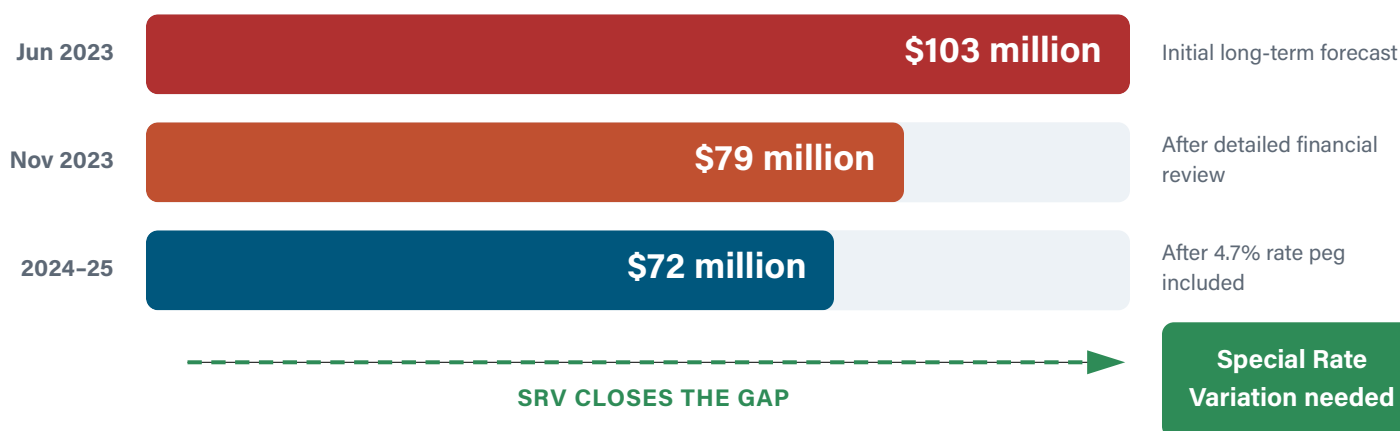


THE FINANCIAL CHALLENGE

The financial challenge leading up to the SRV

Council's costs grew faster than rate peg increases could cover

PROJECTED 10-YEAR GENERAL FUND DEFICIT



WHY COSTS OUTPACED INCOME



Rising costs above rate peg



Award wage increases



Government cost shifting



Growing infrastructure backlog

We listened to our community

Before deciding, Council ran one of the largest engagement programs in its history

COMMUNITY ENGAGEMENT — AUG TO OCT 2023

6,000

online portal
page visits

200+

ratepayers at
face-to-face events

15,000

information
brochures mailed

667

survey
respondents

COMMUNITY FEEDBACK SHAPED COUNCIL'S CHOICE

OPTION A —
REJECTED

51%

cumulative

>

OPTION B —
REJECTED

85%

cumulative

>

OPTION C —
REJECTED

94%

cumulative

>

COUNCIL CHOSE

42.7%

cumulative over 3
yrs

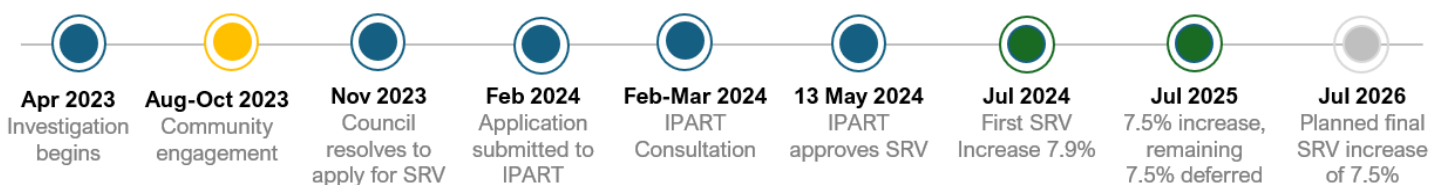
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IPART APPROVED

24.09%

over 2 years

KEY MILESTONES



Plus annual rate peg

IPART APPROVED A PERMANENT SRV OF

24.09%

over two years — permanently retained in the rate base

13 May 2024

YEAR 1
2024-25**7.90%**

Applied in full as approved by IPART

INCLUDES 4.7% RATE PEG

YEAR 2
2025-26**7.50%** applied

Council applied 7.5% of the approved 15%

REMAINING 7.5% DEFERRED — CAN BE CAUGHT UP
OVER UP TO 10 YEARS IF NEEDED

YEAR 2 APPROVED 15% — HOW IT WAS APPLIED

7.5% applied

7.5% deferred

Deferral gives Council flexibility — if savings improve or conditions change, the full approved maximum may not be needed.

\$5.8M

Additional general income approved to be raised over two years — permanently retained in the rate base. The full amount will only be realised if Council applies the maximum approved increase each year.

WHAT IT MEANS FOR OUR COMMUNITY

Stable Services. Infrastructure Investment



**Stabilised Council
finances**



**Services maintained
without cuts**



**Roads and infrastructure
renewed**



Hardship support available

\$1.9M

In savings and efficiencies already achieved in FY2024-25 through the Financial Sustainability Program — 24 initiatives and 46 actions reported quarterly to Council.

- Each year's increase decided by Council in June — less than the maximum can be applied if conditions allow.

- No further SRV beyond 24.09% scheduled. Any new variation requires a fresh IPART application.

- Rating structure review underway to ensure fairness and equity across all property categories.

- Environmental Levy, Domestic Waste, and Water and Sewer charges are not part of the SRV.



Annual reporting required 2024-25 to 2030-31 — how SRV income was spent and what outcomes were achieved, published in Council's Annual Report.