



annual business plan 2013-14

WELCOME TO THE TOWN OF
WALKERVILLE

Town of Walkerville
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annual business plan 2013-14

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1 welcome

preamble

Under section 123 of the Local Government Act 1999, all Councils set a budget for each financial year.

The budget is aligned with the Council's *Annual business plan* and must be adopted before the 31st of August of that financial year.

The *Annual business plan* is prepared as part of Council's budget development process and must include:

- a summary of Council's long-term objectives as outlined in its strategic framework
- a summary of Council's objectives for the financial year
- an outline of how Council plans to achieve those objectives
- the measures (financial and non-financial) to assess Council's performance in achieving its objectives.

The *Annual business plan* will also:

- assess the financial requirements for the financial year and, taking those requirements into account, set out a summary of its proposed operating expenditure, capital expenditure and sources of revenue
- set out the rates structure and policies for the financial year
- assess the impact of the rates structure and policies on the community based on modelling that has been undertaken or obtained by the Council
- take into account the Council's long-term financial plan and relevant issues relating to the management and development of infrastructure and major assets by the Council.

The *Annual business plan* also includes the annual budget which details operating expenditure (day-to-day recurrent operations and services) and capital expenditure (renewal and acquisition) as well as identifying sources of revenue and rates for the year.



about the town of walkerville

The Town of Walkerville is located at the north-eastern fringe of the Adelaide CBD. Its borders are defined by the River Torrens, the Adelaide Parklands and residential suburbs to the north and north-east.

Home to the suburbs of Medindie, Gilberton, Walkerville and Vale Park, the Town of Walkerville is the smallest council within the metropolitan area of Adelaide. Covering an area of only 3.5 square kilometres, it remains the only council in metropolitan Adelaide to have retained its 'town' status.

The relatively small size of the Town and its population of slightly more than 7000 people offers a unique community scale in which the needs and aspirations of people can be incorporated into an adaptive and strategic vision for the future.

The rich history of our Indigenous and European past, interwoven with present-day social, economic and cultural opportunities, signify an era of renewed vitality, cultural richness and growth for everyone in the Town of Walkerville.



In 2012 gateway signs were erected at key entry and exit points in the Township.

1 welcome

from the chief executive officer

Developing Council's Annual business plan and budget began with in-depth analysis and planning between administration and our elected member body.

This was followed by a period of consultation where residents were invited to provide feedback on what we were proposing.

Throughout this process, our shared goal was to deliver a financially sustainable budget to our community. This is a 'no-frills' budget. It is a budget that connects to the cultural and social aspirations of our community and is guided by Council's strategic framework.

Every year, we face the same budgetary challenges and economic conditions as residents, businesses or Governments. Like everyone else, we have to make critical decisions on what we *must* deliver in the financial year and what we would *like* to achieve.

In developing this plan, we asked ourselves:

- Can we deliver the level of services and infrastructure our community needs and expects, while keeping the costs within a fair and acceptable range?
- Can we ensure we are getting 'value for money', while still allowing room for innovation, long-term projects and initiatives that positively contribute to our community?

We addressed these questions through a process of investigation, reevaluation, reassessment and finally, consultation.

In the end, I believe we have got the balance – and the budget – right. Every announcement contained in this document has been informed by the needs and expectations of our community.

In this budget we are setting a rate increase of 5.39% plus growth at 1.61% giving us a total of 7%. We intend to maintain the total rate of 7% over the long term. If you refer to page 9 you can see how this rate sits in relation to increased growth* over the next 10 years.

**Growth reflects:*

Residential:

- changes in the property market based on the sale of properties over the year
- any new developments made to the property – eg an extension
- land divisions and new builds.

Commercial:

- analysis of sales and rental data
- improvements to those fixed to the land and made to the land.

Councils are expected to deliver an extensive range of infrastructure projects and services; as well as meet a range of compliance regulations. If you have ever opened your rates notice and asked yourself 'where does my money go?', page 14 of this document will give you the answer.

However, a business plan should do more than focus on footpaths, dog registration, ovals or waste disposal – although we know these things are important to our community and we remain committed to them.

I encourage you to turn to pages 19 and 20 for an overview of budget highlights for 2013-14, for a snapshot of what our community can look forward to.

The new Community and Civic Centre will open in early 2014. It will provide our residents with greater convenience and more user friendly facilities in response to community demands.

The building has been designed to respond to future needs. A restored Town Hall, a modern library, gallery and public spaces – everything is there to encourage greater engagement between Council and community.

Across the Township, we will also be delivering capital works projects including stormwater drainage and renewal programs for footpaths, roads, parks and gardens. We are investing in a *Movement and Open space strategy* which will focus on safety, traffic congestion, vehicle, cycling and pedestrian networks.

It is vital that our business plan aligns with the goals of our strategic plan:

- a local, lively culture
- an economically successful community
- sensitive environments and development.

These goals were defined through extensive community consultation. We will continue to focus on the responsible management of Council's finances and the provision of efficient services to our community, as well as supporting a lively, sustainable and thriving community for our residents now, and into the future.



Kiki Magro
Chief Executive Officer

PS: The draft Annual business plan and budget went out to the community for consultation on the 29th May 2013 and was endorsed by the elected member body on the 15th July 2013.



2 council's strategic plan

strategic framework



2 council's strategic plan

living in the town of walkerville: strategic plan

Living in the Town of Walkerville was formally adopted by Council in March 2012.

This is Council's principal strategic planning document and is closely aligned with the urban master plan (refer strategic framework, page 7).

The plan is focused on three central goals:

- a lively, local culture
- an economically successful community
- sensitive environments and development.

Strategic goals are underpinned by a series of objectives:

- **Community involvement:** encouraging active community involvement in events, activities and places.
- **Diverse culture:** promoting and supporting diverse cultural values, heritage and identity.
- **Active centre:** creating an active, well-connected Town Centre.
- **Mixed-use development:** identifying and developing mixed use opportunities along Main North Road and North East Road.
- **Linear Park:** creating a safe, well planned and bio-diverse Linear Park that allows for recreation along the river.
- **Sensitive development:** ensuring that development is in balance with the natural environment.
- **Connections:** creating accessible, useable and connected open spaces and streets.

