
2023/24 Business Plan & Budget

Investing in streets, parks and the community

January to March 2024 Quarter Three Progress Report



CITY OF
ADELAIDE

Kaurna Acknowledgement




City of Adelaide tampendi, ngadlu Kaurna yertangga banbabanbalyarnendi (inbarendi). Kaurna meyunna yaitya mattanya Womma Tarndanyako. Parnako yailtya, parnuko tappa purruna, parnuko yerta ngadlu tampendi. Yellaka Kaurna meyunna itto yailtya, tappa purruna, yerta kuma burro martendi, burro warriappendi, burro tangka martulyaiendi. Kumarta yaitya miyurna iyangka yalaka ngadlu tampinhi.

City of Adelaide acknowledges the traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today. And we also extend that respect to other Aboriginal Language Groups and other First Nations.




Legend

Throughout this document, these icons represent:

Status:

-  that the project timeline, delivery and budget are on track (based on latest adopted schedule and budget)
-  that the project has risks that are being managed and may exceed estimated time and adopted budget
-  that the project is no longer on track or within adopted budget / delivered outside of schedule and budget

Budget:

-  that there is no change from the most recent adopted budget to the proposed budget
 -  that there is a decrease from the most recent adopted budget to the proposed budget
 -  that there is an increase from the most recent adopted budget to the proposed budget
-

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Acting CEO message



Delivering the 2023/24 Business Plan and Budget

It is my pleasure to provide the third quarter progress report against the 2023/24 Business Plan and Budget to the Council and our Community.

The report highlights our progress in delivering the vision of our Strategic Plan over the third quarter of 2023/24 through the delivery of our programs, projects and services implementing the Council's endorsed priorities and strategies.

The delivery of the 2023/24 Capital Program has seen good progress with works advancing on Town Hall Façade Conservation, Rymill Park Lake, Market to Riverbank and Market Square. Capital expenditure to the end of March 2024 totalled \$60.147m. This is a strong position for quarter three and is a significant contribution towards Council delivering its \$99.556m Capital Program for 2023/24.

There has been strong delivery on the 2023/24 Strategic Projects including the Adaptive Re-use Housing Initiative, City Plan, and support for the Summer festival season. Strategic Project expenditure to the end of March 2024 totalled \$5.633m.

Our ongoing financial planning and management over the past quarter has seen delivery of an operating result favourable to the budget, with a forecast operating surplus of \$6.815m, ensuring that we remain in a strong position to deliver on our commitment to financial sustainability.

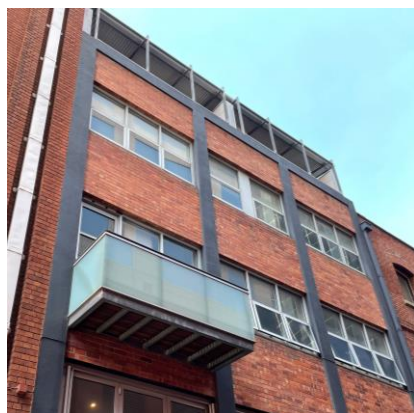
I hope you will find this Business Plan and Budget Quarterly Update a comprehensive, yet easy to read summary of activities, projects and expenditure over the last quarter.

Michael Sedgman

Headline deliverables

Quarter update for our headline deliverables / projects, which have been identified due to their complexity, risk, budget and / or impact on our city and community.

Strategic Projects



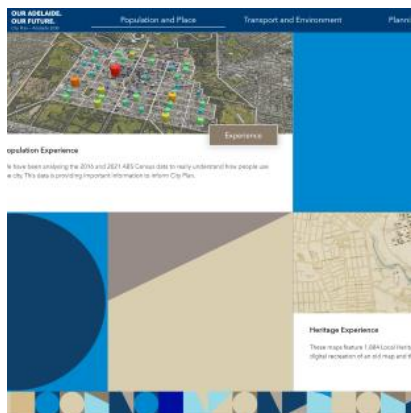
● Adaptive Re-use Housing Initiative

Current Budget: \$0.508m

Second Steering Group Meeting occurred in February 2024.

Various consultants engaged to undertake reports and research including vacancy, building auditing, Building Rules Review and Compliance Reporting and Cost Rate Reports.

City of Adelaide incentives schemes reviewed and restructured to provide incentives in partnership with adaptive re-use.



● City Plan

Current Budget: \$0.575m

Tender process for consultant completed in February 2024, with consultant for Stages 3 & 4 engaged, and commenced in February 2024.

Community consultation underway with a drop pin mapping survey to residents and city users.

The survey will assist with the evaluation and finalisation for completion of the final City Plan in Quarter 4.



● City Activation

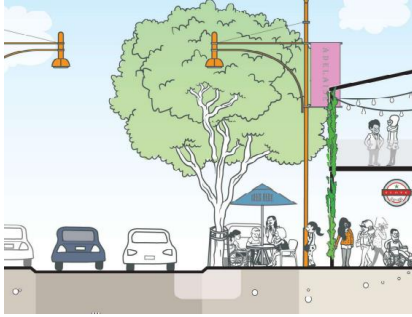
Current Budget: \$1.760m

Fringe venue Inflatable Church in Light Square was well received in the West End during festival season.

Gather Round planning for live music, business support and city enhancement initiatives. Gather Round is held early in Quarter 4 and is heavily supported by the State Government and the South Australian Tourism Association to activate the city.

Planning for On the Cusp Cabaret and Music in the Square is well underway for delivery in Quarter 4.

Major / New and Upgrade Projects



● Hindley Street Revitalisation

Current Budget: \$1.680m

Stage: Design only

Hindley Street detailed design is progressing towards 70% completion. To streamline the process, project management consultant coming on board.



● Mary Lee Park Sports Building

Current Budget: \$0.791m

Stage: Plan / Design

Sports lighting contract has been finalised and works commenced on site. Feasibility assessment of proposed building footprint has been completed.



● Melbourne Street improvements

Current Budget: \$0.695m

Stage: Build / Construct

Temporary footpath extensions have been installed in two locations on Melbourne Street. Revised list of project scope items have been confirmed by Minister for Infrastructure and Transport.



● Central Market Arcade Redevelopment

Current Budget: \$15.000m

Stage: Build / Construct

Basement excavation and piling occurred in early 2024. Consultation is ongoing with Adelaide Central Market Authority with respect to timing of works to ensure that Central Market business continuity is maintained.



● Market to Riverbank Laneways Upgrade

Current Budget: \$2.103m

Stage: Build / Construct

Works progressing. Stakeholder management ongoing to accommodate CarePark, Her Majesty's Theatre access and Metro Hotel deliveries.



● Murlawirrapurka / Rymill Park upgrade

Current Budget: \$5.173m

Stage: Build / Construct

Construction is nearing completion.

Construction of two underground storage tanks complete with 240kl storage capacity becoming available.

(Budget includes renewal funding)

Renewals



● Town Hall Facade Conservation

Current Budget: \$2.791m

Stage: Build / Construct

Conservation works on Pirie Street facade finalised in March 2024 and King William facade commenced March 2024.

Community engagement is ongoing with adjoining businesses through letter box drop and regular updates.



● Plant and Fleet Replacement

Current Budget: \$2.700m

Stage: Build / Construct

Light passenger fleet now transitioned to 65% ZEV (Zero Emissions Vehicles). On target to reach 75% transition of Light Passenger Vehicles by 2025.



● Jeffcott Street South Renewal Project

Current Budget: \$2.04m

Stage: Practical Completion

Works on site completed, awaiting As Constructed materials to be delivered to finalise project completion.

● Parking Meter Solution Renewal

Current Budget: \$1.930m

Stage: Plan / Design

Supply and installation works progressing. Installation commenced with 60 devices deployed or on track. Second and third tranches of devices manufactured, and shipments received.

▲ CCTV / Security and BMS Network Renewal and Compliance Program

Current Budget: \$1.000m

Stage: Plan / Design

Cabling work continuing at multiple locations. 8% of CCTV camera replacements installed and operational.

Budget update

Summary

March Year To Date (YTD):

- The operating position as at the end of quarter 3 2024/25 is a surplus of \$14.507m, which is \$12.421m favourable to the Year to Date (YTD) budget of \$2.086m. This is driven by:
 - Income is \$5.322m favourable due to higher fees and charges of \$2.427m across parking and golf, as well as other income of \$1.577m mainly generated from private works reimbursements.
 - Expenditure is \$7.099m favourable and is largely driven by timing of materials, contracts and other expenses including professional services \$5.978m, consultant fees \$0.732m, and waste services \$0.496m, offset by external contractors (\$3.140m). Resource costs are also \$1.162m favourable (Employee costs and contractual labour).
- The Capital Projects spend of \$60.147m is \$25.143m lower than the YTD budget of \$85.290m. This is largely due to the timing of Central Market Arcade Redevelopment \$8.778m, Rymill Park Lake \$3.576m, and On-Street Parking Meter Replacement \$0.561m.
- Council had net cash surplus of \$20.475m as at 31 March, with \$1.827m in bank accounts and \$18.648m in deposits.

Quarter 3 2024/25 Projected Operating Position

The proposed quarter 3 adjustments increase the operating surplus from \$2.003m to \$6.815m, an increase of \$4.812m driven by:

- Additional income of \$3.993m through the recognition of Commercial fees and charges \$2.695m, net increase in grant recognition of \$0.238m and events \$0.450m.
- Employee costs have reduced by \$3.711m which includes a budget reallocation of \$5.330m to recognise temp labour cost backfilling vacancies within materials.
- Materials, contracts and other expenses have increased by (\$3.569m) and includes temp staff backfilling labour vacancies (\$5.330m) offset by reclassifications of professional services cost to sponsorships, contributions and donations \$1.303m.
- Sponsorships, contributions and donations increased by (\$1.251m) due to reclassification of costs from materials.
- Depreciation and Finance costs have reduced by \$1.991m due to reviewing the useful life of assets.

Within the operating position movement above, **Strategic Projects** have reduced by \$0.92m from \$5.959m to \$5.867m.

- The **Capital Program** is proposed to reduce by \$10.780m from \$110.336m to \$99.556m as a result of re-timing projects to future years, (mainly Central Market Arcade \$8.778m).
- **Borrowings** are forecast to reduce by \$18.513m from \$42.106m to \$23.593m.

Operating Position (Financial Performance)

| \$000's | YTD Actual | YTD Budget | Variance | Full Year Budget (Q2) | Q3 Review | Variance |
|---|----------------|----------------|---------------|-----------------------|----------------|--------------|
| Rates Revenue | 101,473 | 101,327 | 146 | 135,131 | 135,131 | 0 |
| Fees and Charges | 66,103 | 63,676 | 2,427 | 84,978 | 87,673 | 2,695 |
| Grants, Subsidies and Contributions | 6,377 | 5,205 | 1,172 | 8,891 | 8,875 | (16) |
| Other Income | 2,222 | 645 | 1,577 | 1,537 | 2,791 | 1,254 |
| Total Revenue | 176,175 | 170,853 | 5,322 | 230,537 | 234,470 | 3,933 |
| Employee Costs | 55,889 | 60,236 | 4,347 | 82,443 | 78,732 | 3,711 |
| Materials, Contracts and Other Expenses | 59,964 | 60,992 | 1,028 | 82,456 | 86,025 | (3,569) |
| Sponsorships, Contributions and Donations | 4,313 | 4,511 | 198 | 6,275 | 7,526 | (1,251) |
| Depreciation, Amortisation and Impairment | 40,825 | 42,355 | 1,530 | 56,473 | 54,482 | 1,991 |
| Finance Costs | 677 | 673 | (4) | 887 | 890 | (3) |
| Total Expenses | 161,668 | 168,767 | 7,099 | 228,534 | 227,655 | 879 |
| Operating Surplus / (Deficit) | 14,507 | 2,086 | 12,421 | 2,003 | 6,815 | 4,812 |

Capital Program

| Capital Program | YTD Actual | YTD Budget | Variance | Full Year Budget (Q2) | Q3 Review | Variance |
|----------------------------------|---------------|---------------|---------------|-----------------------|---------------|---------------|
| Major Projects | 18,454 | 32,526 | 14,072 | 42,068 | 28,551 | 13,517 |
| New and Upgrades Projects | 4,998 | 7,359 | 2,361 | 14,115 | 16,852 | (2,737) |
| Renewal / Replacement of Assets | 36,696 | 45,405 | 8,709 | 54,153 | 54,153 | 0 |
| Total Capital Expenditure | 60,147 | 85,290 | 25,143 | 110,336 | 99,556 | 10,780 |

Operating program – adjustments

| \$000's | Budget | Proposed | Variance |
|---|----------|----------|--------------|
| 2023/24 Quarter 2 Budgeted Operating Position | | | 2,003 |
| Depreciation | | | |
| Review of useful life and other adjustments | (56,473) | (54,482) | 1,991 |
| Aquatic Centre | | | |
| EOI Process Aquatic Centre Staff | | (853) | (853) |
| North Adelaide Golf Course | | | |
| Net improvement in commercial performance (excludes change in internal expenditure), increase in revenue \$825k offset by increased variable costs to deliver the additional revenue of \$600k | (163) | 62 | 225 |
| Adelaide Town Hall | | | |
| Net change in financial performance (excludes change in internal expenditure), forecasted reduction in revenue of \$495k offset by reduced expenses \$346k | (88) | (237) | (149) |
| UPark | | | |
| Net improvement in commercial performance (excludes change in internal expenditure), increase in Revenue of \$1,350k plus reduction in expenses of \$270k mainly due to a credit received for prior year bank fees overcharge | 17,073 | 18,693 | 1,620 |
| Resilient Flood Mapping | | | |
| To complete North Adelaide survey in this financial year | 0 | (630) | (630) |
| ACMA | | | |
| Net improvement in commercial performance (excludes change in internal expenditure), increase in revenue of \$450k offset by increased expenditure \$47k | (396) | 7 | 403 |
| Aquatic Centre | | | |
| Net improvement in financial performance (excludes change in internal expenditure), increase in revenue of \$400k offset by increased expenses \$193k | (912) | (705) | 207 |
| Stormwater Network Cleaning | | | |
| To continue stormwater cleaning works aligned with grant funded Resilient Flood Mapping strategic project | | (336) | (336) |
| Horticulture Overtime | | | |
| Increased workload on weekends and evenings to avoid disruptions to city visitors | | (300) | (300) |
| Electricity | | | |
| Forecasted favourable variance based on year to date variance and projection based on final quarter for prior year | | 300 | 300 |
| Developer Contributions | | | |
| Release of Balfours Developer Contribution provided under previous agreement with Urban Construct | | 293 | 293 |
| Central Market Arcade Redevelopment | | | |
| Reclassification of budget from operating to capital | | 280 | 280 |
| Kerbside Waste Services | | | |
| Favourable spend to date in kerbside waste for new developments in the city | | 250 | 250 |
| AEDA Strategic Partnerships | | | |
| Budget from prior years (21/22 & 22/23) spent in this financial year | | (232) | (232) |
| City Wide Waste and Fight Food Waste | | | |
| Grant no longer being expensed | | 400 | 400 |
| Bridge Maintenance | | | |
| Additional budget to reflect cost of work on Adelaide bridge | (200) | (400) | (200) |
| Cleansing Temps | | | |
| Increase to cleaning schedule including deep clean in North Adelaide and leaf fall | | (200) | (200) |
| Interest Income | | | |
| Lower than forecast borrowings | | 200 | 200 |
| Other Minor Adjustments | | | |
| Other adjustments that are individually minor in value (< \$200k) | | | 1,542 |
| Proposed Quarter 3 Budget Review Operating Position | | | 6,815 |
| Total Proposed Adjustment | | | 4,812 |

Operating program – adjustments Continued

The following changes have a net nil impact on the Operating Program, as income or grant funding received fully offsets incurred expenditure:

| \$000's | budget | proposed | variance |
|---|---------------|-----------------|-----------------|
| Events Additional income \$450k offset by costs of \$450k for events in 2023/24 | - | - | - |
| Insurance Claims Costs for repairing damaged assets of \$185k covered by insurance proceeds of \$185k | - | - | - |
| Rundle Mall Concession Stand Additional income of \$140k received offset by additional expenditure of \$140k | - | - | - |
| Employee Relations Legal Costs Settlement in favour of CoA \$82k offset by additional legal costs incurred of \$82k | - | - | - |

Capital program – adjustments

| \$000's | budget | proposed | Variance |
|---|----------------|-----------------|-----------------|
| Major Projects Significant works of a capital nature that are over the prudential limit, multi year or have significant grant funding being administered via a contractual deed. | 42,068 | 28,551 | 13,517 |
| New and Upgrades Works of a capital nature that are either introducing new assets or significantly upgrading existing assets. Usually by extending the footprint of an asset or increasing the level of service the asset provides. | 14,115 | 16,852 | (2,737) |
| Renewals Works of a capital nature that are replacing an existing asset like for like or like for modern equivalent. | 54,153 | 54,153 | 0 |
| Total Adjustment | 110,336 | 99,556 | 10,780 |

Financial indicators

| | | Target | Adopted | Q1 | Q2 | Q3 |
|--|--|--------------------------|---------|---------|-----------|---------|
| Operating Surplus Ratio | Operating surplus as a percentage of operating revenue | 0%-20% | 0.9% | 0.9% | 0.9% | 2.9% |
| Net Financial Liabilities | Financial liabilities as a percentage of operating income | Less than 80% | -1% | 0.7% | 7.6% | 2.1% |
| Asset Renewal Funding Ratio | Expenditure on asset renewals as a percentage of forecast required expenditure in the asset management plans | 90%-110% | 90% | 97% | 97% | 97% |
| Asset Test Ratio | Borrowings as a percentage of total saleable property assets | Maximum 50% | 10% | 13% | 14% | 8% |
| Interest Expense Ratio | Annual interest expense relative to General Rates Revenue (less Landscape Levy) | Maximum 10% | 0.4% | 0.6% | 1.4% | 2.5% |
| Leverage Test Ratio | Total borrowings relative to General Rates Revenue (Less Landscape Levy) | Maximum 1.5 years | 0.2 | 0.3 | 0.3 | 0.2 |
| Cash Flow from Operations Ratio | Operating income as a percentage of Operating Expenditure plus expenditure on renewal/replacement of assets | Greater than 100% | 101% | 99% | 99% | 102% |
| Borrowings | Borrowings as a percentage of the Prudential Borrowing Limit | Within Prudential Limits | 30.184m | 40.553m | \$42.106m | 23.593m |
| | | | 20% | 27% | 28% | 16% |

| | |
|-----------|---|
| On track | Within range |
| At risk | May be within range but at risk of going outside of range |
| Off track | Outside of range |

Treasury Reporting

The tables below present the debt and cash investment information as required by Council's Treasury Policy.

