

WHAT WE  
MAKE IT

LONG TERM  
FINANCIAL PLAN  
2026-2036







## Acknowledgement of Country

The City of Karratha acknowledges the Traditional Owners throughout this vast land and their continuing connection to the land, waters and community. We pay our respects to Elders past, present and emerging, and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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# 1. OUR LONG TERM FINANCIAL PLAN

The City of Karratha is committed to transparent, responsible and accountable financial management.

To achieve this, in 2009 the City implemented the Integrated Planning and Reporting Framework introduced by the Department of Local Government, which requires all Western Australian local governments to prepare a long term financial plan linked to a Council Plan 2025-2035.

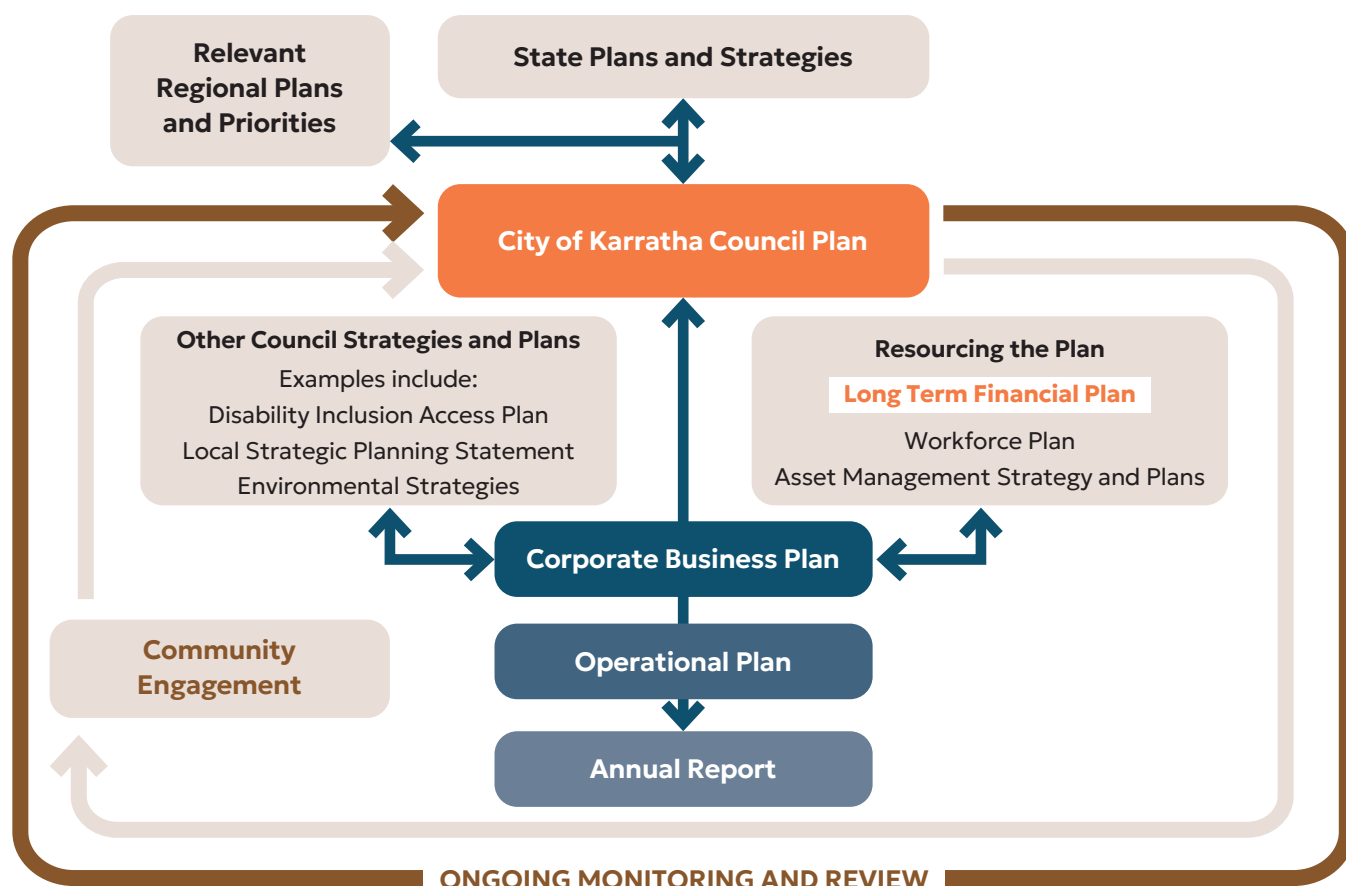
The City of Karratha's Long Term Financial Plan (LTFP) is a key resource that facilitates the delivery of the identified priorities made in our Council Plan 2025-2035. It enables the City to set priorities based on its financial resources.

As such, the LTFP is a critical document that underpins and influences the direction of the City's spending and investment now and going forward.

The LTFP, along with information contained in other strategic plans including the Strategic Asset Management Plan and Workforce Planning Strategy, form the basis for preparation of the City's Annual Budgets. The LTFP is reviewed annually, updating the current forecasts out to 2036.

The following plan provides an overview of the City's LTFP including our current financial position, approach to financial planning, revenue sources and the long-term projects we are working to deliver to benefit our community over the next ten years to ensure the City's long term sustainability.

The following figure illustrates how the LTFP informs the Integrated Planning and Reporting Framework.





## 2. MESSAGE FROM THE CEO

At the City of Karratha, we are committed to becoming Australia's most liveable regional city—a vision guided by our Long Term Financial Plan. Over the years, we have made great strides, delivering key upgrades to infrastructure and facilities while improving our services.

Our Council Plan sets out the framework for this vision, with the Long Term Financial Plan outlining how we will allocate resources over the next decade. It details major infrastructure projects, our financial position, and future projections.

While we are proud of the progress achieved so far, it is vital that we continue to tackle the challenges to liveability in Karratha—particularly in the face of a unique and unpredictable housing market.

Addressing the shortage of residential properties and finding ways to strengthen the local construction industry is a priority, particularly given the billions in infrastructure investment and anticipated population growth in the coming years.

To support this vision, we are progressing a range of projects designed to enhance the liveability of our region. These include initiatives like Project Dorothy and the Mulataga subdivision to expand housing availability, along with major infrastructure works such as the Coolawanyah Road upgrade, the Hillview/Balmoral Road improvements, and the Roebourne Streetscape Masterplan.

In addition, the City remains committed to maintaining and enhancing facilities and services across the district. Over the next decade, planned works will include upgrades to sporting and recreation facilities, townsite amenities, road, footpath and kerbing renewals, as well as improvements to key assets such as the Red Earth Arts Precinct, Karratha Leisureplex, and Karratha Airport.

One of the main challenges for the Council in the coming years will be to remain prominent in the minds of key decision-makers and funding partners, ensuring that the improvements we have made continue rather than become the only changes we see in the City.

The City of Karratha is in a strong financial position, with a solid framework in place. However, responding to changing circumstances through prudent financial management remains essential.

**Virginia Miltrup**  
CEO, City of Karratha



# 3. CITY PROFILE

## 3.1 Our Region

The City of Karratha (the City) is located approximately 1,535km north of Perth in the dynamic Pilbara region of Western Australia. The City encompasses a total land area of 15,882 square kilometres and is home to approximately 24,716 residents across the five town sites of Karratha, Dampier, Roebourne, Wickham and Point Samson, plus the historic village of Cossack.

The northwest Australian coastline between Broome and Exmouth is the most cyclone-prone region of the Australian coastline and has the highest frequency of coastal crossings, according to the Bureau of Meteorology. The Australian cyclone season extends from November 1 to April 30. On average, five tropical cyclones occur during each season over waters off the northwest coast. Due to the City's location within the cyclone zone, it is critical for the City to be able to swiftly respond to damage sustained by severe impacts.

The City of Karratha is a growing regional centre within the Pilbara, with residents enjoying a myriad of outdoor activities, festivals and community events year-round, as they make the most of the warm weather and coastal location.

Over the past 50+ years Karratha has been a powerhouse of economic growth for Western Australia and the nation. The City of Karratha has robust economy that includes contributions to Australia's world leading exports of both iron ore and liquefied natural gas (LNG).

Future levels of population growth in the City of Karratha are largely dependent on the performance of the mining sector, new projects and the size of the Fly In Fly Out (FIFO) workforce.



## 3.2 Key Statistics



### Key General Statistics

Distance from Perth	Area	Estimated residential population*
1,535km	15,882km	24,716
Employed residents*	Number of City employees (FTE)	Rateable properties
14,910	425	10,229



### Key Financial Statistics (2024/2025)

Rates revenue	Fees and charges	Operating revenue
58,939,663	76,792,233	172,253,772
Operating expenditure	Net assets	Cash backed reserves
135,269,822	911,569,081	134,007,588

\*Source: REMPLAN - 2024 Release 2









## People

The population of the City of Karratha is 24,237<sup>1</sup>. All figures below are from 2021 Census. The population is forecast to increase to 27,106 over the term of this plan<sup>2</sup>, an increase of 2,869.

Key: City of Karratha (CoK), Western Australia (WA)

<b>Aboriginal and Torres Strait Islander peoples<sup>3</sup></b>		<b>Male:Female ratio</b>		<b>People with disability (core need for assistance)</b>	
12%	3.3%	54:46	50:50	2%	4.6%
CoK	WA	CoK	WA	CoK	WA
<b>Median age</b>		<b>Children and young teens (0-14)</b>		<b>Working age (15-64)</b>	
32	38	25 %	19%	71%	65%
CoK	WA	CoK	WA	CoK	WA
<b>Seniors (65+)</b>		<b>Born overseas</b>		<b>Volunteering</b>	
3%	16%	19%	38%	16%	16%
CoK	WA	CoK	WA	CoK	WA
<b>Unemployment rate</b>		<b>Workforce participation rate</b>			
3%	5%	69%	64%		
CoK	WA	CoK	WA		
<b>Median household weekly income</b>		<b>Completed Yr 12+</b>			
\$3,158	\$1,815	60%	66%		
CoK	WA	CoK	WA		

<sup>1</sup> 2023 ABS Estimated Resident Population.

<sup>2</sup> REMPLAN, City of Karratha, 2025.

<sup>3</sup> Census data is likely to under-represent Aboriginal and Torres Strait Islander people.

# 4. INTEGRATED STRATEGIC PLANNING

## 4.1 Background

The Western Australian Integrated Planning and Reporting (IPR) Framework aims to ensure Council's decisions take the community's vision and priorities into account and deliver the best results possible with available resources. All local governments in Western Australia follow the Integrated Planning and Reporting Framework. A key element of the Integrated Planning and Reporting Framework is the Long Term Financial Plan which is a ten year rolling plan. It is refined and updated through each year's Annual Budget which is essential to achieving and demonstrating financial sustainability. It enables the City to set priorities, based on resourcing capabilities for short, medium and long term delivery of the community's requirements.

## 4.2 Strategic Directions

**Our Vision:** Australia's most liveable regional city. The place we are proud to call home.

The principal guidelines for the Long Term Financial Plan are provided by the City of Karratha. Council Plan. In 2025 the City of Karratha adopted the Council Plan 2025-2035 which is a ten-year rolling plan.

The Council Plan incorporates the Corporate Business Plan. The Corporate Business Plan, details the measures, services, and key actions for the first four years of the plan.

While this is a ten-year plan, it is not static with the reviews alternating between a minor review (updating as needed) and a major review, which requires re-engaging with the community on the vision.

The City undertook extensive community engagement in the development of this plan. The 'What We Make It' engagement program involved over 900 contributors. Following this campaign, a draft Council Plan was consulted on and developed, prior to informing all other plans.

How will the Council Plan be used?

The plan will be used to:

- ensure our strategies and plans give effect to our vision and priorities
- align our annual work programs and budgets to the delivery of the plan
- support our partnerships, advocacy and grant applications
- enable regular monitoring and reporting

### Our vision for the City of Karratha

**Australia's  
most liveable  
regional city.**

**THE PLACE WE ARE  
PROUD TO CALL HOME.**



## Our Goals and Priority Focus Areas for achieving the 2035 Vision

<p><b>1</b></p> <p><b>We respect Aboriginal peoples' Cultural Authority and connection to Ngurra (Country)</b></p>	<ul style="list-style-type: none"> <li>• Recognition of Aboriginal leadership</li> <li>• Genuine and meaningful engagement with the Aboriginal community</li> <li>• Reconciliation and truth telling</li> <li>• Support for on Ngurra (Country) activities</li> <li>• Support for Aboriginal peoples' self-determination, prosperity and wellbeing</li> <li>• Culture, art and heritage recognition and celebration, led by Traditional Owners and Ngarda-ngarli (Aboriginal people)</li> </ul>	
<p><b>2</b></p> <p><b>Our community is welcoming, connected, vibrant, healthy, and safe</b></p> <ul style="list-style-type: none"> <li>• Community infrastructure</li> <li>• Water play and indoor leisure and recreation</li> <li>• Opportunities to make new connections, especially for newcomers</li> <li>• Access to health services</li> <li>• Family and domestic violence</li> </ul>	<p><b>3</b></p> <p><b>Everyone is included</b></p> <ul style="list-style-type: none"> <li>• Lifestyle Village and aged care facilities</li> <li>• Improve Disability Access and Inclusion throughout the City</li> <li>• Celebration of our diverse community, and addressing discrimination</li> </ul>	<p><b>4</b></p> <p><b>Our places and spaces are functional, attractive and reflect our unique identity</b></p> <ul style="list-style-type: none"> <li>• Planting, public art, shade, seating, water stations, signage, public toilets</li> <li>• Public transport solutions within and between towns</li> <li>• Land use planning</li> </ul>
<p><b>5</b></p> <p><b>We respect and care for the natural environment</b></p> <ul style="list-style-type: none"> <li>• Waste management and resource recovery</li> <li>• Foreshore protection and enhancement</li> <li>• Environmental sustainability, including decarbonisation</li> </ul>	<p><b>6</b></p> <p><b>The local economy is diverse and thriving, with opportunities for all</b></p> <ul style="list-style-type: none"> <li>• Affordable and diverse housing</li> <li>• Higher education, training and innovation</li> <li>• Tourism development</li> <li>• Small to medium business support and diversification</li> <li>• Aboriginal economic participation</li> <li>• Interstate and inter-national connections</li> </ul>	<p><b>7</b></p> <p><b>Our civic leaders are innovative, listening and balanced in meeting community needs</b></p> <ul style="list-style-type: none"> <li>• Proactive community engagement with all segments of the community</li> <li>• Industry and government advocacy and partnerships</li> <li>• Equalise townscape standards across the towns</li> </ul>

# 5. OUR SERVICES

## 5.1 Service Programs

The City of Karratha is responsible for providing a range of infrastructure and services to the community which fall programs prescribed under the *Local Government Regulations 1996*.

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established on an overall basis, reflected by the City's Community Vision, by Directorate, and for each of its broad activities/programs and business units.

Estimates of expenditure and income have been calculated for each of these programs in the Long Term Financial Plan, and allocated across the various business units that make up the City.

## 5.2 Service Levels

The City has delivered significant projects to enhance services and amenities throughout our community. To maintain high standards for both current and future infrastructure, ongoing investment is essential. This allows us to ensure the preservation of existing service levels, and where improvements are identified, to increase investment accordingly to meet those needs.