Essentially, the *Annual business plan* and budget sets out how Council will implement its strategic vision. The Appendix on page 28 lists projects, programs and activities planned for 2013-14, and more importantly, shows how they link up with the objectives of the strategic plan.

The *Annual business plan* has been developed to support Council's overall strategic planning framework including: *A connected community: The Town of Walkerville urban master plan, Living in the Town of Walkerville: a strategic plan for the Town of Walkerville, Long-term financial plan (LTFP)* and Council's *Asset management plans, 2014-2024*.

Over a ten year period the percentage of 'rates increase' becomes lower.

long term financial plan

To achieve the objectives outlined in Council's strategic framework (refer page 7) Council needs a *Long term financial plan* which sets out financial strategies and commitments.

A *Long term financial plan* supports Council in:

- maintaining financial sustainability
- achieving the objectives of Council's strategic framework
- minimising the possibility of unplanned increases for ratepayers.

The *Long term financial plan* includes capital and operating projections over a 10 year period. No new loan borrowings have been projected. The aim for Council is to maintain a consistent rate over the 10 year period factoring in the CPI/LGPI changes.

The projected surplus/deficit, total assets and total liabilities over a 10 year period present a more positive outlook and is as follows:

	2013 \$('000)	2014 \$('000)	2015 \$('000)	2016 \$('000)	2017 \$('000)	2018 \$('000)	2019 \$('000)	2020 \$('000)	2021 \$('000)	2022 \$('000)	2023 \$('000)	2024 \$('000)
Operating surplus/(deficit)	(857)	(1,482)	(1,113)	(553)	(222)	336	720	1,122	1,790	2,250	3,006	3,557
Net surplus/(deficit)	(1,285)	(860)	(1,113)	(553)	(222)	336	720	1,122	1,790	2,250	3,006	3,557
Total assets	102,735	107,945	106,454	106,486	105,831	106,697	107,969	108,601	110,882	112,602	116,056	119,077
Total liabilities	5,281	10,366	9,987	9,572	9,140	8,670	8,221	7,731	7,223	6,693	6,140	5,605

Components of rate revenue increase:

	2013 Adopted	2014 Budget	2015 Year 1	2016 Year 2	2017 Year 3	2018 Year 4	2019 Year 5	2020 Year 6	2021 Year 7	2022 Year 8	2023 Year 9	2024 Year 10
Rates - CPI/LGPI average - %	3.00%	2.35%	2.60%	2.85%	3.10%	3.28%	3.48%	3.65%	3.85%	4.05%	4.28%	4.38%
Rates - increase - %	2.45%	3.04%	2.69%	2.34%	1.99%	1.72%	1.42%	1.14%	0.84%	0.54%	0.21%	0.01%
Rates - total - %	5.45%	5.39%	5.29%	5.19%	5.09%	4.99%	4.89%	4.79%	4.69%	4.59%	4.49%	4.39%
Rates - growth - %	1.25%	1.61%	1.71%	1.81%	1.91%	2.01%	2.11%	2.21%	2.31%	2.41%	2.51%	2.61%
Rates - total - %	6.70%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%

CPI measures changes in the price of a fixed basket of goods and services acquired by consumers in metropolitan private households.

LGPI provides an overall measure of price movements faced by local Government in South Australia in respect of their purchases of goods and services.

Growth reflects :

Residential:

- changes in the property market based on the sale of properties over the year
- any new developments made to the property - eg an extension

Commercial:

- analysis of sales and rental data
- Improvements to those fixed to the land and made to the land.

Rationale: the average of CPI/LGPI is expected to increase on average by 0.25% each year over the next ten years.

3 making it happen

how council plans to achieve these objectives

To achieve its objectives for the financial year Council has adopted a strategy that seeks to achieve a reasonable degree of stability and predictability in the overall rates burden over time, while ensuring ratepayers are paying for the services and infrastructure maintenance, renewal and development obligations they are consuming. *Long term financial plans* enable Council to plan for the future and assess Council's performance in adhering to key financial indicators and targets for debt, rates and asset sustainability.

Taking into account revenue sources and factors affecting rates assists Council to achieve its objectives.

Council's primary revenue source comes from property rates, which represent 86% of total revenue. Every year, Council makes an informed assessment of how much it needs to maintain financial sustainability and ensure that services and infrastructure maintenance, renewal and development, can be afforded by the community over the long term.

Council is best placed to achieve its objectives by taking into account the following assumptions and considerations:

- Council's financial strategy and commitments
- transparency and accountability
- zero based budgeting
- compliance with Australian accounting standards
- effective and efficient use of resources available
- alignment with strategic framework
- Adelaide CPI of 2.2 % & 2.5% LGPI for the March 2013 quarter in rates analysis
- increase in salaries as per the enterprise agreement
- increase in insurance costs
- increase in depreciation on account of capital works and revaluations, finance costs, waste disposal charges, carbon tax and utilities
- increase in street lighting costs.





Council presents A Walkerville Christmas in December 2012. Photo: Mark Zed

funding the plan

Council is granted the power to acquire funds under Section 133 of the *Local Government Act 1999*. Sources of funds include: property rates, grants, statutory charges, user charges, income from investments, reimbursements and commercial activity, details of which are shown (refer to page 12).

Council acknowledges that the projected operating revenue will be insufficient to meet projected operating expenditure to the extent of a \$1.482m (operating deficit).

Operational expenditure is impacted by CPI/Local Government Price Index together with salary and wages costs which are adjusted annually in accordance with enterprise agreements, performance reviews, and incremental increases. Depreciation is adjusted subsequent to additions, disposals and revaluations when appropriate.

Fees and charges

Council sets and reviews its fees and charges pursuant to Section 188 of the *Local Government Act 1999*, that states fees or charges must not exceed a reasonable estimate of the direct cost to the Council. Fees and charges are taken into account when developing the budget.

