Recovery ($580,985) funding is treated as an amount received specifically for new or upgraded assets in the Operating Statement however is included in the table above. The Local Roads and Infrastructure Funding for Round 4 is not included in the above table.

4.5 Investment Income

Interest earnings on the investment of funds not immediately required and loans to community groups are estimated at $800,000 in 2026/27. Council will continue to manage the funds on hand to reduce the requirement to borrow and offset the interest paid and interest received whenever appropriate.

4.6 Reimbursements

Reimbursements are amounts received as payment for work done by the Council acting as an agent for others. Revenue of $335,900 is estimated in 2026/27.

4.7 Other Revenues

Other Revenue is revenue not separately classified in the income statement above. Of the estimated total revenue of $42.7 million in 2026/27, $405,970 is attributable to other revenues which varies from year to year and includes small amounts of revenue from many sources. Other Revenues include search fees, the diesel fuel rebate, sundry permits as well as other miscellaneous income.

OPERATING EXPENSES

Expense Types	Ref	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Employee Costs	4.8	10,807	11,704	12,631
Materials, Contracts and Other Expenses	4.9	16,589	19,941	18,765
Finance Costs	4.10	845	849	788
Depreciation, Amortisation and Impairment	4.11	11,181	11,375	11,113
Total Operating Expenses		**39,422**	**43,868**	**43,297**

Source: Appendix A

4.8 Employee Costs

Employee costs include all labour related expenses such as salaries and wages and on-costs such as allowances, leave entitlements and employer superannuation.

4.9 Materials, Contractual Services and Other Expenses

Materials include payments for physical goods consisting of consumables, water and energy. Contractual Services involve payments for the external provision of services. This may include indirectly provided labour and materials or sub-contractors which are part of a contract. Other expenses relate to expenses not separately classified.

4.10 Finance Costs

Finance costs cover the costs of financing the Council's activities through borrowings or other types of financial accommodation. The figures in the budget are based on the Council's debenture register and budgeted commitments in line with the Long Term Financial Plan.

4.11 Depreciation

Depreciation is an accounting measure which records the consumption of the Council's infrastructure, property, plant and equipment.

OPERATING RESULT

Operating Surplus/(Deficit)	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Operating Revenue	45,187	43,121	42,689
less: Operating Expenses	39,422	43,868	43,297
Equals: Operating Surplus/(Deficit)	**5,765**	**(747)**	**(608)**

Source: Appendix A

As shown in the above table, the Council has budgeted for an operating deficit of $607,689 in 2026/27. This is inside the parameters that Council has set for financial sustainability as a key financial target of the Council is to achieve an operating surplus each year to ensure ongoing financial sustainability and therefore avoid future potential cuts to services and/or significant increases in rates. The result is consistent with the Long Term Financial Plan which outlines estimates that Council is working towards over the next 10 years.

Council is continuing to work to reach a balanced budget each year.

Analysis of CAPITAL EXPENDITURE

Refer to Appendix E for a detailed list of all Capital Expenditure Projects by Organisational Unit or Service Profile planned for 2026/27 as well as the Annual Business Plan for additional information on each project. Appendix E excludes carry over project budgets which is estimated at approximately $6 million.

NET OUTLAYS ON EXISTING ASSETS

The following table summarises capital outlays on existing assets:

Net Outlays on Existing Assets	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Capital Expenditure on Renewal/Replacement of Assets	3,512	5,452	3,837
less: Depreciation	11,181	11,375	11,113
less: Proceeds from Sale of Replaced Assets	1,278	-	-
Equals: Net Outlays on Existing Assets	**(8,947)**	**(5,923)**	**(7,276)**

Source: Appendix D

The Asset Sustainability Ratio in 2026/27 is expected to be 35% and has been calculated by comparing the capital expenditure on renewal and replacement of existing assets with depreciation expenses. Council is aiming to maintain assets at a sustainable rate and will look at increasing expenditure on existing assets.

Over a 10-year period this ratio should average out to 100% in a Council that is properly maintaining its existing assets. This ratio was budgeted at 34% in the 2025/26 financial year.

NET OUTLAYS ON NEW AND UPGRADED ASSETS

The following table summarises capital outlays on new/upgraded assets:

Net Outlays on New and Upgraded Assets	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Capital Expenditure on New/Upgraded Assets	10,180	12,172	23,670
less: Amounts received specifically for New/Upgraded Assets	2,206	1,863	1,863
less: Proceeds from Sale of Surplus Assets	-	-	-
Equals: Net Outlays on New and Upgraded Assets	**7,974**	**10,309**	**21,807**

Source: Appendix D

Analysis of BUDGETED STATEMENT OF FINANCIAL POSITION

The table below summarises the estimated balance sheet movements between 30 June 2026 and 30 June 2027 and discusses the level of the Council's net financial liabilities (being the key measure of the Council's financial position).

	Ref	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Current assets	6.1	35,341	19,944	8,012
Non-current Assets	6.2	381,887	388,542	404,937
Total Assets		**417,228**	**408,486**	**412,949**
Current Liabilities	6.3	16,304	7,328	7,328
Non-current Liabilities	6.4	14,030	13,659	16,866
Total Liabilities		**30,334**	**20,987**	**24,194**
Equity	**6.5**	**386,894**	**387,499**	**388,755**

Source: Appendix B

6.1 Current assets

Current assets in the budget for 2026/27 are anticipated to decrease from 2025/26 primarily due to a decrease in the cash and investment balance.

Outstanding rates balances are being monitored closely and debt collection methods (including section 184 of the Local Government Act 1999) used at all times as this is an area that can impact on the cash flow of Council. Other debtor balances are not expected to change significantly and are at acceptable levels.

6.2 Non-current assets

The increase in non-current assets in 2026/27 reflects the combined effect of all capital expenditure, the depreciation of existing assets, the book value of assets sold and the ongoing revaluation of infrastructure assets on a 'fair value' basis. Council is in the process of completing revaluations on Other Infrastructure in the 2025/26 year which will impact on the non-current assets balance.

Grant funding received has also seen Council progress many other capital projects which will be reflected in the balance of the non-current assets.

6.3 Current liabilities

Current Liabilities will remain stable as this is the balance of accounts payable, balance due on loans and retirement village bonds.

Emphasis on the prompt payment of accounts is in efforts to reduce the trade payables on a monthly basis.

In accordance with Accounting Standards, loans from retirement village residents who purchase a license to occupy Council's aged care residential units are classified as current liabilities. The payments from residents are classified as loans and upon exiting the units they are repaid, and new residents then purchase the license to occupy the vacant unit. Resident loans are interest free. There has been significant movement when compared to other years in regard to these units however they remain all occupied with a small increase in the value of the licences which reflects the current property market.

6.4 Non-current liabilities

The decrease in non-current liabilities in 2026/27 (i.e. obligations that the Council must pay beyond 30 June 2027) is due to repayments on borrowings.

The CWMS facility has been funded through borrowings however repayments have and will be met from the previously charged separate rate and user charges collected into the future.

Appendix F is a summary of Council Borrowings and not only are the CWMS borrowings self-funding the Sporting and Community Club loans are serviced by the clubs themselves.

The Wallaroo Holiday Park also generates income that services the loans currently in place for the expansion of accommodation and improved services.

6.5 Equity

There is an immaterial change in equity between the estimated result for 2025/26 and 2026/27.

General and OTHER RATES

This section summarises Council's rating arrangements and describes the rating policy in 2026/27.

Excluding the Regional Landscape Levy collected on behalf of the Regional Landscape Board, general and other rates are expected to account for 78% of the Council's operating revenue in 2026/27.

The Council's rating structure and policies are set out in the 2026/27 Annual Business Plan. The rating structure is comprised of two key elements. These are:

- Property values, which generally reflect capacity to pay; and
- User pays component to reflect usage of some services provided by Council.

Striking a proper balance between these elements provides equity in the distribution of the rate burden across ratepayers.

Rate increases in 2026/27

The Department of the Valuer General provided capital values for all rateable properties totalling $6,610,177,181 in 2025/26. Valuations as at 30 June 2026 for the 2026/27 year total $7,657,040,638.

Rates Other

Other rate revenue of $6.08M is budgeted for 2026/27. This represents the service charges to residents who are connected, eligible to be connected and vacant blocks serviced by the various Community Wastewater Management Systems that the Council maintains. This excludes the Landscape Levy of $612,091.

Fixed Charge

The fixed charge will remain at $475 for 2026/27.

Regional Landscape Levy

The Northern and Yorke Landscape Board have advised the contribution payable for 2026/27 will be $612,091. The Levy is collected by Council on behalf of the Northern and Yorke Landscape Board by way of a separate rate in the dollar declared on all rateable land within the Council area.

Rating structure

The following table summarises the general rates proposed to be adopted for the 2026/27 financial year.

Rate Type		2025/26	2026/27
Residential	Cents in $ of CV	0.2720	0.2474
Vacant Land	Cents in $ of CV	0.4656	0.4300
Commercial	Cents in $ of CV	0.5917	0.5500
Industrial	Cents in $ of CV	0.5917	0.5500
Primary Production	Cents in $ of CV	0.2260	0.2100
Other	Cents in $ of CV	0.3104	0.2800
Marina Berths	Cents in $ of CV	0.5917	0.5500
Kadina Business District (CDL)	Cents in $ of CV	0.0257	0.0233
Port Hughes Golf Course	$ per property	$829	$854
Riley Cove Road Maintenance	$ per property	$265	$265
Fixed Charge	$ per property	$475	$475

APPENDICES

APPENDIX A - BUDGETED STATEMENT OF COMPREHENSIVE INCOME

	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Income			
Rates	30,337	31,316	33,102
Statutory Charges	1,093	881	842
User Charges and Commercial Revenue	5,660	5,139	5,200
Grants, Subsidies and Contributions	5,714	4,242	2,003
Investment Income	871	633	800
Reimbursements	563	430	336
Other Income	949	480	406
Total Income	**45,187**	**43,121**	**42,689**
Expenses			
Employee Costs	10,807	11,704	12,631
Materials, Contracts and Other Expenses	16,589	19,940	18,765
Depreciation, Amortisation and Impairment	845	848	788
Finance Costs	11,181	11,375	11,113
Total Expenses	**39,422**	**43,867**	**43,297**
Operating Surplus / (Deficit)	**5,765**	**(746)**	**(608)**
Asset Disposal and Fair Value Adjustments	(62)	-	-
Amounts Received Specifically for New or Upgraded Assets	2,206	1,381	1,864
Physical Resources Received Free of Charge	-		
Net Surplus / (Deficit)	**7,909**	**635**	**1,256**
Other Comprehensive Income - Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus – I,PP&E	-	-	-
Total Other Comprehensive Income	**-**	**-**	**-**
Total Comprehensive Income	**7,909**	**635**	**1,256**