Significant projects on the horizon across our towns include:







## Facilities:

- Upgrades and enhancements to Karratha Airport
- Upgrades and improvements to sporting facilities in line with the Community Infrastructure Plan
- Foreshore and streetscape developments throughout the district, such as:
  - › Roebourne Streetscape Masterplan
  - › Dampier Townsite enhancement
  - › Point Samson Masterplan
- Facility refurbishments and enhancements
  - › Roebourne Recreation Precinct
  - › Wickham Recreation Precinct
  - › Karratha Country Club Redevelopment
  - › Karratha Leisureplex
  - › Red Earth Arts Precinct

## Services:

- Ensuring we continuously improve the level and quality of our ‘core services’ to all of our communities
- Construction of Cell III at 7 Mile Waste Facility
- Cemetery Enhancements

## Growth:

- Supporting industry growth in multiple sectors
- Actively engaging in initiatives that diversify our economic base
- Advocating for initiatives that reduce the cost of living in our district (examples include airfares, insurance, reasonable house, land and rental prices)
- Providing quality, timely approvals and advice to businesses and developers

## Infrastructure

- New and upgraded footpaths and cycleways
- New and upgraded bus shelters
- New and upgraded lighting
- Upgrades and improvements to existing playgrounds
- Upgrades and improvements to existing roads
- Conzinc Bay Road (Murujuga National Park Entry Road)

## Community Infrastructure Plan

The 10-year Community Infrastructure Plan includes further upgrades, expansions and new projects. This plan is already underway and includes key components such as:

- Bulgarra Master Plan
- Rectangular Sporting Precinct Master Plan
- Community Centre — Large
- Karratha Leisureplex Improvement study
- Dampier Land Transfer
- Place Planning



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## 5.3 Managing Our Assets

Service review is an ongoing activity, conducted in consideration of its effect on both the annual budget and the Long Term Financial Plan. The City has implemented a strategic method for managing local government assets to align them with current and future community requirements. The Strategic Asset Management framework includes various documents, systems, and processes describing asset management responsibilities. These elements are coordinated to convert the organisation's strategic goals, as stated in the Council Plan, into operational activities.


Infrastructure assets support economic development and fulfil the social and recreational needs of the community, enabling the delivery of essential services such as:

- Airport and other transport infrastructure
- Community and recreational facilities
- Waste and storm water management
- Council administration buildings

Maintaining and renewing infrastructure and community assets over the long term presents ongoing challenges due to increasing community expectations. The Asset Management Plan is designed to help the City forecast infrastructure consumption, evaluate asset renewal requirements, and determine costs for asset renewal, upgrades, or maintenance.

The difference between actual spending on asset renewal and the amount needed to maintain the current average asset condition and service level is referred to as the renewal gap. From 2026/2027 to 2030/2031, planned asset renewal is expected to exceed required asset renewal. This renewal gap is acknowledged in the LTFP and will be considered in future annual budgets.

The continued funding allocated towards the renewal of assets as well as asset maintenance and upgrades, will result in a positive investment for the community in the future and ensure long term sustainability. New assets and capital works projects are funded from cash reserves, rates, airport and waste revenue, or Government grants such as Roads to Recovery.



**Infrastructure assets support economic development and fulfil the social and recreational needs of the community.**





## 6. KEY FINANCIAL STRATEGIES AND POLICIES

The City of Karratha's Long Term Financial Plan is informed by a number of financial policies to ensure an accurate prediction of our financial position and our resourcing capability, to deliver on identified priorities made in our Council Plan.

Key financial strategies are detailed below:

### 6.1 Rating Strategy

The City provides services to a diverse region consisting of residential, commercial, industrial, pastoral, mining and workforce accommodation. The City utilises differential rating on all properties within the City, based on the land use of the property under the Town Planning Scheme. Differential rates in the dollar are set for different rating categories.

Based on the City's rating strategy, the City applies for Ministerial Approval annually for the Transient Workforce Accommodation category, in order to impose higher than legislated differential rating.

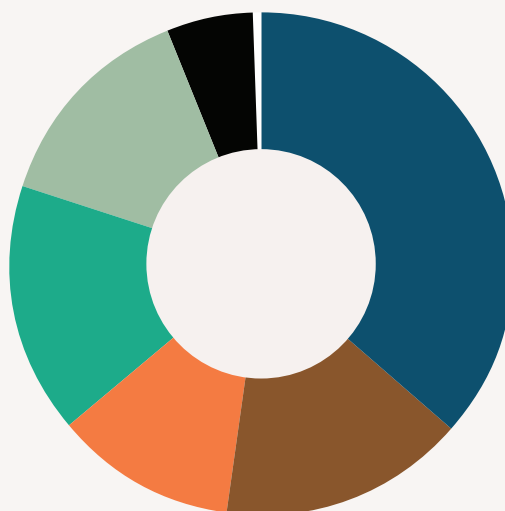
The LTFP reflects a rate increase of 3.20% for 2026/27, and 3.00% for 2027/28 where it remains. The rate forecast is derived from the forecasted Consumer Price Index (CPI). It is supplemented by additional rates revenue from residential land releases in Madigan, Baynton West and Bulgarra, Transient Workforce Accommodation (TWA) rates growth including Bechtel, Civeo and Perdaman camps.

As per the LTFP, the City will receive approximately 43% of its total funding from rates. To be sustainable, 40% of the City of Karratha's expenditure each year should be met by rates revenue, as identified using the Rates Coverage Ratio.

Going forward, a key challenge identified in the LTFP is to reduce Council's reliance on projected rate increases, and the increased expansion of its other investment portfolios.

#### Revenue by Nature 2026 – 2036

<span style="color: #005580;">●</span> Rates	\$808,200,528
<span style="color: #8B4513;">●</span> Operating Grants, Subsidies and Contributions	\$343,849,144
<span style="color: #FF8C00;">●</span> Fees and Charges	\$259,210,215
<span style="color: #00B09B;">●</span> Airport Fees	\$357,744,162
<span style="color: #A9D0D9;">●</span> Waste Fees & Charges	\$305,723,604
<span style="color: #000000;">●</span> Interest Earnings	\$122,564,909
<span style="color: #FFFFFF;">○</span> Other Revenue	\$7,358,670





## 6.2 Cash Reserves

The establishment and funding of cash reserves is a financial management strategy to ensure sufficient funds exist for future expenditure that cannot otherwise be financed during a single year, without having a material impact on the budget.

The table below outlines the various reserves Council has established and their respective purpose.

Name of Reserve	Purpose of the reserve
<b>Aerodrome Reserve</b>	The purpose of this reserve is to fund the development, operation and maintenance of the Karratha Airport, inclusive of any repayments of borrowings.
<b>Dampier Drainage Reserve</b>	This reserve is maintained as part of an agreement between the Council and Rio Tinto (formerly Hamersley Iron). The purpose of the reserve is to ensure funds are available for the maintenance of drainage in Dampier. Rio Tinto pay to the City each year a \$10,000 contribution towards this maintenance with any additional works required being drawn from this reserve and similarly, any funds remaining unspent being transferred to this reserve.
<b>Economic Development Reserve</b>	To fund economic development activities within the City, including destination marketing, business attraction, property development and tourism.
<b>Employee Entitlement Reserve</b>	To fund employee leave entitlements when on extended leave, including long service leave as well as periods of annual leave for periods greater than four weeks duration, thereby retaining salary and wages budgets for the funding of replacement staffing during extended periods of leave.
<b>Infrastructure Reserve</b>	The purpose of this reserve is to allow for the use of these reserve funds for the enhancement, replacement, refurbishment and purchase of infrastructure assets or project works of the City inclusive of the associated repayment of borrowings on infrastructure. Project works funded from this reserve may not necessarily belong to the City but must be carried out for the benefit of the City of Karratha.

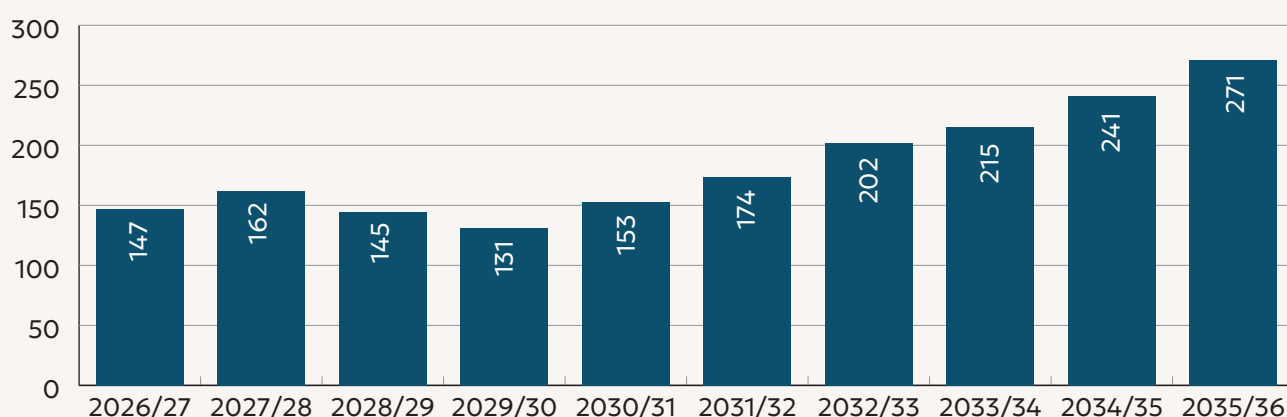
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Name of Reserve	Purpose of the reserve
<b>Medical Services Assistance Package Reserve</b>	The purpose of this reserve is to fund future assistance to Medical Services in accordance with Council's participation in the Medical Services Incentive Scheme. This is inclusive of retention payments to general practitioners and allied health providers in accordance with the Medical Services Incentive Scheme.
<b>Rio Tinto Partnership Reserve</b>	This reserve is maintained as part of the Community Partnership Agreement (the Partnership) and the related funding agreements between the City and Rio Tinto Iron Ore. The purpose of the reserve is to preserve funds received under each funding agreement under the partnership and restrict the funds for the purpose of each funding agreement.
<b>Public Open Space Reserve</b>	To fund development of land set aside for the purpose of public enjoyment and protection of unique, environmental, social, and cultural values for existing and future generations.
<b>Waste Management Reserve</b>	The purpose of this reserve is to fund development, operation and maintenance of the City's waste management facilities inclusive of repayments of borrowings.
<b>Strategic Reserve</b>	The purpose of this reserve is to quarantine revenue funds that relate to contentious issues, projects or programs. The funds are placed into reserve whilst an outcome or timing is established and released upon resolution of these.
<b>Woodside Partnership Reserve</b>	This reserve is maintained as part of the City of Karratha Community Development Partnership agreement between the City and Woodside. The purpose of the reserve is to preserve funds received under the funding agreement for the purpose outlined within the agreement.

Over the life of the Long Term Financial Plan, cash reserves are projected to increase from \$147 million at the end of 2026/27 to \$271 million in 2035/36. Reserve funds provide funding capacity for future upgrades and new asset requirements.

As additional expenditure is known in the capital program, reserve funds will potentially be utilised.

### Reserve Balances (\$m)



## 6.3 Balancing the Budget

Generating sufficient revenue to balance the annual budget is a constant challenge, with continual improvement to the Council's long-term financial position reliant on growth in its rates base and fees and charges revenue.

The income gap is addressed through productivity gains and efficiency savings, pursuing grants, working collaboratively with neighbouring councils and carefully managing income and expenditure through sound financial reporting systems and regular budgetary monitoring.

The LTFP reflects this approach, however further cost efficiencies or alternative revenue sources are required to reduce the City of Karratha's long-term reliance on projected rate increases.

## 6.4 Cost Recovery of Services

The adoption of a fee or charge for services and facilities is a means to recover the cost of the service provided and maintain infrastructure in a fit-for-purpose state.

The fees and charges which the City can charge fall into two categories:

- **Regulatory fees** — determined by State Government legislation and primarily relate to building, development, or compliance activities. Council has no control over the calculation, and any annual increases in these fees and charges.
- **Discretionary fees** — Council has the capacity to determine the charge or fee for discretionary works of services such as the use of community facilities and access to community services.



The general principles by which Council sets its fees and charges are that:

- Council does not intend to ‘profit’ from the setting of fees and charges;
- Fees recover the cost of services provided; and
- Fees maintain community infrastructure in a fit-for-purpose state wherein they are able to achieve expected service delivery standards.

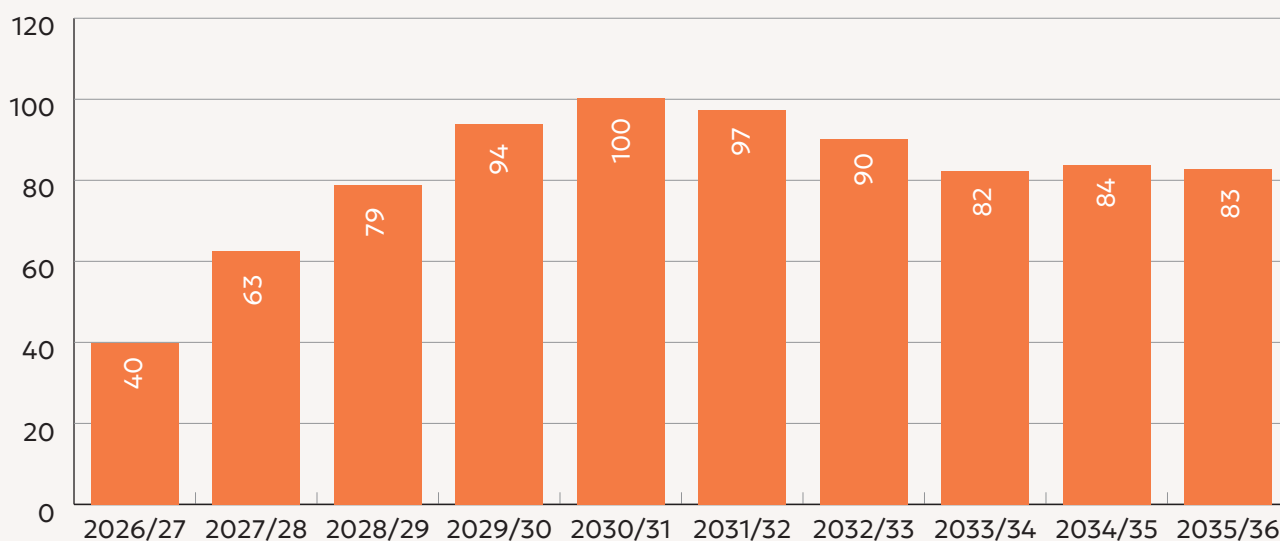
## 6.5 Prudent Investment and Use of Debt Finance

The City of Karratha’s objective around borrowing is the use of debt if appropriate to fund the cost of major new community assets or to ease the cost of major asset renewals.

Borrowings of \$100 million are proposed in the Long Term Financial Plan for the Bulgarra Housing Development and delivery of the Community Infrastructure Plan. As further capital projects commence, the option is available to the City to utilise additional borrowings to limit the reliance on Reserve funding.

Irrespective of projected and potential borrowings, our debt service coverage ratio remains consistently above target and the City will have a strong capacity to repay debt within twenty years.

**Outstanding Debt (\$m)**









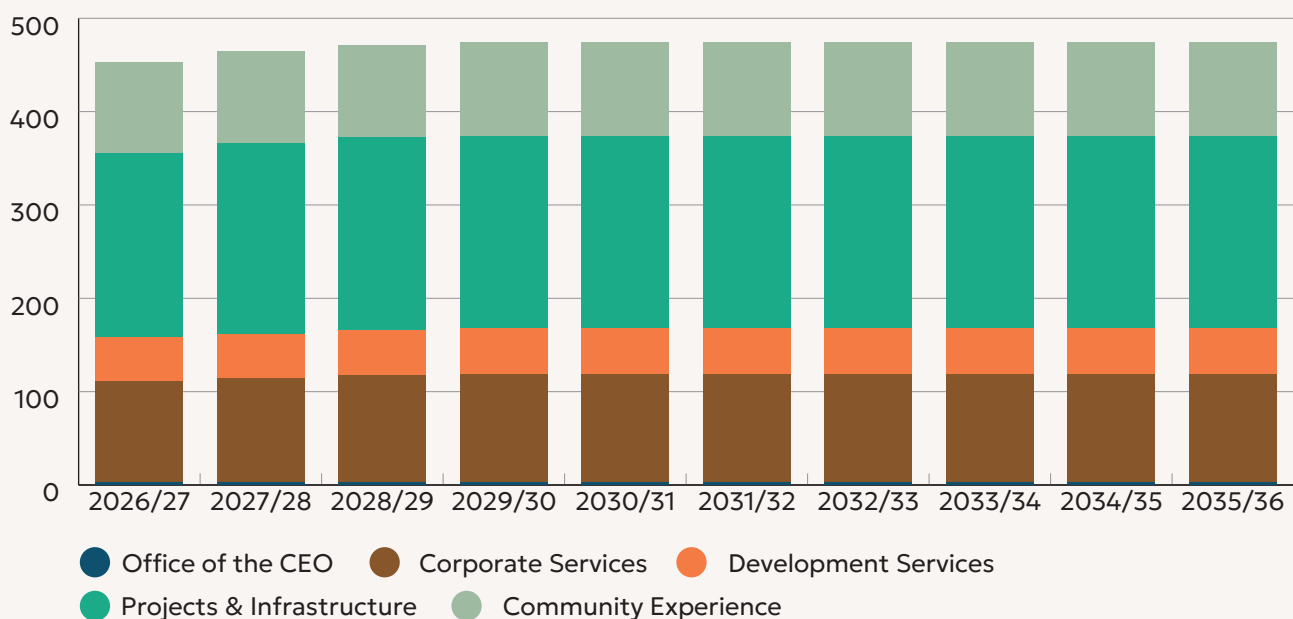
## 7. WORKFORCE PLANNING STRATEGY

The City's Strategic Workforce Plan is a key enabler of the Long Term Financial Plan, ensuring the organisation has the right people, skills, and structure to deliver on the Council Plan 2025–2035 in a financially sustainable manner.