Table 1 shows the borrowing facilities taken out by Council. Council had nil borrowings as at 31 March 2024:

| Borrowings Facility * | Available | Interest Type | Interest Rate | Current Borrowings | Change since previous report \$'000s | Maturity Date |
|-----------------------|-----------|---------------|---------------|--------------------|--------------------------------------|---------------|
| LGFA CAD 555 | \$70m | Variable | 5.35% | Nil | \$5.700m | 15/06/2033 |

* Note CAD facilities are flexible and allows Council to convert all or part of it into a fixed rate interest only loan for a maximum of 5 years..

Table 2 shows cash invested by Council. Council had \$20.475m in cash investments at 31 March 2024:

| Cash & Cash Equivalents | Available | Interest Type | Interest Rate | Current Investments | Change since previous report \$'000s | Maturity Date |
|-------------------------|-----------|---------------|---------------|---------------------|--------------------------------------|---------------|
| LGFA General | \$5.977m | Variable | 4.55% | \$5.977m | \$5.977m | - |
| NAB | \$1.450m | Variable | 4.35% | \$0.950m | (\$1.674m) | - |
| CBA | \$1.377m | Variable | 4.35% | \$0.877m | \$0.877m | - |
| LGFA FT 62351 | \$5.000m | Fixed | 4.95% | \$5.000m | \$5.000m | 28/06/2024 |
| LGFA FT 62352 | \$7.671m | Fixed | 4.95% | \$7.671m | \$7.671m | 28/06/2024 |

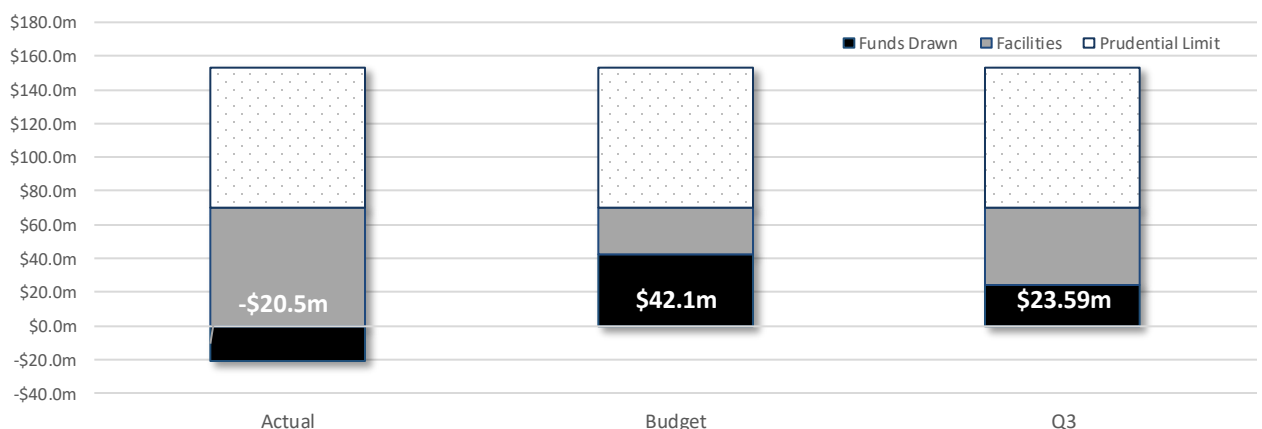
Total borrowings without the Future Fund offset (\$46.121m) would otherwise be \$25.646m

Table 3 provides the Prudential Limit Ratios as outlined in Council's Treasury Policy:

| Prudential Limit Ratio ** | Comments | Limits | March 2024 YTD Actual |
|---------------------------|---|---------------|-----------------------|
| Interest Expense Ratio | Annual interest expense relative to General Rates Revenue (less Landscape Levy) | Maximum 10% | 0.13% |
| Leverage Test | Total borrowings relative to annual General Rates Revenue (Less Landscape Levy) | Max 1.5 years | 0 years |
| Asset Test | The percentage of total borrowings to Council's saleable property assets. | Max 50% | 0% |

** Prudential borrowing limit as at 31 March 2024 is \$152.927 million (an increase from \$149 million as per adopted budget)

Borrowings: showing current facilities against our prudential limit and forecasted position



Capital Works update

Summary

- \$18.454m has been spent to date and \$6.465m has been contracted across major projects, resulting in 59.2% of the 2023/24 program currently committed.
- \$4.998m has been spent to date and \$2.750m has been contracted across new and upgrade projects, resulting in 54.9% of the 2023/24 program currently committed.
- \$36.696m has been spent to date and \$14.694m has been contracted across renewal projects, resulting in 94.9% of the 2023/24 program currently committed.
- Proposed revised budgets (subject to Council endorsement this quarter): Major Projects \$28.551m; New and Significant upgrades \$16.852m; and Asset Renewals \$54.153m.
- The amounts listed within the table below reflect estimated overcommitments mainly within the renewal program. In essence, this allows for delivery of projects knowing that some projects cannot be delivered fully within the financial period or indeed underspend in other asset classes by the end of the financial year, typically these are funded through project savings and are balanced out at the end of year.

| \$'000 | Projects* | Q2 budget | Q3 expenditure | commitments | remaining |
|--------------------------------------|-------------|------------------|-----------------|-----------------|-----------------|
| Major Projects | 25 | \$42,068 | \$18,454 | \$6,465 | \$17,148 |
| New and Significant upgrades | 97 | \$14,115 | \$4,998 | \$2,750 | \$6,367 |
| Renewals | 299 | \$54,153 | \$36,696 | \$14,694 | \$2,764 |
| <i>Major Projects (with renewal)</i> | 10 | \$6,110 | \$3,643 | \$2,387 | \$80 |
| <i>New/Upgrade (with renewal)</i> | 26 | \$1,422 | \$214 | \$21 | \$1,188 |
| <i>Corporate Overhead</i> | | \$5,500 | \$4,303 | \$12 | \$1,186 |
| <i>Bridges</i> | 4 | \$360 | \$123 | \$5 | \$232 |
| <i>Buildings</i> | 40 | \$9,430 | \$5,495 | \$4,448 | -\$514 |
| <i>ICT</i> | 7 | \$1,793 | \$1,387 | \$48 | \$357 |
| <i>Lighting and Electrical</i> | 20 | \$1,491 | \$714 | \$1,413 | -\$635 |
| <i>Park Lands assets</i> | 15 | \$3,100 | \$2,838 | \$281 | -\$19 |
| <i>Plant and Fleet</i> | 5 | \$3,501 | \$2,031 | \$1,439 | \$31 |
| <i>Traffic Signals</i> | 9 | \$2,188 | \$2,194 | \$212 | -\$219 |
| <i>Transport</i> | 112 | \$13,796 | \$10,686 | \$2,504 | \$605 |
| <i>Urban Elements</i> | 44 | \$3,795 | \$1,699 | \$1,008 | \$1,088 |
| <i>Water infrastructure</i> | 7 | \$1,668 | \$1,369 | \$915 | -\$616 |
| Total | 387* | \$110,336 | \$60,147 | \$23,910 | \$26,279 |

Note

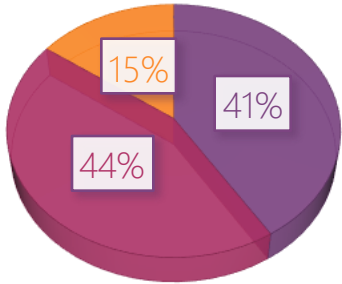
*Total Project count: mixed-funded projects are only counted once in the total project count

- Transport is made up of Roads, Pathways and Kerb and Water Table
- Plant and Fleet includes Commercial Plan and Fleet
- some projects have been broken down into sub-projects, so total appears different

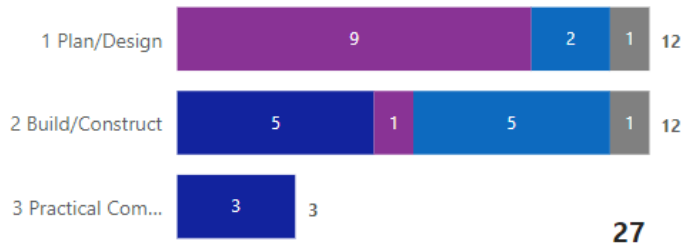
Major Projects

Major Projects are significant works of a capital nature that are over the prudential limit, multi-year, or have significant grant funding.

Approved Budget



- Remaining Budget \$17.148M
- Spent \$18.454M
- Contracted \$6.465M



Project Type ● Construct ● Design ● Design and Construct ● Other
some projects have been broken down into sub-projects, so total appears different

Planning updates:

The third quarter has seen good progress in the delivery of our major projects. Progress highlights include:

- 1 major project has reached practical completion this quarter, namely the Street Lighting LED renewal
- Pitt Street project (final section of the Market to Riverbank program) and Rymill Park Lake upgrade project are progressing well with completion scheduled for June
- Hindley Street Main Street Revitalisation project design is progressing well with significant stakeholder engagement activities planned for April
- Charles Street streetscape upgrade design has completed, with construction procurement planned for May.
- Hutt Street Entry Statement construction has commenced on site
- North-South Bikeway remaining sections (construction) have completed procurement with scoped works commencing in April.

Budget updates:

The Annual forecast expenditure this quarter has decreased by \$13.517m from an approved Q2 budget of \$42.068m to a proposed budget of \$28.551m.

Several projects had to be re-timed to future years with a budget reduction of \$11.974m comprising of:

- Central Market Arcade \$8.778m
- Hindley St Revitalisation \$0.900m
- Hutt St Entry Statement \$0.730m
- Experience Adelaide Visitor Centre \$0.614m
- Melbourne St Improvements \$0.462m
- Charles St Upgrade \$0.425m
- North-South Bikeway \$0.065m

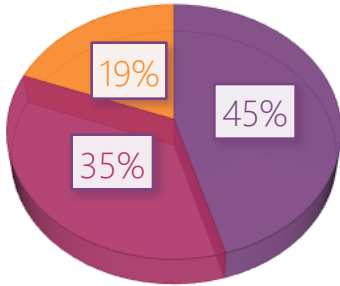
Additionally, \$1.050m of savings from Major projects were transferred to New/Upgrade projects of which \$0.600m relate to Program Management costs.

The ledger has decreased further by grant returns of \$0.539m, where projects delivered with savings, offset by grant interest of \$0.046m.

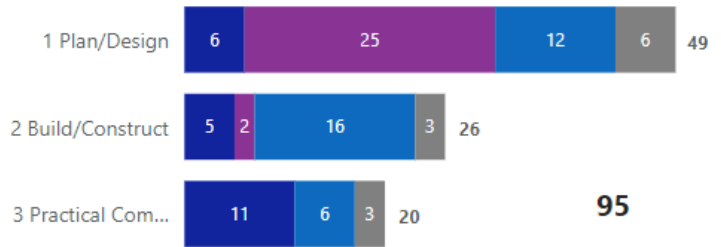
New and Significant Upgrades

New and Significant Upgrade projects are works of a capital nature that are either introducing new assets or significantly upgrading existing assets, usually by extending the footprint of an asset or increasing the level of service the asset provides.

Approved Budget



- Remaining Budget \$6.367M
- Spent \$4.998M
- Contracted \$2.750M



Project Type ● Construct ● Design ● Design and Construct ● Other
some projects have been broken down into sub-projects, so total appears different

Planning updates:

The third quarter has seen progress in the delivery of our New and Upgrade program. Progress highlights are:

- 7 projects have reached practical completion this quarter, including Brougham Place Footpath and greening, Greening Gray St, 2 Traffic Signal Safety upgrade projects and several Public Art projects
- Francis St Artwork, 3G Hardware replacement, North Terrace/Station Road footpath and Light Square Electric Infrastructure project will be completed next quarter.
- Field Street Upgrade has commenced construction
- Several new projects have been created from available savings during the quarter, for example MacKinnon Parade lighting upgrade and Hindmarsh Square lighting from resident requests, Adelaide Town Hall David Spence/Prince Alfred Room upgrades for enhanced customer offering as well as Golf ball washer and dispenser, ACMA Bio-separator and Hutt Road earthen levee which were brought forward from the 24/25 BPB.

Budget updates:

The Annual forecast expenditure this quarter has increased by \$2.737m from an approved Q2 budget of \$14.115m to a proposed budget of \$16.852m.

Several projects had to be re-timed to future years with a budget reduction of \$2.313m comprising of:

- Southwest Community Centre \$1.500m
- Public Art projects \$0.512m
- Bullrush Park/Warnpangga Lighting \$0.148m
- Torrens Weir retaining structure \$0.130m
- Glen Osmond/Hutt Rd Intersection \$0.023m

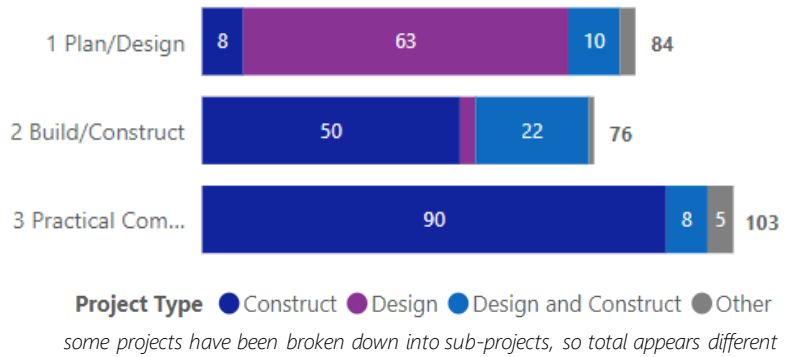
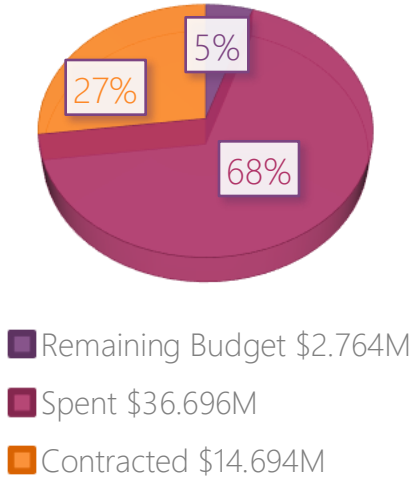
Additionally, \$1.050m of savings from Major projects were transferred to New/Upgrade projects to fund additional project costs of which \$0.600m relates to the Program Management costs.

A new tree planting project of \$4m to fund a multi-year program of public realm greening to support an annual net increase in street trees, aligned to the Integrated Climate Strategy.

Renewals

Renewals are works of a capital nature that are replacing an existing asset like for like or like for modern equivalent.

Approved Budget



Planning updates:

Significant progress has been made across all asset classes for Renewals in the third quarter. Progress highlights are:

- 27 projects have achieved practical completion this quarter, including Jeffcott St South, Traffic Signal lantern renewal program, West Tce median irrigation renewal and various road and footpaths renewal projects
- Several projects have commenced construction, including Eagle Chambers IT Server Room AC unit renewal, ACMA glass canopy renewals and entrance light renewal, Pinky Flat Pond renewal, Bentham St/Waymouth St Intersection improvements as well as the Pioneer Women’s Garden Heritage wall refurbishment
- A number of projects are forecasting completion in the next quarter, including Adelaide Pavillion AC renewal, ICT renewal program, electrical switchboard renewal program and various road and footpaths renewal projects

Budget updates:

The annual forecast expenditure this quarter has remained unchanged at \$54.153m.

Portfolio updates

City Shaping

The City Shaping Portfolio leverages and celebrates our role as a Capital City Council and delivers the services that lead, shape and enable a creative, dynamic, resilient and diverse city both now and into the future.

Programs:

- City Culture
- Park Lands, Policy and Sustainability
- Regulatory Services

Key Focus areas:

- City activation, initiatives, grants and sponsorship
- Park Lands greening, management and improvements
- Develop the City Plan
- Partnerships that support creative and resilient communities
- Kaurua heritage and voice and cultural mapping of the Park Lands
- Heritage promotion and protection

City Services

The City Services Portfolio delivers essential local government services for our community, making it easier to conduct business in our city, and providing a safe and attractive urban environment.

Programs:

- City Operations
- Infrastructure
- Strategic Property and Commercial

Key Focus areas:

- Capital Works Program, including Major Projects, New and Significant Upgrades and renewals
- Main street revitalisation and improvements
- Maintenance of public realm and city presentation

Corporate Services

The Corporate Services Portfolio provides effective and efficient services and insights to strengthen and grow our organisational capability, and support a culture of accountability, transparency, and innovation.