APPENDIX B - BUDGETED STATEMENT OF FINANCIAL POSITION

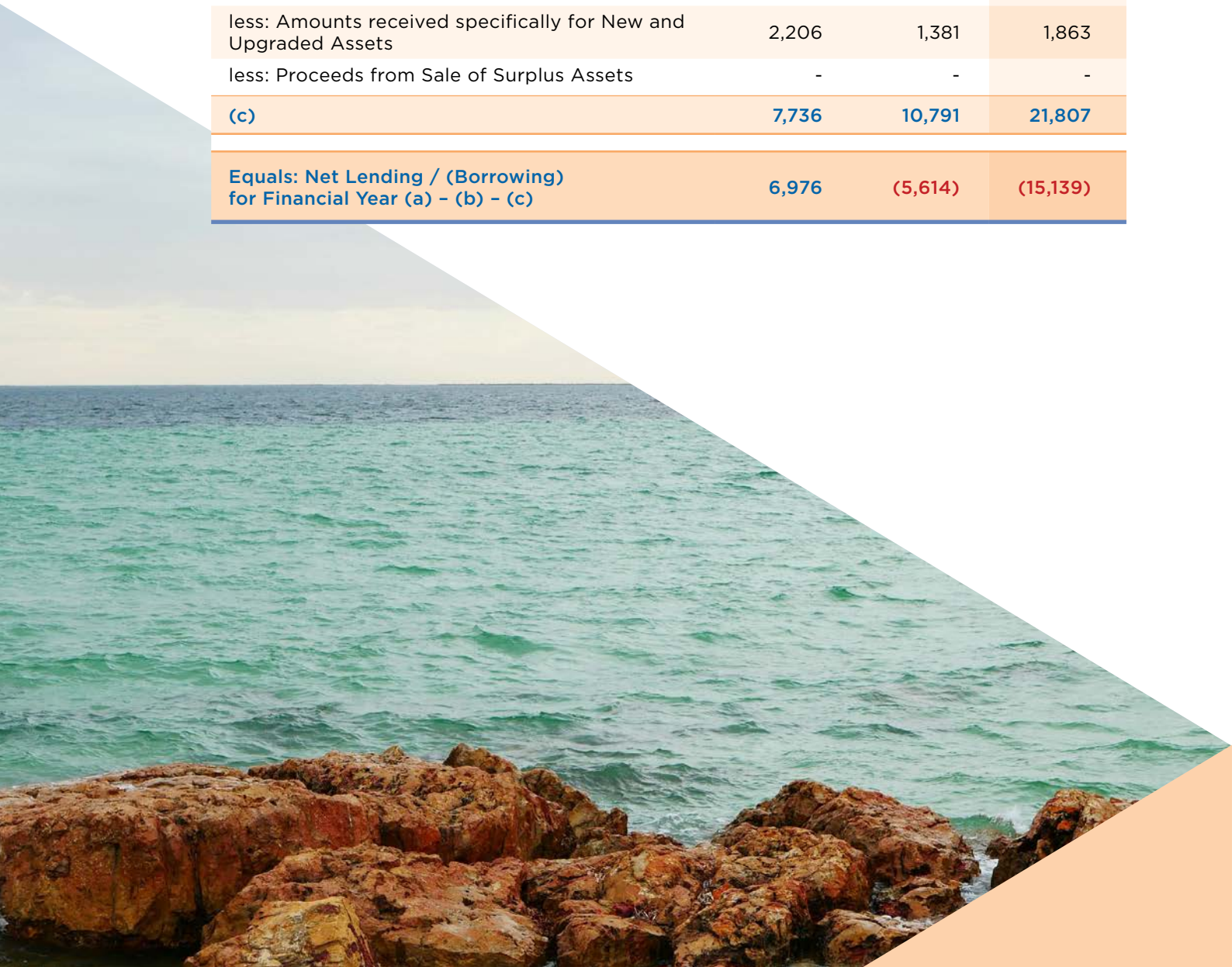
	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Assets			
Current Assets			
Cash and cash equivalents	19,508	16,525	4,594
Trade and Other receivables	14,013	1,584	1,583
Other Financial Assets	-	-	-
Inventories	1,820	1,835	1,835
Total Current Assets	**35,341**	**19,944**	**8,012**
Non-current Assets			
Financial Assets	925	1,329	1,329
Infrastructure, Property, Plant and Equipment	380,962	387,212	403,608
Other Non-current Assets	-	-	-
Total Non-current Assets	**381,887**	**388,541**	**404,937**
Total Assets	**417,228**	**408,485**	**412,949**
Liabilities			
Current Liabilities			
Trade and Other Payables	11,233	716	716
Borrowings	3,316	4,374	4,374
Provisions	1,755	2,113	2,113
Other Current Liabilities	-	125	125
Total Current Liabilities	**16,304**	**7,328**	**7,328**
Non-current Liabilities			
Borrowings	11,963	11,901	15,109
Provisions	2,066	1,757	1,757
Total Non-current Liabilities	**14,030**	**13,658**	**16,866**
Total Liabilities	**30,334**	**20,986**	**24,194**
Net Assets	**386,894**	**387,499**	**388,755**
Equity			
Accumulated Surplus	81,545	82,153	83,409
Asset Revaluation Reserve	305,349	305,346	305,346
Other reserves	-	-	-
Total Equity	**386,894**	**387,499**	**388,755**

APPENDIX C - BUDGETED STATEMENT OF CASH FLOWS

	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Cash Flows From Operating Activities			
Receipts			
Receipts from Operating Activities	44,464	51,478	42,689
Payments			
Payments from Operating Activities	(29,773)	(34,723)	(32,184)
Net Cash provided by (or used in) Operating Activities	**14,691**	**16,755**	**10,505**
Cash Flows From Investing Activities			
Receipts			
Amounts specifically for new or upgraded assets	3,503	1,381	1,863
Sale of replaced assets	1,278	-	-
Sale of real estate developments	-	-	-
Repayment of loans by Community Groups	535	-	-
Payments			
Development of real estate for sale	238	-	-
Expenditure on renewal/replacement of assets	(3,512)	(5,452)	(3,837)
Expenditure on new/upgraded assets	(10,180)	(12,172)	(23,670)
Loans made to Community Groups	(200)	-	-
Net Cash provided by (or used in) Investing Activities	**(8,338)**	**(16,243)**	**(25,644)**
Cash Flows From Financing Activities			
Receipts			
Proceeds from Borrowings	-	-	6,500
Proceeds from Retirement Village deposits	102	-	-
Payments			
Repayment of Retirement Village deposits	(3,320)	(3,495)	(3,292)
Repayment of Borrowings	-	-	
Net Cash provided by (or used in) Financing Activities	**(3,218)**	**(3,495)**	**3,208**
Net Increase (Decrease) in cash held	**3,135**	**(2,983)**	**(11,931)**
Cash and cash equivalents at beginning of period	16,373	19,508	16,525
Cash and cash equivalents at end of period	**19,508**	**16,525**	**4,594**

APPENDIX D - UNIFORM PRESENTATION OF FINANCES

	2024/25 Actual $'000	2025/26 Estimate $'000	2026/27 Budget $'000
Operating Revenue	**45,187**	**43,121**	**42,689**
less: Operating Expenses	39,422	43,867	43,297
Operating Surplus/(Deficit) – (a)	**5,765**	**(746)**	**(608)**
Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	3,512	5,452	3,837
less: Depreciation	11,181	11,375	11,113
less: Proceeds from Sale of Replaced Assets	1,278	-	-
(b)	**(8,947)**	**(5,923)**	**(7,276)**
Net Outlays on New and Upgraded Assets			
Capital Expenditure - New and Upgraded Assets	9,942	12,172	23,670
less: Amounts received specifically for New and Upgraded Assets	2,206	1,381	1,863
less: Proceeds from Sale of Surplus Assets	-	-	-
(c)	**7,736**	**10,791**	**21,807**
Equals: Net Lending / (Borrowing) for Financial Year (a) – (b) – (c)	**6,976**	**(5,614)**	**(15,139)**



APPENDIX E – CAPITAL EXPENDITURE BY ORGANISATION UNIT AND SERVICE PROFILE (EXCLUDING CARRIED OVER PROJECTS)

Capital Projects	Service Profile	2026/27 Budget $'000
Community Services		
Cemetery Infrastructure	Cemeteries	150
Town Hall and Other Hall Upgrades	Halls and Public Conveniences	180
Recreation and Sporting Facilities	Recreation and Sport	380
Disability Discrimination Projects	Community Services	50
Retirement Units	Aged Homes	20
Library	Libraries	10
Tourism Infrastructure	Tourism	30
Infrastructure Services		
Foreshore Projects	Foreshore Protection	450
Road Construction	Roads and Footpaths	4,140
Footpaths	Roads and Footpaths	550
Stormwater	Stormwater	1,920
Public Toilet Upgrades	Community Wastewater Management Scheme	150
Plant and Machinery	Other	950
Reserves	Parks and Gardens	100
Depot	Infrastructure	100
CWMS	Community Wastewater Management Scheme	5,850
Wallaroo Swimming Enclosure	Recreation and Sport	4,553
Wallaroo Holiday Park	Other	1,700
Executive and Corporate Services		
Furniture and Fittings	Administration	25
Information Technology	Administration	150
Economic Development	Administration	50
Total New Capital Expenditure		**21,508**

NB: For a detailed explanation of each capital project please refer to the Annual Business Plan.

APPENDIX F – COUNCIL BORROWINGS SUMMARY

Description	Debenture No.	Interest Rate	Amount Approved	Amount Borrowed	Balance 31/05/2026	Date Final Repayment	Comments
General Borrowings							
Waste Transfer Station	20CC	5.00%	$500,000	$500,000	$170,510	15/1/2030	
CCSLC Upgrade	23CC	4.45%	$2,500,000	$2,500,000	$1,200,651	15/5/2032	
CAD	24CC	Variable	$5,250,000	$5,250,000	$0	15/8/2033	
CAD	26CC	Variable	$1,550,000	$1,550,000	$0	20/2/2034	
YP Field Days Inc.	26CC	Variable	$200,000	$200,000	$200,000	11/11/2034	C20:0224
Sub Total General Borrowings			**$10,000,000**	**$10,000,000**	**$1,571,161**		
Sporting Clubs							
Wallaroo Sailing Club	18CC	5.60%	$200,000	$200,000	$45,792	17/6/2028	
Wallaroo Netball Club	21CC	4.80%	$98,000	$98,000	$47,679	18/4/2032	
Kadina Hockey Club	27CC	2.30%	$300,000	$300,000	$201,740	15/7/2035	
Wallaroo Golf Club	29CC	4.75%	$80,000	$80,000	$52,417	16/5/2032	C262:0919
Copperclub Golf Club	30CC	5.80%	$700,000	$700,000	$585,767	15/7/2037	C154:0622
YP Field Days Inc.	31CC	5.08%	$200,000	$200,000	$192,202	1/4/2035	C20:0224
Sub Total Sporting Clubs			**$1,578,200**	**$1,578,200**	**$1,125,597**		
CWMS Project							
CWMS Moonta	19CC	6.00%	$9,754,000	$9,754,000	$2,695,821	16/12/2028	
CWMS Moonta	20CC	5.00%	$12,000,000	$12,000,000	$4,092,229	15/1/2030	
CWMS Moonta	22CC	4.45%	$3,246,000	$3,246,000	$1,558,926	15/5/2032	
Sub Total CWMS Project			**$25,000,000**	**$25,000,000**	**$8,346,976**		

Description	Debenture No.	Interest Rate	Amount Approved	Amount Borrowed	Balance 31/05/2026	Date Final Repayment	Comments
General CWMS							
CWMS Plants and Pump Stations	17CC	5.10%	$6,000,000	$6,000,000	$823,396	15/11/2027	
Sub Total General CWMS			**$6,000,000**	**$6,000,000**	**$823,396**		
Caravan Parks							
Wallaroo Holiday Park	17CC	5.10%	$500,000	$500,000	$68,616	15/11/2027	
Wallaroo Holiday Park	19CC	6.00%	$600,000	$600,000	$165,829	16/12/2028	
Wallaroo Holiday Park	25CC	3.60%	$2,480,000	$2,480,000	$705,250	15/8/2028	
Sub Total Caravan Parks			**$3,580,000**	**$3,580,000**	**$939,695**		
Total Borrowings			**$46,158,000**	**$46,158,000**	**$12,806,825**		

Note: All borrowings are with the Local Government Finance Authority and have a term of 15 years from the date the facility was made available and are all repayment of principal and interest.