Workforce planning aligns organisational capacity and capability with evolving community needs, growth pressures, and service expectations, recognising that workforce costs represent a significant and ongoing component of the City's operating expenditure.

A key focus of the Strategic Workforce Plan is the ongoing organisational realignment to ensure resources are structured and deployed in a way that best supports the delivery of Council priorities and strategic outcomes. This includes reshaping roles, building critical capability, strengthening leadership and succession pathways, and maintaining an organisational structure that can adapt to changing service demands over the long term.

**Projected Fixed Term Employees (FTE)**





The City has adopted a flexible and agile workforce approach that enables the organisation to respond to growth, emerging priorities, and project-based demands without creating unsustainable long-term employment costs. Where appropriate, this includes the use of fixed-term roles to deliver time-bound initiatives, build capability, and manage peak workloads, while maintaining control over the long-term operating cost base.

Targeted investment in recruitment, retention, development, and workforce support initiatives (including training, process improvement, and targeted support measures) strengthens organisational resilience, improves productivity, and reduces long-term risk associated with skill shortages and workforce volatility.

All new positions are subject to a business case assessment, and the organisational structure is reviewed annually prior to adoption of each annual budget to ensure affordability, strategic alignment, and value for money.

The graph illustrates projected full-time equivalent (FTE) staffing levels to 2035/36. These projections exclude casual employees and services delivered through external contractors and partner organisations.



## 8. SCENARIO MODELLING AND SENSITIVITY ANALYSIS

Scenario modelling has been undertaken to determine the level of flexibility in the LTFP, to enable alternative considerations when meeting community expectations should variations occur in a range of factors or assumptions.

Three growth scenarios based on population growth were tested on each assumption to determine the City of Karratha's capacity to deliver services and assets to the community in line with strategies outlined in the City's Council Plan.

The base case scenario, being a business as usual approach, is based on an assessment of demand created by known resource projects, housing initiatives and expected population growth.

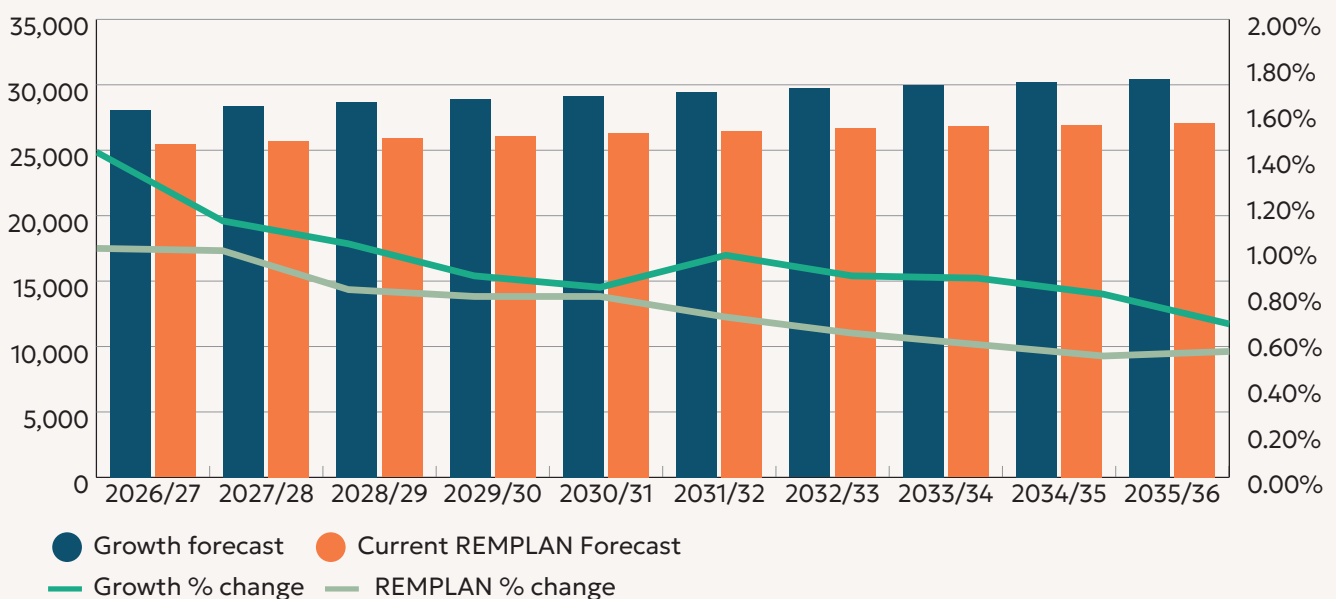
The moderate growth scenario is based on nominal average population growth of 0.79% (Current REMPLAN Forecast) and lower than

expected CPI, which decreases costs for goods and services due to decreased demand.

The high population growth scenario reflects increased costs of goods and services in response to increased demand. As a result, major project employment increases and CPI moves higher than expected. Increased CPI eventually reduces as population growth returns to regular forecasted levels.

The base case scenario results in a positive operating surplus, sound capacity to meet short-term financial obligations, a consistent trend in rates coverage and ability to generate sufficient cash to cover debt payments.

### Population Growth



Higher growth will allow for additional rates and airport revenues while the increasing demand will put pressure on facilities and services to meet the rapid population increase. Lower growth will allow for slower implementation of services and upgrades of facilities however will result in less revenue to expand.

As per the graph, illustrating the operating surplus, by adopting the base case scenario as the foundation for the LTFP, the City is able to make financially sustainable decisions, while continuing to seek additional revenue sources, to improve the standard of infrastructure and services available to the community.

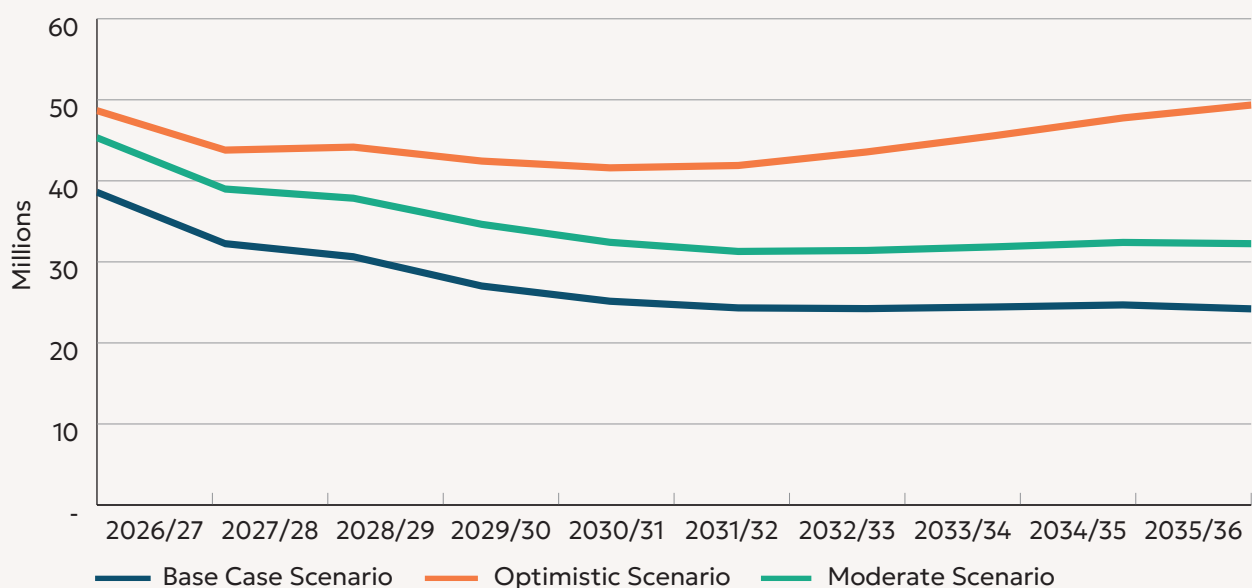
The most sensitive criterion in the adopted model is a variation in the level of proposed rate increases. A 1% decrease in the proposed rate assumptions over the ten years of the LTFP results in \$37.8 million movement in revenue. Current ratio calculations would be less than the target of one from 2033/34

which measures the City's ability to meet its short-term financial obligations. The cash short fall would result in additional borrowings required to deliver services and assets to the community.

Airport fees and charges are a significant and complimentary revenue source to rates revenue. Should council wish to alter its growth assumption, for every 1% variation the likely impact is approximately \$15.9 million in the ten year plan.

In 2017, Council purchased The Quarter HQ, an investment property operated on a commercial basis, to supplement and support the City's revenue sources. Should a change in the assumptions of 1% occur, the resulting impact is approximately \$2.5 million over the ten year period of the long term financial plan.

### Operating Surplus (before Capital Revenues)





# 9. MEASURING SUSTAINABILITY

The City of Karratha's financial sustainability is measured by its ability to fund ongoing service delivery and the renewal and replacement of assets without imposing excessive debt or rate increases on future generations.

The following Key Performance Indicators (KPI) have been prescribed in the Local Government (Financial Management) Regulations 1996 to measure the financial sustainability of local governments. The City's LTFP 2026–36 has been assessed against these KPI's and are outlined below.

## 9.1 Key Performance Indicators

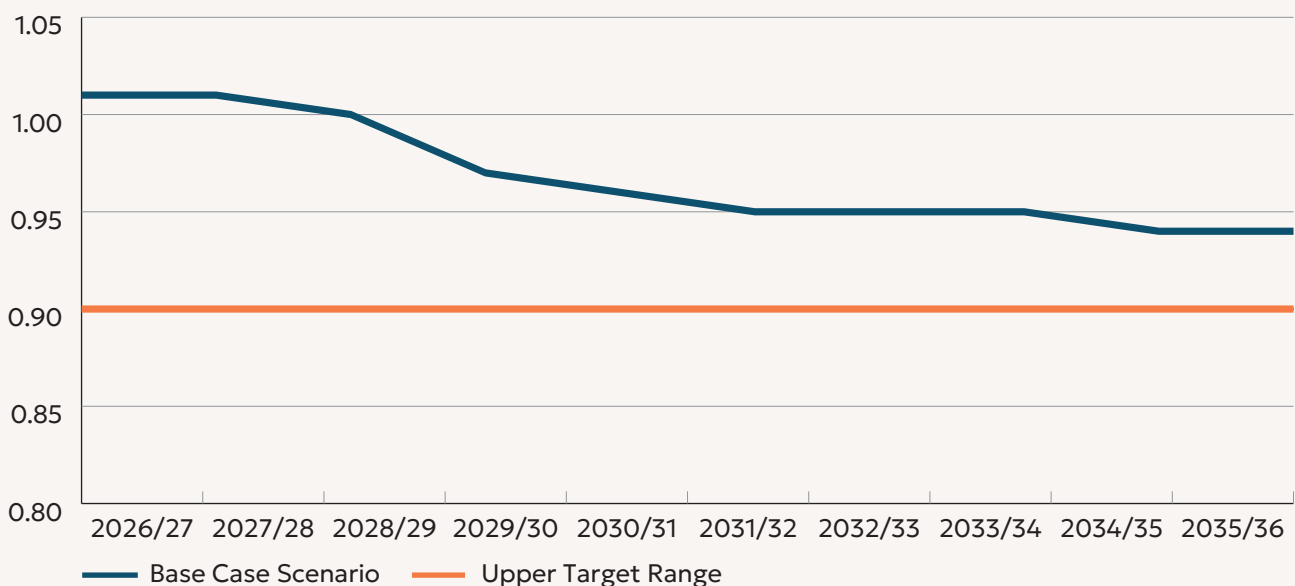
### Own Source Revenue Coverage Ratio

**Indication** — A measure of a local government's ability to cover its costs through its own revenue efforts.

**Target** — Intermediate 60% – 90%,  
Advanced >90%

**Commentary** — The intermediate target of between 60% – 90% is achieved over the 10 year period. Revenue derived from the City's operations can cover the City's operational costs.

### Own Source Revenue Coverage



## Operating Surplus Ratio

**Indication** — An indicator of the extent to which revenue raised not only covers operational expenses, but also provides for capital funding.

**Target** — Between 0% and 15%

**Commentary** — The operating surplus of the City achieves the target each year of the LTFP. This indicates that surplus operational funds are available for capital works.

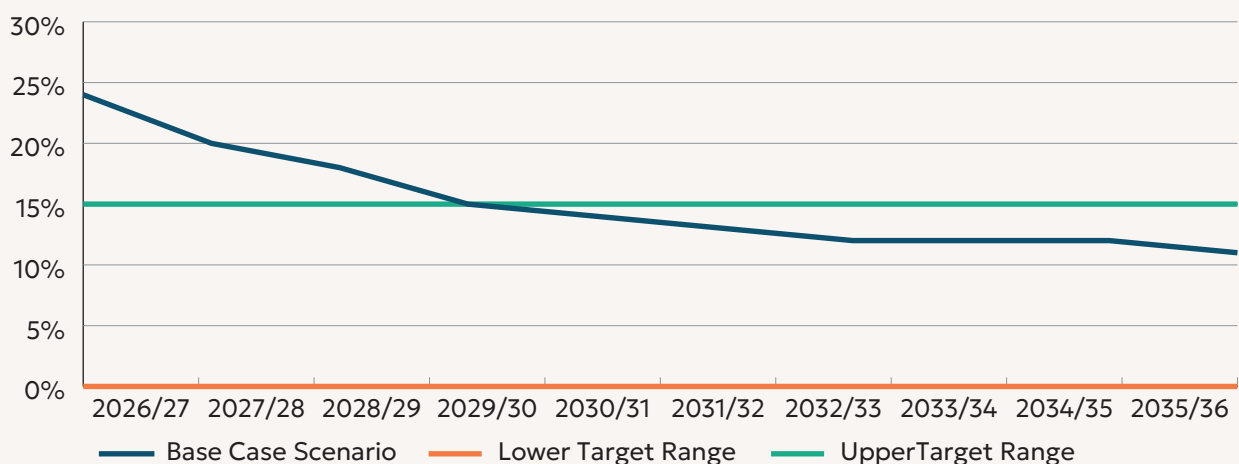
## Rates Coverage

**Indication** — An indicator of a local government's ability to cover its costs through its own revenue efforts.

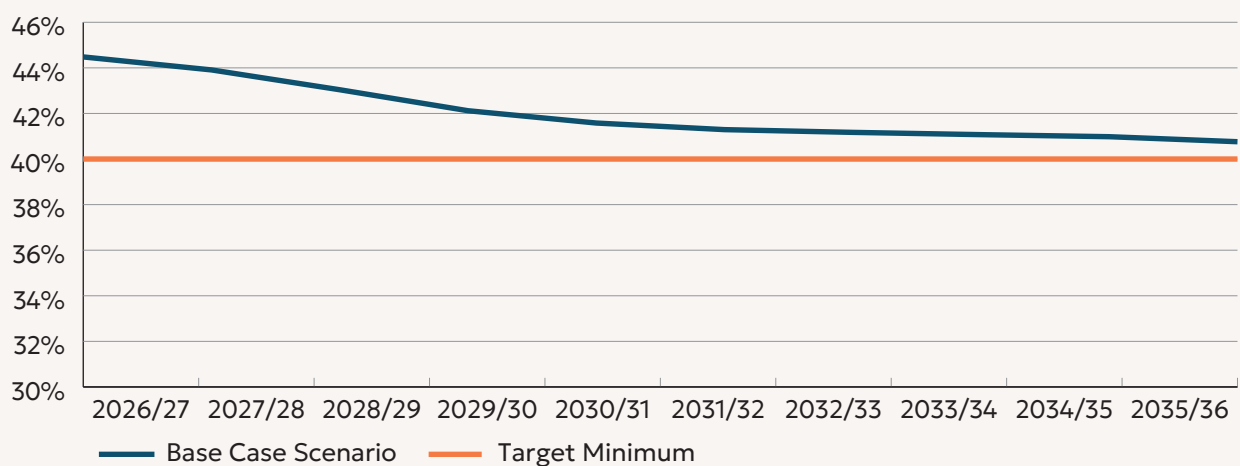
**Target** — Greater than or equal to 40%

**Commentary** — the City maintains this ratio above target for the period covered by the LTFP.

### Operating Surplus Ratio



### Rates Coverage Ratio



## Current Ratio

**Indication** — A measure of a local government's liquidity and its ability to meet its short term financial obligations from unrestricted current assets.

