

TOWN OF



WALKERVILLE

ANNUAL BUSINESS PLAN 2023/24



39

The Town of Walkerville acknowledges the Kaurna people as the traditional custodians of this land, and respects their spiritual relationship with their country.

In preparing this strategic plan, we recognise the many generations of stewardship the Kaurna people have provided to this land and respect that their cultural heritage and beliefs are as important today as they were for their ancestors.



ANNUAL BUSINESS PLAN

2023/24

Contents

1	Useful definitions	4
2	Welcome	5
3	Message from the Mayor	6
4	Message from the CEO	8
5	Council's strategic framework	10
6	Rates	12
7	Making it happen	18
8	Financial indicators	22
9	Budgeted financial statements	24
10	Asset Management Plan	30

Town of Walkerville
66 Walkerville Terrace,
Gilberton SA 5081
08 8342 7100
walkerville@walkerville.sa.gov.au
www.walkerville.sa.gov.au

 @TownOfWalkerville
 @TownOfWalkerville



2 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.

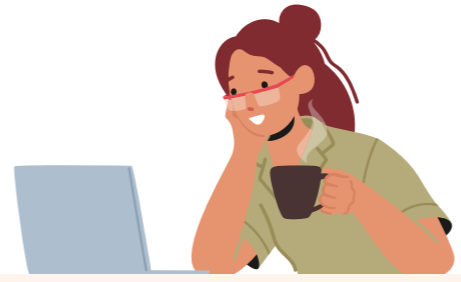
The Annual Business Plan is prepared as part of Council's budget development process and must include:

- a summary of Council's long term objectives as outlined in its strategic framework.
- a summary of Council's objectives for the financial year ahead.
- 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.



USEFUL DEFINITIONS

Key financial indicators

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

Key financial indicators are:

1 Operating surplus ratio

The operating surplus ratio highlights the operating result as a percentage of total revenue (excluding the Regional Landscape Levy).

2 Net financial liabilities ratio

This ratio demonstrates the relative size of Council's net financial liabilities against total operating income.

3 Asset renewal funding ratio

The asset renewal funding ratio represents the ratio of new capital expenditure on renewal or replacement of assets, relative to the optimal level of such expenditure proposed in Council's *Asset Management Plan*.

Average capital value

Council calculates its average capital value by dividing the capital value (set by the Valuer-General) of all rateable residential properties by the total number of rateable residential properties.

Average residential rate

Council calculates its average residential rate by dividing the total revenue to be raised by residential rates by the total number of rateable residential properties.

Budget review

The process of reviewing the budgeted income and expenditure and assessing the budget every quarter.

Capital expenditure

The investment in the infrastructure and assets of the Town of Walkerville that creates a long term benefit beyond the current year.

CPI

The Consumer Price Index (CPI) is based on the price of a 'basket' of goods and services and is used to measure change in this price over time. The content of the 'basket' is determined through the *Australian Bureau of Statistics: Household expenditure survey*.

Differential rate

Refers to the rate in the dollar, which is used to calculate the 'actual' rates incurred by residential and non-residential ratepayers.

Growth

- any new developments made to the property e.g. an extension
- land divisions and new builds

Land use classification

A State-wide property database, linked to the capital valuation process, is maintained by the Valuer-General. This database is updated annually and includes information on land use classification, such as residential, commercial or industrial.

LGPI

The Local Government Price Index (LGPI) measures price movements faced by Local Government in South Australia in respect of their purchases of goods and services.

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.

Operating expenditure

The cost related to the running of the Council, it represents the cost of consumption incurred when supplying services in the period.

Total revenue

Total revenue is the revenue received by Council from all of its various sources of funding including rates revenue (net of all rebates), fees and charges levied and grants received.