Programs:

- Customer and Marketing
- Finance and Procurement
- Governance
- Information Management
- People
- Strategy, Insights and Performance
- *Adelaide Central Market Authority*
- *Adelaide Economic Development Agency*
- *Kadaltilla / Adelaide Park Lands Authority*

Key Focus areas:

- Revised Strategic Management Framework and new Strategic Plan
- New and different ways to engage our community
- Adelaide free Wi-Fi expansion and improvements
- City of Adelaide Graduate Program

City Shaping

| YTD Operating Position | (\$'000) | | |
|---|-----------------|-----------------|-----------------|
| | Actual | Budget | variance |
| Income | 20,165 | 20,257 | (92) |
| Expenditure | (31,374) | (35,054) | 3,680 |
| Net Operating Surplus/ (Deficit) | (11,209) | (14,797) | 3,588 |

| Operating Budget | Income (\$'000) | | | Expenditure (\$'000) | | |
|---------------------------------------|------------------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| | budget | proposed | variance | budget | proposed | Variance |
| Office of the Director, City Shaping | - | - | - | (652) | (634) | 18 |
| City Culture | 11,956 | 12,143 | 187 | (27,370) | (27,938) | (568) |
| Park Lands, Policy and Sustainability | 43 | 63 | 20 | (7,554) | (7,490) | 64 |
| Regulatory Services | 14,984 | 14,968 | (16) | (9,943) | (9,811) | 132 |
| Strategic Projects | 218 | 250 | 32 | (2,612) | (2,386) | 226 |
| Total | 27,201 | 27,424 | 223 | (48,131) | (48,259) | (128) |

City Shaping

Planning updates / changes

- Adaptive Re-use Housing Initiative – project moved from Office of the Director City Shaping to Park Lands Policy & Sustainability
- Park 21 West - New Community Sports Building – project moved from Park Lands, Policy & Sustainability to City Culture for delivery.
- An agreement with End Food Waste Australia to research and trial food organics collections did not proceed, which is linked to the reduced budget for City Wide Waste and Recycling.

Budget updates / changes

- Operational budget changes resulting in \$0.223m increase to income, as well as \$0.128m increase in expenditure:
 - Increase in income for Aquatic Centre catering and swim school \$0.400m
 - Increase in leasing and licencing income \$0.180m
 - Reduction in Adelaide Town Hall income (\$0.480m) offset by reduced expenses \$0.346m
 - EOI process for Aquatic Centre increased costs of (\$0.853m)
- Changes to the operational budget identified above includes savings in Strategic Projects this quarter of \$0.255m

Select Portfolio achievements from this quarter

- Delivery of city wide events and activations over the Fringe and Festival period, including the activation of more public locations in the West of the City during Adelaide Fringe than ever before. 14 Park Lands and City Squares were activated over the February/March period in 2024, compared to ten in 2023 over the same period, marking a 40% increase in activated locations, all in the Westerns side of the City.
- The Housing Strategy – Investing in Our Housing Future and the Homelessness Strategy – Everyone’s Business consultation concluded, with the final strategies presented to and adopted by Council in February 2024.
- Various consultants engaged to undertake reports and research for the City Housing (Adaptive Re-use) project including vacancy, building auditing, Building Rules Review and Compliance Reporting and Cost Rate Reports.

City Shaping | Budget

City Culture

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|---------------|------------|----------------------|-----------------|--------------|
| | budget | Proposed | variance | budget | proposed | variance |
| Office of the A/D City Culture | - | - | - | (385) | (369) | 16 |
| Adelaide Town Hall | 2,863 | 2,368 | (495) | (2,941) | (2,605) | 336 |
| Aquatic Centre | 6,593 | 6,993 | 400 | (7,430) | (8,424) | (994) |
| City Experience | 616 | 656 | 40 | (4,080) | (4,116) | (36) |
| City Lifestyle | 1,246 | 1,470 | 224 | (4,654) | (4,791) | (137) |
| Creative City | 112 | 130 | 18 | (2,834) | (2,725) | 109 |
| Libraries | 526 | 526 | - | (5,046) | (4,908) | 138 |
| Total | 11,956 | 12,143 | 187 | (27,370) | (27,938) | (568) |

Park Lands, Policy and Sustainability

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|-----------|-----------|----------------------|----------------|-----------|
| | budget | proposed | variance | budget | proposed | variance |
| A/D, Park Lands Planning & Policy | - | - | - | (355) | (351) | 4 |
| City Planning and Heritage | 43 | 43 | - | (3,651) | (3,651) | - |
| Low Carbon & Circular Economy | - | - | - | (1,909) | (1,849) | 60 |
| Park Lands, Policy & Sustainability | - | 20 | 20 | (1,639) | (1,639) | - |
| Kadaltilla / Park Lands Authority | - | - | - | - | - | - |
| Total | 43 | 63 | 20 | (7,554) | (7,490) | 64 |

Regulatory Services

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|---------------|-------------|----------------------|----------------|------------|
| | budget | proposed | variance | budget | proposed | variance |
| A/D, Regulatory Services | - | - | - | (844) | (836) | 8 |
| City Development | 3,270 | 3,270 | - | (2,733) | (2,637) | 96 |
| City Safety | 458 | 442 | (16) | (1,641) | (1,647) | (6) |
| On-Street Parking Compliance | 11,256 | 11,256 | - | (4,725) | (4,691) | 34 |
| Total | 14,984 | 14,968 | (16) | (9,943) | (9,811) | 132 |

City Shaping | Strategic Projects

| | Plan | | Expenditure (\$'000) | | | | |
|---|--------------|---------------|----------------------|---------------|---------------|------------|----------|
| | delivered by | | budget | proposed | variance | | |
| City Culture | | | | | | | |
| Aquatic Centre Investigations | | | | (75) | (75) | 0 | ↔ |
| City Activation | | June 2024 | | (400) | (400) | 0 | ↔ |
| Cultural Mapping of the Adelaide Park Lands | | June 2024 | | (75) | (75) | 0 | ↔ |
| Park 21 West - New Community Sports Building (Z0170) | | April 2024 | | (32) | (32) | 0 | ↔ |
| Park Lands, Policy and Sustainability | | | | | | | |
| Adaptive Re-use Housing Initiative | | December 2025 | | (218) | (193) | 25 | ⬇ |
| City Wide Waste and Recycling | | | | (788) | (503) | 285 | ⬇ |
| Delivering the City Plan | | | | (390) | (475) | (85) | ⬆ |
| Local Heritage Assessments - 20th Century Buildings | | | | (70) | (70) | 0 | ↔ |
| Master Plan of Light Square | | June 2024 | | (90) | (90) | 0 | ↔ |
| Park Lands Biodiversity Survey | | June 2024 | | (150) | (150) | 0 | ↔ |
| Park Lands Greening | | | | (15) | (15) | 0 | ↔ |
| Regulatory Services | | | | | | | |
| On-Street Parking Compliance Technology & Customer Analytics Reform | | | | (100) | (100) | 0 | ↔ |
| Total | | | | (2403) | (2178) | 225 | ⬇ |

* fully funded by State Government Grant

City Services

| YTD Operating Position | (\$'000) | | |
|----------------------------------|----------|----------|----------|
| | Actual | Budget | variance |
| Income | 47,235 | 43,149 | 4,086 |
| Expenditure | (89,809) | (93,716) | 3,907 |
| Net Operating Surplus/ (Deficit) | (42,574) | (50,567) | 7,993 |

| Operating Budget | Income (\$'000) | | | Expenditure (\$'000) | | |
|---------------------------------------|-----------------|---------------|--------------|----------------------|------------------|--------------|
| | budget | proposed | variance | budget | proposed | variance |
| Office of the Director, City Services | - | - | - | (677) | (677) | - |
| City Operations | 2,482 | 3,251 | 769 | (43,388) | (42,858) | 530 |
| Infrastructure | 722 | 762 | 40 | (44,602) | (43,839) | 763 |
| Strategic Property and Commercial | 53,303 | 55,599 | 2,296 | (32,811) | (31,663) | 1,148 |
| Strategic Projects | 3,020 | 3,146 | 126 | (5,212) | (5,507) | (295) |
| Total | 59,527 | 62,758 | 3,231 | (126,690) | (124,544) | 2,146 |

City Services

Planning updates / changes

- A new project to explore alternative irrigation for the North Adelaide Golf Course was initiated this quarter
- There have been supplier issues with the City speed limit review and school safety review causing delays, however delivery continues, including recent Council decisions around St Aloysius College
- Grant received for Park Lands Strategic Water Resources with the work to be completed next financial year
- Increased funding for Condition Audits and new projects for investigating
- North Terrace West Masterplan has been deferred to a future period
- Property Strategy workshops with Council Members will occur during April, with feedback to inform a report to Council to finalise the strategy in August 2024.
- Workshops associated with Hindley Street (Mainstreet) have been programmed into April prior to public consultation and stakeholder engagement.

Budget updates / changes

- Operational budget changes resulting in \$3.231m additional income and \$2.146m reduction in expenditure:
 - Parking Revenue of \$1.350m plus cost savings of \$0.270m
 - Golf Revenue of \$0.825m offset by expenditure increases of (\$0.600m)
 - Additional events income \$0.450m offset fully by expenses (\$0.450m)
 - Depreciation reduction of \$2.174m due to reviewing building useful lives
 - Changes to allocation of internal charges \$1.017m
 - (\$0.200m) for increased bridge maintenance
 - (\$0.030m) for horticulture overtime based on increased workloads for weekends and evenings to avoid disruptions to city visitors
- Changes to the operational budget identified above includes funding changes for Strategic Projects (\$0.296m)

Select Portfolio achievements from this quarter

- Renewal SA and the City of Adelaide have settled on the Franklin Street bus station land and the development of a Master Plan is progressing. Renewal SA is in the process of securing a sustainability consultant to support the project's aspiration to achieve carbon neutrality
- Increased cleansing and maintenance activities to support the City Summer Festival and Event Season
- Completion of two Public Realm Condition Audits
 - East End, including Rundle Steet, Frome Street, Vardon Avenue and Ebenezer Place
 - Hindley Street, including Leigh Street and Produce Lane

City Services | Budget

City Operations

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|--------------|------------|----------------------|-----------------|------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| A/D City Operations | - | - | - | (2,963) | (3,025) | (62) |
| Manager, City Maintenance | - | - | - | (384) | (384) | - |
| Manager, City Presentation | - | - | - | (199) | (199) | - |
| Cleansing | 6 | 6 | - | (7,075) | (7,019) | 56 |
| Facilities | - | - | - | (4,522) | (2,942) | 1,580 |
| Horticulture | 2,334 | 2,818 | 484 | (13,697) | (14,329) | (632) |
| Infrastructure Maintenance | - | 100 | 100 | (5,832) | (5,801) | 31 |
| Trades | 107 | 292 | 185 | (4,890) | (5,394) | (504) |
| Waste | 29 | 29 | - | (3,603) | (3,342) | 261 |
| Workshops | 6 | 6 | - | (224) | (423) | (199) |
| Total | 2,482 | 3,251 | 769 | (43,389) | (42,858) | 531 |

Infrastructure

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|------------|-----------|----------------------|-----------------|------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| A/D Infrastructure | - | - | - | (714) | (639) | 75 |
| Infrastructure Planning and Delivery | 722 | 762 | 40 | (43,378) | (42,690) | 688 |
| Technical Services | - | - | - | (510) | (510) | - |
| Total | 722 | 762 | 40 | (44,602) | (43,839) | 763 |

Strategic Property and Commercial

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|---------------|--------------|----------------------|-----------------|--------------|
| | Budget | Proposed | Variance | budget | proposed | variance |
| A/D Strategic Property & Commercial | - | - | - | (473) | (454) | 19 |
| Commercial | 221 | 221 | - | (918) | (768) | 150 |
| Parking | 42,774 | 44,124 | 1,350 | (14,060) | (13,936) | 124 |
| North Adelaide Golf Course | 3,443 | 4,268 | 825 | (3,606) | (4,460) | (854) |
| Strategic Property Development | 584 | 584 | - | (766) | (766) | - |
| Strategic Property Management | 6,281 | 6,402 | 121 | (12,988) | (11,279) | 1,709 |
| Total | 53,303 | 55,599 | 2,296 | (32,811) | (31,663) | 1,148 |

City Services | Strategic Projects

| | Plan | | Expenditure (\$'000) | | | | |
|--|--------------|--------------|----------------------|---------------|---------------|--------------|--|
| | delivered by | | budget | proposed | variance | | |
| City Operations | | | | | | | |
| Private Laneways Fee-for-Service Trial | | June 2024 | | (50) | (50) | 0 | |
| Infrastructure | | | | | | | |
| Adelaide Central Market - Telecommunication Infrastructure and Communication System - Part 1 | | July 2024 | | (229) | (124) | 105 | |
| Asset Condition Audit | | May 2024 | | (199) | (223) | (24) | |
| City Speed Limit Review | | | | 0 | (113) | (113) | |
| Climate Change Risk Adaptation Actions Year 2 | | | | (160) | (120) | 40 | |
| Conservation Management Plans for Heritage Assets | | June 2024 | | (200) | (170) | 30 | |
| Lighting and Electrical Data Collection | | | | (300) | (285) | 15 | |
| North Adelaide Golf Course - Water Investigative Study | | June 2024 | | 0 | (61) | (61) | |
| North Terrace West Masterplan | | | | (100) | 0 | 100 | |
| Resilient Flood Planning | | May 2025 | | (2325) | (2955) | (630) | |
| SA Power Networks (SAPN) Luminaire Upgrades | | May 2024 | | (100) | (15) | 85 | |
| School Safety Review | | | | 0 | (80) | (80) | |
| Stormwater Network Cleaning | | June 2025 | | (500) | (927) | (427) | |
| Transport Strategy | | | | (350) | (139) | 211 | |
| Underground of powerlines | | | | (239) | (66) | 173 | |
| Strategic Property and Commercial | | | | | | | |
| 88 O'Connell Project Delivery | | | | (30) | (30) | 0 | |
| Central Market Arcade Redevelopment | | January 2026 | | (280) | 0 | 280 | |
| Strategic Property Action Plan Implementation | | | | (150) | (150) | 0 | |
| Total | | | | (5211) | (5507) | (296) | |

* fully funded by Federal Government Grant

Corporate Services

| YTD Operating Position | (\$'000) | | |
|-----------------------------------|----------|----------|----------|
| | Actual | Budget | variance |
| Income | 108,775 | 107,447 | 1,328 |
| Expenditure | (38,238) | (37,606) | (632) |
| Net Operating Surplus / (Deficit) | 70,537 | 69,841 | 696 |

| Operating Budget | Income (\$'000) | | | Expenditure (\$'000) | | |
|---------------------------------------|-----------------|----------------|------------|----------------------|-----------------|----------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Office of the Chief Operating Officer | - | - | - | (939) | (831) | 108 |
| Customer and Marketing | 1 | 1 | - | (6,499) | (6,450) | 49 |
| Finance and Procurement | 134 | 104 | (30) | (4,284) | (4,168) | 116 |
| Governance | - | 40 | 40 | (4,213) | (4,335) | (122) |
| Information Management | 1,430 | 1,430 | - | (13,312) | (13,583) | (271) |
| People | - | 82 | 82 | (3,740) | (4,133) | (393) |
| Strategy, Insights & Performance | - | - | - | (1,473) | (1,508) | (35) |
| Corporate Activities * | 131,569 | 132,062 | 493 | 4,702 | 3,730 | (972) |
| Strategic Projects | 400 | 400 | - | (1,775) | (1,770) | 5 |
| Total | 133,534 | 134,119 | 585 | (31,533) | (33,048) | (1,515) |

Subsidiaries

| | | | | | | |
|--|----------------|----------------|--------------|-----------------|-----------------|----------------|
| Adelaide Central Market Authority | 4,914 | 5,422 | 508 | (5,310) | (5,410) | (100) |
| Adelaide Economic Development Agency | 4,354 | 4,494 | 140 | (12,809) | (13,203) | (394) |
| Kadaltilla / Adelaide Park Lands Authority | 253 | 253 | - | (253) | (253) | - |
| Total Subsidiaries | 9,521 | 10,169 | 648 | (18,372) | (18,866) | (494) |
| Total Corporate Services (including Subsidiaries) | 143,055 | 144,288 | 1,233 | (49,905) | (51,914) | (2,009) |

*Corporate Activities includes Rates Revenue, Corporation grants (e.g. Financial Assistance Grants), vacancy management Target, and capital overhead.

Corporate Services

Planning updates / changes

- The reduction in budget for the Cyber Security Enhancement represents a budget saving only. The scope and outcomes of the project remain unchanged.
- Subsidiaries of Council (ACMA, AEDA and Kadaltilla) continue to report through Corporate Services.

Budget updates / changes

- Operational budget changes resulting in \$1.233m increase in income, as well as (\$2.009m) additional expenditure:
 - Additional Adelaide Central Market revenue of \$0.450m offset by additional expenditure of (\$0.047m)
 - Release of developer contributions \$0.293m
 - Additional interest income \$0.200m
 - Depreciation adjustments of (\$1.399m)
 - AEDA strategic partnerships (\$0.232m)
 - Re-timing of payments to event suppliers in AEDA (\$0.130m)
 - Additional internal audits (\$0.116m)
- Budget increase to Transactional Banking of (\$0.075m) required for project management costs
- Net savings in strategic projects of \$0.005m.

Corporate Services

Select Portfolio achievements from this quarter

- The draft 2024/25 Business Plan and Budget is being developed through a program of Council Member workshops and reports and is on track for public consultation from late April 2024.
- The recruitment of a new City of Adelaide Chief Executive Officer commenced in March 2024, supported by external recruiting expertise.
- Five graduates for 2024 commenced through the new City of Adelaide Graduate Program.
- A suite of governance documents endorsed by Council to maximise Council governance and effectiveness, including behavioural support policies, and review and continuation of the existing Committee structure.
- The analysis of the findings from the City User Profile Survey was finalised and the results are available to inform decision-making.

Adelaide Central Market Authority

- Adelaide Central Market Authority Business Plan and Budget is under development for 2024/25.
- Successful events season including inaugural Fringe program with 45 'pop-up' performances, Sauce Day and Easter program.
- Total media coverage was valued at \$1,137,949 in February.
- Strong rental occupancy steady at 100%.
- 100% Waste Diversion from landfill for quarter three.

Adelaide Economic Development Agency

- Consultation and development of the AEDA 2024/25 Business Plan and Budget occurred, including engagement with the AEDA Board and a workshop with Council.
- Collaboration with the Property Council of SA to brief the industry on the city's economy and the influence of growing white collar industries on construction and activity levels, whilst increasing awareness of AEDA and generating property leads.
- Delivery of MallFest in Rundle Mall over the Festival Season consisting of a curated program of street performers, activations, dressings and extended Saturday trading hours.
- Applications for Events and Festivals, and Commercial Events and Festival Sponsorship programs opened.