**Target** — Greater than or equal to 1

**Commentary** — The target of greater than one is exceeded the first nine years of the LTFP, and in year ten goes just below the target due to the cumulative use of reserve funds.

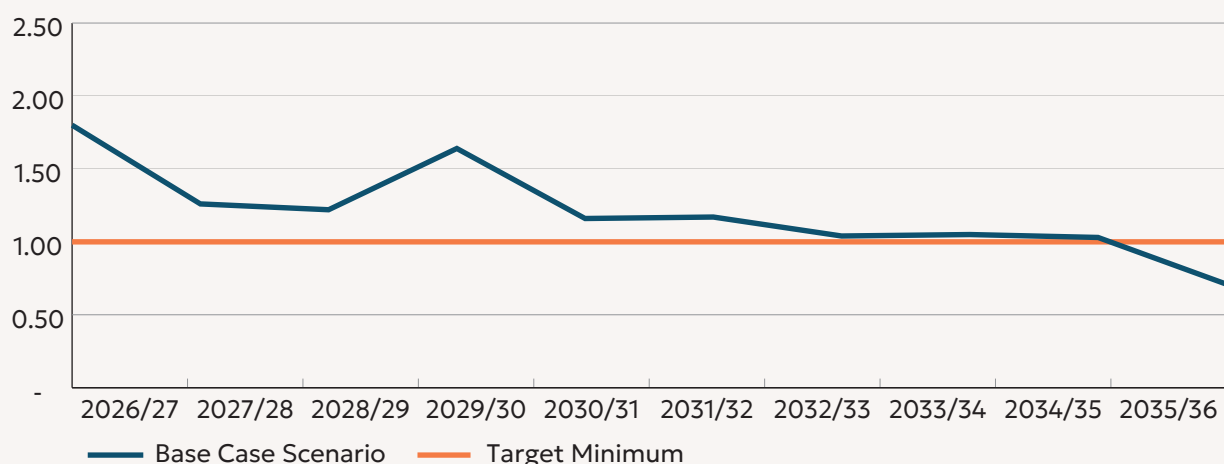
## Debt Service Cover Ratio

**Indication** — An indicator of a local government's ability to generate sufficient cash to cover its debt payment.

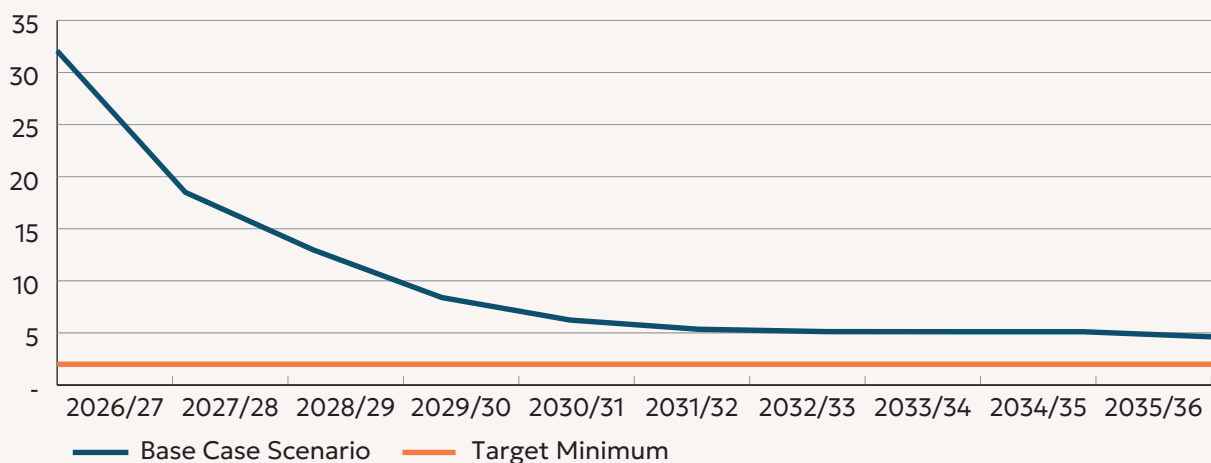
**Target** — Greater than or equal to 2

**Commentary** — although debt funding is being utilised by the City, this ratio remains above target for the term of the LTFP

### Current Ratio



### Debt Service Cover Ratio





**Asset Sustainability Ratio**

**Indication** — An indicator of the extent to which assets managed by a local government are being renewed or replaced as they reach the end of their useful lives.

**Target** — Between 90% and 100%

**Commentary** — The ratio varies around the target range for the term of the LTFP, due to the increase in new and upgrade asset expenditure, inclusive of the Community Infrastructure Plan.

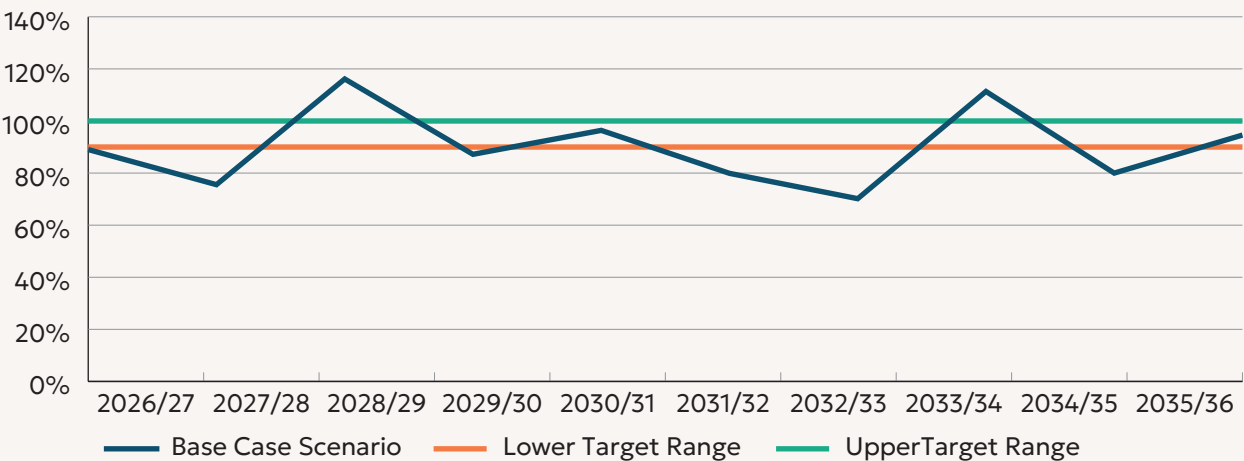
**Asset Consumption Ratio**

**Indication** — Highlights the aged condition of a local government’s physical assets.

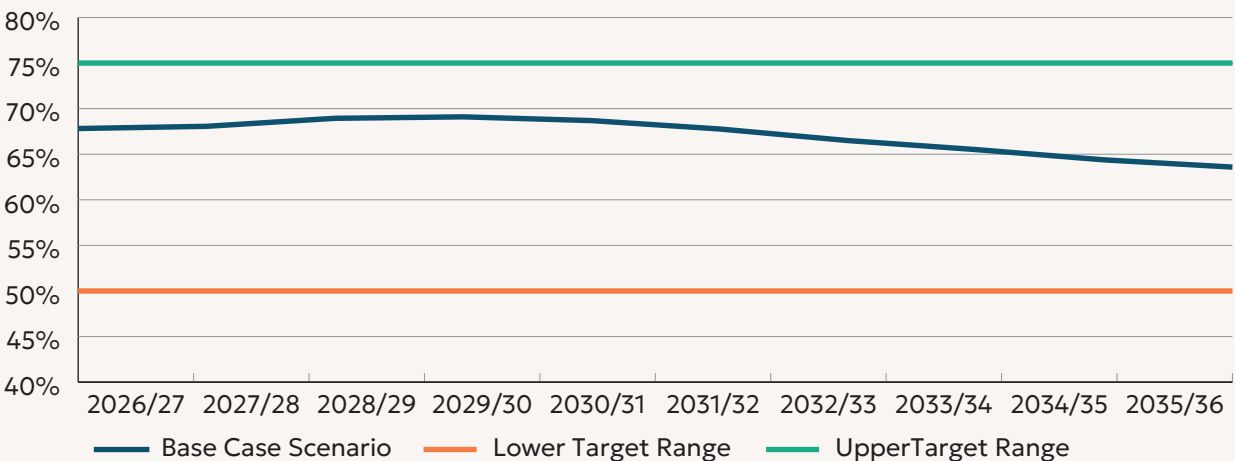
**Target** — Between 50% and 75%

**Commentary** — This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement value. The City’s ratio is achieved and maintained within the target band over the life of the LTFP.

**Asset Sustainability Ratio**



**Asset Consumption Ratio**



## Financial Health Indicator (FHI)

**Indication** — The Financial Health Indicator is a measurement of a local government's overall financial health.

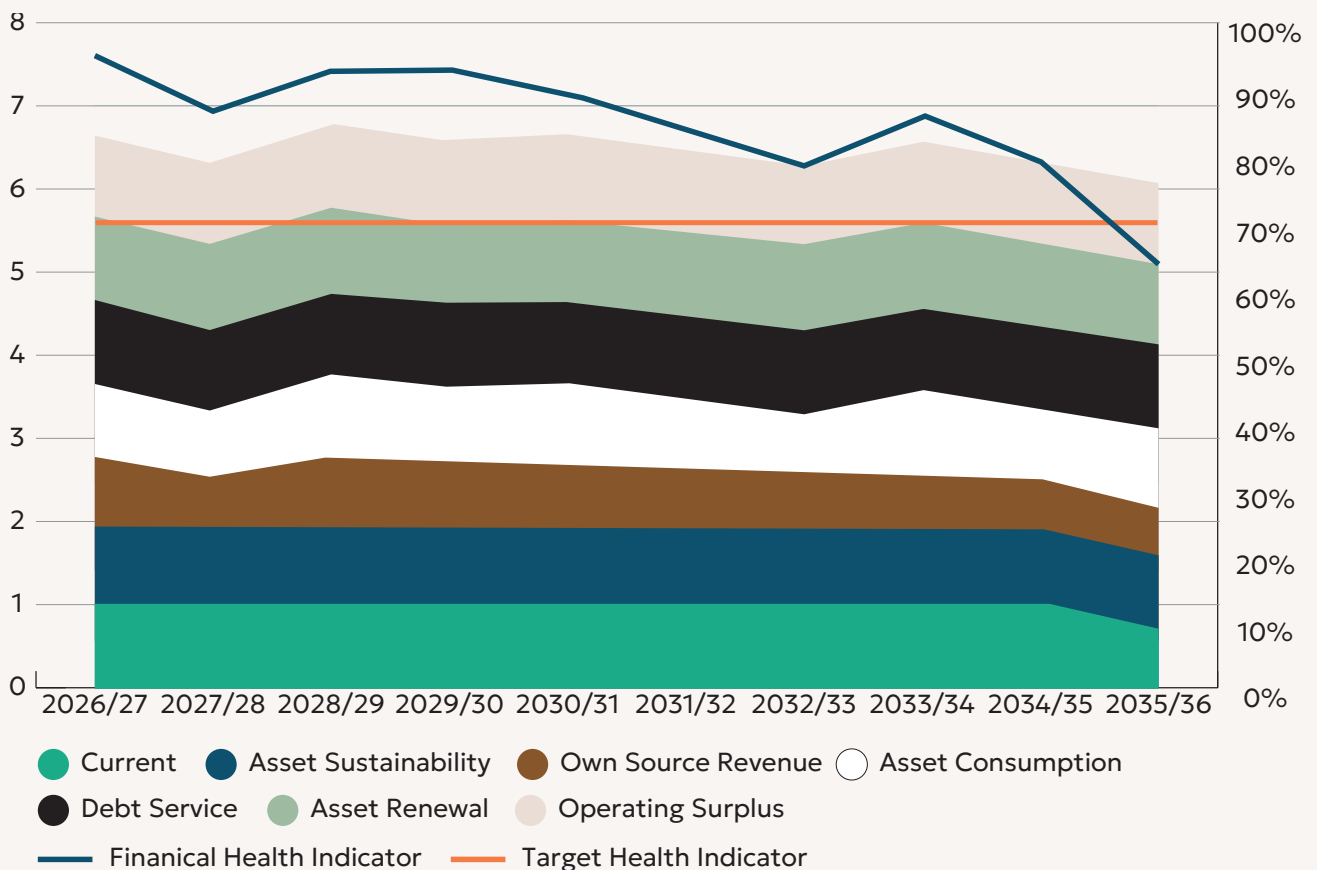
**Target** — Greater than or equal to 70

**Commentary** — The City is forecast to be in good financial health for the first nine years of the LTFP, and drops slightly below target in year ten due to the cumulative impact of the total capital works program, inclusive of the Community Infrastructure Plan.



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### Financial Health Indicator







# 10. KEY ASSUMPTIONS UNDERPINNING OUR LTFP

## 10.1 Operational Revenue and Expenditure

The City's Long Term Financial Plan projections are based on a number of assumptions regarding Council's operational revenue and expenditure. The first five years of our LTFP contain a high level of accuracy, however, the capacity to accurately

predict Council's financial position for the remaining period is diminished and includes reasonable estimates only.

The key assumptions are detailed in the table below.