3 making it happen

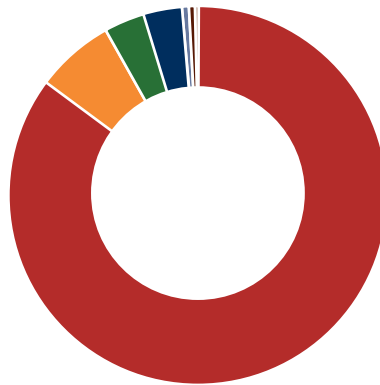
revenue sources

Revenue sources:



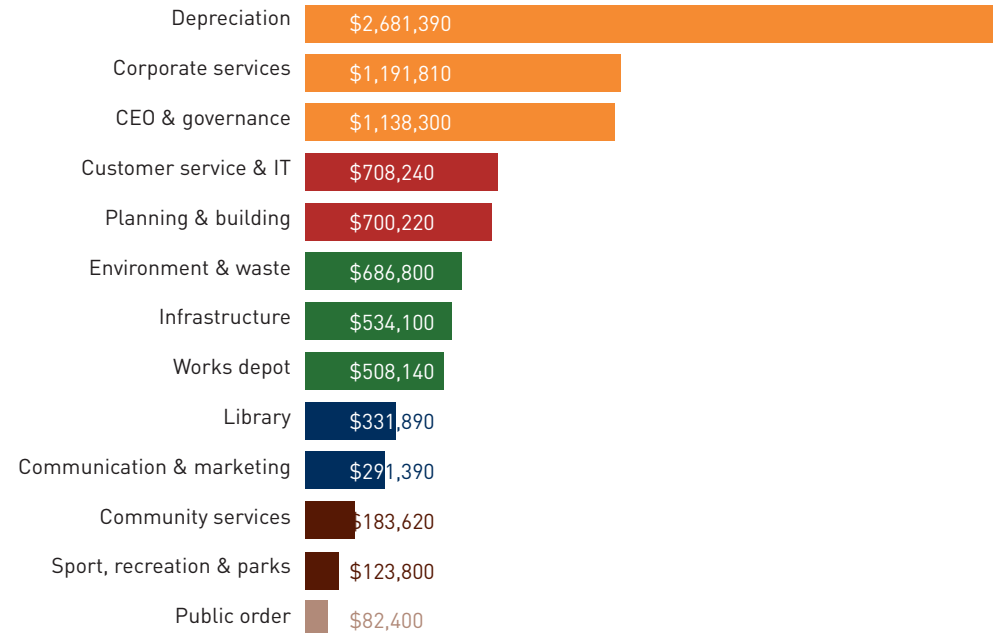
Source	% of Total
Rates	0.86
Statutory charges	0.03
User charges	0.07
Grants, subsidies & contributions	0.03
Investment income	0.00
Reimbursements	0.00
Other revenues	0.00
Total	1.00

Operating revenue by category:



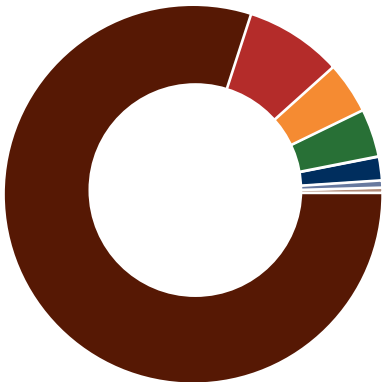
Source	Total('000)
Rates	6,652
Statutory charges	219
User charges	508
Grants, subsidies & contributions	252
Investment income	34
Reimbursements	20
Other revenues	35
Total	\$7.721m

Operational expenditure by activity:



Total operating expenditure: \$9,162,000

Capital expenditure by activity
2013-14:



Category	Total('000)
Footways	105
Other community assets	31
Plant & equipment	6
Roads	467
Buildings	4518
Stormwater drainage	237
Structures	252
Total	\$5.616m

The construction of the Civic and Community Centre will have a significant impact on the *Long term financial plan*.



Image courtesy JPE Design Studio

4 rates

where do your rates go? factors that affect rates:

Infrastructure

- Roads
- Footpaths
- Parks
- Playgrounds
- Stormwater
- Gutters
- Ovals
- Gardens
- Buildings
- Street lighting

Services

- Health:
 - Immunisation
 - Inspections
- Building
- Transport
- Planning
- Zoning
- Library
- Waste
 - Collection
 - Disposal
 - Management

Compliance

- Parking
- Dogs
- Food premises
- Planning
- Fire prevention
- Traffic
- Pest control
- Public order
- Building
- Neighbourhood amenity

- the Consumer Price Index All Groups Adelaide increase on goods and services for the 12 months ending 31 March 2013, 2.2%
- the Local Government Price Index (LGPI) provides Councils with a useful reference regarding the inflationary effect of price changes of goods and services consumed by Local Government, for the 12 months ending 31 March 2013, 2.5%
- staff wages increase as a result of negotiated Employment Agreements, and staff moving through level increments
- increase in the utilities, street lighting and waste disposal charges
- finance costs on the borrowings towards Civic and Community Centre upgrade (420k)
- asset management considerations such as maintaining and renewing assets to the level that meets the community's expectations and funding depreciation
- growth.

how we compare

The table below shows a comparison of differential rates on properties across Councils in the eastern region.

	differential rate
Burnside	0.002271
Walkerville	0.002442
Unley	0.002578
NPSP*	0.002595
Campbelltown	0.00312348
Prospect	0.00314506
Tea Tree Gully	0.00398239

*Norwood, Payneham and St Peters



rating policy

In setting Council's rates for the 2013-2014 financial year, Council has considered the following:

- Achieving the goals and objectives outlined in *Living in the Town of Walkerville* – the strategic plan adopted by Council in 2012. This document outlines Council's vision and direction for the future.
- The budget for the 2013-14 financial year and any longer term financial planning.
- The financial implications of complying with the requirements of the *Local Government Act 1999* and other legislations.
- The specific issues faced by our community, including:
 - the ongoing requirements for a capital program to replace, upgrade and maintain infrastructure assets which include roads, paths, storm water infrastructure, parks & reserves and public buildings
 - the development of a community service program based on community needs
 - the current economic climate.