Kadaltilla / Adelaide Park Lands Authority

- Delivered the draft Kadaltilla Annual Business Plan and Budget 2024/2025.
- Appointment of Kadaltilla / Adelaide Park Lands Authority Board Member with skills in tourism and event management.
- Continued the comprehensive review of the Adelaide Park Lands Management Strategy 2015-2025 (APLMS), including a workshop and report with Council Committee.

Corporate Services | Budget

Customer and Marketing

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|----------|----------|----------------------|----------------|-----------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Manager, Customer & Marketing | - | - | - | (213) | (205) | 8 |
| Customer Experience | 1 | 1 | - | (3,978) | (3,978) | - |
| Marketing & Communications | - | - | - | (2,308) | (2,267) | 41 |
| Total | 1 | 1 | - | (6,499) | (6,450) | 49 |

Finance and Procurement

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|------------|-------------|----------------------|----------------|------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Manager, Finance & Procurement | - | - | - | (265) | (241) | 24 |
| Financial Planning & Reporting | - | - | - | (1,811) | (1,779) | 32 |
| Procurement & Contract Management | - | - | - | (990) | (970) | 20 |
| Rates & Receivables | 134 | 104 | (30) | (1,218) | (1,178) | 40 |
| Total | 134 | 104 | (30) | (4,284) | (4,168) | 116 |

Governance

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|---|-----------------|-----------|-----------|----------------------|----------------|--------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Manager, Governance & Risk | - | - | - | (209) | (207) | 2 |
| Corporate Governance | - | - | - | (1,972) | (2,109) | (137) |
| Council Governance | - | - | - | (1,045) | (1,044) | 1 |
| Legal Governance | - | 40 | 40 | (987) | (975) | 12 |
| Total | - | 40 | 40 | (4,213) | (4,335) | (122) |

Corporate Services | Budget

Information Management

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|--|------------------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Manager, Information Management | 7 | 7 | - | (1,379) | (1,377) | 2 |
| Project Delivery | 1,400 | 1,400 | - | (2,554) | (2,554) | - |
| Service Desk | - | - | - | (1,111) | (1,172) | (61) |
| Technology, Infrastructure & Platforms | 23 | 23 | - | (8,268) | (8,480) | (212) |
| Total | 1,430 | 1,430 | - | (13,312) | (13,583) | (271) |

People

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|--|------------------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Manager People | - | - | - | (493) | (445) | 48 |
| People Experience | - | - | - | (1,355) | (1,573) | (218) |
| People Safety and Wellbeing | - | - | - | (751) | (746) | 5 |
| People Services | - | 82 | 82 | (1,141) | (1,369) | (228) |
| Total | - | 82 | 82 | (3,740) | (4,133) | (393) |

Strategy, Insights and Performance

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|--|------------------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Manager, Strategy, Insights & Performance | - | - | - | (187) | (187) | - |
| Project Management Office | - | - | - | (155) | (155) | - |
| Strategy and Insights | - | - | - | (1,131) | (1,166) | (35) |
| Total | - | - | - | (1,473) | (1,508) | (35) |

Corporate Services | Budget

Adelaide Central Market Authority

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|--|------------------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| | budget | Proposed | Variance | budget | proposed | Variance |
| ACMA Operations | 4,820 | 5,328 | 508 | (5,074) | (5,174) | (100) |
| Online Market Platform | 94 | 94 | - | (236) | (236) | - |
| Total | 4,914 | 5,422 | 508 | (5,310) | (5,410) | (100) |

Adelaide Economic Development Agency

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|--|------------------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Manager Director AEDA | - | - | - | (748) | (748) | - |
| Business and Investment | 50 | 50 | - | (2,520) | (2,688) | (168) |
| Marketing | 35 | 35 | - | (1,882) | (1,882) | - |
| Rundle Mall Management | 4,250 | 4,390 | 140 | (4,468) | (4,608) | (140) |
| Visitor Economy | 19 | 19 | - | (3,191) | (3,277) | (86) |
| Total | 4,354 | 4,494 | 140 | (12,809) | (13,203) | (394) |

Kadaltilla / Park Lands Authority

| Operating Budget (excludes Strategic Projects) | Income (\$'000) | | | Expenditure (\$'000) | | |
|--|------------------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| | budget | proposed | variance | budget | proposed | variance |
| Kadaltilla / Adelaide Park Lands Authority | 253 | 253 | - | (253) | (253) | - |

Corporate Services | Strategic Projects

| | Plan | | Expenditure (\$'000) | | | |
|---|--------------|-----------|----------------------|---------------|---------------|------------|
| | delivered by | | budget | proposed | variance | |
| Finance and Procurement | | | | | | |
| External Property Valuations | ●●● | May 2024 | ●●● | (240) | (240) | 0 ↻ |
| Transactional Banking | ●●● | June 2024 | ●●● | (150) | (225) | (75) ⚠ |
| Information Management | | | | | | |
| Archives Digitisation | ●●● | June 2024 | ●●● | (80) | (80) | 0 ↻ |
| Cyber Security Enhancement | ●●● | June 2024 | ●●● | (100) | (60) | 40 ⚠ |
| Strategy, Insights and Performance | | | | | | |
| Grant Management Software to facilitate identification of funding opportunities | ●●● | June 2024 | ●●● | (12) | (12) | 0 ↻ |
| Adelaide Economic Development Agency | | | | | | |
| Strategic Events Fund | ●●● | June 2024 | ●●● | (600) | (600) | 0 ↻ |
| Welcome Adelaide | ●●● | | ●●● | (120) | (80) | 40 ⚠ |
| Total | | | | (1302) | (1297) | 5 ⚠ |

Regional Subsidiary and Offices

Further to these subsidiaries, the City of Adelaide is also a member of:

Brown Hill and Keswick Creek Stormwater Board

The Regional Subsidiary, known as the Brown Hill and Keswick Creeks Stormwater Board, was established in February 2018. The Board coordinates the delivery of the Brown Hill Keswick Creek Stormwater Project, which is a collaborative undertaking between the Cities of Adelaide, Burnside, Mitcham, Unley and West Torrens. The Board is governed by a Charter prepared by these five constituent Councils and subsequently approved by the Minister for Local Government.

Reporting for this Board is done separately and is not embedded in the City of Adelaide quarterly reporting, however where available, the Board's own reports and plans will be provided as attachments as well as being available on the Board's website.

Office of the Chief Executive Officer (CEO)

Supports the CEO to lead a sustainable, successful organisation, to make well informed decisions to deliver on Council's priorities, and to foster productive partnerships both with industry, and local government and other government bodies through the delivery of effective intergovernmental relations.

Key Focus areas:

- Capital City oversight
- Communication and Public Relations
- Executive Support and Administration
- Grants and Advocacy
- Partnerships and Intergovernmental Relations

Office of the Lord Mayor

Supports the Lord Mayor and Council Members to foster productive relationships with peak bodies, other government bodies and the community, to deliver our strategic priorities, plan, and fulfill our Capital City leadership responsibilities.

Key Focus areas:

- Civic Protocols and Events
- Communication and Public Relations
- Lord Mayor and Council Administration
- Partnerships and Intergovernmental Relations

Office of the CEO and Office of the Lord Mayor

| YTD Operating Position | (\$'000) | | |
|-----------------------------------|----------|---------|----------|
| | Actual | Budget | variance |
| Income | - | - | - |
| Expenditure | (2,247) | (2,391) | 144 |
| Net Operating Surplus / (Deficit) | (2,247) | (2,391) | 144 |

| Operating Budget | Income (\$'000) | | | Expenditure (\$'000) | | |
|--|-----------------|----------|----------|----------------------|----------------|------------|
| | budget | Proposed | Variance | budget | proposed | variance |
| Office of the CEO | - | - | - | (1,470) | (1,401) | 69 |
| Civic Events, Partnerships, & Other Events | - | - | - | (467) | (415) | 52 |
| Councillor Support | - | - | - | - | - | - |
| Lord Mayor's Office Administration | - | - | - | (1,117) | (1,122) | (5) |
| Strategic Projects | - | - | - | - | - | - |
| Total | - | - | - | (3,054) | (2,938) | 116 |

Plan and Budget updates / changes identified:

- Budgets for both the Office of the Lord Mayor and Office of the CEO are on track with expenditure.
- *There are no Strategic or Capital Projects within this program and as a result there are no changes identified to planning timeframes.*

Select Portfolio achievements from this quarter

- Planning for the celebration to mark the 10th anniversary of the sister city relationship with Qingdao is continuing.
- The Australia Day Citizenship Ceremony was held on Thursday, 25 January 2024 along with the Citizen of the Year Event following.
- Eleven civic events were delivered between January and March 2024.

Long Term Financial Plan

Summary

Long Term Financial Plan (LTFP) updates:

- The starting year for the LTFP 2023/24 has been updated to reflect the proposed Q3 Budget
- Year 2 of the LTFP is in line with the draft 2024/25 budget
- Updated assumptions for South Australia Consumer Price Index (SA CPI), Wages Price Index (SA WPI), and Interest Rates based on the March projections provided by Deloitte Access Economics (DAE)
- Impact of Council Decisions during 2023/24 which have an ongoing impact on the LTFP, including:
 - Adopted Asset Management Plans (AMP's) for Transportation and Urban Elements
 - Approved Asset Management Plan for consultation for Buildings, for which Adoption is being sought on 28 May 2024
 - The next iteration of the LTFP will be updated for Lighting & Electrical, Park Lands & Open Space, and Water AMP's
 - Carry Forward of Central Market Arcade Redevelopment of \$8.777m from 2023/24 into 2025/26
- Impact of 2024/25 budget decisions which have an ongoing impact on the LTFP:
 - Removal of the Mini Golf Capital Project from 2025/26
 - Reallocation of MainStreet Upgrades following draft 2024/25 budget allocation
 - Council decision to fund 218-232 Flinders Street \$1m from 2024/25 to commence in 2025/26

Long Term Sustainability:

The revised LTFP projections highlight key matters where a Council decision is required with regard to future financial sustainability. Long term financial sustainability is therefore subject to ongoing decisions and effort, and in particular (but not limited to):

- An increase in operating revenue sources to fund the increase in Asset Renewals as per the revised AMPs
- Investment of \$15m per annum for the life of the LTFP on new and upgrade projects
- The future of Rundle UPark
- Successful resolution of external funding for the renewal of the Torrens Weir and Adelaide Bridge

Financial sustainability

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

Financial Principles and Finance Strategy

In order to guide financial strategy and future decision making to ensure long term financial sustainability can be achieved, Council endorsed the following Financial Principles:

- Transparency in decision making
- Continue to deliver a minimum of the current suite of services and asset maintenance, indexed in line with Consumer Price Index (CPI)
- Fees and charges reflect cost of services provided
- Maintain the rating system
- Maintain an operating surplus
- Capitalise on external funding, fast-tracking projects that attract such funding, recognising the potential need for increased borrowings in order to respond to external funding opportunities
- Consider new and different revenue streams and the approach to commercial businesses to reduce reliance on existing revenue sources
- Adjust rate revenue after consideration of all other budget components and use growth in rate revenue to partly fund servicing new rateable properties and to service new borrowings
- Capital renewal expenditure will be based on asset management plans
- New or enhanced services, assets or maintenance requiring an increase in operating costs are to be funded from the adjustment of priorities, rate revenue or other revenue increases and/or through savings
- Consider the disposal, purchase and /or repurposing of property assets to unlock the potential and future prosperity of the City, without incurring a financial loss
- Borrowings will be used to fund new and upgrade projects (which include major projects) and not used to fund operations, expenses or renewal projects

How do we monitor and communicate financial sustainability?

A suite of financial sustainability indicators (KFIs) is used to measure Council's financial performance, to guide decision making on major projects and significant components within the LTFF, and to secure its continued financial sustainability.

The LGA endorsed KFIs, which are incorporated into reporting based on the Model Financial Statements (LGA endorsed), are:

- The Operating Surplus Ratio
- The Net Financial Liabilities Ratio
- The Asset Renewal Funding Ratio.

Council also considers an additional four indicators to monitor its ability to borrow in line with its Prudential Borrowing Limit:

- Asset Test Ratio
- Interest Expense Ratio
- Leverage Test Ratio
- Cashflow from Operations Ratio.

Financial sustainability

Operating Surplus Ratio

This indicator represents the difference between day-to-day income and expenses for a period, as is expressed the Operating surplus as a percentage of operating revenue.

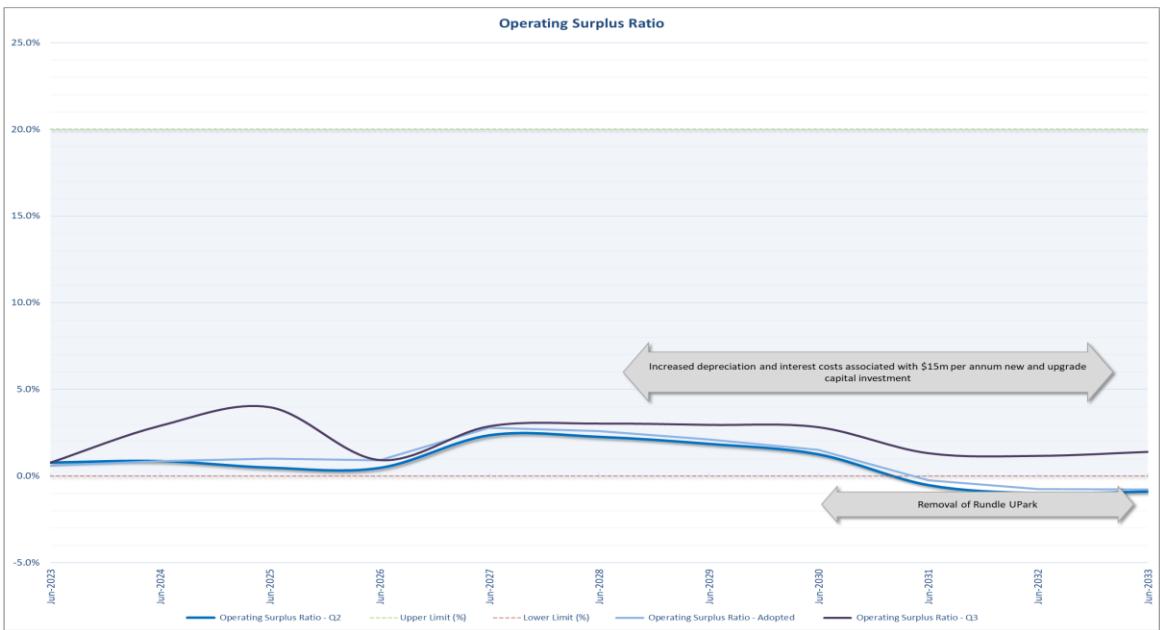
A council's long-term financial sustainability is dependent upon ensuring that, on average over time, its expenses are less than associated revenues. If a council is not generating an operating surplus in most periods then it is unlikely to be operating sustainably.

What is being measured:

This indicator represents the percentage by which the major controllable revenue source varies from day to day operating expenses. Financial sustainability is indicated where a council consistently achieves operating surpluses and has soundly based projections showing it can continue to do so in the future, having regard to asset management and the service level needs of its community.

Target:

The *Local Government Act 1999 (SA)* target is to achieve an average operating surplus ratio between 0% and 10% over any five-year period. However, as a Capital City Council, the City of Adelaide has significant responsibilities in improving its public realm and considers that an average operating surplus ratio between 0% and 20%, over any five-year period, is a more appropriate target.



Explanation of LTFP Projected Results:

The chart above compares the adopted budget against Q3, which illustrates change in the short term as a result of improved income forecasts. The ratio continues to sit around 3%, dropping in future years and highlights the need for decisions around revenue growth, capital investment and a solution for Rundle UPark.

The underlying structural budget is sustainable in the short to medium term and, subject to Council's eventual position on the matters discussed above, has the ability to remain sustainable in the longer term.

Financial sustainability

Net Financial Liabilities Ratio

This indicator represents the money owed to others less money held, invested or owed to Council as is expressed as Financial Liabilities as a percentage of operating income.

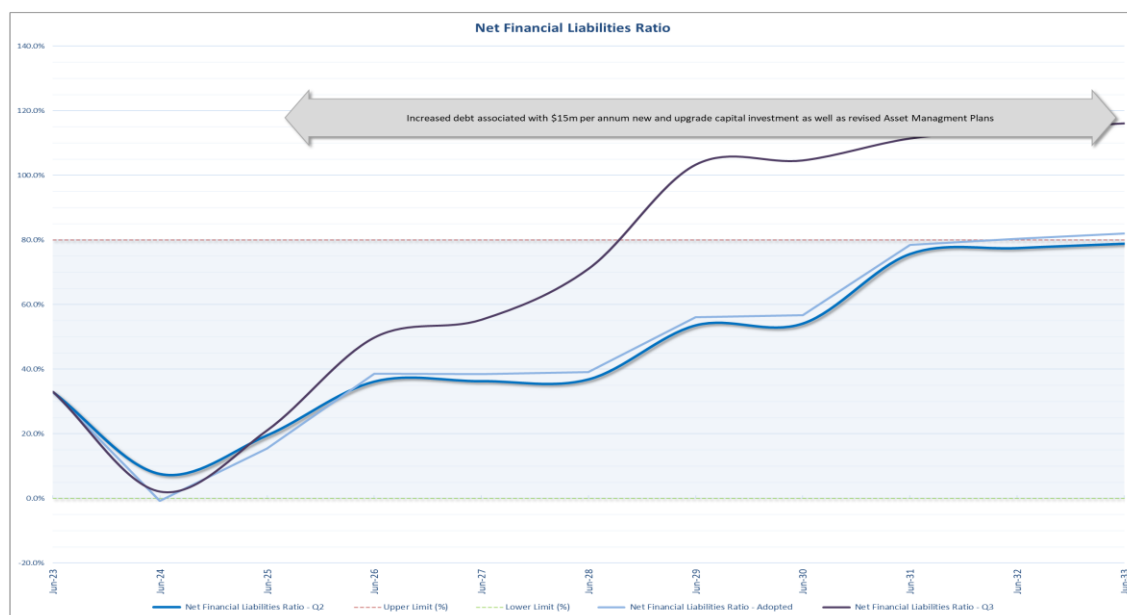
A council's indebtedness should be managed to ensure its liabilities and associated costs can be met without the prospect of disruptive service cuts and/or excessive rate increases (ie without impinging on financial sustainability). There is in essence no right or wrong target level for net financial liabilities (defined as total liabilities less financial assets) as this depends on infrastructure plans. The ideal target is that net financial liabilities are no greater than annual operating revenue and not less than zero.