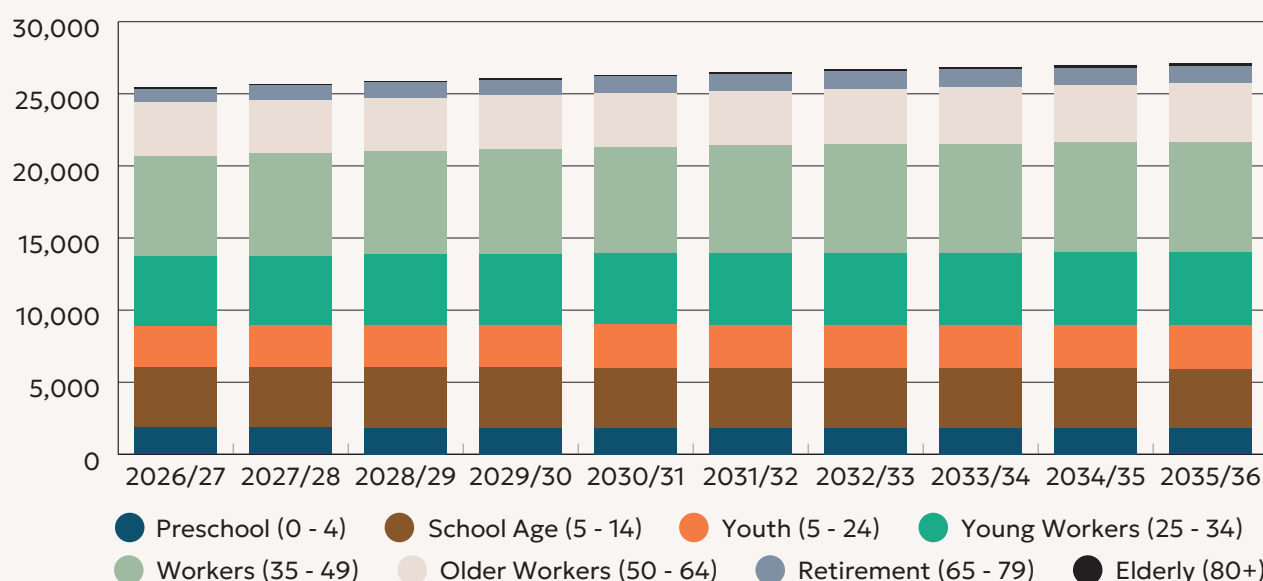
Base Case Key Assumptions	
<b>Rates revenue</b>	The LTFP is based on an average residential increase of 3.0% over ten years rates incorporating Madigan, Baynton West, Gregory and Hancock Way, supplemented by additional rates revenue from commercial, incorporating an annual Consumer Price Index increase of 2.5%-3.0% Conservative estimates for property growth have been utilised pending resource and industry project announcements.
<b>Other fees and charges</b>	2.9%-4.2% increase per year to reflect projected Consumer Price Index (CPI).
<b>Airport fees and charges</b>	Current projects and construction activity in Karratha has driven higher revenues between 2022 – 2028, tapering off over subsequent years. Passenger numbers continue to rise with associated increases in revenue.
<b>Grants and contributions</b>	CPI used as an indicator to forecast Operating Grants and Contributions. Roads to Recovery funding will continue into 2026-27.
<b>Employee costs</b>	4% growth rate as per the City of Karratha Industrial Agreement 2023 effective August 2023 with (10%) vacancy rate and 0.5% skill step movement.
<b>Materials and contracts</b>	CPI increase for maintenance and operation of existing services and infrastructure. Rawlinsons Building Price Index (BPI) for the Pilbara region has been included to recognize the increased cost of goods and services in the area.
<b>% of OPEX on new capital</b>	Assumption that 7.5% of major and 2.5% of minor cost of new infrastructure will be incurred in maintenance and operating costs.
<b>Insurance</b>	2.9%-3.2% increase per year to reflect projected CPI.

## 10.2 Economic Assumptions

The following economic drivers have been used to develop this plan:

Economic Assumptions	
Consumer Price Index Australia (CPI). <i>RBA, Forecast table — May 2025</i>	2.00% – 3.00%
Western Australian Treasury Corporation (WATC) fixed rate semi-annual interest rate. <i>WATC Indicative Local Government Interest Rates, May 2025</i>	3.69% – 5.17%
Term Deposit interest rates	4.56% – 5.44%
Western Australia Local Government (WALGA) Local Government Cost Index. <i>WALGA Economic Briefing, May 2025</i>	3.63% – 5.00%
Rawlinsons Regional Indices Western Australia. <i>Rawlinsons 2023 Edition 41</i>	55.0%
Regional Price Index (RPI). <i>Department of Primary Industries and Regional Development 2023</i>	11.1%
REMPAN Population: <i>Estimated Growth, Pilbara Region, accessed August 2025</i> . Expected population increase	0.53% – 1.23%

### Population: Estimated Growth



## 10.3 Capital Works Program

Delivering major infrastructure projects to provide long-term benefits to our community for generations to come is the key focus for the City of Karratha as we continue our transformation into Australia's most liveable regional city. The creation of new assets and renewal or upgrade of existing infrastructure have been included in developing the LTFP.

This plan outlines a capital works program of \$758 million over the ten year period, and includes the implementation of the Community Infrastructure Plan, at a value of approximately \$264 million over the upcoming ten years.

### Capital Works by Program and Schedule

The following graph illustrates capital expenditure by program for the period of the LTFP 2026-2036. The table outlines the capital expenditure by Schedule, the method developed by the City to categorise its Capital Works.

Due to the remote location and large geographical size of the City, transport is a key priority which is demonstrated at 46% of total capital expenditure. Contained within the transport program, Karratha Airport is the City's largest asset and provides a significant revenue stream. It is essential to the City's capital portfolio accounting for \$43.5 million in the ten year Capital Program. Roads, footpaths, kerbing infrastructure and Boat Ramps are another priority with \$234 million of capital expenditure.

Sporting and Community Facilities are the next greatest capital expenditures, representing a combined 37% of the capital works expenditure over the next ten years. Community feedback resulted in improved sporting and recreation facilities and townscape aesthetics.

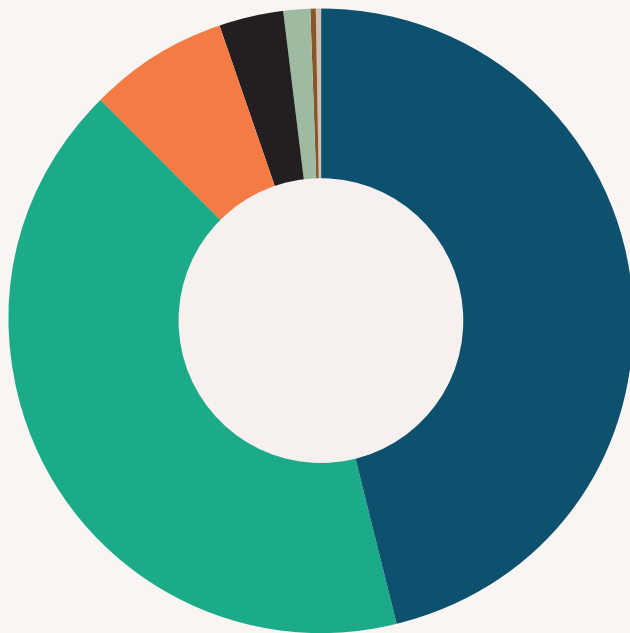
Housing affordability and availability are also considered of high importance when living in the City of Karratha, and as a result has initiated greater development in this area. The City has promoted and encouraged new housing initiatives, expected to be \$82 million over the next ten years. Much of this expenditure relates to the City's 'Project Dorothy', with a number of development proposals endorsed by Council and already underway.

The Community Infrastructure Plan (CIP), adopted in 2025, incorporates community infrastructure requests received from the community consultation, prioritised, endorsed and supported by Council. The CIP includes expenditure of approximately \$264 million to be delivered over the next ten years. The CIP is made up of key projects, such as: Karratha Bike Park, Point Samson Youth Recreation Area, Wickham Recreation Precinct, City Waterpark, Roebourne Recreation Precinct, and Rectangular Field Precinct Masterplan.

All figures in the Capital Program section exclude Funding

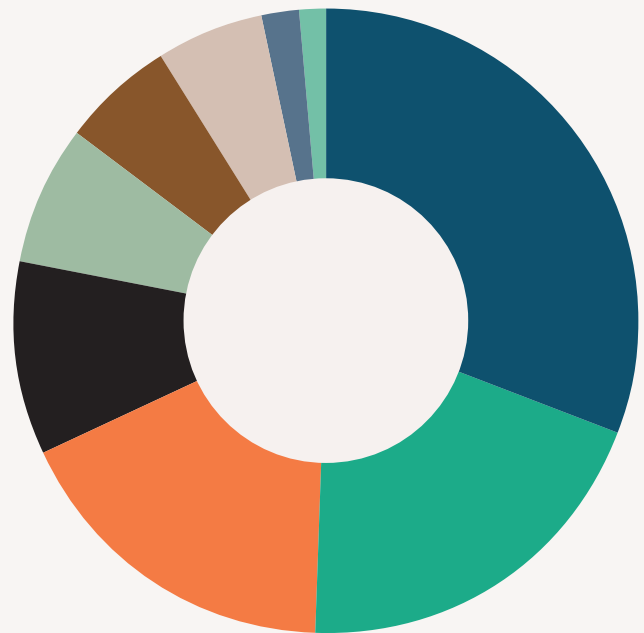


**Capital Works Expenditure by Program**



	Total	%
Transport	\$351,677,730	46.39%
Recreation & Culture	\$312,775,368	41.26%
Community Amenities	\$55,610,000	7.34%
Public Works Overheads	\$24,337,502	3.21%
Housing	\$10,094,477	1.33%
General Purpose Funding	\$3,000,000	0.40%
Economic Services	\$480,000	0.06%
Law, Order, Public Safety	\$100,000	0.01%
Members of Council	\$40,000	0.01%
<b>Total</b>	<b>\$758,115,077</b>	

**Total Capital Works Expenditure by Schedule**



	Total	%
Roads, Paths, Boats Ramps	\$234,347,170	30.9%
Sport Facilities	\$150,925,810	19.9%
Community Facilities	\$131,857,000	17.4%
Major Facilities	\$76,044,118	10.0%
City Operations	\$54,496,502	7.2%
Airport	\$43,520,000	5.7%
Waste	\$42,530,000	5.6%
Beautification	\$14,300,000	1.9%
Housing	\$10,094,477	1.3%
<b>Total</b>	<b>\$758,115,077</b>	

## 10.4 Housing Initiatives

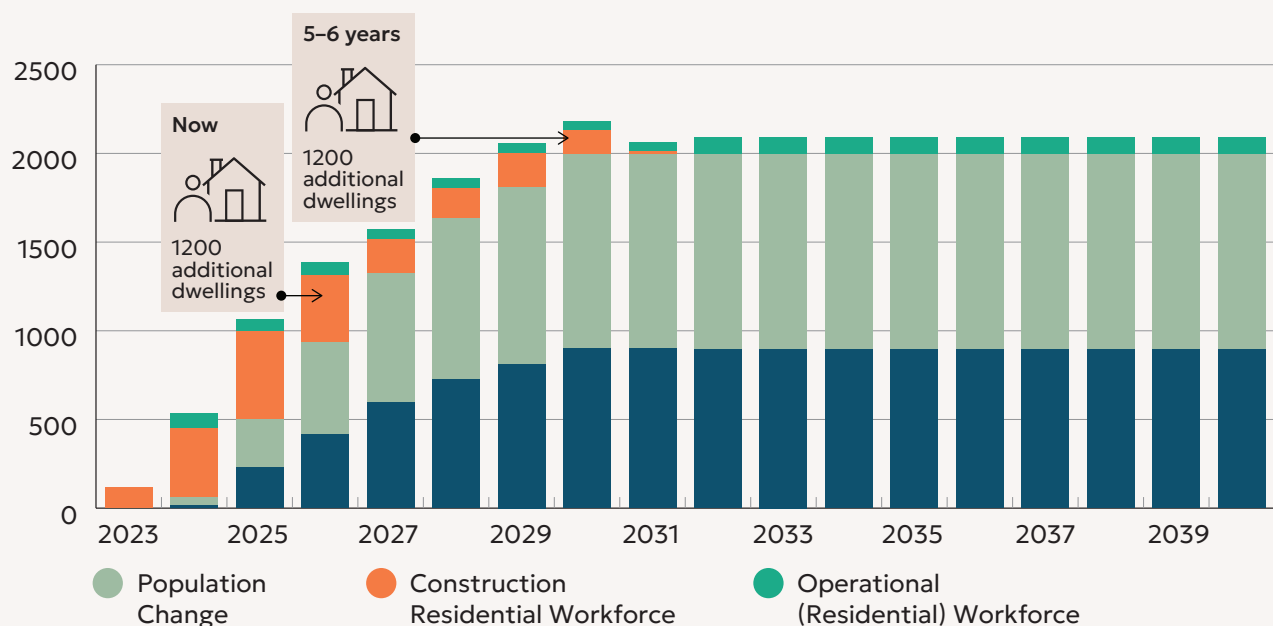
The City is currently experiencing a shortage of properties to buy and/or rent and future resource sector growth is expected to intensify this issue. Without a rapid development of additional dwelling stock, it is likely that there will be a spike in house and rental prices. Given this situation, the City is undertaking a Housing Investment Program to alleviate this problem. This housing program is referred to as Project Dorothy.

### Addressing the Region's Housing Shortfall

The City's Cumulative Impact Modelling has identified a current shortfall of approximately 1,200 residential dwellings, with projections indicating this gap could grow to around 2,000 over the next five years. This anticipated shortfall is driven by increased housing demand from operational workforces, supporting industries, their families, and additional service workers associated with major developments such as:

- Woodside's Pluto Train 2
- Perdaman's Urea Plant
- BCI Minerals' Mardie Salt Project
- The Pilbara Hydrogen Hub

### Residential Housing — Demand Forecast



In response to this critical housing need, in 2025 the City launched a Housing Development Expression of Interest (EOI), known as Project Dorothy, aimed at rapidly delivering high-yield housing on undeveloped, development-ready land—particularly land owned by the City. Under this initiative, two projects are underway with the expectation of delivering over 150 dwellings at a combined cost of \$82 million. Funding will be sourced from the City’s Infrastructure Reserve, external debt financing, and developer contributions.

Additionally, the City has secured \$22.1 million from the Federal Government’s Housing Support Program — Community Enabling Infrastructure Stream to support the initial stages of the new Mulataga housing estate. This project will be delivered in partnership with DevelopmentWA, the State Government’s land development authority, which is also making a significant financial contribution.

As part of its broader housing strategy, the City is also advancing several complementary initiatives, including:

- Service Worker Accommodation (SWA)
- Hancock Way Development
- Partnership agreements with external parties to expand housing supply

## 10.5 Loan Borrowings

As community infrastructure is expected to be used over the course of generations, Council’s position on funding expenditure through loan borrowings is to spread the cost of construction of new infrastructure over time. The following caveats have been applied to the potential use of borrowings.

- Funds will only be borrowed for specific infrastructure projects, which are clearly linked to the community’s expectations as outlined within the Council Plan or the Community Infrastructure Plan;
- Council will consider the use of loans to ensure existing residents are not burdened with the cost of infrastructure which will be enjoyed by future generations;
- Loan borrowings will only be considered after all potential funding strategies have been investigated, including the use of any existing cash reserves and external funding opportunities;
- Council will review its long-term financial plan to ensure there is capacity to service debt from recurrent revenues.

Proposed loan borrowings included within this plan (in the year the funds are required) are shown in the table below.

### Loan Borrowings

	2026 / 2027	2027 / 2028	2028 / 2029	2029 / 2030	2030 / 2031
Purpose					
Bulgarra Apartments	\$39,182,273	\$16,750,153	-	-	-
Community Infrastructure Plan	-	\$592,000	\$7,428,000	\$18,875,730	\$18,983,554
Total	\$39,182,273	\$17,342,153	\$7,428,000	\$18,875,730	\$18,983,554



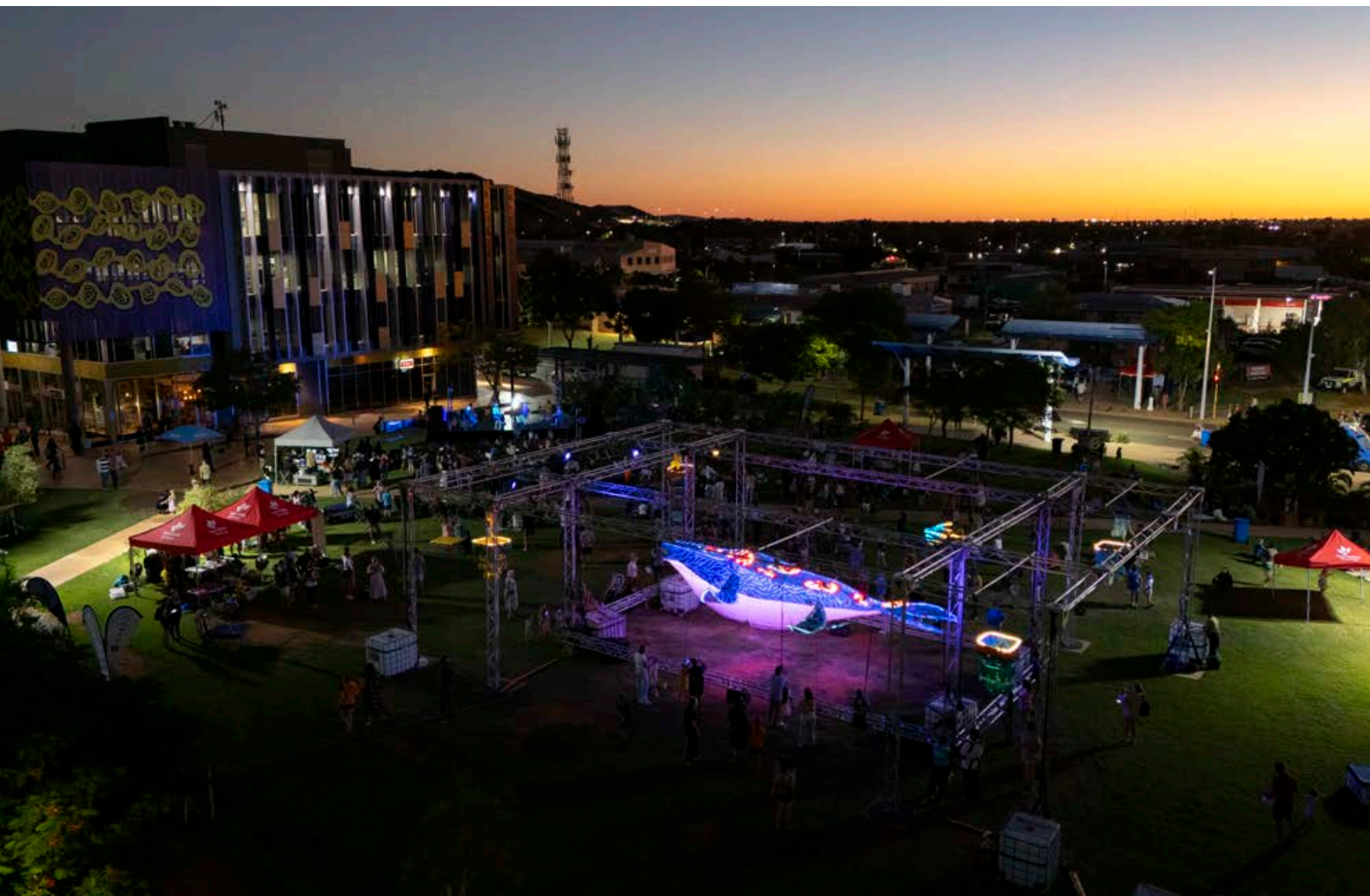
## 10.6 Exclusions

Prospective projects and facilities that are not sufficiently detailed at this stage, have not been included in the plan. They will be incorporated into future plans once transparency around timing, revenue, expenditure and capital are known.