Method used to value land

All land within the Council area, except for land specifically exempt (eg Crown land and land owned by Council), is rateable.

This Council has decided to continue to use capital value as the basis for valuing land within the Council area. Council considers that this method of valuing provides the fairest method of distributing the rate burden across all ratepayers, as property value is representative of the property owners' wealth. Council has adopted the most recent valuations made by the Valuer-General.

Capital values across Council's area have increased on an average by 0.37% from the previous year.

Objection to valuation

A property owner may object to the valuation referred to in their rates notice by writing to the Valuer-General within 60 days after the date of service of the rate notice. Objections are to be forwarded to: The State Valuation Office, 101 Grenfell Street, Adelaide SA 5000. Phone: 1300 653 345 or email: lsgobjections@sa.gov.au. **Council has no role in this process and the lodgement of an objection does not change the due date for payment.**

General rates

The *Local Government Act 1999* provides for a Council to raise revenue for the broad purposes of the Council through a general rate which applies to all rateable property within the Council's area.

To ensure the achievement of Council's financial goal of delivering an achievable budget Council has determined to raise \$6.638m in property rates for the 2013-2014 financial year, which represents an overall increase of 7.00% (including growth) from the previous year.

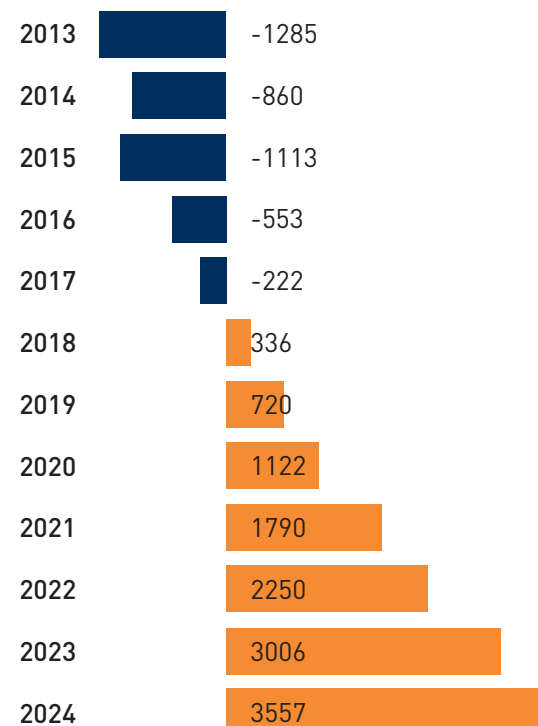
TOTAL PROPERTY RATES 2013-14: \$6.638m

This increase is deemed necessary to cover the increase in operating costs, represented by CPI (2.2% March 2013 Quarter) and the Local Government Price Index (LGPI) (2.5% March 2013 Quarter) and to provide for the capital works program.

The LGPI provides Council with a useful reference regarding the inflationary effect of price changes of goods and services consumed by Local Government. The index reflects, over time, the movement in prices for a number of cost components as well as the aggregate spent on these components.

The index includes both operating and capital expenditure on a State average basis.

Projected net surplus/deficit as per LTFP at an estimated rate increase of 5.39% plus growth at 1.61% giving us a total of 7%:



4 rates

Components of rate revenue increase:

CPI/LGPI	2.35%
Increase	3.04%
Total	5.39%
Growth	1.61%

Total increase 7.00%

The impact on the differential rate and minimum rate are shown below.

Proposed changes to differential rate

	Residential	Non-res
2011-12	0.002108	0.003278
2012-13	0.002293	0.003553
2013-14	0.002442	0.003782

Differential rate

Due to the need to ensure an equitable distribution of the rate burden and to account for the variations within the community's capacity to pay, the Council will continue to apply differential rates based on use of the property.

Minimum rate

Council has also determined to charge a minimum rate against all rateable properties. The reason for a minimum rate is that Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities and maintaining infrastructure.

MINIMUM RATE 2013-14: \$1022

The minimum rate is levied against the whole of an allotment (including land under separate lease or licence) and only one minimum rate is levied against two or more pieces of adjoining land owned and occupied by the same ratepayer. The minimum rate will affect approximately 24.6% of properties. (Maximum permitted under Section 158(d) of the *Local Government Act 1999* is 35%.)

Movement in rate revenue

	2011-12 (\$)	2012-13 (\$)	2013-14 (\$)	Variance (this Yr)
Total rates revenue	5,813,885	6,203,353	6,638,721	7.00%
Residential rates	5,071,459	5,357,134	5,679,292	6.03%
Non-residential (res)	742,426	846,219	959,428	13.15%
Average res. rate	1580	1665	1,759	5.65%
Minimum rate	920	970	1,022	5.36%

Objection to land use classification

If a ratepayer believes that a particular property has been wrongly classified as to its land use, then the ratepayer may object to that land use within 60 days of being notified. The objection must set out the basis for the objection and details of the land use that should be attributed to that property. The Council may then decide on the objection as it sees fit and notify the ratepayer accordingly. A ratepayer has the right to appeal against the Council's decision to the Land and Valuation Court. Objections to Council's land use classification may be lodged with the Chief Executive Officer, Town of Walkerville. **Note that the lodgement of an objection does not change the due date for payment.**

Payment of rates

The Council has determined that the payment of all rates can be either by full payment – due and payable by the **17th September 2013** or by quarterly instalments due and payable on the following dates:

1st Payment 17 Sep 2013

2nd Payment 17 Dec 2013

3rd Payment 17 Mar 2014

4th Payment 17 Jun 2014

Rates may be paid through:

- BPay Service
- Telephone 1300 303 201 using MasterCard or Visa Card
- Council's website using MasterCard or Visa Card
- In person at Council offices
- Cheque, money order, cash, EFTPOS, MasterCard or Visa Card facilities are available for payments (American Express and Diners Club cards are not acceptable)
- Post addressed to the Town of Walkerville, PO Box 55, WALKERVILLE SA 5081.

Late payment of rates

The Local Government Act provides that a Council may impose a penalty of 2.0% on any payment for rates, whether by instalment or otherwise, that is received late. A payment that continues to be late is then charged a prescribed interest rate for each month it continues to be late. This rate for 2012-13 will be calculated using the Cash Advance Debenture Rate, plus an amount notified in July, divided by twelve.