What is being measured:

This indicator represents the significance of the net amount owed compared with operating revenue. It measures the extent to which Council is managing its debt and highlights that borrowings are often an effective means of financial sustainability, rather than trying to fund all assets and services from operating income.

Target:

The LGA recommends that the target for Net Financial Liabilities should be greater than zero and less than 100%, (that is, the amount owed is equal to or less than total annual income). The more conservative target set by City of Adelaide is that liabilities as a percentage of total operating revenue will not exceed 80%.



Explanation of LTFP Projected Results:

The chart above compares the adopted budget against Q3, which illustrates the impact of extra debt from some major projects and revised AMPs. City of Adelaide's net financial liabilities are, until 2027/28, within the prescribed target for the life of the plan. The higher ratio from 2027/28 onwards reflects a combination of Council continuing to invest in assets, matched to a decrease in operating revenue from the removal of UPark Rundle.

The short to medium term demonstrates a positive position, however, borrowings and related expenditure and/or operating revenue needs to be addressed to bring the ratio back within target and remain so beyond the life of the LTFP. Note that where there is insufficient operating revenue to fund renewals, the LTFP model assumes debt will be utilised as the balancing item for funding. Hence the increasing ratio related to debt over the rise of the LTFP.

Financial sustainability

Asset Renewal Funding Ratio

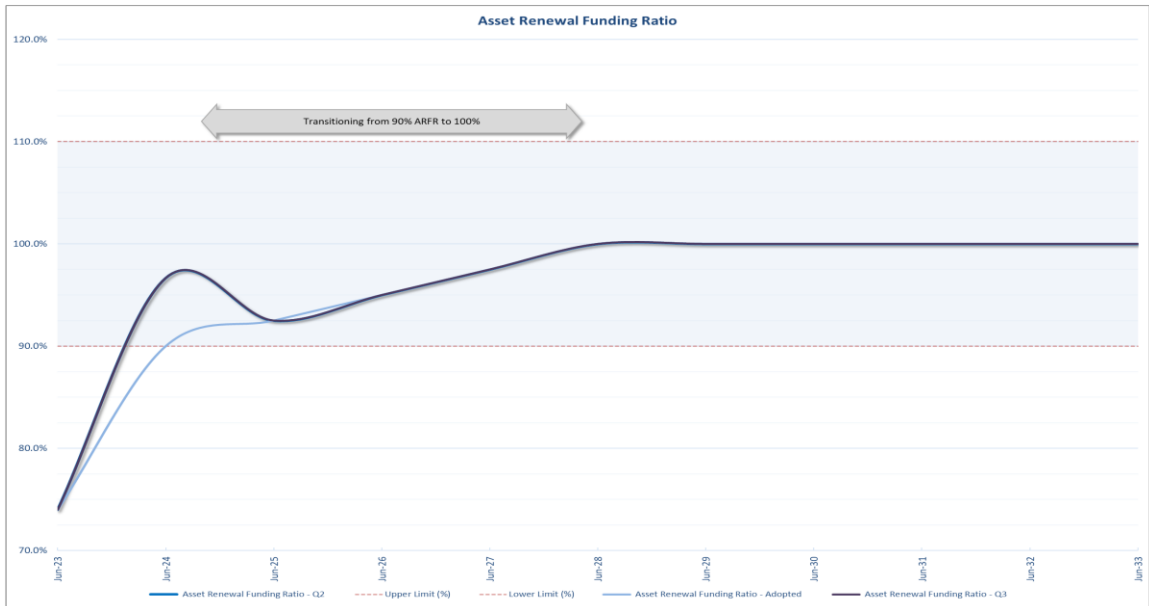
This ratio represents expenditure on asset renewals as a percentage of forecast expenditure required as per the asset management plans.

What is being measured:

This indicator expresses expenditure on asset renewals as a percentage of the projected funding required. It illustrates whether existing assets are being replaced or renewed at the rate they are being consumed and ensures consistent service delivery as determined by the Infrastructure and Asset Management Plans.

Target:

The *Local Government Act 1999 (SA)* recommends a target ratio between 90% and 110%. A ratio lower than 100% suggests that Council is not maintaining assets and infrastructure in order to optimise asset lives. A ratio higher than 100% suggests that Council is replacing assets earlier than needed or at a level in excess of that set in the asset management plans.



Explanation of LTFP Projected Results:

It is assumed that over the long term financial plan, asset renewals will be funded in line with the Strategic Asset Management Plans. Averages demonstrate a positive position over the life of the LTFP. The ongoing sustainable position will be subject to revenue and debt settings to address the Net Financial Liabilities Position over time.

The 2023/24 projection (approximately 97%) represents the expected expenditure of the proposed capital program, above the 90% target.

The eventual result for 2023/24 will be based on actual expenditure as at 30 June 2024.

Financial sustainability

Borrowings Ratios and Prudential Limits

The maximum level of debt is prescribed by Council by way of prudential limits. While Council does not place a physical monetary limit on the level of borrowings, an upper limit is determined through its financial indicators. When borrowing, Council will consider these indicators in terms of total borrowings, and the ability to service the interest incurred and debt repayments.

What is being measured:

- Asset Test Ratio: Borrowings as a percentage of total saleable property assets
- Interest Expense Ratio: Annual interest expense relative to General Rates Revenue (less Landscape Levy)
- Leverage Test Ratio: Total borrowings relative to General Rates Revenue (less Landscape Levy) expressed as the number of years of General Rates Revenue required to repay borrowings

Target:

The Treasury Policy reviewed in 2022 ensures Council's ability to manage cash and borrowings in accordance with prescribed limits. The Prudential limits set within the Treasury Policy are:

- Asset Test Ratio: Maximum of 50%
- Interest Expense Ratio: Maximum of 10%
- Leverage Test Ratio: Maximum 1.5 Years

Prudential limits are breached when one of the ratios fall outside the targets stipulated in the policy. The breach must be reported with remediation actions to the CEO immediately.

Explanation of LTFP Projected Results:

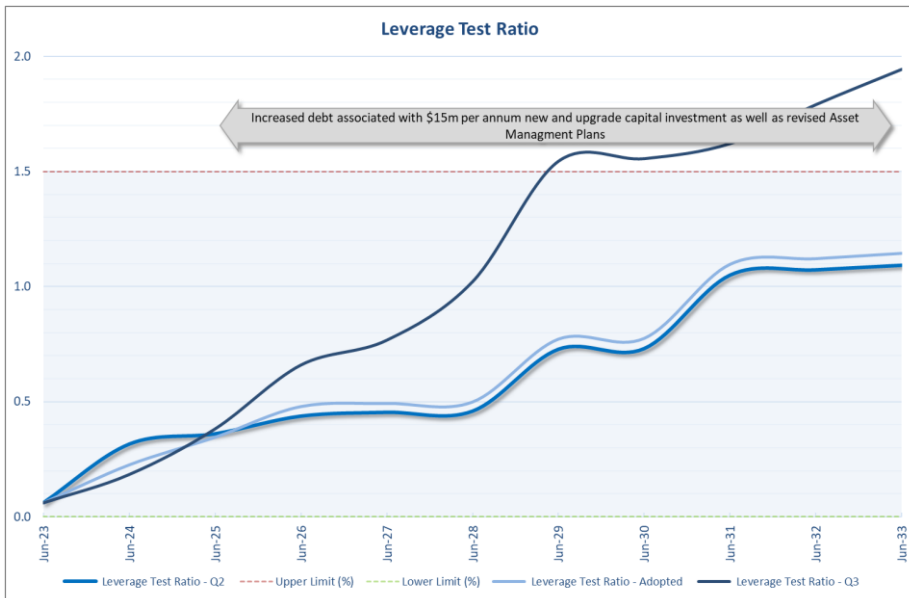
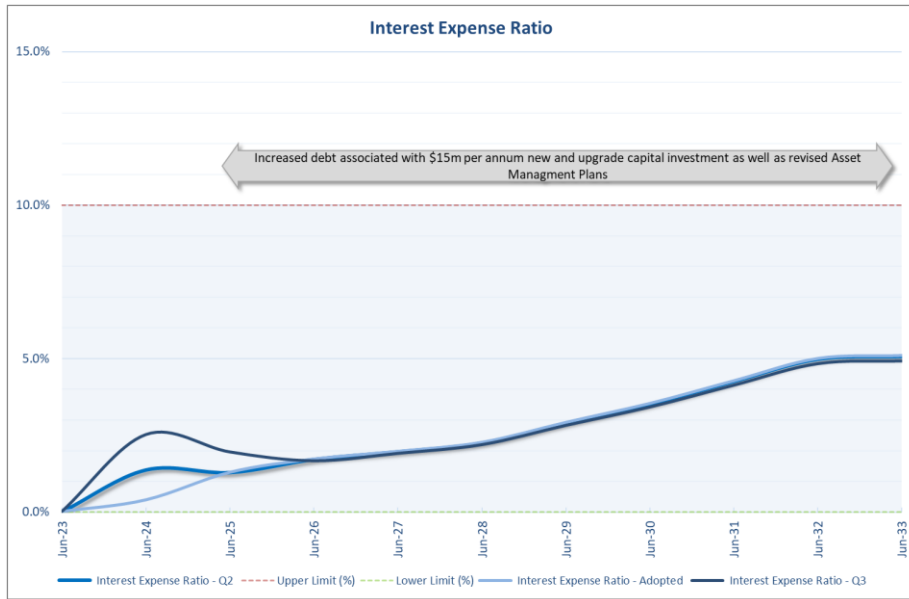
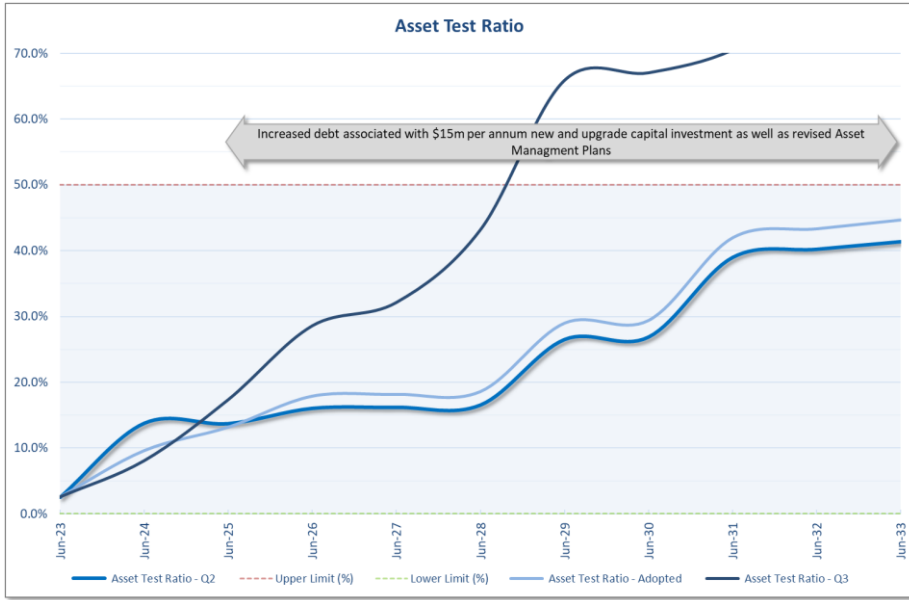
Note that where there is insufficient operating revenue to fund renewals, the LTFP model assumes debt will be utilised as the balancing item for funding. Hence the increasing ratio related to debt over the rise of the LTFP.

The charts on the following page compares the adopted budget against Q3, and illustrate a material change from 2025/26 as a result of the revised AMPs. City of Adelaide's borrowings are no longer within the prescribed targets across the life of the Long Term Financial Plan.

Averages over the life of the LTFP exceed the adopted targets based on the projected borrowings. The averages reflect unsustainable borrowings for capital delivery over the life of the LTFP based on current prudential limit settings and the assumptions underpinning key components in the LTFP. Funding decisions are required for the sustainable funding of Asset Renewals.

Financial sustainability

Borrowings Ratios and Prudential Limits



Financial sustainability

Cash Flow from Operations

This ratio measures Cash Flow from Operations as a percentage of forecast expenditure in the asset management plans and is expressed as operating income as a percentage of Operating Expenditure plus expenditure on renewal/replacement of assets.

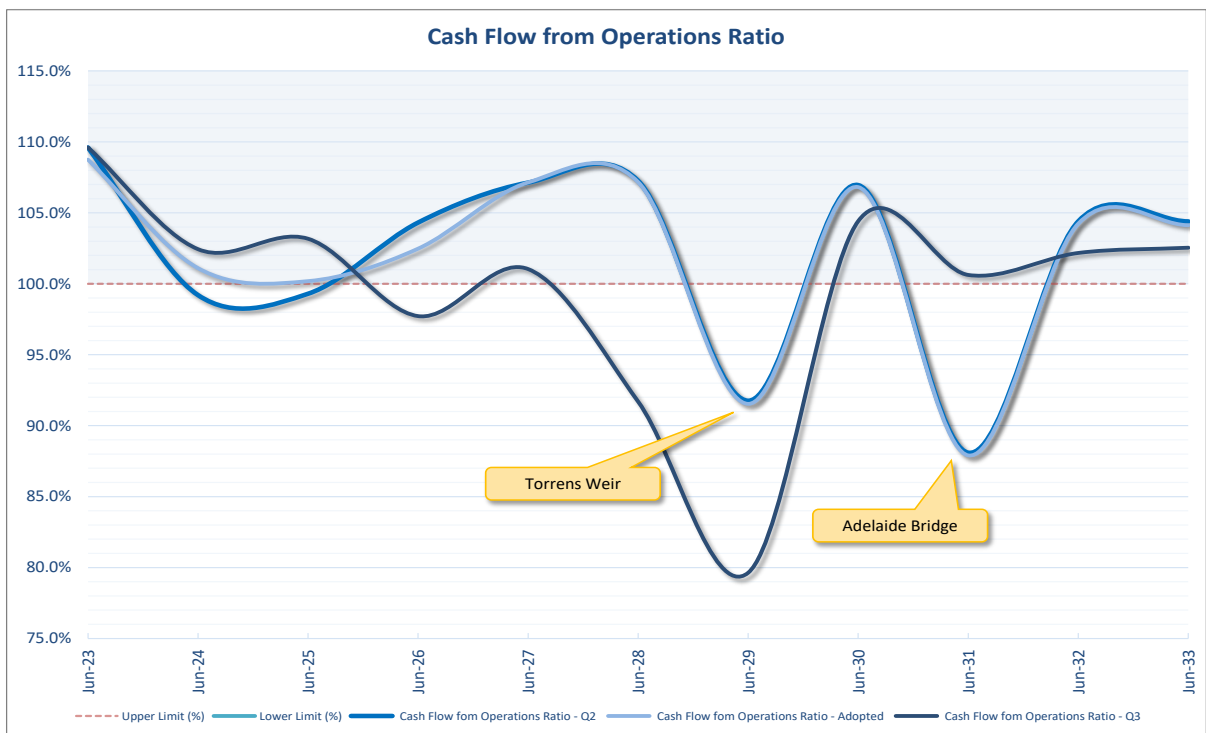
What is being measured:

This indicator shows whether Council is generating adequate cash from its operations to cover the replacement of assets over time.

A lower ratio indicates that Council is not generating enough cash from operations to cover asset replacement (less than 100%). As a result, Council will need to fund the replacement of assets from unsustainable sources of income resulting in increased levels of borrowings over time.

Target:

A result greater than 100% suggests Council's operations will generate enough cashflow to support the funding of asset replacement over time.



Explanation of LTFP Projected Results:

The chart above compares the adopted budget against Q2 and Q3. Most years of the LTFP project a positive result. The movement in Q3 reflects the revised AMP's for Transportation, Urban Elements and Buildings.

Years 6 and 9 of the plan reflect the significant renewals required in these years. This ratio highlights the risk in Council's ability to fully fund the larger renewals that are identified in the LTFP in the later years. This is not to suggest deficiency in renewal, but rather highlight the opportunity in advance to seek alternative funding sources such as State or Federal grants to assist with the funding of significant asset renewal projects for the benefit of the wider SA metropolitan area.

Financial sustainability

In conclusion, the analysis indicates that the City of Adelaide is currently financially sustainable in the short term, however, the increase in capital expenditure required through the revised Asset Management Plans for Building, Transportation and Urban Elements, has resulted in forecasts outside of targets in the medium to long term for the Net Financial Liabilities, Borrowing Ratios and Prudential Limits, and Cash Flow from Operations.

The results highlight matters where a Council decision is required with regard to future financial sustainability. Long term financial sustainability is therefore subject to ongoing decisions and effort, and in particular (but not limited to):

- An increase in revenue sources to fund the increase in Asset Renewals through revised AMPs
- Ensuring decisions are consistent with Council's adopted financial principles
- Continued growth in revenue, through both rates and commercial activities, at or above the rate of growth in expenses
- Investment of \$15m per annum for the life of the LTFP on new and upgrade projects
- The future of Rundle UPark
- Successful resolution of external funding for the renewal of the Torrens Weir and Adelaide Bridge
- Ongoing advocacy for reductions in exemptions and mandatory rebates
- Ongoing advocacy for funding assistance for projects of significance, and
- Use of the Future Fund for particular projects and initiatives

A separate report will be presented to Council with recommendations to address the above matters to ensure and maintain future financial sustainability. The report will be presented with sufficient time for Council consideration, prior to adoption of the 2024/25 to 2033/34 LTFP.