APPENDIX G – LONG TERM FINANCIAL PLAN STATEMENTS

Statement of Comprehensive Income	2026/27 $	2027/28 $	2028/29 $	2029/30 $
Income				
Rates	33,102,799	34,244,331	35,258,741	36,303,424
Statutory Charges	842,000	864,734	888,082	912,061
User Charges	5,200,000	5,179,487	5,324,733	5,473,901
Grants, Subsidies and Contributions - operating	1,517,600	1,937,251	1,989,557	2,043,275
Grants, Subsidies and Contributions - capital	485,000	498,095	511,544	525,355
Investment Income	800,000	533,600	551,476	570,667
Reimbursements	335,900	434,292	446,018	458,061
Other Income	405,970	446,217	458,265	470,638
Total Income	**42,689,269**	**44,138,008**	**45,428,416**	**46,757,382**
Expenses				
Employee Costs	12,631,300	13,108,481	13,487,329	13,877,270
Materials, Contracts and Other Expenses	18,764,458	18,696,719	19,295,028	19,979,245
Depreciation, Amortisation and Impairment	11,113,100	11,286,779	11,397,857	11,601,170
Finance Costs	788,100	958,518	927,663	798,387
Total Expenses	**43,296,958**	**44,050,496**	**45,107,877**	**46,256,072**
Operating Surplus / (Deficit)	**(607,689)**	**87,511**	**320,540**	**501,309**
Asset Disposal & Fair Value Adjustments	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	1,863,487	800,000	800,000	800,000
Physical Resources Received Free of Charge	-	-	-	-
Net Surplus / (Deficit)	**1,255,798**	**887,511**	**1,120,540**	**1,301,309**
Other Comprehensive Income - Amounts which will not be reclassified subsequently to operating result				
Changes in Revaluation Surplus – I,PP&E	2,604,048	892,015	-	387,372
Total Other Comprehensive Income	**2,604,048**	**892,015**	**-**	**387,372**
Total Comprehensive Income	**3,859,847**	**1,779,527**	**1,120,540**	**1,688,682**

2030/31 $	2031/32 $	2032/33 $	2033/34 $	2034/35 $	2035/36 $
37,202,272	38,123,495	39,067,651	40,035,312	41,027,064	42,336,983
936,686	961,977	987,950	1,014,625	1,042,020	1,070,154
5,627,096	5,984,428	6,146,008	6,311,950	6,482,372	6,657,396
2,098,444	2,155,102	2,213,289	2,273,048	2,334,420	2,397,450
539,540	554,107	569,068	584,433	600,213	616,419
591,496	614,091	638,225	664,137	691,699	720,750
470,428	483,130	496,174	509,571	523,329	537,459
483,346	496,396	509,799	523,563	537,699	552,217
47,949,308	**49,372,725**	**50,628,164**	**51,916,639**	**53,238,817**	**54,888,828**
14,278,630	14,691,746	15,116,966	15,554,647	16,005,157	16,468,876
20,615,099	21,275,118	21,942,106	22,631,705	23,578,401	24,669,307
11,837,992	12,067,596	12,271,081	12,501,532	13,060,326	13,120,857
695,661	631,637	622,786	625,632	571,301	513,392
47,427,382	**48,666,096**	**49,952,939**	**51,313,516**	**53,215,186**	**54,772,433**
521,926	**706,629**	**675,225**	**603,123**	**23,632**	**116,395**
-	-	-	-	-	-
800,000	800,000	800,000	800,000	800,000	800,000
-	-	-	-	-	-
1,321,926	**1,506,629**	**1,475,225**	**1,403,123**	**823,632**	**916,395**
2,491,134	959,438	-	443,867	2,313,631	886,375
2,491,134	**959,438**	**-**	**443,867**	**2,313,631**	**886,375**
3,813,059	**2,466,067**	**1,475,225**	**1,846,990**	**3,137,263**	**1,802,770**

Statement of Financial Position

	2026/27 $	2027/28 $	2028/29 $	2029/30 $
Assets				
Current Assets				
Cash and Cash Equivalents	7,278,152	9,083,360	7,014,381	5,524,676
Trade and Other Receivables	1,493,368	1,423,341	1,479,970	1,538,481
Inventories	1,702,535	1,702,206	1,705,108	1,708,426
Total Current Assets	**10,474,054**	**12,208,906**	**10,199,459**	**8,771,584**
Non-Current Assets				
Financial Assets	1,101,296	1,005,510	905,148	799,975
Infrastructure, Property, Plant and Equipment	406,421,730	407,608,996	408,148,764	409,239,177
Total Non-Current Assets	**407,523,026**	**408,614,506**	**409,053,912**	**410,039,152**
Total Assets	**417,997,080**	**420,823,413**	**419,253,371**	**418,810,735**
Liabilities				
Current Liabilities				
Cash Advance Debenture	-	-	-	-
Trade and Other Payables	7,213,488	7,214,107	7,300,432	7,398,285
Borrowings	3,422,534	2,776,906	2,229,170	1,145,404
Provisions	1,838,896	1,838,896	1,838,896	1,838,896
Total Current Liabilities	**12,474,918**	**11,829,909**	**11,368,498**	**10,382,585**
Non-Current Liabilities				
Borrowings	12,009,791	13,701,605	11,472,435	10,327,030
Provisions	1,982,104	1,982,104	1,982,104	1,982,104
Total Non-Current Liabilities	**13,991,895**	**15,683,709**	**13,454,539**	**12,309,134**
Total Liabilities	**26,466,813**	**27,513,618**	**24,823,037**	**22,691,720**
Net Assets	**391,530,268**	**393,309,794**	**394,430,334**	**396,119,016**
Equity				
Accumulated Surplus	83,378,749	84,266,261	85,386,801	86,688,110
Asset Revaluation Reserves	308,151,518	309,043,534	309,043,534	309,430,906
Other Reserves	-	-	-	-
Total Equity	**391,530,268**	**393,309,794**	**394,430,334**	**396,119,016**

2030/31 $	2031/32 $	2032/33 $	2033/34 $	2034/35 $	2035/36 $
5,001,282	4,409,242	5,650,976	4,960,973	4,469,867	3,477,239
1,593,120	1,666,312	1,736,596	1,808,960	1,859,464	1,854,410
1,711,510	1,714,711	1,717,946	1,721,291	1,725,882	1,731,173
8,305,913	**7,790,265**	**9,105,518**	**8,491,224**	**8,055,213**	**7,062,822**
689,741	593,568	492,687	386,846	300,539	300,539
412,574,453	414,538,042	415,740,374	417,570,219	420,472,285	422,296,027
413,264,193	**415,131,611**	**416,233,061**	**417,957,065**	**420,772,824**	**422,596,566**
421,570,106	**422,921,876**	**425,338,579**	**426,448,289**	**428,828,037**	**429,659,388**
-	-	-	-	-	-
7,490,001	7,585,132	7,681,423	7,780,939	7,914,551	8,067,408
1,209,429	722,785	836,795	891,126	1,124,276	959,838
1,838,896	1,838,896	1,838,896	1,838,896	1,838,896	1,838,896
10,538,325	**10,146,813**	**10,357,114**	**10,510,961**	**10,877,723**	**10,866,142**
9,117,602	8,394,816	9,125,994	8,234,867	7,110,591	6,150,753
1,982,104	1,982,104	1,982,104	1,982,104	1,982,104	1,982,104
11,099,706	**10,376,921**	**11,108,098**	**10,216,971**	**9,092,695**	**8,132,857**
21,638,031	**20,523,734**	**21,465,211**	**20,727,932**	**19,970,418**	**18,998,999**
399,932,075	**402,398,142**	**403,873,367**	**405,720,357**	**408,857,619**	**410,660,389**
88,010,036	89,516,665	90,991,889	92,395,012	93,218,644	94,135,039
311,922,039	312,881,478	312,881,478	313,325,345	315,638,976	316,525,350
-	-	-	-	-	-
399,932,075	**402,398,142**	**403,873,367**	**405,720,357**	**408,857,619**	**410,660,389**

Statement of Cash Flows

	2026/27 $	2027/28 $	2028/29 $	2029/30 $
Cash Flows from Operating Activities				
Receipts				
Rates Receipts	37,193,488	34,209,616	35,227,892	36,271,654
Statutory Charges	831,244	870,292	886,379	910,315
User Charges	5,137,882	5,218,137	5,314,376	5,463,277
Grants, Subsidies and Contributions (operating purpose)	1,491,910	1,855,096	1,984,603	2,038,287
Investment Receipts	797,014	540,175	550,760	569,922
Reimbursements	335,009	435,090	445,280	457,304
Other Revenue	383,119	452,327	457,440	469,787
Payments				
Payments to Employees	(12,612,669)	(13,098,946)	(13,479,757)	(13,869,476)
Payments for Materials, Contracts and Other Expenses	(18,730,508)	(18,705,082)	(19,221,156)	(19,894,766)
Finance Payments	(788,100)	(958,518)	(927,663)	(798,387)
Net Cash provided (or used in) Operating Activities	**14,038,390**	**10,818,187**	**11,238,153**	**11,617,917**
Cash Flows from Investing Activities				
Receipts				
Amounts Received Specifically for New/ Upgraded Assets	1,804,516	915,087	800,913	800,902
Grants utilised for capital purposes	592,005	497,264	510,699	524,496
Sale of Replaced Assets	-	-	-	-
Sale of Real Estate Developments	-	-	-	-
Repayments of Loans by Community Groups	105,351	110,514	95,787	100,362
Payments				
Expenditure on Renewal/Replacement of Assets	(3,837,487)	(4,013,301)	(4,145,833)	(4,279,667)
Expenditure on New/Upgraded Assets	(23,670,513)	(7,568,730)	(7,791,791)	(8,024,544)
Development of Real Estate for Sale	-	-	-	-
Loans Made to Community Groups	-	-	-	-
Net Cash provided (or used in) Investing Activities	**(25,006,128)**	**(10,059,165)**	**(10,530,227)**	**(10,878,451)**

2030/31 $	2031/32 $	2032/33 $	2033/34 $	2034/35 $	2035/36 $
37,174,937	38,095,479	39,038,938	40,005,884	40,996,904	42,297,147
934,896	957,737	985,003	1,011,586	1,038,889	1,066,930
5,616,191	5,951,969	6,127,671	6,293,045	6,462,895	6,637,342
2,093,416	2,143,525	2,205,844	2,265,455	2,326,679	2,389,560
590,716	611,736	636,655	662,470	689,930	718,877
469,653	481,127	494,824	508,179	521,894	535,981
482,466	493,470	508,330	522,042	536,126	550,592
(14,270,607)	(14,683,488)	(15,108,467)	(15,545,899)	(15,996,153)	(16,459,608)
(20,536,592)	(21,193,627)	(21,859,754)	(22,546,562)	(23,461,515)	(24,534,615)
(695,661)	(631,637)	(622,786)	(625,632)	(571,301)	(513,392)
11,859,414	**12,226,292**	**12,406,258**	**12,550,567**	**12,544,349**	**12,688,814**
800,891	800,000	800,000	800,000	800,000	800,000
538,667	552,610	567,530	582,853	598,590	614,752
-	-	-	-	-	-
-	-	-	-	-	-
105,173	110,234	96,172	100,881	105,841	86,307
(4,314,853)	(4,451,447)	(4,589,505)	(4,729,085)	(4,647,403)	(4,786,825)
(8,367,281)	(8,620,300)	(8,883,908)	(9,158,425)	(9,001,358)	(9,271,400)
-	-	-	-	-	-
-	-	-	-	-	-
(11,237,403)	**(11,608,903)**	**(12,009,711)**	**(12,403,776)**	**(12,144,329)**	**(12,557,166)**

continued on following page

Statement of Cash Flows (continued)