As with all forecasting, costs, priorities and community needs are subject to change. Therefore, it is necessary to effectively draw a line in the sand when preparing the capital program for the LTFP. The values disclosed in this plan represent estimated future prices and costs and will be reviewed regularly.



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# 11. KEY RISKS TO LONG TERM SUSTAINABILITY

The LTFP has identified the below key risks that present substantial challenges for the City of Karratha's long term sustainability given the current and future demands anticipated for facilities and services.

To address these risks, the Long Term Financial Plan is reviewed quarterly and updated annually.

Key risks	Challenge
<b>Population uncertainty</b>	Population growth forecasts vary significantly, making it difficult to calculate market demand for facilities and services in our long term financial planning.
<b>Dispersed population</b>	Population spread across five distinct towns, requires duplication of facilities and services in each town, creating financial pressure.
<b>Resource expansion</b>	Resource projects' State Agreements create inequity in our rating process across business and industry and severely limit our ability to source additional capital and operational funding to offset Fly-In, Fly-Out (FIFO) impacts on community facilities and services.
<b>Cost pressure increase</b>	Local government costs continually increase at a higher rate than CPI, with additional costs associated with the remoteness of the Pilbara compounding the issue.
<b>Reduction in State and Federal Government grants</b>	Grants and contributions are received from State and Federal Governments based on their population and capacity to generate rates and revenues. As the City progresses, it is anticipated that grants and contributions from Governments will decrease.
<b>Cost shifting from other levels of government</b>	The City's service delivery requirements are beyond typical local government responsibility due to our remote location. These services include a range of community, health, environmental and planning services, tourism, heritage, and entertainment, with funding that does not always account for substantial distances to service localities and higher costs associated with being in the Pilbara.
<b>Organisational capacity</b>	Attracting and retaining staff with requisite skills is a constant challenge due to remoteness, cost of living, housing affordability and salary competition from the resource sector.
<b>Asset management planning</b>	The ability to accurately quantify the financial risks over a long period is difficult as the Asset Management Plan is a five year plan.







# 12. FINANCIAL PROJECTIONS

Our financial projections for the LTFP conform to the Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards.

We have followed a format within our LTFP that allows our projections to feed into the statutory format of our Annual Budgets, as well as allowing the key performance measures outlined in our LTFP to be compared with our Annual Budgets and Annual Reports.

**Information provided by the Statement of Cash Flows can assist in recognising the ability to generate cash and meet financial commitments...**

## 12.1 Financial Statements

The financial statements as per Appendix A, have been prepared for the ten years covered in the LTFP. These estimates have been prepared on the basis of the assumptions shown previously in the document.

Our statutory statements include:

- Statement of Comprehensive Income by Nature
- Statement of Cash Flows
- Statement of Financial Activity
- Statement of Financial Position
- Statement of Changes in Equity

### Statement of Comprehensive Income by Nature

Identifies the cost of goods and services provided, and the extent to which costs are recovered from revenues. A surplus is estimated for each year of the LTFP.

### Statement of Cash Flows

The purpose of this statement is to show how changes in balance sheet accounts and income affect cash and cash equivalents, breaking the analysis down to operating, investing and financing activities. Net cash provided by operating activities illustrates how much cash is expected to remain after funding the services provided to the community. This can be used to fund other activities such as infrastructure, capital works and additional strategies identified by the City. Information provided by the Statement of Cash Flows can assist in recognising the ability to generate cash and meet financial commitments, including repayments of debt.

## Statement of Financial Activities

This statement, formerly known as the Rate Setting Statement, summarises the operating, capital, debt and reserve transactions. The statement identifies the funds necessary to balance the budget in each financial year through the collection of rates. The format of the Statement of Financial Activity in the LTFP varies from the Annual Budget. The Annual Budgets bottom line represents the amount required from rates. In the LTFP, rates are assessed in accordance with relevant assumptions to the plan. If a surplus results, this can be used to fund other services however, where a shortfall results this indicates that the Council is unable to fund the services proposed at the planned rating levels. The LTFP shows a budget deficit, however the new borrowings included in the plan will cover the cost of planned service requirements within the LTFP.

## Statement of Financial Position

This statement summarises the expected financial position of the City at the end of the financial year. It reports what is expected to be owned (assets) and what is expected to be owed (liabilities). The statement discloses transactions as current and non-current assets, and current and non-current liabilities (net assets) and equity.

## Statement of Equity

The purpose of this statement is to report the changes in equity over an accounting period. The LTFP uses this to show the changes in accumulated funds and reserves over the next ten years.

These statements are supported by our following schedules:

- Ten Year Capital Works Program
- Loan Repayment Schedule
- Cash Reserves
- Sustainability Ratios



# 13. IMPLEMENTATION AND REVIEW OF THE LONG TERM FINANCIAL PLAN

Council considers the content of our long term financial plan before preparing the City of Karratha's Annual Budget.

Since the creation of the first long term financial plan in 2012, adopted Annual Budgets have been aligned with the proposals made in the plan and the underlying assumptions.

Reviews of the LTFP are conducted quarterly each year, and updated annually as part of our Annual Budget development to account for performance information and any changing circumstances.

Council is confident the modelling in the LTFP provides clear guidance on the financial impacts of various activities, initiatives, service levels and programs, allowing the City to set priorities within its resourcing capabilities, to sustainably deliver the infrastructure and services our community needs.





# 14. APPENDICES







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# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Comprehensive Income

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Revenue</b>				
Rates	69,195	71,605	74,082	76,614
Operating Grants, Subsidies and Contributions	36,468	30,323	31,232	32,169
Fees and Charges	22,553	23,253	23,974	24,717
Airport Fees	29,581	30,824	32,119	33,467
Waste Fees & Charges	25,872	26,830	27,822	28,852
Interest Earnings	9,883	11,873	12,391	12,433
Other Revenue	599	617	1,136	655
	<b>194,153</b>	<b>195,324</b>	<b>202,756</b>	<b>208,908</b>
<b>Expenses</b>				
Employee Costs	60,263	64,061	68,265	72,386
Materials and Contracts	49,378	52,454	56,318	60,440
Utility Charges	6,354	6,548	6,748	6,955
Depreciation	31,050	31,361	31,674	31,991
Interest Expenses	2,241	2,193	2,464	3,260
Insurance Expenses	3,790	3,904	4,021	4,141
Other Expenditure	2,479	2,554	2,630	2,709
	<b>155,555</b>	<b>163,074</b>	<b>172,121</b>	<b>181,882</b>
<b>Surplus (Deficit) before Capital Funding</b>	<b>38,598</b>	<b>32,250</b>	<b>30,636</b>	<b>27,026</b>
Non-Operating Grants, Subsidies and Contributions	23,750	43,757	47,275	40,448
Profit on Asset Disposals	-	-	-	-
Loss on Asset Disposals	-	-	-	-
Other	-	-	-	-
<b>NET RESULT</b>	<b>62,348</b>	<b>76,007</b>	<b>77,910</b>	<b>67,473</b>
<b>Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>62,348</b>	<b>76,007</b>	<b>77,910</b>	<b>67,473</b>

2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
79,210	81,897	84,678	87,432	90,276	93,212
33,106	34,069	35,060	36,081	37,130	38,211
25,460	26,226	27,014	27,826	28,663	29,524
34,843	36,275	37,766	39,318	40,934	42,617
29,893	30,972	32,091	33,249	34,449	35,693
12,484	12,543	12,612	12,690	12,779	12,877
674	694	714	735	756	778
215,670	222,676	229,935	237,331	244,987	252,912
75,978	79,802	84,019	88,432	92,973	97,824
64,027	66,961	69,465	71,811	74,246	76,914
7,162	7,374	7,593	7,819	8,051	8,290
32,311	32,634	32,960	33,290	33,623	33,959
3,995	4,324	4,196	3,860	3,496	3,581
4,262	4,386	4,514	4,645	4,780	4,919
2,788	2,869	2,953	3,038	3,127	3,218
190,523	198,351	205,699	212,896	220,296	228,704
25,147	24,325	24,236	24,435	24,691	24,208
27,970	15,151	6,170	7,922	3,216	14,048
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
53,117	39,475	30,406	32,357	27,907	38,256
-	-	-	-	-	-
53,117	39,475	30,406	32,357	27,907	38,256

# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Financial Position

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Current Assets</b>				
Cash & Cash Equivalents	16,503	57,822	54,758	59,426
Cash Backed Reserves	147,171	113,258	101,287	91,765
Trade and other receivables	8,929	9,565	10,033	10,539
Other financial assets	1,931	2,008	2,089	6,272
Inventories	2,976	3,069	3,165	3,264
<b>Total Current Assets</b>	<b>177,511</b>	<b>185,723</b>	<b>171,331</b>	<b>171,265</b>
<b>Non-Current Assets</b>				
Other Receivables				
Other Financial Assets	64,884	62,876	60,788	54,516
Inventories	-	-	-	-
Property, plant and equipment	318,325	310,441	310,453	311,126
Infrastructure	503,327	587,149	695,489	773,912
Investment Property	46,350	46,350	46,350	46,350
Right of Use Assets	460	322	184	46
<b>Total Non-Current Assets</b>	<b>933,347</b>	<b>1,007,138</b>	<b>1,113,263</b>	<b>1,185,949</b>
<b>Total Assets</b>	<b>1,110,857</b>	<b>1,192,860</b>	<b>1,284,594</b>	<b>1,357,214</b>

(Continues on following page)



2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
60,291	68,049	73,743	78,798	87,449	86,007
106,888	121,462	141,466	150,835	168,559	189,851
11,050	11,600	12,191	12,825	13,504	14,862
2,259	2,349	2,443	2,541	2,643	2,748
3,363	3,465	3,570	3,678	3,789	3,904
183,851	206,925	233,413	248,677	275,943	297,373
52,257	49,907	47,464	44,923	42,280	39,532
-	-	-	-	-	-
310,701	302,798	294,839	287,756	275,686	270,238
824,041	852,230	859,607	878,884	894,050	918,639
46,350	46,350	46,350	46,350	46,350	46,350
(1)	(1)	(1)	(1)	(1)	(1)
1,233,348	1,251,285	1,248,259	1,257,912	1,258,365	1,274,759
1,417,198	1,458,209	1,481,672	1,506,589	1,534,309	1,572,131

# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Financial Position (Continued)

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Current Liabilities</b>				
Trade and other payables	15,603	16,090	16,592	17,109
Contract and lease liabilities	140	148	155	103
Borrowings	1,364	2,533	4,153	5,855
Provisions	5,880	6,149	6,430	6,706
<b>Total current liabilities</b>	<b>22,987</b>	<b>24,919</b>	<b>27,330</b>	<b>29,773</b>
<b>Non-Current Liabilities</b>				
Lease Liabilities	406	258	103	-
Borrowings	55,161	60,056	74,779	77,908
Provisions	9,774	9,091	5,936	5,614
<b>Total Non-Current Liabilities</b>	<b>65,341</b>	<b>69,405</b>	<b>80,818</b>	<b>83,521</b>
<b>Total Liabilities</b>	<b>88,328</b>	<b>94,324</b>	<b>108,148</b>	<b>113,294</b>
<b>NET ASSETS</b>	<b>1,022,530</b>	<b>1,098,536</b>	<b>1,176,446</b>	<b>1,243,920</b>
<b>Equity</b>				
Retained Surplus	589,106	650,486	745,498	826,575
Reserves — Cash Backed	147,171	161,798	144,696	131,092
Reserves — Asset Revaluation	286,253	286,253	286,253	286,253
<b>TOTAL EQUITY</b>	<b>1,022,530</b>	<b>1,098,536</b>	<b>1,176,446</b>	<b>1,243,920</b>

2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
17,628	18,162	18,712	19,279	19,864	20,466
-	-	-	-	-	-
7,109	7,769	8,158	8,565	9,759	10,903
6,949	7,207	7,492	7,787	8,094	8,411
31,686	33,138	34,363	35,632	37,717	39,780
-	-	-	-	-	-
83,155	79,572	72,006	63,840	64,081	61,840
5,321	8,987	8,385	7,841	5,328	5,073
88,476	88,559	80,391	71,681	69,409	66,913
120,162	121,697	114,754	107,313	107,126	106,693
1,297,037	1,336,512	1,366,918	1,399,275	1,427,182	1,465,438
858,088	876,743	878,572	897,544	900,132	907,969
152,696	173,517	202,094	215,479	240,798	271,216
286,253	286,253	286,253	286,253	286,253	286,253
1,297,037	1,336,512	1,366,918	1,399,275	1,427,182	1,465,438

# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Changes in Equity

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Retained Surplus</b>				
Balance at beginning of year (1 July)	567,418	589,106	650,486	745,498
Net Surplus (deficit) for the year	62,348	76,007	77,910	67,473
Transfers from (to) Cash Backed Reserves	(40,660)	(14,627)	17,102	13,603
Transfers from (to) Asset Revaluation Reserves	-	-	-	-
Prior Period Adjustment	-	-	-	-
<b>Balance at end of year (30 June)</b>	<b>589,106</b>	<b>650,486</b>	<b>745,498</b>	<b>826,575</b>
<b>Reserves — Cash Backed</b>				
Balance at beginning of year (1 July)	106,511	147,171	161,798	144,696
Transfers from (to) Retained Surplus	40,660	14,627	(17,102)	(13,603)
<b>Balance at end of year (30 June)</b>	<b>147,171</b>	<b>161,798</b>	<b>144,696</b>	<b>131,092</b>
<b>Reserves — Asset Revaluation</b>				
Balance at beginning of year (1 July)	286,253	286,253	286,253	286,253
Transfers from (to) Retained Surplus	-	-	-	-
<b>Balance at end of year (30 June)</b>	<b>286,253</b>	<b>286,253</b>	<b>286,253</b>	<b>286,253</b>