Financial indicators

| | Target | 2023-24 Q3 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 |
|--|--|------------|---------|---------|----------|----------|----------|----------|----------|----------|----------|
| Operating Surplus Ratio | Operating surplus as a percentage of operating revenue 0%-20% | 2.9% | 4.0% | 0.9% | 2.9% | 3.0% | 3.0% | 2.8% | 1.3% | 1.2% | 1.4% |
| Net Financial Liabilities | Financial liabilities as a percentage of operating income Less than 80% | 2.1% | 21% | 50% | 55% | 71% | 103% | 105% | 111% | 114% | 116% |
| Asset Renewal Funding Ratio | Expenditure on asset renewals as a percentage of forecast required expenditure in the asset management plans 90%-110% | 97% | 92.5% | 95.0% | 97.5% | 100% | 100% | 100% | 100% | 100% | 100% |
| Asset Test Ratio | Borrowings as a percentage of total saleable property assets Maximum 50% | 8% | 17% | 28% | 32% | 43% | 65% | 66% | 70% | 72% | 74% |
| Interest Expense Ratio | Number of times General Rates Revenue (less Landscape Levy) can service the annual interest expense Maximum 10% | 2.5% | 2.0% | 1.7% | 1.9% | 2.2% | 2.8% | 3.4% | 4.1% | 4.8% | 4.9% |
| Leverage Test Ratio | Total borrowings relative to General Rates Revenue (Less Landscape Levy) Maximum 1.5 years | 0.2 | 0.4 | 0.7 | 0.8 | 1.0 | 1.5 | 1.5 | 1.6 | 1.6 | 1.7 |
| Cash Flow from Operations Ratio | Operating income as a percentage of Operating Expenditure plus expenditure on renewal/replacement of assets Greater than 100% | 102% | 103% | 98% | 101% | 92% | 80% | 104% | 101% | 102% | 103% |
| Borrowings | Borrowings as a percentage of the Prudential Borrowing Limit Within Prudential Limits | 23.593m | 53.677m | 96.662m | 117.396m | 162.083m | 254.120m | 264.209m | 284.106m | 300.053m | 315.193m |
| | | 15% | 34% | 56% | 63% | 85% | 131% | 133% | 140% | 144% | 148% |

The explanation for the variations in each KFI is provided in the previous section.

| | |
|-----------|---|
| On track | Within range |
| At risk | May be within range but at risk of going outside of range |
| Off track | Outside of range |

Glossary

Budget:

Financial Indicators: Measures used to assess Council's financial performance, to guide decision making on major projects, and ensure its continued financial sustainability.

Reallocation: Reallocation of funds from one source to another.

Reclassification: A change of a project categorisation to reflect the scope, size or funding source of a projects (e.g. Renewal to Major Project).

Retimed: Deliberate change of timing of a project into a future year based on an agreed decision.

Subsidiaries: Established by Council under Section 42 of the *Local Government Act 1999 (SA)* that operate under independent boards or organisations that City of Adelaide either operates or supports.

Capital Works:

Major project: Significant works of a capital nature that are over the prudential limit, multi-year or have significant grant funding.

New and upgrade: Works of a capital nature that are either introducing new assets or significantly upgrading existing assets. Usually by extending the footprint of an asset or increasing the level of service the asset provides.

Renewal: Works of a capital nature that are replacing an existing asset like for like or like for modern equivalent.

Project Management Phases:

Commit/Concept: A project plan is being finalised with scope, and greater understanding of budget timing and stakeholder management.

Design: Projects for which only the design phase will be undertaken in the current year, with construction occurring in another financial year.

Design / Detail Planning: The planning and design phase of a project, which includes activities such as project planning and technical design.

Build/Construct (also Deliver): The build and construction phase of a project, which includes activities such as tendering, and construction/creating an asset.

Practical Completion: The practical completion phase of a project, where works are completed to a point where an area/asset is open and created in our asset system. Depreciation commences at this point.

On Hold: Project status indicating a decision of Executive or Council is required and cannot proceed until a decision is reached.

Types of projects:

Capital project: A long term project to establish, develop, improve or renew a capital asset.

Strategic project: Delivers the Strategic Plan and are generally 'once off' that have been prioritised to be delivered in a specific timeframe. Strategic Project budgets are operational in nature (not capital) and are aligned to a relevant service.

Appendix: Risk and opportunities

Summary of key risks and opportunities being managed:

- City Shaping have identified the continuing risk to the organisation around resource management and ability to deliver on Council's continued desire for 'citywide activation', within current resources and budgets.
- City Services have advised that tree inspections continue and will focus on high risks areas such as playspaces, paths and events and sporting spaces and that the outcomes of the Public Realm Audits will assist in progressing key public realms works and defining Service Standards.
- ACMA have identified that high inflation and cost of living pressures are impacting food retailing as well as cafes, restaurants and takeaway food services in Australia. Visitation has been plateauing at the Adelaide Central Market since September 2023.
- AEDA have identified that continued macroeconomic trends such as rising interest rates and cost of living pressures create a subsequent impact on potential spend in city businesses.
- No significant risks were identified from Corporate Services, Office of the CEO and LM, and Kadaltilla / Adelaide Park Lands Authority.
- Given the recent adoption of revised Asset Management Plans (AMPs) for some asset classes and the requirement for additional funding, primarily through operating revenue, the current assumption of CPI increases generates insufficient operating revenue to fund the AMPs. The LTFP model assumes where there is a shortfall in funding from operating revenue, borrowings will be used to meet funding shortfalls. Accordingly, projected debt has increased in order to fund the revised AMPs.

Opportunities

- City of Adelaide is participating in the State Government's Para-Planner Cadet Program, assisting to combat the skills shortage across the industry
- Council adopted the Draft Economic Development Strategy for public consultation this quarter, presenting an opportunity to provide clear guidance to businesses in the City for Economic Growth and to AEDA in development of the AEDA Strategic Plan
- The draft Workforce Strategy and Workforce Planning framework was developed, which will provide an opportunity for integrated People systems and efficiencies in workforce planning.
- Administration continues to review Grant Management and seek partnership opportunities to co-fund Council led projects.

Appendix: Detailed Capital Works

Major Projects

| Title | Plan | | 2023/24 Budget (\$'000) | | | | |
|--|--------------|----------------|-------------------------|----------|----------|-------|---|
| | delivered by | | budget | proposed | variance | | |
| Initiate / Commit / Concept | | | | | | | |
| 218-232 Flinders Street | ●●● | August 2024 | ●●● | 8,700 | 8,700 | 0 | ↻ |
| Experience Adelaide Visitor Centre | ●●● | | ●●● | 614 | 0 | 614 | ⏸ |
| Gouger Street Revitalisation (Concept Design) | ●●● | September 2026 | ●●● | 500 | 500 | 0 | ↻ |
| Jeffcott Street Pavement Rehabilitation and Catchment 13 Stormwater Improvements (Concept Design)* | ●●● | | ●●● | 20 | 4 | 16 | ⏸ |
| Design / Detailed Planning | | | | | | | |
| Carriageway Park / Tuthangga (Park 17) Improvements (Detailed Design)* | ●●● | | ●●● | 45 | 45 | 0 | ↻ |
| Flinders Street Improvements (Detailed Design) | ●●● | | ●●● | 3 | 3 | 0 | ↻ |
| Hindley Street Revitalisation (Detailed Design) | ●●● | March 2027 | ●●● | 1,680 | 780 | 900 | ⏸ |
| Hutt Street and South Terrace Stormwater Improvements (Detailed Design) | ●●● | | ●●● | 66 | 36 | 30 | ⏸ |
| Hutt Street Entry Statement (Construction) | ●●● | September 2024 | ●●● | 3,362 | 2,212 | 1150 | ⏸ |
| Victoria Park / Pakapakanthi (Park 16) Master Plan implementation | ●●● | | ●●● | 50 | 50 | 0 | ↻ |
| Wakefield Street Improvements (Detailed Design) | ●●● | February 2026 | ●●● | 1 | 1 | 0 | ↻ |
| Deliver | | | | | | | |
| Central Market Arcade Redevelopment | ●●● | February 2026 | ●▲● | 15,000 | 6,222 | 8778 | ⏸ |
| Charles Street Streetscape Upgrade Major Project* | ●●● | January 2025 | ●●● | 800 | 375 | 425 | ⏸ |
| City of Adelaide Bikeways (North-South) Major Project | ●●● | October 2024 | ●●● | 1,403 | 1,338 | 65 | ⏸ |
| City Safe CCTV Network Upgrade* | ●▲● | June 2024 | ●●● | 2,925 | 3,113 | (188) | ⏸ |
| Market to Riverbank Laneways Upgrade | ●●● | June 2024 | ●●● | 2,103 | 2,114 | (11) | ⏸ |
| Mary Lee Park (Park 27B) Community Sports Building Redevelopment (Construction) | ●●● | July 2024 | ●●● | 791 | 815 | (24) | ⏸ |
| Melbourne Street Improvements (Construction) | ●●● | February 2025 | ●●● | 695 | 232 | 462 | ⏸ |
| Rymill Park /Murlawirrapurka (Park 14) Lake Upgrade (Construction)* | ●●● | June 2024 | ●●● | 5,173 | 5,185 | (12) | ⏸ |

* The budget for these projects includes renewal funding

**budget to be considered as part of 2024/25 BP&B 48

New and Significant Upgrades

| Title | Plan | | 2023/24 Budget (\$'000) | | | | |
|--|--------------|---------------|-------------------------|----------|----------|---------|--|
| | delivered by | | budget | proposed | variance | | |
| Initiate / Commit / Concept | | | | | | | |
| Adelaide Central Market -Dry Storage | | | | 50 | 50 | 0 | |
| Blackspot program - South Terrace and Pultney Street Intersection Traffic Signal Safety Upgrade (Construction) | | | | | 10 | (10) | |
| Bonython Park / Tulya Wardli Shared Path Lighting, Retaining wall and Footpath Upgrade (Construction)* | | February 2025 | | 41 | 11 | 30 | |
| Christmas 2024 - KWS Light poles | | | | | 140 | (140) | |
| City Activation (Festoon Lighting) | | January 2025 | | 105 | 105 | 0 | |
| City Operations Android Tablet Procurement | | May 2024 | | 132 | 132 | 0 | |
| Climate Change Action Initiative Fund (CCAIF) | | | | 332 | 332 | 0 | |
| Flinders Street Pedestrian Crossing Improvements (Adjacent Pilgrim Lane) | | | | 10 | 10 | 0 | |
| Glen Osmond Road & Hutt Road Intersection Upgrade (Concept Design) * | | | | 50 | 27 | 23 | |
| Gunson Street Improvements (Detailed Design)* | | | | 90 | 56 | 34 | |
| Hindmarsh Square - Minor Flood Lighting Augmentation | | | | | 8 | (8) | |
| Illuminate Adelaide Public Artwork | | June 2024 | | 200 | 0 | 200 | |
| Implementation of Resource Recovery (Organics, Recycling, Waste) Strategy & Action Plan 2020-2028 | | March 2024 | | 150 | 150 | 0 | |
| Integrated Climate Strategy – City Public Realm Greening Program | | | | 0 | 4,000 | (4,000) | |
| James Place Upgrade* | | February 2025 | | 0 | 38 | (38) | |
| Main Street Revitalisation - Melbourne Street including public artwork (24/25 Project Planning) Major Project | | June 2026 | | | 50 | (50) | |
| Minor Traffic Signal Safety Upgrades (Construction) | | | | 33 | 0 | 33 | |
| New Access Ramps for Accessible Car Parks (Construction) | | | | 50 | 28 | 22 | |
| North Adelaide Golf Course - Driving Range Ball Cleaner/Dispenser | | | | | 18 | (18) | |
| O'Connell Street Revitalisation (Detailed Design) | | | | | 50 | (50) | |
| Public Art | | | | 300 | 135 | 165 | |
| Public Lighting Alterations - 176 Mackinnon Parade North Adelaide | | June 2024 | | | 40 | (40) | |
| Royal Avenue Improvements (Detailed Design)* | | April 2024 | | 80 | 50 | 30 | |
| Rundle Mall Sound System | | October 2024 | | 256 | 256 | 0 | |
| Southwest Community Centre** | | June 2024 | | 1,500 | | 1,500 | |
| Stafford Street Public Lighting Upgrade (Construction)* | | March 2025 | | 25 | 28 | (3) | |
| Town Clerks Walk and Red Gum Park / Karrawirra (Park 12) Improvements (Detailed Design)* | | | | 50 | 7 | 43 | |
| Whitmore Square Stage 2 Masterplan Implementation Upgrades (Concept Design)* | | | | 60 | 24 | 36 | |

* The budget for these projects includes renewal funding

**budget to be considered as part of 2024/25 BP&B

New and Significant Upgrades

| Title | Plan | | 2023/24 Budget (\$'000) | | | | |
|--|--------------|---------------|-------------------------|----------|----------|-------|--|
| | delivered by | | budget | proposed | variance | | |
| Design / Detailed Planning | | | | | | | |
| Adelaide Central Market Authority (ACMA) - New Parents Room | | | | 15 | 10 | 5 | |
| Adelaide Central Market Authority (ACMA) - New Trolley Bays and Trolleys | | July 2024 | | 130 | 130 | 0 | |
| Adelaide Town Hall - David Spence Room and Prince Alfred Room - TV and False Wall* | | June 2024 | | 25 | 102 | (77) | |
| Botanic Catchment Water Course Rehabilitation (Detailed Design)* | | | | 191 | 195 | (4) | |
| City Dirt Master Plan Implementation (24/25 Detailed Design and Construction) * | | | | 30 | 10 | 20 | |
| Hutt Road Earthen Levee Embankment | | | | 50 | 480 | (430) | |
| Kingston Terrace Bus Stop Upgrades (Construction) | | June 2024 | | 150 | 169 | (19) | |
| Kingston Terrace Streetscape and Stormwater Improvements (Detailed Design)* | | | | 74 | 24 | 50 | |
| Mini Golf in North Adelaide Golf Course Development (Future Fund) | | | | 11 | 11 | 0 | |
| Newlands Lane - Public Lighting Renewal | | August 2024 | | 10 | 0 | 10 | |
| Place of Courage / Spirit of Woman (Park 27) | | June 2025 | | 95 | 5 | 90 | |
| Rymill Park / Murlawirrapurka (Park 14) Public Lighting Upgrade (Construction) | | October 2024 | | 300 | 300 | 0 | |
| Stephens Street and Sanders Place Improvements (Detailed Design) | | | | 1 | 1 | 0 | |
| Strangways Terrace Golf Course Carpark and Access Improvements (Detailed Design) | | | | 33 | 33 | 0 | |
| Torrens Retaining Structure (Construction) | | | | 280 | 103 | 177 | |
| Vincent Street and Vincent Place Improvements (Concept & Detailed Design)* | | | | 112 | 112 | 0 | |
| Ward Street Improvements (Concept Design)* | | | | 70 | 58 | 12 | |
| West Pallant Project Steet Lighting Design | | | | 35 | 35 | 0 | |
| Deliver | | | | | | | |
| Adelaide Central Market Authority (ACMA) - New Security Gates | | March 2024 | | 75 | 75 | 0 | |
| Central Market Arcade Redevelopment | | February 2026 | | 200 | 480 | (280) | |
| Christmas 2024 | | June 2024 | | 200 | 53 | 147 | |
| Field Street Improvements (Construction)* | | July 2024 | | 2,203 | 2,203 | 0 | |
| Francis Street Public Art | | June 2024 | | 39 | 28 | 11 | |
| Frome Street Footpath Upgrades (In conjunction with N-S Bikeway Project) | | October 2024 | | | 0 | 0 | |
| Greener City Streets Program | | April 2024 | | 874 | 874 | 0 | |
| Hutt Road / Park Lands Trail Signalised Crossing (Construction) | | June 2024 | | 1,044 | 718 | 326 | |

* The budget for these projects includes renewal funding

**budget to be considered as part of 2024/25 BP&B 50

New and Significant Upgrades

| Title | Plan | | 2023/24 Budget (\$'000) | | | | |
|--|--------------|----------------|-------------------------|----------|----------|------|---|
| | delivered by | | budget | proposed | variance | | |
| Deliver | | | | | | | |
| Light Square Electrical Infrastructure Upgrade | ●●● | September 2024 | ●●● | 400 | 400 | 0 | ↻ |
| Minor Traffic Signal Safety Upgrades - 3G Hardware Replacement | ●●● | June 2024 | ●●● | 18 | 18 | 0 | ↻ |
| Mistletoe Park / Tainmuntilla (Park 11) Public Lighting Upgrade (Construction)* | ●▲● | October 2024 | ●●● | 672 | 123 | 550 | 🛑 |
| New Street and Park Lands Furniture (Construction) | ●●● | June 2024 | ●●● | 50 | 50 | 0 | ↻ |
| New Street and Parklands Bicycle Racks (Construction) | ●●● | June 2024 | ●●● | 25 | 25 | 0 | ↻ |
| North Terrace / Station Road Footpath Improvements (Construction) | ●●● | June 2024 | ●●● | 353 | 441 | (89) | 🛑 |
| Public Art 21-22 | ●●● | June 2024 | ●●● | 85 | 28 | 57 | 🛑 |
| Public Art Action Plan - Capital Projects | ●●● | June 2024 | ●●● | 12 | 12 | 0 | ↻ |
| Replacement of UPark Car Park Management System (CPMS) | ●●● | June 2024 | ●●● | 10 | 10 | 0 | ↻ |
| Rymill Park /Murlawirrapurka (Park 14) Sustainable Water Supply (Construction) | ●●● | June 2024 | ●●● | 1,000 | 1,000 | 0 | ↻ |
| Upark Equipment Test Bed Network Switch | ●●● | | ●●● | 19 | 28 | (9) | 🛑 |
| Complete+ | | | | | | | |
| Brougham Place Footpath Improvements & Greening | ●●● | February 2024 | ●●● | 159 | 159 | 0 | ↻ |
| Brown Hill Keswick Creek - Stormwater Project (Financial Contribution) | ●●● | February 2024 | ●●● | 320 | 320 | 0 | ↻ |
| Currie Street and Morphett Street Intersection Traffic Signal Safety Upgrade (Construction)* | ●●● | February 2024 | ●●● | 48 | 60 | (12) | 🛑 |
| Morphett Street and South Intersection Traffic Signal Safety Upgrade (Construction)* | ●●● | February 2024 | ●●● | 150 | 151 | (1) | 🛑 |
| Skate Park CCTV and Greening | ●●● | April 2024 | ●●● | 34 | 37 | (4) | 🛑 |
| Cancelled+ | | | | | | | |
| Electric Vehicle Charging Infrastructure in UParks | ●▲● | June 2024 | ●▲● | 68 | 0 | 68 | 🛑 |