When rates are unpaid by the due date, Council issues a Final Notice for payment of the rates. Should rates still remain unpaid after the issue of the Final Notice then Council refers the debt to a debt collection agency for collection. The debt collection agency charges collection fees to the ratepayer. When Council receives a payment in respect of overdue rates the Council applies the money received as follows:

- 1st – satisfy any costs awarded in connection with court proceedings
- 2nd – to satisfy any interest costs
- 3rd – in payment of any fines imposed
- 4th – in payment of rates, in chronological order (starting from the oldest account first).

Postponement of rates

Seniors

Ratepayers who hold a State Seniors Card (or who are eligible to hold a State Seniors Card and have applied for one) are able to apply to Council to postpone payment of rates on their principal place of residence. Postponed rates remain as a charge on the land and are not required to be repaid until the property is sold or disposed of.

Any ratepayer who may experience difficulty in meeting their standard rates payment is invited to contact Council's Rates Officer to discuss alternative payment arrangements.

Remission and postponement of rates due to hardship

The Local Government Act permits a Council, on the application of the ratepayer, to partially or wholly remit rates on the basis of hardship. Where a ratepayer is suffering hardship in paying rates they can contact the Rates Officer to discuss the matter. Such enquiries are treated confidentially by Council. While arrangements for extended payments of rates are negotiable, remission of rates in whole or in part is rarely approved due to the inequitable situation for the rest of the community.



2013 Australia Day ceremony. L-R Prapulla Sudheer Ahamed, Mayor Heather Wright, Nehna Ahamed and Sudheer Ahamed Puthiyaveetil Shahul Hameed.

4 rates

rates concessions

The State Government funds some concessions on Council rates. You may be eligible for a Council rate concession, on your principal place of residence if you are:

- a pensioner and have a current Pensioner Concession Card or Department of Veteran's Affairs (DVA) Gold Card (TPI, EDA, WW) or receive a Centrelink Allowance. Apply through the Department for Communities and Social Inclusion (DCSI) Concessions Hotline 1800 307 758 or at www.sa.gov.au/concessions using the on-line form.
- a self funded retiree who holds a State Seniors card. If so, you can apply through Revenue SA on 1300 366 150.
- a low income earner, or unemployed person who meets the DCSI low income threshold. If so, apply through DCSI Concessions Hotline: 1800 307 758.

For more information:
www.sa.gov.au/concessions.

If you are awaiting the outcome of an application for one of these concessions, you should not delay in paying your rates, as penalties apply for late payment. Rather, you should pay the full amount of your rates bill, as it falls due. If your application is later successful, you will receive the concession as a partial refund.

Natural Resources Management Levy

Council collects a regional Natural Resources Management (NRM) Levy on behalf of the Adelaide and Mount Lofty Ranges NRM Board. The NRM Board expends this levy in managing and protecting priority water, land, marine and biodiversity assets. Council has no influence over how the Board allocates its funds.

To raise Council's levied contribution of \$230,338 (2013: \$219,845) as per State Government Legislation, Council has determined that a separate rate of 0.000097 (2013: 0.000092) in the dollar be levied against all rateable properties within Council's area.

For general NRM levy enquiries please call the NRM Board on 8273 9100.

Statutory rebate of rates

	2012-13	2013-14 approx
100% Religious	20,821	22,163
75% Community services	42,436	45,171
75% Education	121,286	129,458
	184,542	196,792

Discretionary rebate – Levi Caravan Park	32,332	34,416
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Total rebates	216,875	231,208
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The Local Government Act requires Council to rebate the rates payable on some land including; 100% on land used solely for religious purposes; a minimum of 75% for land used predominantly for educational purposes (subject to some qualifications) and a minimum of 75% on land used for the provision of supported accommodation.

Discretionary rebates

A Council may grant a rebate of rates or services charges in certain circumstances, as per section 166 of the *Local Government Act 1999*.

The Council has an absolute discretion to:

- grant a rebate of rates or service charges as per the *Local Government Act 1999*
- determine the amount of any such rebate.

Persons or bodies which seek a discretionary rebate will be required to submit an application form to the Council and provide to the Council such information as stipulated on the application form as well as any other information that the Council may reasonably require.

Sale of land for non-payment of rates

The Local Government Act provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to provide the owner with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

Disclaimer: A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions. Where a ratepayer believes that the Council has failed to properly apply this policy they should raise the matter with the Rates Officer.

5 highlights for 2013-14

highlights for 2013-14

Community and Civic Centre redevelopment: \$4,418,139

Construction activity is forecast to peak in September 2013 with the project scheduled for asset capitalisation in January 2014 and commencement of depreciation expense the same month. The forecast cost at completion is \$8.244m, which is \$1.256m lower than the original budget. The Community and Civic Centre is expected to be completed by December 2013.

related strategic objectives

- **Community involvement:** encouraging active community involvement in events, activities and places.
- **Diverse culture:** promoting and supporting diverse cultural values, heritage and identity.
- **Active centre:** creating an active, well-connected Town Centre.

Movement & open space strategy: \$65,000

One of the primary objectives of the movement strategy is to provide guidelines for the management and improved design of vehicle, pedestrian and cycling networks in the Township. The strategy will focus on issues such as safety, traffic congestion and connections between Council and the Town Centre.

The open space strategy will identify and categorise Council owned open spaces and facilities provided to residents, identify areas where open space can be enhanced and provide an overview of open space priorities in line with the strategic plan.

related strategic objectives

- **Sensitive development:** ensuring that development is in balance with the natural environment.
- **Active centre:** creating an active, well-connected Town Centre.
- **Connections:** creating accessible, useable and connected open spaces and streets.
- **Linear Park:** creating a safe, well planned and bio-diverse Linear Park that allows for recreation along the river.