2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
826,575	858,088	876,743	878,572	897,544	900,132
53,117	39,475	30,406	32,357	27,907	38,256
(21,604)	(20,821)	(28,576)	(13,385)	(25,319)	(30,418)
-	-	-	-	-	-
-	-	-	-	-	-
858,088	876,743	878,572	897,544	900,132	907,969
131,092	152,696	173,517	202,094	215,479	240,798
21,604	20,821	28,576	13,385	25,319	30,418
152,696	173,517	202,094	215,479	240,798	271,216
286,253	286,253	286,253	286,253	286,253	286,253
-	-	-	-	-	-
286,253	286,253	286,253	286,253	286,253	286,253

# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Cash Flows

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Rates	69,160	71,569	74,045	76,576
Operating Grants, Subsidies and Contributions	34,753	29,229	30,323	31,232
Fees and Charges	22,215	23,021	23,724	24,454
Airport Fees	29,581	30,824	32,119	33,467
Waste Fees & Charges	25,872	26,830	27,822	28,852
Interest Earnings	10,516	12,506	13,024	13,066
Other Revenue	599	617	1,136	655
	<b>192,697</b>	<b>194,595</b>	<b>202,193</b>	<b>208,303</b>
<b>Payments</b>				
Employee Costs	59,967	63,776	67,967	72,094
Materials & Contracts	44,772	52,666	58,987	60,261
Utility Charges	6,354	6,548	6,748	6,955
Insurance Expenses	3,790	3,904	4,021	4,141
Interest expenses	2,241	2,193	2,464	3,260
Other Expenditure	2,479	2,554	2,630	2,709
	<b>119,603</b>	<b>131,641</b>	<b>142,818</b>	<b>149,420</b>
<b>Net Cash from Operating Activities</b>	<b>73,095</b>	<b>62,954</b>	<b>59,375</b>	<b>58,882</b>

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2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
79,170	81,856	84,635	87,388	90,231	93,166
32,169	33,106	34,069	35,060	36,081	37,130
25,193	25,945	26,719	27,515	28,335	29,178
34,843	36,275	37,766	39,318	40,934	42,617
29,893	30,972	32,091	33,249	34,449	35,693
13,117	13,176	13,245	13,323	13,412	12,877
674	694	714	735	756	778
215,060	222,024	229,239	236,589	244,197	251,439
75,720	79,530	83,717	88,120	92,648	97,488
63,816	62,775	69,533	71,805	76,193	76,585
7,162	7,374	7,593	7,819	8,051	8,290
4,262	4,386	4,514	4,645	4,780	4,919
3,995	4,324	4,196	3,860	3,496	3,581
2,788	2,869	2,953	3,038	3,127	3,218
157,743	161,259	172,505	179,288	188,295	194,081
57,317	60,765	56,734	57,301	55,902	57,358

# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Cash Flows (Continued)

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Cash Flows from Investing Activities</b>				
<b>Receipts</b>				
Non-operating Grants, Subsidies & Contributions	23,750	43,757	47,275	40,448
Proceeds from sale of property, plant & equipment	1,551	1,597	1,645	1,695
Proceeds from financial assets	592	1,931	2,008	2,089
	<b>25,893</b>	<b>47,285</b>	<b>50,928</b>	<b>44,231</b>
<b>Payments</b>				
Payments for property, plant and equipment	9,454	8,118	16,208	17,065
Payments for construction of infrastructure	71,904	100,639	125,325	95,578
Payments for financial assets	-	-	-	10,000
Payments for investment property	-	-	-	-
	<b>81,358</b>	<b>108,757</b>	<b>141,533</b>	<b>122,643</b>
Non-Cash Exclusions	-	-	-	-
<b>Net Cash provided by (or used in) Investing Activities</b>	<b>(55,465)</b>	<b>(61,472)</b>	<b>(90,605)</b>	<b>(78,412)</b>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts</b>				
Proceeds from Self Supporting Loans	1,316	-	-	-
Proceeds from Local Group Loans	-	-	-	-
Proceeds from new borrowings	17,342	7,428	18,876	18,984
<b>Payments</b>				
Repayment of borrowings	-	1,364	2,533	4,153
Payments for New Borrowings	-	-	-	-
Payments for principal portion of lease liabilities	134	140	148	155
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>1,182</b>	<b>5,924</b>	<b>16,195</b>	<b>14,675</b>
<b>Net Increase (Decrease) in cash held</b>	<b>18,812</b>	<b>7,406</b>	<b>(15,035)</b>	<b>(4,854)</b>
<b>Cash at the beginning of reporting period</b>	<b>144,826</b>	<b>163,637</b>	<b>171,043</b>	<b>156,008</b>
<b>Cash at the end of reporting period</b>	<b>163,637</b>	<b>171,043</b>	<b>156,008</b>	<b>151,154</b>



2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
27,970	15,151	6,170	7,922	3,216	14,048
1,744	1,795	1,847	1,901	1,956	2,013
6,272	2,259	2,349	2,443	2,541	2,643
<b>35,986</b>	<b>19,204</b>	<b>10,366</b>	<b>12,265</b>	<b>7,713</b>	<b>18,703</b>
16,257	9,025	9,173	10,256	5,478	12,314
67,456	45,690	25,052	37,128	33,197	42,799
-	-	-	-	-	-
-	-	-	-	-	-
<b>83,713</b>	<b>54,715</b>	<b>34,225</b>	<b>47,384</b>	<b>38,675</b>	<b>55,113</b>
-	-	-	-	-	-
<b>(47,727)</b>	<b>(35,510)</b>	<b>(23,859)</b>	<b>(35,119)</b>	<b>(30,962)</b>	<b>(36,410)</b>
-	-	-	-	-	-
-	-	-	-	-	-
12,356	4,186	592	400	10,000	8,662
5,855	7,109	7,769	8,158	8,565	9,759
-	-	-	-	-	-
103	-	-	-	-	-
<b>6,398</b>	<b>(2,923)</b>	<b>(7,177)</b>	<b>(7,758)</b>	<b>1,435</b>	<b>(1,097)</b>
<b>15,989</b>	<b>22,332</b>	<b>25,698</b>	<b>14,424</b>	<b>26,375</b>	<b>19,850</b>
151,154	167,142	189,474	215,172	229,596	255,971
<b>167,142</b>	<b>189,474</b>	<b>215,172</b>	<b>229,596</b>	<b>255,971</b>	<b>275,821</b>

# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Financial Activity

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Revenue</b>				
Office of the CEO	-	-	-	-
Corporate Services	20,727	22,950	24,312	24,208
Development Services	999	1,029	1,061	1,093
Projects & Infrastructure	87,479	90,649	93,936	97,344
Community Experience	15,753	9,091	9,366	9,649
	<b>124,958</b>	<b>123,719</b>	<b>128,674</b>	<b>132,293</b>
<b>Expenses</b>				
Office of the CEO	908	994	1,088	1,180
Corporate Services	11,796	12,422	13,115	13,773
Development Services	10,354	10,858	11,405	11,949
Projects & Infrastructure	89,228	93,277	97,751	102,059
Community Experience	43,268	45,524	48,762	52,921
	<b>155,555</b>	<b>163,074</b>	<b>172,121</b>	<b>181,882</b>
<b>Net Operating Result Excluding Rates</b>	<b>(30,597)</b>	<b>(39,355)</b>	<b>(43,447)</b>	<b>(49,588)</b>
<b>Adjustments for Cash Budget Requirements</b>				
<b>Non-Cash Expenditure and Revenue</b>				
(Profit)/Loss on asset disposals	-	-	-	-
Depreciation on assets	31,050	31,361	31,674	31,991
Movement in employee benefit provisions	16	16	16	16
Movement in investment property	-	-	-	-
Movement in Accruals	(954)	(242)	(62)	(87)
Contributions of Gifted Assets	-	-	-	-
Adjustments to fixed assets	-	-	-	-
Amounts Set Aside to Provisions	4,104	(699)	(3,171)	(339)
<b>Amount attributable to Operating Activities</b>	<b>3,620</b>	<b>(8,920)</b>	<b>(14,989)</b>	<b>(18,007)</b>

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2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
-	-	-	-	-	-
24,613	25,038	25,483	25,949	26,436	26,946
1,125	1,158	1,191	1,226	1,262	1,299
100,790	104,361	108,061	111,895	115,867	119,983
9,931	10,222	10,521	10,829	11,146	11,472
136,460	140,779	145,257	149,899	154,711	159,700
1,248	1,324	1,416	1,512	1,613	1,721
14,307	14,883	15,538	16,226	16,931	17,696
12,442	12,962	13,524	14,110	14,713	15,351
105,769	109,406	113,193	117,048	121,046	125,255
56,757	59,776	62,029	63,999	65,993	68,683
190,523	198,351	205,699	212,896	220,296	228,704
(54,063)	(57,572)	(60,442)	(62,997)	(65,585)	(69,005)
-	-	-	-	-	-
32,311	32,634	32,960	33,290	33,623	33,959
14	15	17	17	18	18
-	-	-	-	-	-
(91)	(118)	(146)	(175)	(206)	(872)
-	-	-	-	-	-
-	-	-	-	-	-
(307)	3,651	(619)	(561)	(2,531)	(273)
(22,137)	(21,389)	(28,229)	(30,426)	(34,681)	(36,172)

# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Financial Activity (Continued)

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Capital Expenditure and Revenue</b>				
<b>Investing Activities</b>				
Non-operating grants & subsidies	23,750	43,757	47,275	40,448
Purchase property, plant & equipment	(9,454)	(8,118)	(16,208)	(17,065)
Purchase infrastructure assets	(71,904)	(100,639)	(125,325)	(95,578)
Payments for investment property	-	-	-	-
Proceeds from disposal of assets	1,551	1,597	1,645	1,695
Proceeds from financial asset	592	-	2,008	2,089
Advances to community groups	-	-	-	(10,000)
Non-cash amounts excluded from investing activities	-	-	-	-
<b>Amount attributable to Investing Activities</b>	<b>(55,465)</b>	<b>(63,403)</b>	<b>(90,605)</b>	<b>(78,412)</b>
<b>Financing Activities</b>				
Repayment of borrowings	-	(1,364)	(2,533)	(4,153)
Proceeds from new borrowings	17,342	7,428	18,876	18,984
Other loan principal income	-	-	-	-
Payments for new borrowings	-	-	-	-
Payment for principal portion of lease liabilities	(134)	(140)	(148)	(155)
Transfers to reserves (restricted assets)	(82,637)	(63,775)	(50,472)	(35,684)
Transfers from reserves (restricted assets)	44,388	49,148	67,574	49,287
<b>Amount attributable to Financing Activities</b>	<b>(37,791)</b>	<b>(8,703)</b>	<b>33,298</b>	<b>28,279</b>

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2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
27,970	15,151	6,170	7,922	3,216	14,048
(16,257)	(9,025)	(9,173)	(10,256)	(5,478)	(12,314)
(67,456)	(45,690)	(25,052)	(37,128)	(33,197)	(42,799)
-	-	-	-	-	-
1,744	1,795	1,847	1,901	1,956	2,013
6,272	2,259	2,349	2,443	2,541	2,643
-	4,100	-	-	-	-
-	-	-	-	-	-
(47,727)	(31,410)	(23,859)	(35,119)	(30,962)	(36,410)
(5,855)	(7,109)	(7,769)	(8,158)	(8,565)	(9,759)
12,356	4,186	592	400	10,000	8,662
-	-	-	-	-	-
-	-	-	-	-	-
(103)	-	-	-	-	-
(63,383)	(49,868)	(50,233)	(46,302)	(44,093)	(53,370)
41,779	29,047	21,656	32,917	18,774	22,951
(15,206)	(23,743)	(35,754)	(21,143)	(23,885)	(31,516)

# 14. APPENDICES

## 14.1 Appendix A: Financial Statements

### Statement of Financial Activity (Continued)

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
Income Set Aside as Restricted Funds — Income	-	-	-	-
Income Set Aside as Restricted Funds — Expense	-	-	-	-
ADD Estimated Surplus/(Deficit) July 1 B/fwd	29,661	9,219	(202)	1,585
Amount Attributable to Operating Activities	3,620	(8,920)	(14,989)	(18,007)
Amount Attributable to Investing Activities	(55,465)	(63,403)	(90,605)	(78,412)
Amount Attributable to Financing Activities	(37,791)	(8,703)	33,298	28,279
<b>Surplus/(Deficit) before imposition of general rates</b>	<b>(59,975)</b>	<b>(71,806)</b>	<b>(72,498)</b>	<b>(66,556)</b>
Rates as per Statement of Income	69,195	71,605	74,082	76,614
LESS Estimated Restricted Surplus/ (Deficit) June 30 C/fwd	-	-	-	-
LESS Estimated Surplus/(Deficit) June 30 C/fwd	-	-	-	-
<b>Amount required to be raised from rates</b>	<b>(59,975)</b>	<b>(71,806)</b>	<b>(72,498)</b>	<b>(66,556)</b>
Budgeted Surplus/(Deficit) after imposition of general rates	9,219	(202)	1,585	10,058

2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
-	-	-	-	-	-
-	-	-	-	-	-
10,058	4,198	9,552	6,388	7,132	7,881
(22,137)	(21,389)	(28,229)	(30,426)	(34,681)	(36,172)
(47,727)	(31,410)	(23,859)	(35,119)	(30,962)	(36,410)
(15,206)	(23,743)	(35,754)	(21,143)	(23,885)	(31,516)
(75,012)	(72,345)	(78,290)	(80,300)	(82,395)	(96,217)
79,210	81,897	84,678	87,432	90,276	93,212
-	-	-	-	-	-
-	-	-	-	-	-
(75,012)	(72,345)	(78,290)	(80,300)	(82,395)	(96,217)
4,198	9,552	6,388	7,132	7,881	(3,004)

# 14. APPENDICES

## 14.2 Appendix B: Supporting Schedules

### Ten Year Capital Works Program

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Capital</b>				
<b>Capital Funding</b>				
Capital Grants & Subsidies	23,750	43,757	47,275	40,448
Proceeds from Asset Sales	1,551	1,597	1,645	1,695
Funded Depreciation	-	-	-	-
Developer Contributions — Loan	1,316	1,931	2,008	2,089
Transfer from Reserve	-	-	-	-
Aerodrome Reserve	10,830	2,515	3,310	3,305
Plant Replacement Reserve	-	-	-	-
Dampier Drainage	-	-	-	-
Infrastructure Reserve	35,490	79,723	102,504	85,531
Public Open Space Reserve	-	-	-	-
Employee Entitlements Reserve	500	500	500	500
Waste Management Reserve	4,870	7,035	8,460	4,670
Medical Services Reserve	-	-	-	-
Economic Development Reserve	-	-	-	-
Partnership Reserve	16,180	9,130	10,021	5,455
Restricted Funds Reserve	-	-	-	-
Loans — Borrowing	17,342	7,428	18,876	18,984
Loans — Community/Other Groups	-	-	-	-
<b>Total Capital funding</b>	<b>111,828</b>	<b>153,616</b>	<b>194,598</b>	<b>162,675</b>

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2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
27,970	15,151	6,170	7,922	3,216	14,048
1,744	1,795	1,847	1,901	1,956	2,013
-	-	-	-	-	-
2,172	2,259	2,349	2,443	2,541	2,643
-	-	-	-	-	-
4,650	10,565	6,575	5,115	2,740	3,740
-	-	-	-	-	-
-	-	-	-	-	-
61,967	23,497	14,710	24,994	16,636	29,419
-	-	-	-	-	-
500	500	500	500	500	500
510	7,750	1,245	4,110	6,420	6,340
-	-	-	-	-	-
-	-	-	-	-	-
5,060	5,212	4,459	5,589	4,764	4,862
-	-	-	-	-	-
12,356	4,186	592	400	10,000	8,662
4,100	-	-	-	-	-
121,030	70,914	38,447	52,974	48,773	72,226