	2026/27 $	2027/28 $	2028/29 $	2029/30 $
Cash Flows from Financing Activities				
Receipts				
Proceeds from Borrowings	6,500,000	4,560,000	-	-
Proceeds from Aged Care Facility Deposits	-	-	-	-
Payments				
Repayments of Borrowings	(3,422,658)	(3,513,814)	(2,776,906)	(2,229,170)
Net Cash Flow provided (used in) Financing Activities	**3,077,342**	**1,046,186**	**(2,776,906)**	**(2,229,170)**
Net Increase/(Decrease) in Cash & Cash Equivalents	**(7,890,397)**	**1,805,208**	**(2,068,979)**	**(1,489,705)**
plus: Cash & Cash Equivalents - beginning of year	15,168,549	7,278,152	9,083,360	7,014,381
Cash & Cash Equivalents - end of the year	**7,278,152**	**9,083,360**	**7,014,381**	**5,524,676**
Investments - end of the year	-	-	-	-
Cash, Cash Equivalents & Investments - end of the year	**7,278,152**	**9,083,360**	**7,014,381**	**5,524,676**

Statement of Changes in Equity

	2026/27 $	2027/28 $	2028/29 $	2029/30 $
Opening Balance	**387,670,421**	**391,530,268**	**393,309,794**	**394,430,334**
Net Surplus / (Deficit) for Year	1,255,798	887,511	1,120,540	1,301,309
Other Comprehensive Income				
Gain (Loss) on Revaluation of I,PP&E	2,604,048	892,015	-	387,372
Other Comprehensive Income	**2,604,048**	**892,015**	**-**	**387,372**
Total Comprehensive Income	**3,859,847**	**1,779,527**	**1,120,540**	**1,688,682**
Transfers between Equity	-	-	-	-
Equity - Balance at end of the reporting period	**391,530,268**	**393,309,794**	**394,430,334**	**396,119,016**

2030/31 $	2031/32 $	2032/33 $	2033/34 $	2034/35 $	2035/36 $
-	-	1,600,000	-	-	-
-	-	-	-	-	-
(1,145,404)	(1,209,429)	(754,813)	(836,795)	(891,126)	(1,124,276)
(1,145,404)	**(1,209,429)**	**845,187**	**(836,795)**	**(891,126)**	**(1,124,276)**
(523,394)	**(592,040)**	**1,241,734**	**(690,003)**	**(491,106)**	**(992,628)**
5,524,676	5,001,282	4,409,242	5,650,976	4,960,973	4,469,867
5,001,282	**4,409,242**	**5,650,976**	**4,960,973**	**4,469,867**	**3,477,239**
-	-	-	-	-	-
5,001,282	**4,409,242**	**5,650,976**	**4,960,973**	**4,469,867**	**3,477,239**

2030/31 $	2031/32 $	2032/33 $	2033/34 $	2034/35 $	2035/36 $
396,119,016	399,932,075	402,398,142	403,873,367	405,720,357	408,857,619
1,321,926	1,506,629	1,475,225	1,403,123	823,632	916,395
2,491,134	959,438	-	443,867	2,313,631	886,375
2,491,134	**959,438**	**-**	**443,867**	**2,313,631**	**886,375**
3,813,059	**2,466,067**	**1,475,225**	**1,846,990**	**3,137,263**	**1,802,770**
-	-	-	-	-	-
399,932,075	**402,398,142**	**403,873,367**	**405,720,357**	**408,857,619**	**410,660,389**

APPENDIX H - ESCOSA REVIEW

OFFICIAL

ESSENTIAL SERVICES COMMISSION OF SOUTH AUSTRALIA

Advice

Local Government Advice

Copper Coast Council

February 2026

OFFICIAL

Enquiries concerning this advice should be addressed to:

Essential Services Commission
GPO Box 2605
Adelaide SA 5001

Telephone: (08) 8463 4444
Freecall: 1800 633 592 (SA and mobiles only)
E-mail: advice@escosa.sa.gov.au
Web: www.escosa.sa.gov.au

OFFICIAL

Copper Coast Council
AT A GLANCE

OVERVIEW

The Essential Services Commission finds Copper Coast Council's current financial performance **sustainable,** noting the Council's high cash balances (of $19.5 million on 30 June 2025), low levels of debt, and it having achieved nine surpluses in the 10 years to 2023-24. Its projected financial performance is **mostly sustainable,** taking into account the Council is forecasting operating surpluses in each year of its forecast. However, these surpluses assume that costs will grow at a rate lower than previously achieved, without explaining how this this will be achieved. Additionally, the high historical and forecast levels of expenditure on new and upgraded assets, combined with underspending on asset renewal and replacement, are creating future liabilities that will increase asset renewal and replacement costs for the community.

FINANCIAL PERFORMANCE

Past 10 years
Sustainable

Current
Sustainable

Projected
Mostly Sustainable

RISKS IMPACTING SUSTAINABILITY

- The Council has forecast lower than historical rates of growth of costs, without showing how that improvement in efficiency will be achieved, while also improving its asset renewal and replacement performance. If the Council does not achieve these outcomes, operating surpluses will be affected.
- Not prioritising the renewal of its assets, which may increase asset sustainability risks or result in lower service levels to its community.
- Rates are forecast to increase at greater than CPI over the Forecast Period, which might impact affordability.

KEY FACTS

- Population in 2024 was **16,299** residents
- The Council covers **772.9 square kilometres**
- **12,332** rateable properties in 2023-24
- **$45.2 million** of income in 2024-25
- Value of infrastructure, property, plant and equipment assets held in 2024-25 equals **$381.0 million**

The Essential Services Commission is an independent statutory authority with functions in a range of essential services including water, sewerage, electricity, gas, rail and maritime services, and also has a general advisory function on economic matters. For more information, please visit www.escosa.sa.gov.au.

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1 Executive summary

1.1 Summary of observations

The Essential Services Commission (Commission) finds the Copper Coast Council's (Council) historical and current financial performance sustainable and projected financial performance mostly sustainable. Over the Historical Period, the Council achieved operating surpluses in all years except one, although it did not fully fund its asset renewal and replacement program relative to its Asset Management Plans.

Over the Forecast Period, the Council forecasts operating surpluses in each year, however, these surpluses assume that the Council will constrain its growth in total expenses at a rate lower than previously achieved, without explaining how that will be delivered.

If the Council is unable to contain growth in costs as forecast, then forecast operating surpluses will be affected and its ratepayers risk further rate increases or greater levels of debt.

The Council's strategic planning processes appear well developed. The Commission notes the Council's good practice of consulting with its stakeholders and the community on its Strategic Management Plans, service levels, and expenditure levels.

While the Council has sound strategic planning practices, some refinements are recommended for the Council's consideration. The Council has advised the Commission that several new and proposed land divisions are under way in the area that will require some Council investment in new infrastructure. Both historically and forecast, the Council spends materially more on new and upgraded assets than on renewal and replacement of existing assets. That expenditure in part can be attributed to the servicing of new land divisions and to the upgrade of some assets such as roads that result in forgone renewal expenditure. The Council has expressed its intention to fully fund its asset renewal and replacement program relative to requirements set out in its Asset Management Plans. It is important that the Council achieve that outcome, ensuring that the Asset Management Plans are comprehensive and current.

The Council has maintained financial sustainability largely through increases in rates greater than the Consumer Price Index, that have also been used to fund the Council's infrastructure expansion, repay borrowings and maintain high cash balances.

Over the Historical Period, the Council chose to allocate 72.2 percent (a cumulative $90.3 million) of its capital expenditure to new and upgraded assets, while under-funding asset renewal and replacement relative to the Infrastructure Asset Management Plan, creating a potential financial burden for future ratepayers. In its 2025-26 Long-Term Financial Plan, the Council is forecasting expenditure of a cumulative $131.7 million on total capital expenditure, of which 67.5 percent ($88.9 million) is for new and upgraded assets, further expanding its asset base and potentially exacerbating the problem of future liabilities.

In recent years, the Council has maintained low debt and strong cash reserves. In the Commission's view, the Council should review the planned pace of repayment of debt, having regard to the need to fully fund asset renewal and replacement against needs identified in the Infrastructure Asset Management Plan and also optimising the rates growth and interest burden on ratepayers.

The Copper Coast is experiencing higher population growth, compared to the broader Yorke Peninsula and Mid North regions, which are forecast to grow at only 0.75 percent annually.[1] The Council's population growth is forecast to reach 30,000 residents in 2055.

[1] Copper Coast Council, Growth Strategy, Fact Sheet, p. 1.

The Council's cost base is expected to rise in the short-term, driven by further growth projections, with the Council forecasting an annual average growth in the number of rateable properties of 1.7 percent from 2025-26 to 2034-35.

1.2 Summary of recommendations

The Council has a range of sound practices in its strategic planning and asset management, including annually updating and developing its strategic management plans in consultation with its stakeholders and community.

To strengthen the Council's sustainability, the Commission recommends that the Council:

1. **Identify** all underlying assumptions affecting revenue and cost estimates in its Long-Term Financial Plan, to improve transparency for ratepayers.
2. **Disclose** cost savings targets or productivity improvements in future long-term financial plans and annual business plans (as appropriate), to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery. In particular, review the growth in FTEs, noting the contribution of employee costs to rates growth in excess of CPI.
3. **Review** the planned pace of repayment of debt, having regard to the need to fully fund asset renewal and replacement against needs identified in the Infrastructure and Asset Management Plan also optimising the rates growth and interest burden on ratepayers.
4. **Reduce** the level of cash holdings through lower rates unless it is required to fund newly identified capital projects or to bring forward expenditure on the renewal and replacement of assets.
5. **Review** its depreciation assumptions and the underlying valuations and useful life data to ensure that depreciation accurately reflects all depreciable assets, the rate of asset consumption and ensure that asset renewal and replacement is fully funded.
6. **Review** its pace of development of new and upgraded assets, having regard to rates affordability, the affordability of the stream of future liabilities created by new and upgraded assets and the need to prioritise and fully fund asset renewal and replacement.
7. **Index** asset values annually.
8. **Finish** updating all Asset Management Plans and review the Infrastructure and Asset Management Plan renewal expenditure forecast in the Long-Term Financial Plan.
9. **Minimise** further average rate increases above inflation, to help reduce any emerging affordability risk in the community.
10. **Consult** with ratepayers about proposed rate increases and planned expenditure on new and upgraded assets.

2 About the advice

2.1 Background

The State Parliament has tasked the Commission, South Australia's independent economic regulator and advisory body, to provide advice on material changes proposed by local councils in relation to elements of their Strategic Management Plans **(SMP)**, and on the proposed revenue sources, including rates, which underpin those plans.[2]

A primary purpose of the Local Government Advice Scheme **(Advice** or **the Scheme)** is to support councils to make financially sustainable strategic decisions in their annual business plans and budgets, in the context of their Long-Term Financial Plans **(LTFP)** and Infrastructure and Asset Management Plans **(IAMP).**[3] IAMPs are commonly referred to as Asset Management Plans **(AMP)**. The LTFP and the IAMP are both required as part of a council's SMP.[4] Financial sustainability encompasses intergenerational equity,[5] program (service level) and rates stability in this context.[6] The other main purpose is for the Commission to consider ratepayer contributions in the context of all revenue sources, as outlined in the LTFP.[7] In addition, the Commission has discretion to provide advice on any other aspect of a council's LTFP or IAMP it considers appropriate, having regard to the circumstances of that council.[8]

The first cycle of the scheme extends over four years from 2022-23 to 2025-26. The Commission has selected 19 councils for advice in the fourth year (2025-26) of the Scheme, including the Copper Coast Council.

This report provides the Local Government Advice for the Council in 2025-26.

The Council is obliged under the *Local Government Act 1999* **(LG Act)** to publish this advice and its response, if applicable, in its 2026-27 Annual Business Plan (including any draft Annual Business Plan) and in subsequent plans until the next cycle of the Scheme.[9] Decision-making remains in the control of the Council.

The Commission thanks the Council for meeting with Commission staff and for providing information to assist the Commission in preparing this advice.