*The budget for these projects includes renewal funding

**Budget to be considered as part of 2024/25 BP&B

+Only projects that were completed or cancelled this quarter are shown

Renewals

| Category | Total | Design only | Plan / Design | Build / Construct | On Hold | Complete |
|-----------------------|------------|-------------|---------------|-------------------|----------|------------|
| Bridges | 4 | 1 | - | 2 | - | 1 |
| Buildings | 40 | 6 | 5 | 14 | - | 15 |
| ICT Renewals | 7 | - | 4 | 3 | - | - |
| Lighting & Electrical | 20 | 5 | - | 10 | - | 5 |
| Park Lands Assets | 15 | 2 | 2 | 7 | - | 4 |
| Plant and Fleet | 5 | - | - | 3 | - | 2 |
| Traffic Signal | 9 | - | - | 5 | - | 4 |
| Transport | 112 | 40 | 3 | 14 | - | 55 |
| Urban Elements | 44 | 6 | 7 | 15 | - | 16 |
| Water Infrastructure | 7 | 3 | - | 3 | - | 1 |
| Renewal Total | 263 | 63 | 21 | 76 | - | 103 |

Note

- Transport is made up of Roads, Pathways and Kerb and Water Table
- Plant and Fleet includes Commercial Plan and Fleet
- Total Project count: mixed-funded projects are only counted once in the total project count

Renewal Projects COMPLETED this quarter

| | Category |
|--|-------------------|
| Accelerated Works Golf Links Kitchen Equipment | Buildings |
| Floor Asbestos Remove and Reinstatement | Buildings |
| London Road Depot - Height Safety Improvements | Buildings |
| London Road Depot - Mechanical Exhaust Improvements to Welders Area | Buildings |
| North Adelaide Golf Links - Renewal of Main Valley Gutter | Buildings |
| ATH Renewal of Commercial Assets - Bar 2 & 3 Fridge | Buildings |
| Adelaide Town Hall - Auditorium Hoist Replacement | Buildings |
| North Adelaide Golf Links - Horticulture Shed and Washdown Bay Improvements | Buildings |
| Playground Equipment Renewal | Park Lands Assets |
| Irrigation Renewal - West Terrace - Streetscape Median | Park Lands Assets |
| 23/24 - Traffic Signal Cables and Conduits Replacement - Pulteney Street/Carrington Street | Traffic Signal |
| 23/24 Traffic Signal Controller Renewal Program | Traffic Signal |
| 23/24 Traffic Signal Lantern Renewal Program | Traffic Signal |
| Traffic Signals 22-23 | Traffic Signal |
| 23/24 Footpath Renewal - Brougham Gardens West - Various Locations | Transport |
| Road Resurfacing - Trades Hall Lane - Franklin Street to Grote Street | Transport |
| Road Resurfacing - Morialta Street - Franklin Street to Grote Street | Transport |
| Heavy Patching - North Terrace - King William Street to Stephens Place | Transport |
| 23/24 Footpath Renewal - Park 9 - Tidlannga - Bunday's Paddock - Off Bunday's Road | Transport |
| Heavy Patching - North Terrace - West Terrace to King William Street | Transport |
| 23/24 Footpath Renewal - Park 12/South Bank | Transport |
| Road Resurfacing - Vardon Avenue - Rundle Street to East Terrace | Transport |
| Jeffcott Street South Renewal Project | Transport |
| 23/24 Road Resurfacing - Morphett Street - Whitmore Square to South Terrace | Transport |
| 23/24 Road Resurfacing - Tynte Street Post Office Car Park + Tynte Place | Transport |
| 23/24 Road Resurfacing - Hindley Street - Liverpool Street to West Terrace | Transport |
| 23/24 Park 15 Project - Shared Use Path | Transport |
| 23/24 Footpath Renewal - West Terrace - Various Locations | Transport |
| Light Square plaques - restoration and base | Urban Elements |
| Urban Elements - Bus Shelter Renewal – Botanic Road | Urban Elements |
| Urban Elements - Structures Renewal Program | Urban Elements |
| Urban Elements - Drinking Fountain Renewal Program | Urban Elements |
| Urban Elements - Bin Renewal Program | Urban Elements |
| Urban Elements - Retaining Wall Renewal Program" | Urban Elements |

Appendix: Financial statements

| Statement of Comprehensive Income \$'000s | 2023/24 Adopted Budget | 2023/24 Q1 | 2023/24 Q2 | 2023/24 Q3 |
|--|---------------------------------------|-----------------------|-----------------------|-----------------------|
| <u>Income</u> | | | | |
| Rates Revenues | 135,395 | 135,281 | 135,131 | 135,131 |
| Statutory Charges | 14,683 | 14,683 | 14,613 | 15,107 |
| User Charges | 70,002 | 69,915 | 70,365 | 72,565 |
| Grants, Subsidies and Contributions | 4,449 | 8,562 | 8,891 | 1,723 |
| Investment Income | 150 | 150 | 734 | 944 |
| Reimbursements | 338 | 338 | 338 | 703 |
| Other Income | 465 | 465 | 465 | 1,143 |
| Total Income | 225,481 | 229,394 | 230,537 | 234,470 |
| <u>Expenses</u> | | | | |
| Employee Costs | 81,586 | 82,435 | 82,443 | 78,732 |
| Materials, Contracts and Other Expenses | 85,100 | 88,130 | 88,730 | 93,551 |
| Depreciation, Amortisation and Impairment | 56,040 | 56,040 | 56,473 | 54,482 |
| Finance Costs | 835 | 835 | 887 | 890 |
| Total Expenses | 223,561 | 227,442 | 228,534 | 227,655 |
| Operating Surplus / (Deficit) | 1,920 | 1,952 | 2,003 | 6,815 |
| Asset Disposal & Fair Value Adjustments | 1,125 | 1,125 | 1,125 | 1,125 |
| Amounts Received Specifically for New or Upgraded Assets | 14,075 | 10,651 | 8,053 | 7,152 |
| Net Surplus / (Deficit) | 17,120 | 13,728 | 11,181 | 15,091 |
| Changes in Revaluation Surplus- I,PP&E | - | - | (13,843) | (13,843) |
| Total Other Comprehensive Income | 17,120 | 13,728 | (2,662) | 1,248 |

Recommendation 1 - Item 7.1 - Attachment A

| Statement of Financial Position \$'000s | 2022/23 Adopted Budget | 2023/24 Q1 | 2023/24 Q2 | 2023/24 Q3 |
|---|---------------------------|------------------|------------------|------------------|
| ASSETS | | | | |
| <u>Current Assets</u> | | | | |
| Cash and Cash Equivalents | 800 | 800 | 800 | 800 |
| Trade & Other Receivables | 35,560 | 41,964 | 42,081 | 41,448 |
| Inventories | 541 | 741 | 741 | 741 |
| Total Current Assets | 36,901 | 43,505 | 43,622 | 42,989 |
| <u>Non-Current Assets</u> | | | | |
| Financial Assets | 377 | 754 | 754 | 754 |
| Equity Accounted Investments in Council Businesses | 1,928 | 1,938 | 1,938 | 1,938 |
| Investment Property | 2,928 | 2,939 | 2,939 | 2,939 |
| Infrastructure, Property, Plant and Equipment | 1,942,188 | 1,877,539 | 1,877,162 | 1,868,373 |
| Other Non-Current Assets | 129 | 1,306 | 1,306 | 1,306 |
| Non-Current Receivable | 26,027 | 26,027 | 26,100 | 26,100 |
| Total Non-Current Assets | 1,973,576 | 1,910,503 | 1,910,200 | 1,901,410 |
| TOTAL ASSETS | 2,010,477 | 1,954,008 | 1,953,822 | 1,944,400 |
| LIABILITIES | | | | |
| <u>Current Liabilities</u> | | | | |
| Trade and Other Payables | 14,316 | 14,158 | 14,966 | 20,434 |
| Provisions | 14,574 | 14,045 | 27,888 | 27,888 |
| Other Current Liabilities | 5,066 | 5,066 | 5,066 | 5,066 |
| Total Current Liabilities | 33,956 | 33,269 | 47,920 | 53,388 |
| <u>Non-Current Liabilities</u> | | | | |
| Trade and Other Payables | 293 | 293 | 293 | - |
| Borrowings | 30,184 | 40,553 | 42,106 | 23,593 |
| Provisions | 1,773 | 2,036 | 2,036 | 2,042 |
| Other Non-Current Liabilities | 36,064 | 36,064 | 36,064 | 36,064 |
| Total Non-Current Liabilities | 68,313 | 78,947 | 80,499 | 61,700 |
| TOTAL LIABILITIES | 102,269 | 112,216 | 128,420 | 115,088 |
| Net Assets | 1,908,208 | 1,841,792 | 1,825,402 | 1,829,312 |
| EQUITY | | | | |
| Accumulated Surplus | 801,303 | 791,995 | 789,449 | 793,358 |
| Asset Revaluation Reserves | 1,066,521 | 1,018,226 | 1,004,383 | 1,004,383 |
| Future Reserve Fund | 40,384 | 31,571 | 31,571 | 31,571 |
| Total Council Equity | 1,908,208 | 1,841,792 | 1,825,402 | 1,829,312 |

Recommendation 1 - Item 7.1 - Attachment A

| Statement of Changes in Equity \$'000s | 2023/24 Adopted Budget | 2023/24 Q1 | 2023/24 Q2 | 2023/24 Q3 |
|---|------------------------------|------------------|------------------|------------------|
| Balance at the end of previous reporting period | 1,891,088 | 1,828,064 | 1,828,064 | 1,828,064 |
| a. Net Surplus / (Deficit) for Year | 17,120 | 13,728 | 11,181 | 15,091 |
| b. Other Comprehensive Income | - | - | (13,843) | (13,843) |
| Total Comprehensive Income | 17,120 | 13,728 | (2,662) | 1,248 |
| Balance at the end of period | 1,908,208 | 1,841,792 | 1,825,402 | 1,829,312 |

Recommendation 1 - Item 7.1 - Attachment A

| Statement of Cash flows \$'000s | 2023/24 Adopted Budget | 2023/24 Q1 | 2023/24 Q2 | 2023/24 Q3 |
|---|------------------------------|-----------------|-----------------|-----------------|
| <u>Cash Flows from Operating Activities</u> | | | | |
| <i>Receipts</i> | | | | |
| Operating Receipts | 226,982 | 229,532 | 227,550 | 232,116 |
| <i>Payments</i> | | | | |
| Operating Payments to Suppliers and Employees | (174,706) | (177,335) | (175,848) | (173,039) |
| Net Cash provided by (or used in) Operating Activities | 52,276 | 52,196 | 51,701 | 59,077 |
| <u>Cash Flows from Investing Activities</u> | | | | |
| <i>Receipts</i> | | | | |
| Amounts Received Specifically for New/Upgraded Assets | 5,295 | 2,171 | 1,170 | 1,455 |
| Proceeds from Surplus Assets | 27,125 | 27,125 | 27,125 | 27,125 |
| Sale of Replaced Assets | 630 | 630 | 630 | 630 |
| <i>Payments</i> | | | | |
| Expenditure on Renewal/Replacement of Assets | (50,416) | (54,153) | (54,153) | (54,153) |
| Expenditure on New/Upgraded Assets | (49,998) | (55,807) | (55,863) | (45,083) |
| Capital Contributed to Equity Accounted Council Businesses | (320) | (320) | (320) | (320) |
| Net Cash provided by (or used in) Investing Activities | (67,684) | (80,354) | (81,412) | (70,347) |
| <u>Cash Flows from Financing Activities</u> | | | | |
| <i>Receipts</i> | | | | |
| Proceeds from Borrowings | 20,285 | 33,034 | 34,587 | 16,074 |
| <i>Payments</i> | | | | |
| Repayment from Borrowings | - | - | - | - |
| Repayment of Lease Liabilities | (4,877) | (4,877) | (4,877) | (4,877) |
| Net Cash provided by (or used in) Financing Activities | 15,408 | 28,158 | 29,710 | 11,198 |
| Net Increase (Decrease) in Cash Held | - | - | - | (71) |
| plus: Cash and Cash Equivalents at beginning of period | 800 | 800 | 800 | 871 |
| Cash & Cash Equivalents at end of period | 800 | 800 | 800 | 800 |

Recommendation 1 - Item 7.1 - Attachment A

| Uniform Presentation of Finances \$'000s | 2023/24 Adopted Budget | 2023/24 Q1 | 2023/24 Q2 | 2023/24 Q3 |
|--|------------------------------|-----------------|-----------------|-----------------|
| <u>Income</u> | | | | |
| Rates Revenues | 135,395 | 135,281 | 135,131 | 135,131 |
| Statutory Charges | 14,683 | 14,683 | 14,613 | 15,107 |
| User Charges | 70,002 | 69,915 | 70,365 | 72,565 |
| Grants, Subsidies and Contributions | 4,449 | 8,562 | 8,891 | 1,723 |
| Investment Income | 150 | 150 | 734 | 944 |
| Reimbursements | 338 | 338 | 338 | 703 |
| Other Income | 465 | 465 | 465 | 1,143 |
| Total Income | 225,481 | 229,394 | 230,537 | 234,470 |
| <u>Expenses</u> | | | | |
| Employee Costs | 81,586 | 82,435 | 82,443 | 78,732 |
| Materials, Contracts and Other Expenses | 85,100 | 88,130 | 88,730 | 93,551 |
| Depreciation, Amortisation and Impairment | 56,040 | 56,040 | 56,473 | 54,482 |
| Finance Costs | 835 | 835 | 887 | 890 |
| Total Expenses | 223,561 | 227,442 | 228,534 | 227,655 |
| Operating Surplus / (Deficit) before Capital Amounts | 1,920 | 1,952 | 2,003 | 6,815 |
| <u>Net Outlays on Existing Assets</u> | | | | |
| Capital Expenditure on Renewal and Replacement of Existing Assets | (50,416) | (54,153) | (54,153) | (54,153) |
| add back Depreciation, Amortisation and Impairment | 56,040 | 56,040 | 56,473 | 54,482 |
| add back Proceeds from Sale of Replaced Assets | 630 | 630 | 630 | 630 |
| Net Outlays on Existing Assets | 5,624 | 1,887 | 2,320 | 959 |
| <u>Net Outlays on New and Upgraded Assets</u> | | | | |
| Capital Expenditure on New and Upgraded Assets | (50,318) | (56,127) | (56,183) | (45,403) |
| add back Amounts received specifically for New and Upgraded Assets | 5,295 | 2,171 | 1,170 | 1,455 |
| add back Proceeds from Sale of Surplus Assets | 27,100 | 27,100 | 27,100 | 27,100 |
| Net Outlays on New and Upgraded Assets | (17,923) | (26,856) | (27,913) | (16,848) |
| Net Lending / (Borrowing) for Financial Year | (10,379) | (23,016) | (23,590) | (9,074) |

Appendix: Long Term Financial Plan

Statement of Comprehensive Income

| \$'000s | 2023-24 Adopted Budget | 2023-24 Quarter 2 | 2023-24 Quarter 3 | 2024-25 Plan | 2025-26 Plan | 2026-27 Plan | 2027-28 Plan | 2028-29 Plan | 2029-30 Plan | 2030-31 Plan | 2031-32 Plan | 2032-33 Plan |
|--|------------------------------|----------------------|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Income | | | | | | | | | | | | |
| Rates Revenues | 135,395 | 135,131 | 135,131 | 144,908 | 150,622 | 157,183 | 162,694 | 168,255 | 173,777 | 179,363 | 185,453 | 191,915 |
| Statutory Charges | 14,683 | 14,613 | 15,107 | 16,893 | 17,326 | 17,759 | 18,202 | 18,641 | 19,065 | 19,498 | 19,963 | 20,457 |
| User Charges | 70,002 | 70,365 | 72,565 | 67,399 | 68,647 | 76,299 | 78,205 | 80,090 | 81,911 | 78,050 | 79,913 | 81,892 |
| Grants, Subsidies and Contributions | 4,449 | 8,891 | 8,875 | 4,842 | 4,561 | 4,675 | 4,791 | 4,907 | 5,018 | 5,132 | 5,255 | 5,385 |
| Investment Income | 150 | 734 | 944 | 166 | 171 | 175 | 179 | 184 | 188 | 192 | 197 | 201 |
| Reimbursements | 338 | 338 | 703 | 150 | 154 | 158 | 162 | 166 | 170 | 174 | 178 | 182 |
| Other Income | 465 | 465 | 1,143 | 866 | 888 | 911 | 933 | 956 | 978 | 1,000 | 1,024 | 1,049 |
| Total Income | 225,481 | 230,537 | 234,470 | 235,225 | 242,434 | 257,226 | 265,237 | 273,269 | 281,178 | 283,482 | 292,058 | 301,160 |
| Expenses | | | | | | | | | | | | |
| Employee Costs | 81,586 | 82,443 | 78,732 | 86,237 | 88,869 | 91,724 | 94,607 | 97,655 | 100,828 | 104,111 | 107,463 | 110,955 |
| Materials, Contracts & Other Expenses | 85,099 | 88,730 | 93,551 | 81,955 | 83,714 | 88,114 | 90,315 | 92,492 | 94,595 | 94,689 | 96,950 | 99,351 |
| Depreciation, Amortisation & Impairment | 56,040 | 56,473 | 54,482 | 56,857 | 64,462 | 66,471 | 68,287 | 69,985 | 71,665 | 73,382 | 75,210 | 77,137 |
| Finance Costs | 835 | 887 | 890 | 808 | 3,117 | 3,502 | 3,970 | 5,044 | 6,138 | 7,526 | 9,000 | 9,477 |
| Total Expenses | 223,561 | 228,534 | 227,655 | 225,858 | 240,162 | 249,811 | 257,179 | 265,175 | 273,226 | 279,709 | 288,623 | 296,921 |
| Operating Surplus / (Deficit) | 1,920 | 2,003 | 6,815 | 9,367 | 2,272 | 7,415 | 8,057 | 8,094 | 7,952 | 3,773 | 3,435 | 4,239 |
| Physical Resources Received Free of Charge | | | | | | | | | | | | |
| Asset Disposal & Fair Value Adjustments | 1,125 | 1,125 | 1,125 | - | - | - | - | - | - | - | - | - |
| Amounts Received Specifically for New or Upgraded Assets | 14,075 | 8,053 | 7,152 | 7,026 | - | - | - | - | - | - | - | - |
| Net Surplus / (Deficit) | 17,120 | 11,181 | 15,091 | 16,393 | 2,272 | 7,415 | 8,057 | 8,094 | 7,952 | 3,773 | 3,435 | 4,239 |
| Changes in Revaluation Surplus - I,PP&E | | | | | | | | | | | | |
| Total Other Comprehensive Income | - | (13,843) | (13,843) | (0) | 18,470 | - | - | - | - | - | - | - |
| Total Comprehensive Income | 17,120 | (2,662) | 1,248 | 16,393 | 20,742 | 7,415 | 8,057 | 8,094 | 7,952 | 3,773 | 3,435 | 4,239 |