175th anniversary of the naming of Walkerville: \$10,100

December 2013, marks the 175th anniversary of the naming of Walkerville. To commemorate this milestone, Council will present a program of community events and activities designed to encourage community participation and raise awareness of the Council's history and cultural heritage. Historical guides, signage for the Mary Harris Reserve and the purchase of new mayoral robes will serve as a living legacy to this anniversary year.

related strategic objectives

- **Community involvement:** encouraging active community involvement in events, activities and places.
- **Diverse culture:** promoting and supporting diverse cultural values, heritage and identity.
- **Active centre:** creating an active, well-connected Town Centre.

Telephony upgrade: \$10,000

An upgrade to Council's outdated telephone system will enhance in-house productivity and efficiency and offer a more efficient and user friendly service to external stakeholders. Ultimately the technology will enable Council to measure levels of customer satisfaction and staff performance.

related strategic objectives

- **Community involvement:** encouraging active community involvement in events, activities and places.

capital works

**Stormwater drainage –
Stage three completion of
Devonshire Street/Hay Lane:**
\$237,291

Stage 3 involves

- extending the drainage pipe from the corner of Hay Lane and Walkerville Terrace up to Monaro Court.
- installing drainage pits in Walkerville Terrace on the corners of Horn Court and Monaro Court to reduce the volume of waterflows into the gutters in Walkerville Terrace.
- installing inspection pits on the corner of Walkerville Terrace and Burlington Street.

related strategic objectives

- **Sensitive development:** ensuring that development is in balance with the natural environment.
- **Connections:** creating accessible, useable and connected open spaces and streets.

footpath renewal programme

North East Road Brick Paved Footpaths Stage 3:
\$105,000

This is the third year of a six year program, which commenced in 2011/12, to replace the footpaths along North East Road, between Lansdowne Terrace and St Andrews Street.

Kerb and gutter upgrade programme: \$142,375

The following streets have been identified for kerb and gutter upgrade.

- Devonshire Street (Burlington Street to St Andrews Street)
- Ilford Street (North East Road to Wilpena Avenue)
- Lindsay Street
- Philip Place
- Victoria Terrace (Smith Street to dead end)
- Yandra Street (Harris Road to William Road)

related strategic objectives

- **Connections:** creating accessible, useable and connected open spaces and streets.

Road re-seal programme:
\$324,825

The following roads are due for asphalt resealing:

- Philip Street
- Philip Place
- Doreen Street
- Washington Street

related strategic objectives

- **Connections:** creating accessible, useable and connected open spaces and streets.

**parks and gardens:
reserve development
and renewal**

Victoria Terrace, Howie Reserve to footbridge (Linear Park side): \$46,404

Replace existing chainwire fence with 1.5m high loop tubular fence and brick pave the existing dolomite path.

**Walkerville Oval,
Smith Street:** \$18,983

Replace the old rusted chainwire fence on the Smith Street frontage with 1.2m high loop tubular fence.

**Park Terrace mounds/
median strips – upgrade:**
\$35,000

Upgrade existing mound/median strip with new plantings and landscaping.

Not all Council funding is about million dollar projects. In Walkerville even relatively small projects can make a big impact.

For a full list of funded projects, programs and activities for 2013-14 see appendix 1.

6 budgeted financial statements

Budgeted income statement

	2013 Original budget	2013 Budget review 3	2014 Budget
	\$('000)	\$('000)	\$('000)
INCOME			
Rates	6,261	6,217	6,652
Statutory charges	213	193	219
User charges	488	580	508
Grants, subsidies & contributions	270	202	252
Investment income	101	58	34
Reimbursements	14	36	20
Other revenues	218	110	35
Total revenues	7,565	7,396	7,720
EXPENSES			
Employee costs	2,459	2,371	2,596
Materials, contracts & other expenses	3,625	3,667	3,678
Finance costs	230	73	207
Depreciation, amortisation & impairment	2,207	2,102	2,681
Share of loss – joint ventures & assoc	0	40	40
Total expenses	8,521	8,253	9,202
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	(956)	(857)	(1,482)
Net gain (loss) on disposal or revaluation of assets	0	(479)	25
Amounts specifically for new/upgraded assets	180	52	247
Infrastructure, property, plant & equipment received FOC	0	0	350
NET SURPLUS/(DEFICIT)	(776)	(1,285)	(860)

6 budgeted financial statements

Budgeted balance sheet

	2013 Original budget	2013 Budget review 3	2014 Budget
ASSETS: Current assets	\$('000)	\$('000)	\$('000)
Cash & cash equivalents	230	723	176
Trade & other receivables	586	317	300
Other financial assets	20	20	19
Inventories	6	0	0
Sub-total	842	1,060	495
Non-current assets held for sale	0	0	0
Total current assets	842	1,060	495
ASSETS: Non-current assets			
Other financial assets	177	166	160
Equity accounted investments in council businesses	59	30	30
Infrastructure, property, plant & equipment	98,635	98,192	107,161
Other non-current assets	5,587	3,287	100
Total non-current assets	104,458	101,675	107,451
TOTAL ASSETS	105,300	102,735	107,945

continued

	2013 Original budget	2013 Budget review 3	2014 Budget
LIABILITIES: Current liabilities	\$('000)	\$('000)	\$('000)
Trade & other payables	160	1,372	800
Borrowings	338	2,657	443
Provisions	221	260	260
Sub-total	719	4,289	1,503
Liabilities relating to non-current assets held for sale			
Total current liabilities	719	4,289	1,503
LIABILITIES: Non-current liabilities			
Borrowings	5,548	439	8,310
Provisions	27	30	30
Liability – equity accounted Council businesses	508	523	523
Total non-current liabilities	6,083	992	8,863
TOTAL LIABILITIES	6,802	5,281	10,366
NET ASSETS	98,498	97,454	97,579
EQUITY			
Accumulated surplus	33,079	30,985	30,125
Asset revaluation reserve	65,405	66,454	67,454
Other reserves	14	14	0
TOTAL EQUITY	98,498	97,454	97,579