2.2 The Commission's approach

In providing its Advice for the Council, the Commission has followed the approach set out in the Framework and Approach – Final Report **(F&A)**.[10]

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2 Amendments to the LG Act (s122(1c) to (1k) and (9)) specify the responsibilities for the Commission and local councils for the Local Government Scheme Advice. The Commission must provide advice to each council in accordance with the matters outlined in s122(1e), (1f) and (1g).

3 Commonly referred to as Asset Management Plans **(AMP).**

4 The objectives of the advice with reference to a council's LTFP and IAMP are presented under LG Act, s122(1g). LG Act s122(1) specifies the requirements of a council's SMP, including the LTFP and IAMP.

5 'Intergenerational equity' relates to fairly sharing services and the revenue generated to fund the services between current and future ratepayers.

6 Commission, *Framework and Approach – Final Report*, August 2022, pp. 2-3, available at www.escosa.sa.gov.au/advice/advice-to-local-government.

7 LG Act s122(1f)(a) and (1g)(a)(ii).

8 LG Act s122(1f)(b) and (1g)(b).

9 LG Act s122(1h).

10 Commission, *Framework and Approach – Final Report*, August 2022, available at www.escosa.sa.gov.au/advice/advice-to-local-government.

The Commission has considered the Council's SMP documents and other documents (set out in the box below), with a particular focus on its performance and outlook against three financial indicators: the Operating Surplus Ratio **(OSR)**, the Net Financial Liabilities Ratio **(NFLR)** and the Asset Renewal Funding Ratio **(ARFR).**[11] Analysis of these three indicators captures financial and service sustainability, cost control and affordability risk.[12]

The Commission reviews 10 years of historical data, being the years 2014-15 to 2023-24 (**Historical Period**), the 'current year' 2024-25, and 10 forecast years, being 2025-26 to 2034-35 (**Forecast Period**).

Table 1: Strategic management documents reviewed and referenced

- Copper Coast Council, Annual Report 2022-23 (November 2023)
- Copper Coast Council, Annual Report 2023-24 (October 2024)
- Copper Coast Council, Long Term Financial Plan 2024-25 to 2033-34 (July 2024)
- Copper Coast Council, Annual Business Plan 2024-25 (July 2024)
- Copper Coast Council, Long Term Financial and Annual Business Plan 2025 - 2035 (July 2025)
- Copper Coast Council, Strategic Asset Management Plan 2025-2035 (March 2025)
- Copper Coast Council, Strategic Plan 2025-2035 (June 2025)
- Copper Coast Council, Growth Strategy, Fact Sheet and Key Information

Given that the Commission must, in providing its advice, have regard to the objective of councils maintaining and implementing their IAMPs and LTFPs,[13] it has also considered the Council's performance in that context. Findings regarding the content of the Council's AMPs, and the alignment between its LTFP and AMPs,[14] are discussed in Section 5.

The Commission has also reviewed the financial template provided by the Council, including its 2025-26 LTFP forecasts for 2025-26 to 2034-35, historical financial data, the number of rateable properties and Council staff (Full Time Equivalent or **FTE**) numbers from 2014-15 onwards.[15] The charts and tables in the Advice are primarily sourced from these datasets. In addition, the Commission has reviewed the Council's audit committee reports, and other public information, as appropriate.

The Commission has reported estimates in nominal terms to identify 'real' rather than 'inflationary' effects. In the charts, the Consumer Price Index (**CPI**) line for the Historical Period is calculated as the compound annual growth rate in the CPI (Adelaide) series from 2014-15 to 2023-24, being 2.9 percent[16]. Each financial year is the average of the four quarterly results. The CPI for the Forecast Period is calculated as the compound annual growth rate in the CPI (Australia) series from 2025-26 based on the Reserve Bank of Australia (RBA) (Australia-wide) inflation forecasts to the December 2027

[11] The three financial indicators are specified in the Local Government (Financial Management) Regulations 2011. Since 2011, each council has been required to include these three indicators in its plans, annual budget, mid-year budget review and annual financial statements. Councils can adopt their own target range for each ratio, but the Commission is guided by the Local Government Association **(LGA)** target ranges, which were established and agreed during the development of the LGA Financial Sustainability Papers (2006-2011).

[12] The F&A listed 29 analytical questions that the Commission has considered in assessing the Council's performance against these indicators to determine affordability, cost control and other sustainability risks.

[13] LG Act s122(1g)(a)(i).

[14] As required under s122(1b) of the LG Act.

[15] The Council's estimates for the 2024-25 financial year were unaudited at the time of preparing this advice.

[16] The assumed CPI for the Historical Period is 2.9 percent, being the compound annual growth rate in the CPI (Adelaide) series from 2014-15 to 2023-24. Source: Consumer Price Index, Australia, June Quarter 2024 | Australian Bureau of Statistics.

quarter, and the midpoint of the RBA target range (2.5 percent) thereafter, yielding an average inflation rate for the Forecast Period of 2.5 percent. Similarly, for the current year 2024-25, we have observed a CPI (Adelaide) of 2.4 percent.

Finally, in formulating this Advice, the Commission has had regard to all discussions and engagement with the Council, including the face-to-face onsite meeting at the Council offices and the individual circumstances of the Council, including:

- its location as a rural agricultural large and very large Council
- its income level ($45.2 million in 2024-25[17]), and
- the size of its rates base (around 13,003 ratepayers in 2024-25[18]).

Throughout this Advice, the Commission has identified several key points and assigned the following risk category to those points:

Legend: Low-risk Moderate-risk High-risk

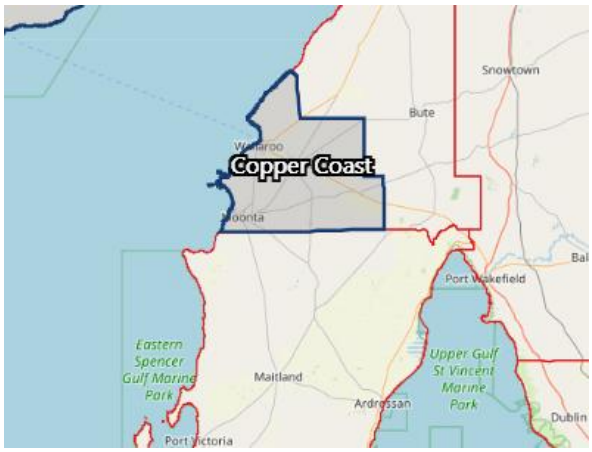
[17] Based on the Council's financial reporting template provided to the Commission.
[18] Based on the Council's financial reporting template provided to the Commission.

3 Council profile

The Council is classified by the Commission as a 'Rural Agricultural Large and Very Large' council and is one of 19 in this category in South Australia.[19] It covers an area of 772.9 square kilometres, has an estimated resident population of 16,299 (at 30 June 2024),[20] and approximately 12,332 rateable properties (at 1 January 2025).[21]

The Council is in the northern end of the Yorke Peninsula region of South Australia.

Figure 1: Council Area



The Council region has the following attributes:

- Stable rateable property growth of 0.7 percent per annum[22]
- population density of 21.1 persons per square kilometre[23]
- 910 kilometres of sealed and unsealed roads, of which 67.0 percent are unsealed roads[24]
- employment sectors mainly in Health care and social assistance (17.4 percent), Retail trade (11.4 percent) and Construction (8.7 percent) etc,[25] and
- a median population age of 54.8 years.[26]

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19 Commission, *Fact Sheet - Local Government Advice Scheme – Schedule of Councils*, May 2023, available at https://www.escosa.sa.gov.au/ArticleDocuments/21947/20240731-Advice-ScheduleOfCouncils-FactSheet.pdf.aspx?Embed=Y.

20 Refer to Australian Bureau of Statistics, *Data by region*, available at https://dbr.abs.gov.au/region.html?lyr=lga&rgn=41560.

21 Based on the Council's Financial Reporting template provided to the Commission.

22 Based on the Council's Financial Reporting template provided to the Commission.

23 Refer to Australian Bureau of Statistics, *Data by region*, available at https://dbr.abs.gov.au/region.html?lyr=lga&rgn=41560.

24 Refer to the Department of Infrastructure and Transport - Local Government Grants Commission, *2022-23 Database Reports*, available at: https://www.dit.sa.gov.au/local-government/grants-commission/publications#database.

25 Refer to Australian Bureau of Statistics, *Data by region*, available at https://dbr.abs.gov.au/region.html?lyr=lga&rgn=41560.

26 Refer to Australian Bureau of Statistics, *Data by region*, available at https://dbr.abs.gov.au/region.html?lyr=lga&rgn=41560.

4 Material plan amendments in 2025-26

The Council has made various amendments to its 2024-25 budget and forward projections, partly for inflation and partly for other revenue and spending initiatives. The material amendments to some of its main financial forecasts are listed in Table 2 below (in nominal terms).[27] To ensure a comparable analysis of estimates between the 2024-25 and 2025-26 LTFPs, the Commission has reviewed the nine overlapping years' statistics: 2025-26 to 2033-34 and identified material amendments accordingly.

4.1 Key points

- Good practice of annually updating and developing its strategic management plans in consultation with its stakeholders and community.
- The Council's 10-year forecast for rate revenue is primarily based on annual increases aligned with the Local Government Construction Index (LGCI), leading to growth in historical and forecast rates materially higher than CPI. However, the Council's latest LTFP used a higher LGCI rate than its previous LTFP, causing its planned rates charges to increase further.

Table 2: Historical and forecast financial items

Selected Financial Item	Sum of 2025-26 to 2033-34 estimates in 2024-25 LTFP ($ million)	Sum of 2025-26 to 2033-34 estimates in 2025-26 LTFP ($ million)	Change in 2025-26 estimates ($ million)	Change in 2025-26 estimates (percent)
Rates income	305,933	327,729	21,796	7.1
User charges	43,790	46,633	2,843	6.5
Grants, subsidies and contributions	22,454	26,648	4,194	18.7
Total operating income	391,859	420,807	28,948	7.4
Employee costs	107,118	117,949	10,831	10.1
Total operating expenses	391,424	412,251	20,827	5.3
Operating surplus / (deficit)	0.4	8.6	8.1	1,866.9

4.2 Changes to operating performance

The Council's updated LTFP projects a significantly higher operating surplus, driven by higher revenue forecasts (mainly from rates) and despite an increase in forecast expenses, surpluses remain modest.

[27] Table 2 shows only selected financial items to demonstrate the material amendments made by the Council in its 2024-25 estimates. It excludes various financial items, and individual items do not sum to totals.

4.2.1 Income forecast

- Over the nine-year comparative period to 2033-34, cumulative operating performance is forecast to improve by $8.1 million relative to the previous LTFP, with a 7.4 percent ($28.9 million) increase in projected operating income, primarily from higher rates.
- The Council's 10-year rate revenue forecast is indexed to the LGCI, which has been revised upward from the previous year.
- Additional revenue adjustments include a 6.5 percent increase in user charges (notably from caravan parks) and an 18.7 percent increase in grants, subsidies, and contributions.

4.2.2 Expense forecast

- Operating expenses are also forecast to rise by 5.3 percent ($20.8 million) relative to the previous LTFP, driven by a cumulative $11.3 million (6.4 percent) increase in 'Materials, contracts and other' expenses and a $10.8 million (10.1 percent) increase in employee costs.
- Notably, depreciation expenses are projected to decrease by $1.4 million (1.3 percent) over the same period.[28] The Council's depreciation expenses are discussed further in Sections 5.

The Council's historical and projected operating performance are discussed further in sections 5.1 and 5.3.

4.3 Indexation adjustments

The Council's use of the LGCI for rate indexation results in higher-than-CPI forecasts, supporting capital expenditure but requiring clearer assumptions and community consultation. It is likely to adversely impact rates affordability over time. This is discussed in more detail in section 6.