Our town

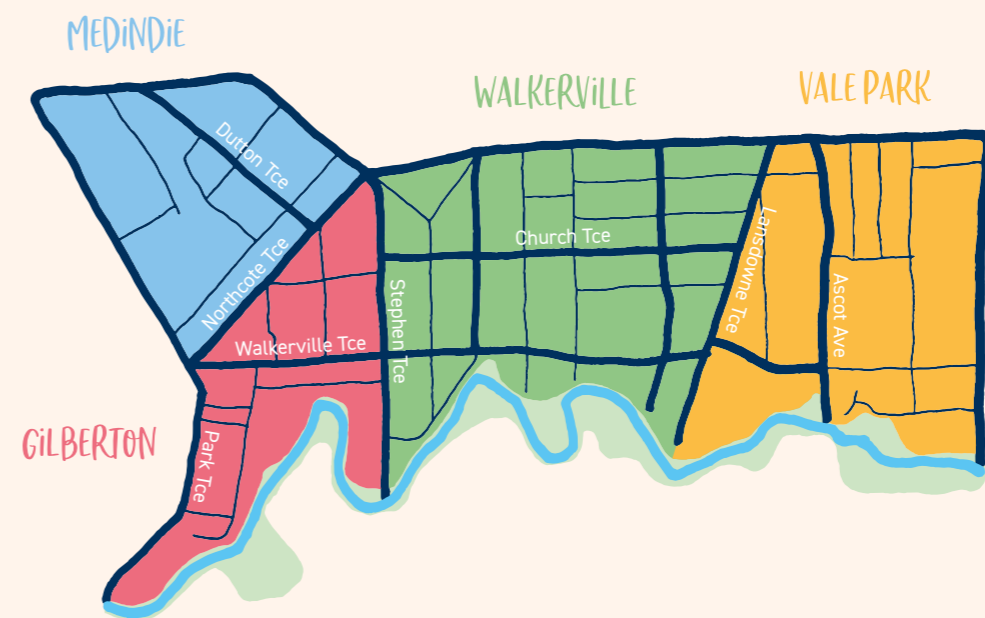
The Town of Walkerville encompasses the suburbs of Gilberton, Medindie, Vale Park and Walkerville and is located immediately north-east of the city of Adelaide, about four kilometres from the Adelaide CBD.

The Town of Walkerville is the smallest Council in Metropolitan South Australia, covering a land area of 3.5km².

The Township is home to more than 8,000 residents and remains the only Council in inner metropolitan Adelaide to have retained its 'Town' status.

The Town of Walkerville is bordered by the River Torrens, the Adelaide Parklands and residential suburbs to the north and north-east.

The Township is a diverse and tight-knit community, served by eight Elected Members and the Mayor of Walkerville.



Its street boundaries are:

- Park Terrace
- Robe Terrace
- Main North Road
- Nottage Terrace
- North East Road
- Fife Street

MESSAGE FROM THE MAYOR

Since the last Annual Business Plan, the world has changed dramatically from a cost and inflation perspective with everyone in our community experiencing significant cost increases in their day-to-day lives.

When workshopping and reviewing the proposed budget for 2023/24, Council was especially conscious of the cost of living and had this at the forefront of its mind when considering which projects to fund in the coming year.

A key matter during budget deliberations and the allocation of funding, is how best ratepayers' money is spent on supporting our community and providing relevant services that meet both the needs and expectations of those who live, play and work within the Township. With this in mind, Council has resolved to keep all existing services within our community and to also put a modest amount of money towards key projects to improve the district in various ways. With strict fiscal budgeting, Council has been able to prepare this Annual Business Plan with an average rate rise across our community, below the rate of inflation over the past 12 months.

The flagship project Council has budgeted to support in 2023/24 is the refurbishment of 39 Smith Street into a recreational centre for the benefit of all in our community. Council is adding \$1.5 million to the \$5 million grant from the State Government to redevelop that site. Substantial works are required to implement mandatory upgrades to the services of the building, as well as the improvement of toilet facilities, renewal of car parking, new landscaping and a revamp to modernise the façade of the building. When this community centre is back up and running, it will provide important sport (gymnastics, indoor basketball/netball and squash courts) and social facilities, while also serving as a drawcard to the area, which will in turn attract people from outside of Walkerville into our Township, resulting in an economic flow-on effect to our local businesses.

The Walkerville Oval project remains a key priority of Council, as we continue to budget for the redevelopment of the Walkerville Bowls Club and the Walkerville Sports Club, in line with the \$4 million funding grant received from the State Government as part of the Local Government Infrastructure Partnership Program.

Aside from these two major projects for the Town of Walkerville, other modest initiatives and activities are incorporated into the budget, including the resurfacing of the tennis courts at Walkerville Oval to enable netball to be played at a more appropriate standard. There are also funds budgeted to allow the renewal of Council assets and infrastructure, including roads, pavement and kerbs, footpaths, traffic control devices, buildings, stormwater and lighting.