Budgeted cash flow statement

	2013 Original budget	2013 Budget review 3	2014 Budget
CASH FLOWS FROM OPERATING ACTIVITIES	\$('000)	\$('000)	\$('000)
Receipts			
Operating receipts	7,464	7,362	7,703
Investment receipts	101	58	34
Payments			
Operating payments to suppliers and employees	(6,084)	(6,115)	(6,502)
Finance payments	(230)	(73)	(207)
Net cash provided by (or used in) operating activities	1,251	1,232	1,028
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new/upgraded assets	180	52	247
Sale of replaced assets	100	108	30
Repayments of loans by community groups	20	20	19
Payments			
Expenditure on renewal/replacement of assets	(1,211)	(1,907)	(943)
Expenditure on new/upgraded assets	(6,308)	(3,035)	(6,520)
Loans made to community groups	0	0	0
Net cash provided by (or used in) investing activities	(7,219)	(4,762)	(7,167)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from borrowings	5,500	2,602	5,642
Payments			
Repayments of borrowings	(124)	(59)	(50)
Net cash provided by (or used in) financing activities	5,376	2,543	5,592
Net increase/(decrease) in cash held	(592)	(987)	(547)
Cash & cash equivalents at beginning of period	822	1,710	723
Cash & cash equivalents at end of period	230	723	176

6 budgeted financial statements

Budgeted statement of changes in equity

	2013 Original budget	2013 Budget review 3	2014 Budget
ACCUMULATED SURPLUS	\$('000)	\$('000)	\$('000)
Balance at end of previous reporting period	33,855	32,270	30,990
Net surplus/(deficit)	(776)	(1,285)	(860)
Transfers to other reserves	0	0	0
Transfers from other reserves	0	0	0
Balance at end of period	33,079	30,985	30,125
ASSET REVALUATION RESERVE			
Balance at end of previous reporting period	65,405	65,405	66,454
Gain on revaluation of infrastructure, property, plant & equipment	0	1,049	1,000
Transfer to accumulated surplus on sale of property, plant & equipment	0	0	0
Balance at end of period	65,405	66,454	67,454
OTHER RESERVES			
Balance at end of previous reporting period	14	14	14
Transfers from accumulated surplus	0	0	0
Transfers to accumulated surplus	0	0	(14)
Balance at end of period	14	14	0
TOTAL EQUITY AT END OF REPORTING PERIOD	98,498	97,454	97,579

Uniform presentation of finances

	2013 Original budget	2013 Budget review 3	2014 Budget
	\$('000)	\$('000)	\$('000)
Operating revenues	7,565	7,396	7,720
less Operating expenses	8,521	8,253	9,202
Operating surplus/(deficit) before capital amounts	(956)	(857)	(1,482)
Less: net outlays on existing assets			
Capital expenditure on renewal/replacement of existing assets	1,211	1,255	943
less Depreciation, amortisation & impairment	2,207	2,102	2,681
less Proceeds from sale of replaced assets	100	108	30
	(1,096)	(955)	(1,768)
Less: net outlays on new and upgraded assets			
Capital expenditure on new/upgraded assets	6,308	3,091	6,520
less Amounts specifically for new/upgraded assets	180	52	247
less Proceeds from sale of surplus assets	0	0	0
	6,128	3,039	6,273
NET LENDING /(BORROWING) FOR FINANCIAL YEAR	(5,988)	(2,941)	(5,987)

7 financial indicators

Financial indicators are calculated and provided in accordance with *Information Paper 9 – Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. They assist the reader to track Council's financial management performance in identified critical areas.

Council's focus on its strategic directions in recent years aims to ensure Council creates and implements long term planning of its finances and asset management. This will also ensure it focuses on being financially sustainable. This focus on strategic directions and implementation of long term strategies will continue in 2013-2014 to ensure the implementation of previous strategies and to maintain Council's focus on its organisational sustainability.

Key financial indicators 2013-14	2013 Original budget	2013 Budget review 3	2014 Budget
Operating surplus/(deficit) \$'000	(956)	(857)	(1,482)
Operating surplus ratio	-16%	-14%	-23%
Threshold: 0-15% (by what percentage does the major controllable income source vary from day to day expenses).			
Net financial liabilities \$'000	5,783	4,056	9,711
Net financial liabilities ratio	79%	56%	130%
Threshold: 0-100% of operating revenue (how significant is the net amount owed compared with income). Total liabilities less financial assets expressed as a percentage of total operating revenue.			
Interest cover ratio	2%	0%	2%
Threshold: 0-10% (how much income is used in paying interest on loans). Finance costs or net interest expressed as a percentage of operating revenue.			
Asset sustainability ratio	50%	86%	34%
Threshold: 90-110%: (Are assets being replaced at the rate they are wearing out). Capital Expenditure on Renewals & Replacements expressed as a percentage of depreciation expense. Council aims to achieve the targeted ratio by 2023.			
Asset consumption ratio	75%	99%	91%
Threshold: 40-80% (the average proportion of 'as new condition' left in the assets). Written down value of depreciable assets relative to their fair value.			

Operating surplus ratio: (23%)

The Operating Surplus Ratio highlights the operating result as a percentage of total rate revenue (excluding NRM Levy)

The Council target range is 0 to 15%. The Council has a target to achieve a break-even position over the next five year period considering that the Civic and Community Centre redevelopment will have an impact on the operating result in the short to medium term.

Net financial liabilities: \$9.711m

This measure indicates the balance of total liabilities after subtracting cash, cash equivalents and other financial assets.

Net financial liabilities ratio: 130%

The Council target for this ratio is between zero and the total annual budgeted operating income.

This ratio demonstrates the relative size of Council net financial liabilities against total operating income. It can be considered a measure of the ability to service liabilities. The increase in net financial liabilities ratio is largely due to the Civic and Community Centre redevelopment and is in line with the Council's *Long term financial plan*.

Interest cover ratio: 2%

The interest cover ratio measures net interest (finance costs less investment income) against total operating revenue.

The Council target is a range of between 0% and 10%.

Asset sustainability ratio: 34%

The asset sustainability ratio represents the ratio of new capital expenditure against depreciation (adjusted for sale of assets). This ratio indicates the proportion of investment in new and existing assets against the decline in value of those existing assets.

The Council targets a range of between 90% and 110% over the next five year period. For the 2013-14 financial year Council's major capital works will be on the Civic and Community Centre redevelopment therefore giving a lower than targeted asset sustainability ratio.