- In its 2024-25 and 2025-26 LTFPs, the Council aligned rate increases with the Local Government Construction Index (LGCI),[29] [30]arguing this better reflects infrastructure and maintenance cost pressures.
- The 2025-26 LGCI forecast is notably higher than the previous year's (see Table 3) and significantly exceeds the Reserve Bank of Australia's CPI forecast of 2.5 percent for 2025-26 to 2034-35.

Table 3: Indexation Adjustments

Local Government Construction Index	2024-25 LTFP	2025-26 LTFP
2025-26	3.0%	4.9%
2026-27	3.0%	4.5%
2027-28	2.5%	4.0%
2028-29 onwards	2.5%	3.5%

[28] Table 2 shows only selected financial items to demonstrate the material amendments made by the Council in its 2024-25 estimates. It excludes various financial items, and individual items do not sum to totals.
[29] Copper Coast Council, Long-Term Financial and Annual Business Plan 2025 - 2035, p. 18.
[30] Copper Coast Council, Long-Term Financial and Annual Business Plan 2024 -2034, p. 8.

While the Council considers rateable property growth and community consultation in its planning, the Commission notes that assumptions applied to cost and revenue indexation are not fully transparent. For example, it is unclear which operating expenses are adjusted for CPI and which for LGCI.

The Commission supports the Council's practice of annually reviewing its indexation assumptions and encourages continued refinement and clarity in future plans.

The Commission recommends that the Council:

1. **Identify** all underlying assumptions affecting revenue and cost estimates in its LTFP, to improve transparency for ratepayers.

5 Financial sustainability

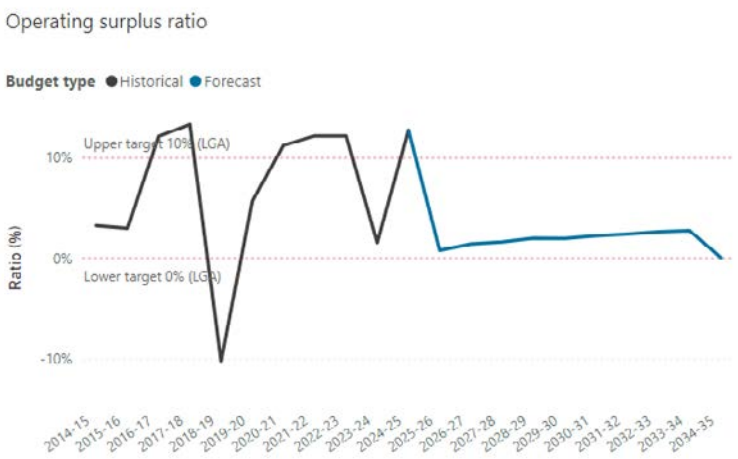
5.1 Operating performance

5.1.1 Key points

- The Council recorded nine surpluses in the 10 years to 2023-24.
- Over the Historical Period and the Forecast Period, the Council's rate revenue grew at rates materially higher than CPI.
- The Commission questions the accuracy of the Council's historical and forecast depreciation expense.
- The Council forecasts lower average cost growth than it has achieved over the past 10 years. If the Council cannot constrain its cost growth as forecast, the Council may need to increase rates further to achieve operating surpluses or accept a higher level of debt, noting the heavy expenditure on new and upgraded assets.

5.1.2 Operating Surplus Ratio

Figure 2: Operating surplus ratio – historical and forecast



The Council recorded operating surpluses in nine of the 10 years of the Historical Period, however, did so while under-funding its asset renewal and replacement as required by its AMPs. Further, the Commission has some doubt over the accuracy of the Council's depreciation charges. These matters are discussed further in section 5.3.

Over the Historical Period, the Council's OSRs were above the upper end of the target range (zero to 10 percent) in five of the 10 years.

- The Council's average OSR was 6.9 percent, within the Local Government Association of South Australia (LGA target range of zero to 10 percent) (Figure 2).
- The Council's operating surpluses ranged from $0.6 million to $4.9 million.

- Income grew by an annual average of 4.9 percent, while expenses grew by 5.1 percent, both outpacing historical CPI.
- Rateable property growth averaged 0.7 percent per year.

Over the Forecast Period, the Council projects:

- rates revenue growth of 3.7 percent per annum, exceeding projected long-term inflation (2.5 percent), indicating a real increase
- average annual growth in the number of rateable properties of 1.7 percent, which results in the rates per property growing at only 2.0 percent per annum (average), which is below inflation, and
- forecasts show modest surpluses in each of the 10 years, with an average OSR of 1.8 percent.

5.1.3 Income

The Council's income is primarily driven by rates, which increased at almost twice the rate of inflation over the Historical Period and are forecast to continue increasing above CPI, albeit at a slower pace than historically.

5.1.3.1 Over the Historical Period:

- total income grew at an average (CAGR) of 4.9 percent per annum, and
- the rates component of income grew at an annual average of 5.5 percent.

5.1.3.2 Over the Forecast Period:

- total income is projected to increase at an annual average (CAGR) of 3.0 percent, and
- rates revenue per property is planned to increase at an annual average of 2.0 percent.

5.1.4 Expenditure

The Council's operating expenses grew at an average (CAGR) of 5.1 percent over the Historical Period, compared with CPI of 2.9 percent for the period, driven primarily by 'materials contracts and other' costs. The Council forecasts a lower annual average expense growth of 3.1 percent over the Forecast Period. The Commission questions the Council's capacity to constrain its growth in expenses, noting the need for it to fund infrastructure for new land divisions, the need to start fully funding asset renewals, and also noting that no strategy to constrain costs is articulated in the LTFP.

5.1.4.1 Over the Historical Period:

- Expenses per rateable property (see Figure 3) increased by 4.4 percent, exceeding CPI of 2.9 percent.
- Depreciation as a share of total expenses decreased from 32.0 percent in 2014-15 to 28.4 percent in 2024-25 but remains above the typical 20 - 25 percent range seen in other South Australian councils, suggesting possible overstatement of the depreciation expense and understatement of the operating surplus ratio.

5.1.4.2 Over the Forecast Period:

- Employee costs are forecast to rise by 3.2 percent per annum with employee numbers increasing from 100 in 2024-25 to 129 in 2034-35.

- Depreciation is forecast to increase by an annual average of only 1.3 percent, which appears inconsistent (noting the historical level of capital expenditure and depreciation) with the level of forecast capital expenditure.
    - $90.2 million (4.2 percent average annual increase) spent on new and upgraded assets over the past decade and a further $88.9 million forecast over the Forecast Period.
    - Historical growth in value of property, plant and equipment of 4.0 percent.

These inconsistencies will be discussed further in section 5.3.

Additionally, the Council does not index asset values between revaluations, which may further affect depreciation accuracy.

Figure 3: Expense by rated property– historical and forecast

The Council's expense projections suggest improved cost control compared to historical trends, but recent spikes in spending raise questions about future financial sustainability and potential pressure on ratepayers. The forecast rate of growth in expenses per property is less than historical levels, raising a question about how the Council will contain costs to the forecast levels.

- The Council forecasts 1.7 percent annual growth in the number of rateable properties, which will spread costs across more ratepayers.
- Total operating expenses per property increased by 4.4 percent per annum historically and are forecast to grow by only 1.4 percent per annum (see Figure 3).
- If cost projections are met, total expense growth will slightly exceed inflation and per property expense growth will be significantly below forecast inflation.

However, the Council's latest LTFP 2025-2035 shows:

- 6.5 percent growth in operating expenses from 2020-21 to 2022-23.
- A further 8.6 percent increase in 2023-24 compared to the prior year.

The Council has maintained financial sustainability largely through higher rates.

If high expense growth continues, ratepayers may face unexpected rate increases or increased debt levels, posing a risk to long-term rates affordability and financial sustainability.

5.1.5 Commission's recommendations on operating performance

The Commission has observed the Council's current good practice of regularly updating its strategic planning documents, including statement of underlying assumptions. However, in reviewing the Council's LTFP and ABP (applicable from 2025-26 and onwards), the Commission found little evidence of cost savings or productivity targets that would assist the Council to reduce its cost growth and exposure to inflationary pressures. A focus on savings and productivity targets would also assist the Council to minimise rates increases for its community or avoid a reduction in service levels.

The Commission recommends that the Council:

2. **Disclose** cost savings targets or productivity improvements in future long-term financial plans and annual business plans (as appropriate), to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery. In particular, review the growth in FTEs, noting the contribution of employee costs to rates growth in excess of CPI.

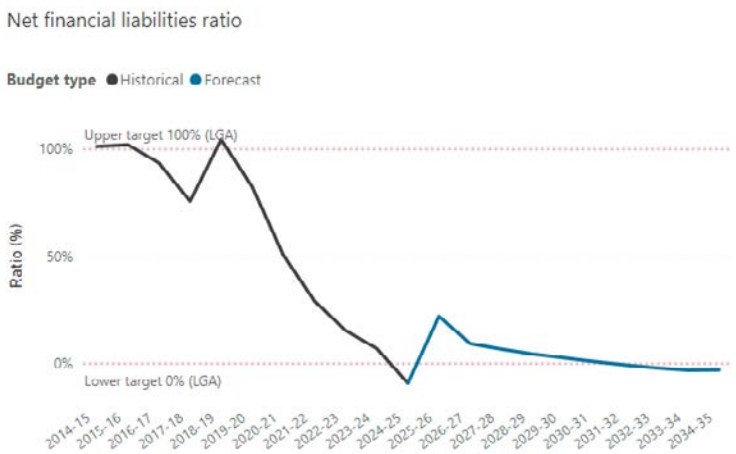
5.2 Net financial liabilities

5.2.1 Key points

- ✓ The Council's NFLR averaged 66.1 percent over the Historical Period and is forecast to average 3.2 percent for the Forecast Period.
- ⚠ The Council's forecast suggests that it is planning to reduce its levels of borrowings from $18.4 million in 2025-26 to $4.8 million in 2034-35, while at the same time underspending on its asset renewals and increasing rates at higher than forecast CPI.

5.2.2 Net financial liabilities ratio

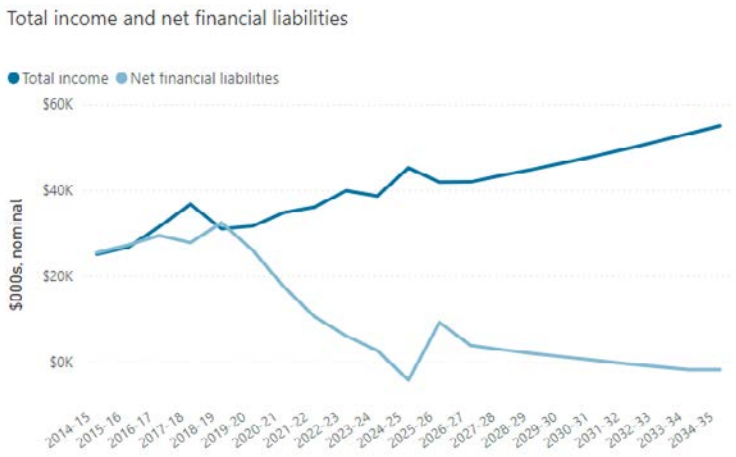
Figure 4: Net financial liabilities ratio – historical and forecast



The Council's NFLR has remained within a manageable range historically and is forecast to decline steadily, indicating improving financial capacity and reduced reliance on borrowings. Refer Figure 4.

- Over the Historical Period, the Council's NFLR ranged from 104.4 percent to 7.0 percent, averaging 66.1 percent, a level that suggests financial liabilities have remained within the Council's capacity to service through operating income.
- The forecast NFLR peaks at 22.0 percent in 2025-26, then trends downward due to decreasing borrowings and increasing cash, reaching negative 3.1 percent by 2034-35.
- This downward trend reflects a strengthening financial position, with the Council projected to hold more financial assets than financial liabilities by the end of the Forecast Period, however, that will depend upon cost constraint and rate increases.
- Figure 5 shows that the Council's net financial liabilities are forecast to decline steadily to 2034-35, while total income trends upward, indicating strong financial capacity.