# 14. APPENDICES

## 14.2 Appendix B: Supporting Schedules

### Ten Year Capital Works Program (Continued)

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Capital Expenditure</b>				
<b>Infrastructure</b>				
Renewals	21,775	19,578	29,088	23,666
New Assets	39,079	74,062	92,488	56,560
New Assets — Airport	2,100	-	-	200
Asset Expansion/Upgrade	8,950	7,000	3,750	14,953
Asset Expansion/Upgrade — Airport	-	-	-	200
<b>Property Plant and Equipment</b>				
Renewals	5,869	4,117	7,695	4,230
New Assets — Major Community	300	-	-	9,800
New Assets — Minor Community	3,285	4,001	8,513	3,035
Asset Expansion/Upgrade — Major	-	-	-	-
Asset Expansion/Upgrade — Minor	-	-	-	-
Loan to Property Groups	-	-	-	10,000
Loan Repayments	-	1,364	2,533	4,153
<b>Total Capital Expenditure</b>	<b>81,358</b>	<b>110,121</b>	<b>144,066</b>	<b>126,796</b>
<b>Surplus (Shortfall) in Capital</b>	<b>30,471</b>	<b>43,495</b>	<b>50,532</b>	<b>35,879</b>

2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
23,971	20,505	18,035	29,344	23,666	23,971
29,963	22,835	1,517	5,534	8,431	17,978
200	2,000	2,000	-	-	500
12,922	350	1,500	250	1,100	150
400	-	2,000	2,000	-	200
7,175	5,569	5,092	7,720	3,230	8,150
5,500	-	-	-	-	-
2,582	3,456	4,081	2,536	2,248	4,164
1,000	-	-	-	-	-
-	-	-	-	-	-
-	-4,100	-	-	-	-
5,855	7,109	7,769	8,158	8,565	9,759
<b>89,568</b>	<b>57,723</b>	<b>41,994</b>	<b>55,542</b>	<b>47,240</b>	<b>64,873</b>
<b>31,462</b>	<b>13,191</b>	<b>(3,547)</b>	<b>(2,568)</b>	<b>1,533</b>	<b>7,354</b>

# 14. APPENDICES

## 14.2 Appendix B: Supporting Schedules

### Loan Repayment Schedule

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Debt General Funds</b>				
Opening Balance	-	39,774,273	62,588,797	78,931,729
Less Repayments	-	(1,363,628)	(2,532,798)	(4,152,930)
Add New Loans	39,774,273	24,178,153	18,875,730	18,983,554
Closing Balance	39,774,273	62,588,797	78,931,729	93,762,353

### Cash Reserves

	2026 / 2027 \$'000	2027 / 2028 \$'000	2028 / 2029 \$'000	2029 / 2030 \$'000
<b>Reserve Balances (End of Year)</b>				
Infrastructure Reserve	52,145,463	46,694,510	30,275,424	13,086,641
Aerodrome Reserve	20,630,133	29,794,508	38,686,963	39,805,616
Waste Management Reserve	35,724,547	40,713,322	43,432,082	54,279,824
Public Open Space Reserve	153,963	159,167	164,547	170,108
Economic Development Reserve	1,486,863	1,537,119	1,589,073	1,642,784
Medical Service Assistance Package Reserve	32,090	33,175	34,296	35,456
Employee Entitlements Reserve	6,032,311	5,736,203	5,430,087	5,113,624
Rio Tinto Partnership Reserve	13,989,004	11,291,730	6,201,599	5,596,123
Woodside Partnership Reserve	378,531	561,326	750,298	945,659
Strategic Reserve	16,598,057	25,276,789	18,131,144	10,416,321
	147,170,962	161,797,850	144,695,515	131,092,155



2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
93,762,353	100,263,601	97,340,885	90,163,783	82,405,622	83,840,324
(5,854,752)	(7,108,556)	(7,769,102)	(8,158,161)	(8,565,298)	(9,759,247)
12,356,000	4,185,840	592,000	400,000	10,000,000	8,662,000
100,263,601	97,340,885	90,163,783	82,405,622	83,840,324	82,743,077

2030 / 2031 \$'000	2031 / 2032 \$'000	2032 / 2033 \$'000	2033 / 2034 \$'000	2034 / 2035 \$'000	2035 / 2036 \$'000
13,896,375	25,430,392	24,892,627	10,811,911	4,483,568	1,725,343
48,786,763	51,255,182	59,032,073	71,012,687	89,708,604	108,575,742
74,408,081	81,314,589	102,054,391	118,421,422	131,324,579	145,413,797
175,858	181,802	187,947	194,299	200,867	207,656
1,698,310	1,755,713	1,815,056	1,876,405	1,939,828	2,005,394
36,654	37,893	39,174	40,498	41,867	43,282
4,786,465	4,448,247	4,098,598	3,737,130	3,363,445	2,977,130
5,479,634	5,309,218	5,891,734	4,994,314	5,026,765	5,100,337
1,277,622	1,560,805	1,783,561	2,013,845	2,251,913	2,628,028
2,150,674	2,223,367	2,298,517	2,376,207	2,456,522	2,539,553
152,696,435	173,517,209	202,093,677	215,478,718	240,797,957	271,216,261

# 14. APPENDICES

## 14.2 Appendix B: Supporting Schedules

### Sustainability Ratios

Ratio	Description of Ratio	Projected 2026 / 2027	Projected 2027 / 2028	Projected 2028 / 2029
<b>Coverage Ratio</b>				
<b>Own Source Revenue Coverage Ratio</b>	A measure of a local government's ability to cover its costs through its own revenue efforts <i>Intermediate is between 60% and 90%</i> <i>Advanced is above 90%</i>	101.37%	101.18%	99.65%
<b>Financial Performance Ratio</b>				
<b>Operating Surplus Ratio</b>	An indicator of the extent to which revenue raised not only covers operational expenses, but also provides for capital funding <i>Advanced Standard &gt;15%</i> <i>Target — between 0% and 15%</i>	24.48%	19.55%	17.86%
<b>Rates Coverage</b>	An indicator of a local government's ability to cover its costs through its own tax revenue efforts <i>Target — greater than or equal to 40%</i>	44.48%	43.91%	43.04%
<b>Liquidity Ratios</b>				
<b>Current Ratio</b>	A measure of a local government's liquidity and its ability to meet its short term financial obligations from unrestricted current assets <i>Target — greater than or equal to 1</i>	1.79	1.25	1.21
<b>Debt Ratios</b>				
<b>Debt Service Cover Ratio</b>	An indicator of a local government's ability to generate sufficient cash to cover its debt payments <i>Target — more than 2 — The higher the better</i>	32.08	18.50	12.96
<b>Asset Management Ratios</b>				
<b>Asset Sustainability Ratio</b>	An indicator of the extent to which assets managed by a local government are being renewed or replaced as they reach the end of their useful lives. <i>Target — between 90% and 100%</i>	89%	76%	116%
<b>Asset Consumption Ratio</b>	Highlights the aged condition of a local government's physical assets <i>Target — between 50% and 75%</i>	68%	68%	69%
<b>Asset Renewal Funding Ratio</b>	Indicates whether the local government has the financial capacity to fund asset renewal at existing revenue and service levels <i>Target — between 95% and 100%</i>	80%	80%	79%

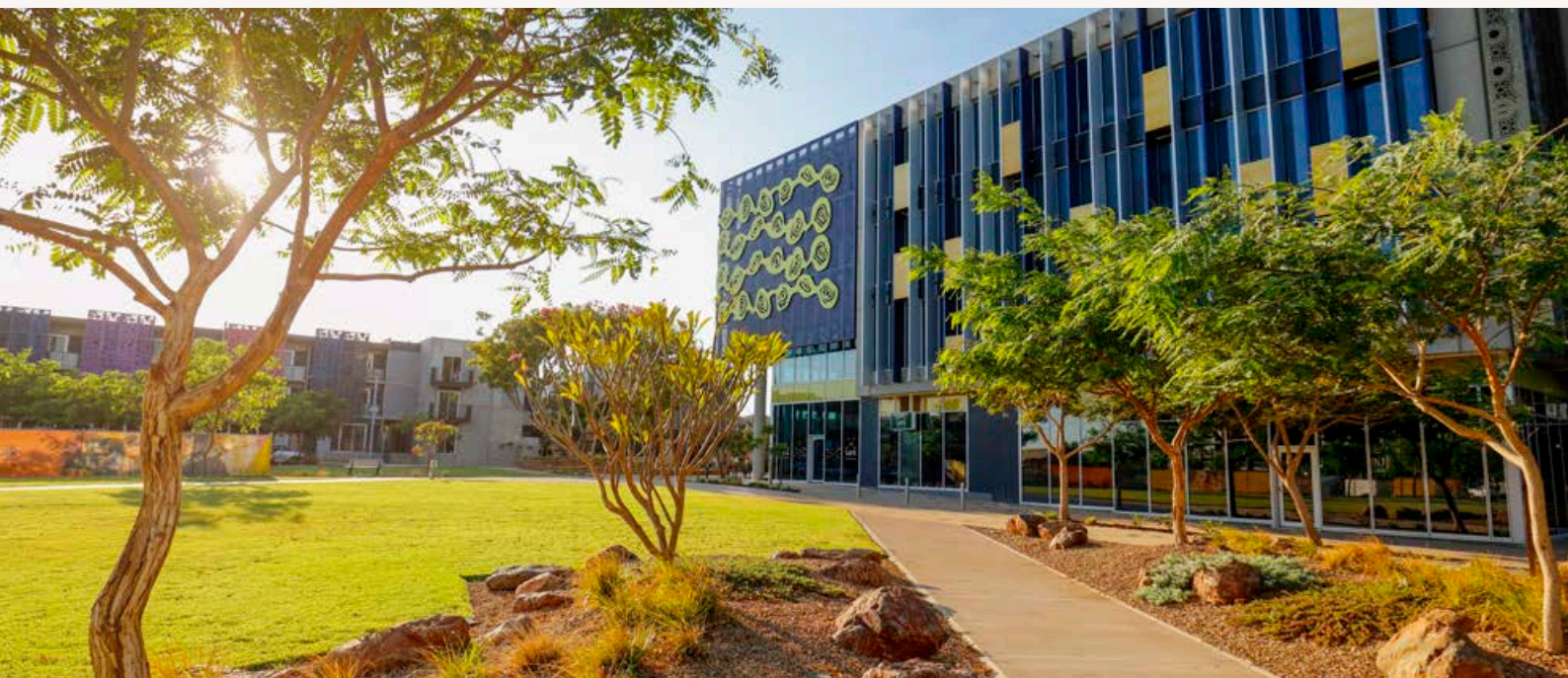
Projected 2029 / 2030	Projected 2030 / 2031	Projected 2031 / 2032	Projected 2032 / 2033	Projected 2033 / 2034	Projected 2034 / 2035	Projected 2035 / 2036
97.17%	95.82%	95.09%	94.74%	94.53%	94.35%	93.88%
15.29%	13.77%	12.90%	12.44%	12.14%	11.88%	11.28%
42.12%	41.58%	41.29%	41.17%	41.07%	40.98%	40.76%
1.63	1.16	1.16	1.03	1.04	1.02	0.71
8.40	6.24	5.36	5.13	5.12	5.12	4.63
87%	96%	80%	70%	111%	80%	95%
69%	69%	68%	66%	66%	64%	64%
74%	71%	67%	64%	62%	56%	51%

# 14. APPENDICES

## 14.3 Appendix C: Important Documents and Policies

This document should be read in conjunction with the following City documents:

	<b>Council Policy CF-03 Investment Policy</b>		<b>Council Plan</b>
	<b>Council Policy CF-10 Rating Equity Policy</b>		<b>Corporate Business Plan</b>
	<b>Council Policy CF-13 Asset Management Policy</b>		<b>Asset Management Plan</b>
	<b>Council Policy CF-14 Reserve Funding Policy</b>		<b>Annual Budget</b>
	<b>Council Policy CF-16 Budget Review Policy</b>		<b>Workforce Plan</b>
	<b>Council Policy CG-01 Risk Management Policy</b>		<b>Integrated Strategic Plan</b>



# 14. APPENDICES

## 14.4 Appendix D: Glossary

Term	Definition
<b>Annual Budget</b>	A statutory requirement outlining the financial estimates to deliver the Corporate Business Plan.
<b>Annual operating surplus</b>	Operating revenue minus net operating expense before interest and depreciation.
<b>Asset consumption ratio (ACR)</b>	The Asset Consumption Ratio seeks to highlight the aged condition of a local government's stock of physical assets. The ratio can be calculated by dividing the depreciated replacement cost of assets by the current replacement cost. Standard is met if the ratio can be measured and is 50% or greater, the standard is improving if the ratio is between 60% and 75%.
<b>Asset Management Plans</b>	Plans that guide the use, acquisition and disposal of assets to make the most beneficial use of their services delivery potential and to manage related risks and costs over their entire life.
<b>Asset renewal funding ratio</b>	Means the ratio determined by depreciated replacement cost of assets divided by current replacement cost of depreciable assets.
<b>Asset sustainability ratio</b>	Means the ratio determined by capital renewal and replacement expenditure divided by depreciation expense.
<b>Capital funding</b>	Funding available to pay for capital expenditure.
<b>Capital grants/ contributions</b>	Monies received generally tied to the specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.
<b>Capital new expenditure</b>	Capital expenditure that creates a new asset providing a new service to the community that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operating and maintenance expenditure.
<b>Capital renewal expenditure</b>	Capital expenditure on an existing asset that returns the service potential or the life of the asset, up to, that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project costs need to be allocated accordingly.

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# 14. APPENDICES

## 14.4 Appendix D: Glossary (*Continued*)

Term	Definition
<b>Capital upgrade expenditure</b>	Expenditure, which enhances an existing asset to provide a higher level of service, and expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project costs need to be allocated accordingly.
<b>Community Infrastructure Plan</b>	This document assists Council and City officers in understanding the implementation of projects identified in the Community Infrastructure Plan 2025 – 2035 (CIP), including the processes needed to effectively plan, prioritise, and resource these projects, as well as to provide high-level project scoping to inform cost estimates for funding strategies and long term financial planning.
<b>Corporate Business Plan</b>	A local government's internal business planning tool that translates Council priorities into operations, within the resources available. The Corporate Business Plan details the services, operations and projects a local government will deliver over a defined period.
<b>Council Plan</b>	The strategy and planning document that reflects the longer term (10+ years) community and local government aspirations and priorities.
<b>Current ratio</b>	This is a modified commercial ratio designed to focus on the liquidity position of a local government that has arisen from past year's transactions. (Current Assets MINUS Restricted Assets) divided by (Current Liabilities MINUS Liabilities Associated with Restricted Assets)
<b>Depreciation/ amortisation</b>	The systematic allocation of the depreciable amount (service potential) of an asset over its useful life.
<b>Infrastructure assets</b>	Physical assets of the entity or of another entity that contribute to meeting the public's need for access to major economic and social facilities and services, e.g. roads, drainage, footpaths and shared paths. These are typically large, interconnected networks or portfolios of composite assets. The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally, the components and hence the assets have long lives. They are fixed in place and often have no market value.
<b>Integrated Planning and Reporting</b>	A framework for establishing community priorities and linking these to different areas of a local government's functions.

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Term	Definition
<b>Level of service</b>	The defined service quality for a particular service against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental, acceptability and cost.
<b>Liquidity ratio</b>	Liquidity refers to how quickly and cheaply an asset can be converted into cash. A local government's liquidity is measured by the 'Current Ratio'. This ratio provides information on the ability of a local government to meet its short-term financial obligations out of unrestricted current assets.
<b>Loans / borrowings</b>	Loans result in funds being received which are then repaid over a period of time with interest (an additional cost). Their primary benefit is in 'spreading the burden' of capital expenditure over time. Although loans enable works to be completed sooner, they are only ultimately cost effective where the capital works funded (generally renewals) result in operating and maintenance cost savings, which are greater than the cost of the loan (interest and charges).
<b>Operating expenditure</b>	Recurrent expenditure continuously required to enable the asset to operate excluding maintenance and depreciation, e.g. electricity, water and fuel. It relates to operations and not the condition of the asset.
<b>Operating revenue</b>	Means the revenue that is operating revenue for the purposes of the Australian Accounting Standards, excluding grants and contributions for the development or acquisition of assets.
<b>Risk management</b>	The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.
<b>Scenario modelling</b>	Preparation of forecast or estimates in the LTFP on optimistic, conservative and worse case scenarios to understand the impact of variations in factors or assumptions.
<b>Sensitivity analysis</b>	Determines those factors or assumptions that if varied have greater impacts on the LTFP.
<b>Workforce Plan</b>	A coordinated plan that addresses the human resourcing requirements to deliver local government operations.



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