Asset consumption ratio: 91%

The asset consumption ratio indicates the written down value of assets as a proportion of fair value. Recent revaluations and asset purchases cause this ratio to increase, while depreciation will cause the ratio to decrease. A higher ratio indicates that the overall age and condition of Council assets are newer and more likely to be in good condition, whereas a low ratio will indicate that further investment in Council assets should be made. As an example of the ratio: a measure of 50% would indicate that overall the Council's assets have 50% of their useful remaining lifespan.

Council target range is between 40% and 80%.



2013 Volunteer of the year award winners. L-R Mayor Heather Wright, Megan and Jenny Hills (accepting on behalf of the late David Hills recipient of the Volunteer of the year award), His Excellency Rear Admiral Kevin Scarce AC CS C RANR, Daphne McLeod (Young volunteer of the year award) and Peter Golding (Community event of the year award).

8 appendix

Funded projects, programs and activities

Budget	Description	Links to strategic plan objectives
Capital works		
\$4,418,139	Construction of the Civic and Community Centre	<ul style="list-style-type: none"> • Active well connected Town Centre • Mixed-use opportunities • Community involvement • Cultural values/diversity
\$105,000	Footways: North East Road Stage 3	<ul style="list-style-type: none"> • Accessible, useable and connected open spaces and streets
\$100,000	Buildings: building compliance, etc	<ul style="list-style-type: none"> • Community involvement • Active well connected Town Centre
\$237,291	Stormwater Drainage: completion of Devonshire Street / Hay Lane Stage 3	<ul style="list-style-type: none"> • Development with balance with natural environment
CEO and governance		
\$25,000	HR Resource Sharing (Burnside Council)	n/a
\$50,000	Strategic initiatives	<ul style="list-style-type: none"> • Safe well-planned bio-diverse Linear Park • Development in balance with natural environment • Accessible, useable and connected open spaces and streets • Active well connected Town Centre • Mixed-use opportunities • Community involvement • Cultural values/diversity
\$38,520	Training (mandatory, including ICAC)	n/a

Budget	Description	Links to strategic plan objectives
Planning and building		
\$65,000	Movement & open space strategy	<ul style="list-style-type: none"> • Safe well-planned bio-diverse Linear Park • Development in balance with natural environment • Accessible, useable and connected open spaces and streets
\$49,996	Urban core DPA's	<ul style="list-style-type: none"> • Active well connected Town Centre
\$30,000	Mapping, graphics & marketing	<ul style="list-style-type: none"> • Safe well-planned bio-diverse Linear Park • Development in balance with natural environment • Accessible, useable and connected open spaces and streets • Active well connected Town Centre
\$14,000	Travel and software	n/a
\$15,000	Property & legal consultancy costs	<ul style="list-style-type: none"> • Active well connected Town Centre
Corporate services		
\$191,485	Interest expense – Civic & Community Centre redevelopment	<ul style="list-style-type: none"> • Active well connected Town Centre • Mixed-use opportunities • Community involvement • Cultural values/diversity
\$62,000	Accounting services, including asset revaluation	n/a

Budget	Description	Links to strategic plan objectives
Customer services and information technology		
\$36,160	Telephone/Telephony software upgrade	Community involvement
\$6,984	Review IT Disaster recovery plan as part of relocation to new Civic Centre	n/a
Marketing and communications		
\$10,100	175th Walkerville Anniversary	<ul style="list-style-type: none"> Community involvement Active well connected Town Centre Cultural values/diversity
\$6,200	Mayor's public information forums	<ul style="list-style-type: none"> Community involvement Active well connected Town Centre Cultural values/diversity
\$30,175	Printing and publishing	<ul style="list-style-type: none"> Community involvement Cultural values/diversity
\$9,000	Rebranding of library materials	<ul style="list-style-type: none"> Community involvement Cultural values/diversity
\$7,000	Update of corporate materials/collateral	<ul style="list-style-type: none"> Community involvement Cultural values/diversity
Infrastructure		
\$224,400	Electricity	<ul style="list-style-type: none"> Community involvement
\$36,000	Tree removal	<ul style="list-style-type: none"> Accessible, useable and connected open spaces and streets
\$12,500	New Civic & Community Centre external cleaning & lift maintenance	<ul style="list-style-type: none"> Community involvement

Budget	Description	Links to strategic plan objectives
Library		
\$11,740	Licence agreements, leased equipment, software fees, etc. to support replacement of the SWAP program with the ONECARD network	<ul style="list-style-type: none"> Active well connected Town Centre Community involvement Cultural values/diversity
Environment and waste		
\$30,000	Highbury Landfill Authority	
\$151,000	East Waste - collection	
\$144,000	East Waste - disposal	
\$88,000	Green Organics - collection	<ul style="list-style-type: none"> Safe well-planned bio-diverse Linear Park
\$37,000	Green Organics - disposal	<ul style="list-style-type: none"> Development in balance with natural environment
\$140,000	Recycling	<ul style="list-style-type: none"> Accessible, useable and connected open spaces and streets
\$33,600	Waste removal	
\$13,200	Street litter bin	
\$50,000	Annual hard waste collection/ E waste (additional collection)	

8 appendix

Budget	Description	Links to strategic plan objectives
Public order		
\$69,250	City of Prospect inspectorial services	<ul style="list-style-type: none"> • Active well connected Town Centre
Sports, recreation and parks		
\$41,500	Sport & Recreation grants (grant received in FY13)	<ul style="list-style-type: none"> • Safe well-planned bio-diverse Linear Park • Development in balance with natural environment • Accessible, useable and connected open spaces and streets • Active well connected Town Centre • Mixed-use opportunities • Community involvement • Cultural values/diversity
\$4,000	Walkerville Oval (irrigation and pumps)	<ul style="list-style-type: none"> • Community involvement
\$3,717	Public amenities (security)	<ul style="list-style-type: none"> • Community involvement • Safe well-planned bio-diverse Linear Park



Dawn service, ANZAC Day, 2012. Photo: Victoria Berekmeri