Statement of Financial Position

| \$'000s | 2023-24 Adopted Budget | 2023-24 Quarter 2 | 2023-24 Quarter 3 | 2024-25 Plan | 2025-26 Plan | 2026-27 Plan | 2027-28 Plan | 2028-29 Plan | 2029-30 Plan | 2030-31 Plan | 2031-32 Plan | 2032-33 Plan |
|--|------------------------------|----------------------|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| ASSETS | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | |
| Cash and Cash Equivalents | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 |
| Trade & Other Receivables | 35,560 | 42,081 | 41,448 | 45,116 | 12,740 | 13,517 | 13,937 | 14,358 | 14,773 | 14,894 | 15,345 | 15,823 |
| Inventories | 541 | 741 | 741 | 741 | 741 | 741 | 741 | 741 | 741 | 741 | 741 | 741 |
| Non-Current Assets Held for Sale | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Current Assets | 36,901 | 43,622 | 42,989 | 46,657 | 14,281 | 15,058 | 15,478 | 15,899 | 16,314 | 16,435 | 16,886 | 17,364 |
| Non-Current Assets | | | | | | | | | | | | |
| Financial Assets | 377 | 754 | 754 | 679 | 611 | 550 | 495 | 445 | 401 | 361 | 325 | 292 |
| Equity Accounted Investments in Council Businesses | 1,928 | 1,938 | 1,938 | 2,258 | 2,578 | 2,898 | 3,218 | 3,538 | 3,858 | 4,178 | 4,498 | 4,818 |
| Investment Property | 2,928 | 2,939 | 2,939 | 2,968 | 2,998 | 3,028 | 3,058 | 3,089 | 3,120 | 3,151 | 3,183 | 3,214 |
| Infrastructure, Property, Plant & Equipment | 1,942,188 | 1,877,162 | 1,868,373 | 1,924,347 | 2,010,439 | 2,033,825 | 2,103,264 | 2,199,736 | 2,214,120 | 2,234,131 | 2,249,854 | 2,264,774 |
| Other Non-Current Assets | 129 | 1,306 | 1,306 | 1,306 | 1,306 | 1,306 | 1,306 | 1,306 | 1,306 | 1,306 | 1,306 | 1,306 |
| Non-Current Receivable | 26,027 | 26,100 | 26,100 | - | - | - | - | - | - | - | - | - |
| Total Non-Current Assets | 1,973,576 | 1,910,200 | 1,901,410 | 1,931,559 | 2,017,933 | 2,041,608 | 2,111,342 | 2,208,115 | 2,222,805 | 2,243,128 | 2,259,166 | 2,274,406 |
| TOTAL ASSETS | 2,010,477 | 1,953,822 | 1,944,400 | 1,978,216 | 2,032,214 | 2,056,666 | 2,126,820 | 2,224,015 | 2,239,119 | 2,259,563 | 2,276,052 | 2,291,770 |
| LIABILITIES | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Trade & Other Payables | 14,316 | 14,966 | 20,434 | 19,071 | 20,854 | 21,863 | 23,238 | 24,774 | 26,283 | 27,482 | 29,000 | 29,724 |
| Provisions | 14,574 | 27,888 | 27,888 | 21,596 | 15,157 | 15,644 | 16,136 | 16,657 | 17,199 | 17,759 | 18,332 | 18,928 |
| Borrowings (Lease Liability) | 5,066 | 5,066 | 5,066 | 5,142 | 5,264 | 4,649 | 5,066 | 5,066 | 5,066 | 5,066 | 5,066 | 5,066 |
| Total Current Liabilities | 33,956 | 47,920 | 53,388 | 45,808 | 41,275 | 42,157 | 44,440 | 46,496 | 48,548 | 50,307 | 52,398 | 53,717 |
| Non-Current Liabilities | | | | | | | | | | | | |
| Trade & Other Payables | 293 | 293 | - | - | - | - | - | - | - | - | - | - |
| Borrowings | 30,184 | 42,106 | 23,593 | 53,677 | 96,662 | 117,396 | 162,083 | 254,120 | 264,209 | 284,106 | 300,053 | 315,193 |
| Provisions | 1,773 | 2,036 | 2,042 | 2,103 | 2,173 | 2,243 | 2,313 | 2,388 | 2,465 | 2,546 | 2,628 | 2,713 |
| Borrowings (Lease Liability) | 36,064 | 36,064 | 36,064 | 30,922 | 25,658 | 21,009 | 36,064 | 30,998 | 25,932 | 20,867 | 15,801 | 10,735 |
| Total Non-Current Liabilities | 68,313 | 80,499 | 61,700 | 86,703 | 124,492 | 140,647 | 200,460 | 287,506 | 292,607 | 307,519 | 318,481 | 328,641 |
| TOTAL LIABILITIES | 102,269 | 128,420 | 115,088 | 132,511 | 165,768 | 182,804 | 244,901 | 334,002 | 341,155 | 357,825 | 370,879 | 382,358 |
| Net Assets | 1,908,208 | 1,825,402 | 1,829,312 | 1,845,705 | 1,866,447 | 1,873,862 | 1,881,919 | 1,890,012 | 1,897,965 | 1,901,738 | 1,905,172 | 1,909,412 |
| EQUITY | | | | | | | | | | | | |
| Accumulated Surplus | 801,303 | 789,449 | 793,358 | 807,169 | 809,940 | 817,855 | 825,912 | 834,006 | 841,958 | 845,731 | 849,166 | 853,405 |
| Asset Revaluation Reserves | 1,066,521 | 1,004,383 | 1,004,383 | 1,004,383 | 1,022,853 | 1,022,853 | 1,022,853 | 1,022,853 | 1,022,853 | 1,022,853 | 1,022,853 | 1,022,853 |
| Future Reserve Fund | 40,384 | 31,571 | 31,571 | 34,154 | 33,654 | 33,154 | 33,154 | 33,154 | 33,154 | 33,154 | 33,154 | 33,154 |
| Total Council Equity | 1,908,208 | 1,825,402 | 1,829,312 | 1,845,705 | 1,866,447 | 1,873,862 | 1,881,919 | 1,890,012 | 1,897,965 | 1,901,738 | 1,905,172 | 1,909,412 |

Statement of Changes in Equity

| \$'000s | 2023-24 Adopted Budget | 2023-24 Quarter 2 | 2023-24 Quarter 3 | 2024-25 Plan | 2025-26 Plan | 2026-27 Plan | 2027-28 Plan | 2028-29 Plan | 2029-30 Plan | 2030-31 Plan | 2031-32 Plan | 2032-33 Plan |
|--|------------------------------|----------------------|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Balance at the end of previous reporting period | 1,891,088 | 1,828,064 | 1,828,064 | 1,829,312 | 1,845,705 | 1,866,447 | 1,873,861 | 1,881,919 | 1,890,012 | 1,897,965 | 1,901,738 | 1,905,172 |
| a. Net Surplus / (Deficit) for Year | 17,120 | 11,181 | 15,091 | 16,393 | 2,272 | 7,415 | 8,057 | 8,094 | 7,952 | 3,773 | 3,435 | 4,239 |
| b. Other Comprehensive Income | - | (13,843) | (13,843) | - | 18,470 | - | - | - | - | - | - | - |
| Total Comprehensive Income | 17,120 | (2,662) | 1,248 | 16,393 | 20,742 | 7,415 | 8,057 | 8,094 | 7,952 | 3,773 | 3,435 | 4,239 |
| Balance at the end of period | 1,908,208 | 1,825,402 | 1,829,312 | 1,845,705 | 1,866,447 | 1,873,861 | 1,881,919 | 1,890,012 | 1,897,965 | 1,901,738 | 1,905,172 | 1,909,412 |

Recommendation 1 - Item 7.1 - Attachment A

Statement of Cash flows

| \$'000s | 2023-24 Adopted Budget | 2023-24 Quarter 2 | 2023-24 Quarter 3 | 2024-25 Plan | 2025-26 Plan | 2026-27 Plan | 2027-28 Plan | 2028-29 Plan | 2029-30 Plan | 2030-31 Plan | 2031-32 Plan | 2032-33 Plan |
|---|------------------------------|----------------------|----------------------|-----------------|------------------|-----------------|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| Cash Flows from Operating Activities | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Operating Receipts | 226,982 | 227,550 | 232,116 | 232,801 | 241,310 | 256,450 | 264,816 | 272,847 | 280,763 | 283,361 | 291,607 | 300,682 |
| Payments | | | | | | | | | | | | |
| Operating Payments to Suppliers and Employees | (174,706) | (175,848) | (173,039) | (170,091) | (174,609) | (182,283) | (187,789) | (194,089) | (200,995) | (206,782) | (213,457) | (220,600) |
| Net Cash provided by (or used in) Operating Activities | 52,276 | 51,701 | 59,077 | 62,710 | 66,701 | 74,166 | 77,027 | 78,758 | 79,769 | 76,579 | 78,150 | 80,082 |
| Cash Flows from Investing Activities | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Amounts Received Specifically for New/Upgraded Assets | 5,295 | 1,170 | 1,455 | 6,026 | - | - | - | - | - | - | - | - |
| Proceeds from Surplus Assets | 27,125 | 27,125 | 27,125 | 18,500 | - | - | - | - | - | - | - | - |
| Sale of Replaced Assets | 630 | 630 | 630 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Payments | | | | | | | | | | | | |
| Expenditure on Renewal/Replacement of Assets | (50,416) | (54,153) | (54,153) | (56,022) | (72,829) | (72,017) | (101,553) | (149,154) | (68,360) | (75,311) | (72,425) | (73,100) |
| Expenditure on New/Upgraded Assets | (49,998) | (55,863) | (45,083) | (56,489) | (31,935) | (17,840) | (15,820) | (17,303) | (17,689) | (18,083) | (18,507) | (18,958) |
| Net Purchase of Investment Securities | - | - | 0 | - | - | - | - | - | - | - | - | - |
| Capital Contributed to Equity Accounted Council Businesses | (320) | (320) | (320) | (320) | (320) | (320) | (320) | (320) | (320) | (320) | (320) | (320) |
| Net Cash provided by (or used in) Investing Activities | (67,684) | (81,412) | (70,347) | (87,805) | (104,584) | (89,677) | (117,193) | (166,277) | (85,869) | (93,214) | (90,752) | (91,878) |
| Cash Flows from Financing Activities | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Proceeds from Borrowings | 20,285 | 34,587 | 16,074 | 30,084 | 42,984 | 20,735 | 44,687 | 92,037 | 10,089 | 19,897 | 15,946 | 15,140 |
| Payments | | | | | | | | | | | | |
| Repayment from Borrowings | - | - | - | - | - | - | - | - | - | - | - | - |
| Repayment of Lease Liabilities | (4,877) | (4,877) | (4,877) | (4,989) | (5,102) | (5,224) | (4,521) | (4,518) | (3,989) | (3,262) | (3,344) | (3,344) |
| Repayment of Bonds & Deposits | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Cash provided by (or used in) Financing Activities | 15,408 | 29,710 | 11,198 | 25,095 | 37,883 | 15,511 | 40,166 | 87,519 | 6,100 | 16,636 | 12,602 | 11,796 |
| Net Increase (Decrease) in Cash Held | - | - | (71) | (0) | 0 | 0 | (0) | 0 | 0 | 0 | (0) | 0 |
| plus: Cash & Cash Equivalents at beginning of period | 800 | 800 | 871 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 |
| Cash & Cash Equivalents at end of period | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 |

Recommendation 1 - Item 7.1 - Attachment A

Uniform Presentation of Finances

| \$'000s | 2023-24 Adopted Budget | 2023-24 Quarter 2 | 2023-24 Quarter 3 | 2024-25 Plan | 2025-26 Plan | 2026-27 Plan | 2027-28 Plan | 2028-29 Plan | 2029-30 Plan | 2030-31 Plan | 2031-32 Plan | 2032-33 Plan |
|---|------------------------------|----------------------|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Income: | | | | | | | | | | | | |
| Rates Revenues | 135,395 | 135,131 | 135,131 | 144,908 | 150,622 | 157,183 | 162,694 | 168,255 | 173,777 | 179,363 | 185,453 | 191,915 |
| Statutory Charges | 14,683 | 14,613 | 15,107 | 16,893 | 17,326 | 17,759 | 18,202 | 18,641 | 19,065 | 19,498 | 19,963 | 20,457 |
| User Charges | 70,002 | 70,365 | 72,565 | 67,399 | 68,647 | 76,299 | 78,205 | 80,090 | 81,911 | 78,050 | 79,913 | 81,892 |
| Grants, Subsidies and Contributions | 4,449 | 8,891 | 8,875 | 4,842 | 4,561 | 4,675 | 4,791 | 4,907 | 5,018 | 5,132 | 5,255 | 5,385 |
| Investment Income | 150 | 734 | 944 | 166 | 171 | 175 | 179 | 184 | 188 | 192 | 197 | 201 |
| Reimbursements | 338 | 338 | 703 | 150 | 154 | 158 | 162 | 166 | 170 | 174 | 178 | 182 |
| Other Income | 465 | 465 | 1,143 | 866 | 888 | 911 | 933 | 956 | 978 | 1,000 | 1,024 | 1,049 |
| Total Income | 225,481 | 230,537 | 234,470 | 235,225 | 242,434 | 257,226 | 265,237 | 273,269 | 281,178 | 283,482 | 292,058 | 301,160 |
| Expenses: | | | | | | | | | | | | |
| Employee Costs | 81,586 | 82,443 | 78,732 | 86,237 | 88,869 | 91,724 | 94,607 | 97,655 | 100,828 | 104,111 | 107,463 | 110,955 |
| Materials, Contracts & Other Expenses | 85,099 | 88,730 | 93,551 | 81,955 | 83,714 | 88,114 | 90,315 | 92,492 | 94,595 | 94,689 | 96,950 | 99,351 |
| Depreciation, Amortisation & Impairment | 56,040 | 56,473 | 54,482 | 56,857 | 64,462 | 66,471 | 68,287 | 69,985 | 71,665 | 73,382 | 75,210 | 77,137 |
| Finance Costs | 835 | 887 | 890 | 808 | 3,117 | 3,502 | 3,970 | 5,044 | 6,138 | 7,526 | 9,000 | 9,477 |
| less Total Expenses | 223,561 | 228,534 | 78,732 | 86,237 | 88,869 | 91,724 | 94,607 | 97,655 | 100,828 | 104,111 | 107,463 | 110,955 |
| Operating Surplus / (Deficit) before Capital Amounts | 1,920 | 2,003 | 6,815 | 9,367 | 2,272 | 7,415 | 8,057 | 8,094 | 7,952 | 3,773 | 3,435 | 4,239 |
| Net Outlays on Existing Assets | | | | | | | | | | | | |
| Capital Expenditure on Renewal & Replacement of Existing Assets | (50,416) | (54,153) | (54,153) | (56,022) | (72,829) | (72,017) | (101,553) | (149,154) | (68,360) | (75,311) | (72,425) | (73,100) |
| <i>add back</i> Depreciation, Amortisation and Impairment | 56,040 | 56,473 | 54,482 | 56,857 | 64,462 | 66,471 | 68,287 | 69,985 | 71,665 | 73,382 | 75,210 | 77,137 |
| <i>add back</i> Proceeds from Sale of Replaced Assets | 630 | 630 | 630 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Net Outlays on Existing Assets | 5,624 | 2,950 | 959 | 1,335 | (7,868) | (5,046) | (32,767) | (78,670) | 3,806 | (1,428) | 3,285 | 4,537 |
| Net Outlays on New and Upgraded Assets | | | | | | | | | | | | |
| Capital Expenditure on New and Upgraded Assets | (50,318) | (56,183) | (45,403) | (56,809) | (32,255) | (17,840) | (15,820) | (17,303) | (17,689) | (18,083) | (18,507) | (18,958) |
| <i>add back</i> Amounts received specifically for New and Upgraded Assets | 5,295 | 1,170 | 1,455 | 6,026 | - | - | - | - | - | - | - | - |
| <i>add back</i> Proceeds from Sale of Surplus Assets | 27,100 | 27,100 | 27,100 | 18,500 | - | - | - | - | - | - | - | - |
| Net Outlays on New and Upgraded Assets | (17,923) | (27,913) | (16,848) | (32,283) | (32,255) | (17,840) | (15,820) | (17,303) | (17,689) | (18,083) | (18,507) | (18,958) |
| Net Lending / (Borrowing) for Financial Year | (10,379) | (22,960) | (9,074) | (21,581) | (37,851) | (15,471) | (40,529) | (87,879) | (5,931) | (15,739) | (11,788) | (10,182) |

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