Figure 5: Total income and net financial liabilities – historical and forecast



5.2.3 Cash and debt management

The Council forecasts that it will reduce its debt significantly over the next decade – see Figure 5. The Commission queries whether the pace of debt repayment in later years may be too aggressive, in particular, having regard to the potential under-funding of asset renewal and replacement relative to needs that could be identified in the Council's AMPs and also the growth in rates above CPI.

Meanwhile, cash balances remain high.

Table 4: Cash and borrowings balances – historical and forecast

	Historical average balance	Forecast average balance
Cash	$9.6 million	$11.1 million
Borrowings	$30.6 million	$9.0million

The Council's reasons for accumulating such high cash balances are not evident.

A further issue is the Council's approach to cash and debt balances.

In the Commission's view, the Council could benefit from:

- reviewing its approach to holding cash and debt balances to improve financial efficiency
- reviewing the proposed pace of its debt repayment, having regard to the importance of fully funding its asset renewal and replacement relative to needs identified in its IAMP and/or reducing the growth in rates, noting the importance of balancing net finance costs against rate revenue and having regard to intergenerational equity, and
- reviewing the extent of accumulation of cash balances, in particular noting the growth in rates above CPI.

See section 5.3 for discussion of funding of asset renewals.

5.2.4 The Commission's recommendations on financial liabilities

The Commission recommends that the Council:

3. **Review** the planned pace of repayment of debt, having regard to the need to fully fund asset renewal and replacement against needs identified in the IAMP and to optimise the rates growth and interest burden on ratepayers.
4. **Reduce** the level of cash holdings through lower rates unless it is required to fund newly identified capital projects or to bring forward expenditure on the renewal and replacement of assets.

5.3 Asset renewals expenditure

5.3.1 Key points

- Over the Historical Period, the Council's ARFR averaged 59.1 percent, indicating that the Council's asset renewal and replacement requirements may not be sufficiently funded (or aligned to its AMP).
- The Council's renewal capital expenditure has consistently fallen short of depreciation, and the gap is projected to widen, which suggests underinvestment in asset renewals and raises questions about the accuracy of depreciation estimates.
- The Council attributes some of its expenditure on new and upgraded assets to infrastructure required to service new land divisions and population growth and some to the upgrade of assets that result in forgone renewal costs.
- Despite significant forecast capital expenditure, Council's asset stock per rateable property is expected to grow only marginally, raising questions about the accuracy of asset valuation and future ratepayer burden.

The Council has established a structured and strategic approach to asset management, supported by updated plans, regular assessments, and lifecycle planning, though it does not index asset values between revaluations.

- The Council manages its assets through both individual AMPs and a Strategic Asset Management Plan (SAMP).
- The SAMP, adopted in March 2025, sets the strategic framework for managing assets over the 2025-2035 period and aligns with the LTFP and broader strategic objectives.
- Individual AMPs exist for major asset classes—roads, buildings, stormwater infrastructure, and community facilities—and are currently being reviewed and updated following the adoption of the new SAMP.
- AMPs detail asset inventories and proposed capital works, with expenditure incorporated into the Council's LTFP.

Asset management practices include:

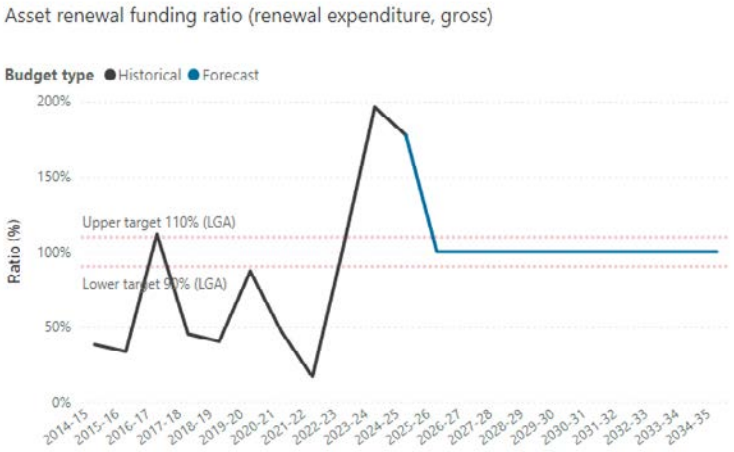
- regular condition assessments and lifecycle planning
- rotational revaluations, with recent updates for roads (2022), CWMS, stormwater, land, and buildings (2024), and upcoming updates for other assets (2025) and roads (2026)
- annual reviews of asset useful lives by the infrastructure team and external consultants (Tonkins), and
- the Council does not index asset values annually, which could cause its financial plans to be based on outdated figures, leading to underestimating the funds needed for asset renewal and replacement.

The Council's ARFR has been volatile and materially below the level at which asset renewals and replacements would be fully funded relative to needs set out in AMPs and depreciation charges. This suggests a potential backlog of asset renewals and increases the risk of service deterioration and increased maintenance costs. The practice of underfunding asset renewals and replacement continues through the Forecast Period.

While the Council has updated its SAMP, updates to the individual AMPs are still ongoing. This suggests that the Council may not yet have sufficiently accurate data to determine the appropriate level of expenditure necessary to maintain its asset portfolio.

- Figure 6 shows that over the 10-year Historical Period, the Council's gross ARFR averaged 59.1 percent, indicating that asset renewal and replacement requirements are not sufficiently funded relative to the requirements set out in its AMPs.

Figure 6: Asset renewal funding ratio (renewal expenditure gross) – historical and forecast



The Council's renewal capital expenditure has consistently fallen short of depreciation, and the gap is projected to widen. Refer to Figure 7.

- Over the Historical Period, depreciation expenses exceeded renewal capital expenditure by a cumulative $60.0 million.
- Over the Forecast Period, this gap is projected to widen by a further cumulative $73.6 million.

This trend may indicate:

- underspending on asset renewals and replacements
- prioritisation of new or upgraded assets
- understated asset lives, leading to overstated depreciation or other inaccuracies in depreciation, or
- a combination of these factors.

The widening gap suggests a need to reassess the Council's asset renewal strategy and depreciation assumptions, to ensure long-term asset sustainability and accurate financial reporting.

Further, the rates of growth of depreciation over the Historical Period (CAGR 4.2 percent) and the Forecast Period (CAGR 1.3 percent) do not seem to take account of the high expenditure on new and upgraded assets (cumulative $90.2 million over the Historical Period and cumulative $88.9 million over the Forecast Period).

Figure 7: Net asset renewal expenditure and depreciation – historical and forecast

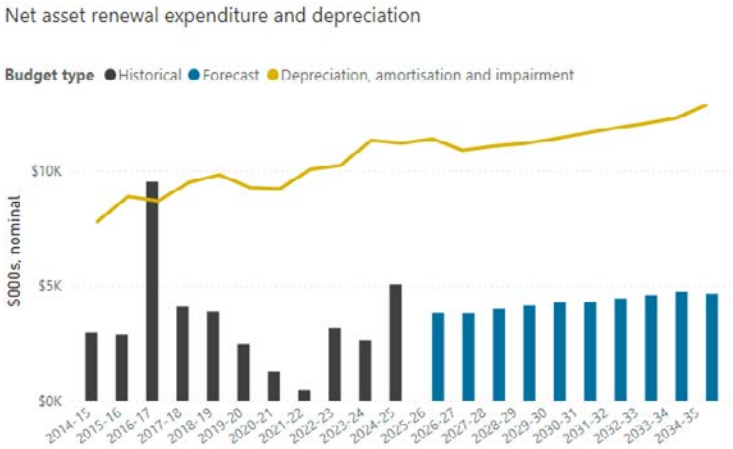


Figure 8: Total capital expenditure by category – historical and forecast

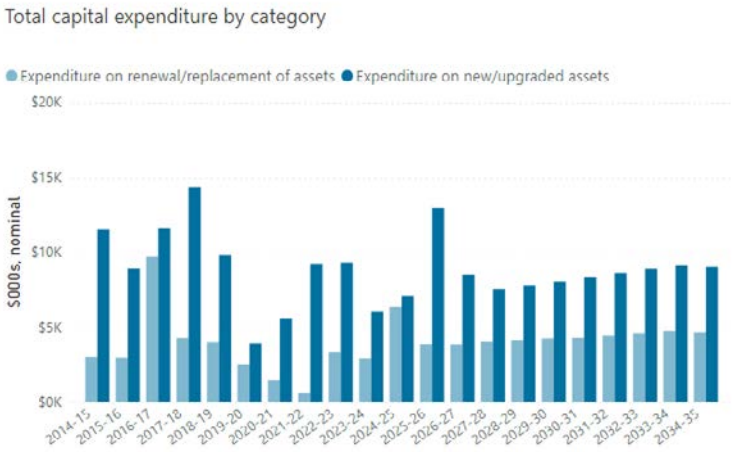


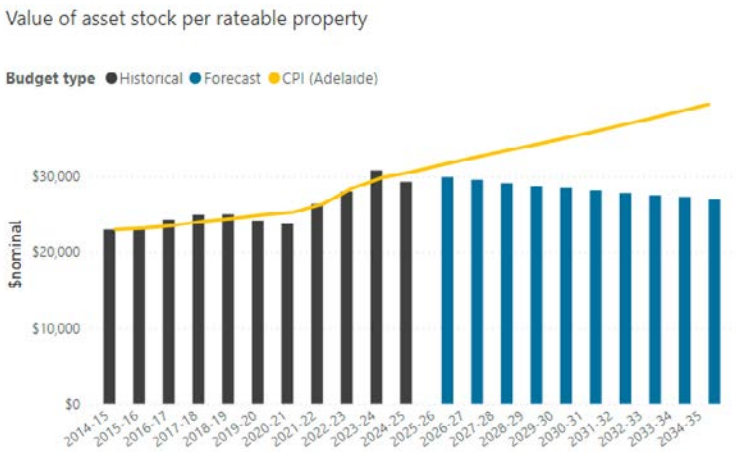
Figure 8 highlights the Council's historical and forecast imbalance between spending on asset renewal/replacement and new/upgraded assets.

Significant spending on new and upgraded assets while underspending on renewal and replacement of existing assets generates a risk that the future requirement for asset renewal and replacement grows to a level that is unsustainable for the community. The Council states in a growth strategy fact sheet that it is experiencing higher population growth, compared to the broader Yorke Peninsula and Mid North regions which are forecast to grow at only 0.75 percent annually.[31] [32] As a result, this risk is mitigated to the extent that expenditure on new assets relates to infrastructure required to service new

[31] Copper Coast Council, Growth Strategy, Fact Sheet, p. 1.
[32] The Council's Growth Strategy Fact sheet forecasts its population to increase from 15,000 to 30,000 by 2055.

land divisions that will result in additional ratepayers. These implications must be considered in light of affordability for ratepayers and Council's capacity to maintain its asset base.

Figure 9: Value of asset stock per rateable property – historical and forecast



Despite significant forecast capital expenditure, Council's asset stock per rateable property is forecast to grow only marginally, raising questions about the accuracy and comprehensiveness of asset valuations and future ratepayer burden.

- Figure 9 shows that from 2014-15 to 2023-24, Council's asset stock per rateable property increased by 3.3 percent, despite $90.2 million in capital expenditure on new and upgraded assets.
- From 2025-26 to 2034-35, Council forecasts spending a similar amount—$88.9 million—yet forecasts asset stock per rateable property to decrease by 1.1 percent.

The reason for this discrepancy is unclear, particularly given the likelihood of ongoing growth in asset values. If asset value assumptions remain low despite high capital investment, risks include the Council not having accurate data on asset renewal and replacement requirements and potential under-statement of depreciation forecasts, generating a risk that ratepayers will face unexpected rate increases to cover future funding gaps.

5.3.2 The Commission's recommendations on asset renewals expenditure

The Commission recommends that the Council:

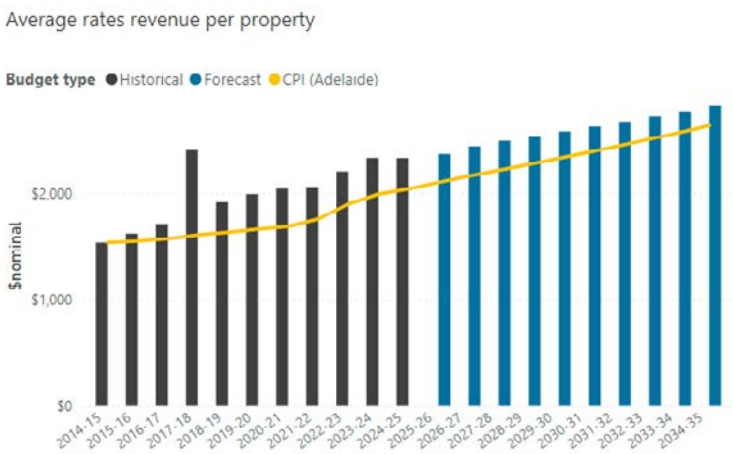
5. **Review** its depreciation assumptions and the underlying valuations and useful life data to ensure that depreciation accurately reflects all depreciable assets, the rate of asset consumption and ensure that asset renewal and replacement is fully funded.
6. **Review** its pace of development of new and upgraded assets, having regard to rates affordability, the affordability of the stream of future liabilities created by new and upgraded assets and the need to prioritise and fully fund asset renewal and replacement.
7. **Index** asset values annually.
8. **Finish** updating all AMPs and review the IAMP renewal expenditure forecast in the LTFP.

6 Advice on current and projected rate levels

6.1 Key points

- Growth in rate revenue per property averaged (CAGR) 4.8 percent or $88 per annum for each property over the Historical Period, which is 1.9 percentage points above average CPI.
- The Council projects average annual rate revenue increases of 3.7 percent over the Forecast Period, which exceeds the projected CPI. This figure could increase further if the Council exceeds its cost growth forecast. Council advised in its 2025 to 2035 LTFP that its rate increases above CPI are for sustainability and funding its capital works and asset renewal program.
- Affordability risk among the community for the further rate increases appears to be moderate on balance, when considering:
  - the current economic environment is putting pressure on many communities' financial capacity, including those in this Council area, and
  - 33.3 percent of the Council's population is aged over 65 years.

Figure 10: Average rates revenue per property – historical and forecast



The Council's rate revenue per property has grown faster than CPI but is projected to grow at a lower rate than forecast CPI.

- Figure 10 shows that over the Historical Period, rate revenue per property increased by an average of 4.8 percent annually—$88 per property per year—reaching an average $2,334 per property in 2023-24. This growth outpaced the average annual CPI increase of 2.9 percent.[33]
- The current rate levels reflect the Council's ongoing service delivery costs and growth in both operating and capital expenditure.

[33] Over the same period, the number of rateable properties grew by just 0.7 percent per annum.

- Key cost drivers—including employee expenses, materials, contracts, and depreciation—have all increased at rates above CPI.

6.2 Proposed rate increases for 2025-26

The Council's proposed 2025-26 rate increases exceed the previous LTFP and reflect its reliance on rate revenue to fund capital works. The Council applies differential general rates based on land use categories and regularly updates its rating structure to reflect changes in capital valuations. This approach helps maintain proportional contributions across categories.

- The Council has budgeted for an average rate increase of 5.5 percent across its differential rate categories and CWMS charge in 2025-26.[34] This is higher than the 3.5 percent annual average increase projected in its 2024-25 LTFP.
- The increase is based on the LGCI, plus 0.6 percent to support the capital works program.
- The Council assumes 1.7 percent growth in the number of rateable properties.

6.3 Projected further rate increases

The Council plans to increase rate revenue by an average of 3.7 percent annually to 2034–35, exceeding CPI and warranting community consultation on affordability and service expectations.

The Council has indexed rates against the LGCI, however, this approach results in rate revenue increases above forecast CPI. The Commission recommends that the Council continue to consult with its community on willingness to pay and the level of services and asset base that can be supported.

6.4 Affordability risk

Affordability risk among the community for these further rate increases appears to be moderate, on balance, when considering:

- the Council's relative average socio-economic indexes for areas (SEIFA) economic resources ranking[35]
- the current average residential rates which are high compared to similar councils without significant forecast increases above inflation for ratepayers
- the effect of cumulative increases in rates per existing ratepayer of approximately 3.7 percent per annum over the Forecast Period, which is above the forecast rate of inflation, and
- the Council's expanding asset base, which will increase asset renewal and replacement costs over the long term, increasing costs for ratepayers.

[34] Copper Coast Council, 2025-2036 Long-Term Financial and Annual Business Plan, p. 85.

[35] Copper Coast Council area is ranked 20 among 71 South Australian 'local government areas' (including Anangu Pitjantjatjara and Maralinga Tjarutja Aboriginal community areas and 'unincorporated SA') on the Australian Bureau of Statistics SEIFA Index of Economic Resources (2016), where a lower score (eg, 1) denotes relatively lower access to economic resources in general, compared with other areas, available at Socio-Economic Indexes for Areas (SEIFA), Australia, 2021 | Australian Bureau of Statistics.

6.4.1 The Commission's advice on affordability risk

The Commission recommends that the Council:

9. **Minimise** further average rate increases above inflation, to help reduce any emerging affordability risk in the community.
10. **Consult** with ratepayers about proposed rate increases and planned expenditure on new and upgraded assets.

7 The Commission's next advice and focus areas

In the next cycle of the scheme, the Commission will review and report upon the following:

- the Council's ongoing performance against its LTFP estimates and how it has incorporated updates to asset valuations and depreciation
- the identification and reporting of cost savings and operating efficiencies
- whether asset renewal and replacement are fully funded
- management of debt and cash
- updates to its asset management plans, and associated updates to its capital expenditure projections and asset condition assessments, and
- how the Council's expectations for growth have materialised.

8 Appendix: Glossary of terms

Term	Explanation
ABS	Australian Bureau of Statistics
AMP	Asset management plan (also called an IAMP)
ARFR	Asset Renewal Funding Ratio: renewal expenditure based (gross): Asset Renewal Expenditure / IAMP Renewal Expenditure (where IAMP expenditure includes sale of replaced assets) Asset Renewal Funding Ratio - renewal expenditure based (net) - if IAMP excludes sale of replaced assets: Asset Renewal Expenditure / IAMP Renewal Expenditure (where IAMP expenditure excludes sale of replaced assets) Asset Renewal Funding Ratio (depreciation based): Asset Renewal Expenditure / Depreciation (IAMP Renewal Expenditure is that required according to the IAMP.)
CAGR	Compound Annual Growth Rate: CAGR = $(V_{final} / V_{begin})^{1/t} - 1$ CAGR represents the mean annualized growth rate for compounding values over a given time period. CAGR smooths the effect of volatility of periodic values that can render arithmetic means less meaningful. (Source: Wikipedia)
Commission	Essential Services Commission, established under the *Essential Services Commission Act 2002*
CPI	Consumer Price Index (Adelaide, All Groups)
Council	Copper Coast Council
CWMS	Community Wastewater Management System
ESC Act	*Essential Services Commission Act 2002*
F&A	Local Government Advice: Framework and Approach – Final Report
FA Grants	Financial Assistance Grants (Commonwealth Government)
Forecast Period	10 years from 2025-26 to 2034-35
FTE	Full Time Equivalent
Historical Period	10 years 2014-15 to 2023-24
IAMP	Infrastructure and asset management plan (also called an AMP)
LG Act	*Local Government Act 1999*

Term	Explanation
LGA SA Financial Indicators Paper	Local Government Association of South Australia, Financial Sustainability Information Pa per 9 - Financial Indicators Revised May 2019
LGGC	Local Government Grants Commission
LGPI	Local Government Price Index
LTFP	Long-term financial plan
NFLR	Net Financial Liabilities Ratio Net Financial Liabilities are defined as: Total Liabilities LESS Current Assets (Cash and Cash Equivalents) LESS Current Assets (Trade and Other Receivables) LESS Current Assets (Other Financial Assets) LESS Non-Current Assets (Financial Assets - excluding equity accounted investments in council businesses) The net financial liabilities ratio is: Net financial liabilities ÷ Total Operating Income
OSR	Operating Surplus Ratio The Operating Surplus (Deficit) is defined as: Total Operating Income LESS Total Operating Expenses The Operating Surplus Ratio is defined as: Operating Surplus (Deficit) ÷ Total Operating Income
Regulations	*Local Government (Financial Management) Regulations 2011*
RBA	Reserve Bank of Australia
SACES	The South Australian Centre for Economic Studies
SEIFA	Socio-Economic Indexes for Areas
SMP	Strategic management plan
SG	Superannuation Guarantee
The scheme or advice	Local Government Advice Scheme

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GLOSSARY

Asset Sustainability Ratio

Asset Sustainability Ratio indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. The ratio is calculated by measuring capital expenditure on renewal and replacement of assets relative to the level of depreciation. Where a Council has a soundly based Infrastructure and Asset Management Plan, a more meaningful asset sustainability ratio is calculated by measuring the actual level of capital expenditure on renewal and replacement of assets (or proposed in the Annual Budget) with the optimal level identified in the Plan.

Financial Assets

Financial Assets include cash, investments, loans to community groups, receivables prepayments, but excludes equity held in Council businesses. Also, inventories and land held for resale are not regarded as financial assets.

Financial Sustainability

Financial Sustainability is where planned long-term service and infrastructure levels and standards are met without unplanned and disruptive increases in rates or cuts to services.

Net Financial Liabilities

Net Financial Liabilities equals total liabilities less financial assets, where financial assets for this purpose includes cash, investments, loans to community groups, receivables and prepayments, but excludes equity held in Council businesses, inventories and land held for resale.

Net Financial Liabilities Ratio

Net Financial Liabilities Ratio expresses Net Financial Liabilities as a percentage of total operating revenue. The ratio allows interested parties to readily equate the outstanding level of the Council's accumulated financial obligations against the level of one-year's operating revenue. Where the ratio is falling over time, it generally indicates that the Council's capacity to meet its financial obligations is strengthening.

Net Lending/(Borrowing)

Net Lending/(Borrowing) equals Operating Surplus/(Deficit), less net outlays on non-financial assets. The Net Lending (Borrowing) result is a measure of the Council's overall (i.e. Operating and Capital) budget on an accrual basis. Achieving a zero result on the Net Lending/ (Borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's revenues.

Non-financial or Physical Assets

Non-financial or Physical Asset means infrastructure, land, buildings, plant, equipment, furniture and fittings, library books and inventories.

Operating Deficit

Operating Deficit is where operating revenues less operating expenses is negative and operating income is therefore not sufficient to cover all operating expenses.

Operating Expenses

Operating Expenses are operating expenses including deprec-iation but excluding losses on disposal or revaluation of non-financial assets.

Operating Revenues

Operating Revenues are operating revenues shown in the Income Statement but exclude profit on disposal of non–financial assets and amounts received specifically for new/upgraded assets, e.g. from a developer. For ratios calculated where the denominator specified is total operating revenue or rate revenue, Regional Landscape Levy revenue is excluded.

Operating Surplus

Operating Surplus is where operating revenues less operating expenses is positive and operating revenue is therefore sufficient to cover all operating expenses.

Operating Surplus Ratio

Operating Surplus Ratio expresses the operating surplus (deficit) as a percentage of general and other rates.

Inspired by lifestyle. Driven by possibility.

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