In addition, included in the budget is funding to begin investigating the most efficient way to underground powerlines through our Township, as well as ways to support solar panels and batteries. Walkerville is learning from other Councils in this space, and seeks to progress these projects in the most efficient way possible. It also aligns with the current Council's desire to become a more environmentally friendly Local Government area, following the recent endorsement of our first Sustainability Committee.

After the excellent response Council received to the Transport Strategy consultation in March 2023, budget has been put aside to progress solutions to the issues that arose through that community engagement and will subsequently form an action plan.

Finally, some budget has been allocated to support additional community events on top of Council's annual Cultivate program, which I personally look forward to seeing come to fruition and the consequent gathering of community. It is also intended that the new Walkerville Community Committee will begin fundraising initiatives in order to design and carry out further community events to be provided within our Township, without extra funding by ratepayers. These will be designed to be low cost, with appeal across a range of demographics in our community.

The 2023/24 Annual Business Plan is forecasting:

- An average residential rate increase of **6.9%** (excluding growth)
- Total income of **\$12,287,025**
- Total expenditure of **\$12,217,500**
- Total expenditure allocated to capital works (the renewal of existing infrastructure, along with new projects, within the Township) of **\$2,899,000** (in addition to carry forward for the 39 Smith Street refurbishment and Walkerville Oval redevelopment)
- A budgeted operating surplus of **\$69,525**

Key projects for the year include:

- **Walkerville Oval redevelopment:** \$4 million (carry forward from 2021/22 and 2022/23, in addition to \$4 million State Government grant funding as part of the Local Government Infrastructure Partnership Program)
- **39 Smith Street site refurbishment:** \$1.5 million Council contribution (\$5 million State Government funding)
- **Transport Strategy (stage 2):** \$40,000
- **Additional community events:** \$50,000
- **Solar panel investigation report:** \$10,000
- **Undergrounding of powerlines consultant report:** \$10,000

I am pleased with the result of this Council's first budget and I look forward to working together to deliver projects and initiatives that make our Township a wonderful place to live, play, visit and work.



Melissa Jones

Melissa Jones
Mayor of the
Town of Walkerville



MESSAGE FROM THE CEO



Change is the one constant feature of our planet.

From environmental, to social and economic change – Greek philosopher Heraclitus was spot-on with the theory that everything is subject to transformation.

Our planet is facing unprecedented challenges to its environment and climate.

Walkerville is no different.

This Council has made it clear that the sustainability of the environment and the interconnected wellbeing of our community is a priority moving forward, and I am pleased with the direction we are taking to do the best we can in addressing change.

The 2023/24 Annual Business Plan signals this in different forms. Over the next 12 months, Council will be focusing on its new Walkerville Community Committee and Sustainability Committee, as well as investigating the potential of solar panels in the district – with climate change and electric vehicle charging networks also on the agenda for potential consideration.

At the end of the day, a healthy environment is a necessity to create a sustainable economy.

This budget delivers the core functions of Council – from tree planting and waste services to community events and engagement opportunities – while providing a rate rise that is one of the lowest in the State. Consistent with the long-term financial plan and in consideration of the significant investment in Council's key strategic sites, the budget proposes an operating surplus of approximately \$69,500. We are anticipating a total revenue of \$12.3 million, with 81.9% (or \$10 million) to be raised through general rates, and our operating and capital expenditure is expected at \$12.2 million.

Throughout public consultation exercises across the past 12 months – particularly the recent and extensive "Community Survey" – feedback has made it clear that there is an expectation for increased investment in roads and footpaths in the Township. Over the course of the next financial year, Council will undertake a second stage to its Transport Strategy – whereby an action plan will be formed to address the issues raised by the community in the first round of consultation. In addition, we have allocated more than \$700,000 towards infrastructure programs that improve local roads, pavements, kerbs and footpaths.

The 2023/24 year will also signify the time for Council to review and renew its key strategic plans and set the framework for

the following four years. The aim is to connect our community by facilitating safety and a sense of belonging, while continuing to be a prosperous and desirable region for people to live, work, visit and play.

As we look ahead, it is clear there is a desire from both Council and our residents to place considerable efforts into the future of our environment and connection of community.

Administration is now tasked with delivering this intent, as well as the projects and services outlined in the budget, by our decision-makers – the Town of Walkerville Elected Member body.

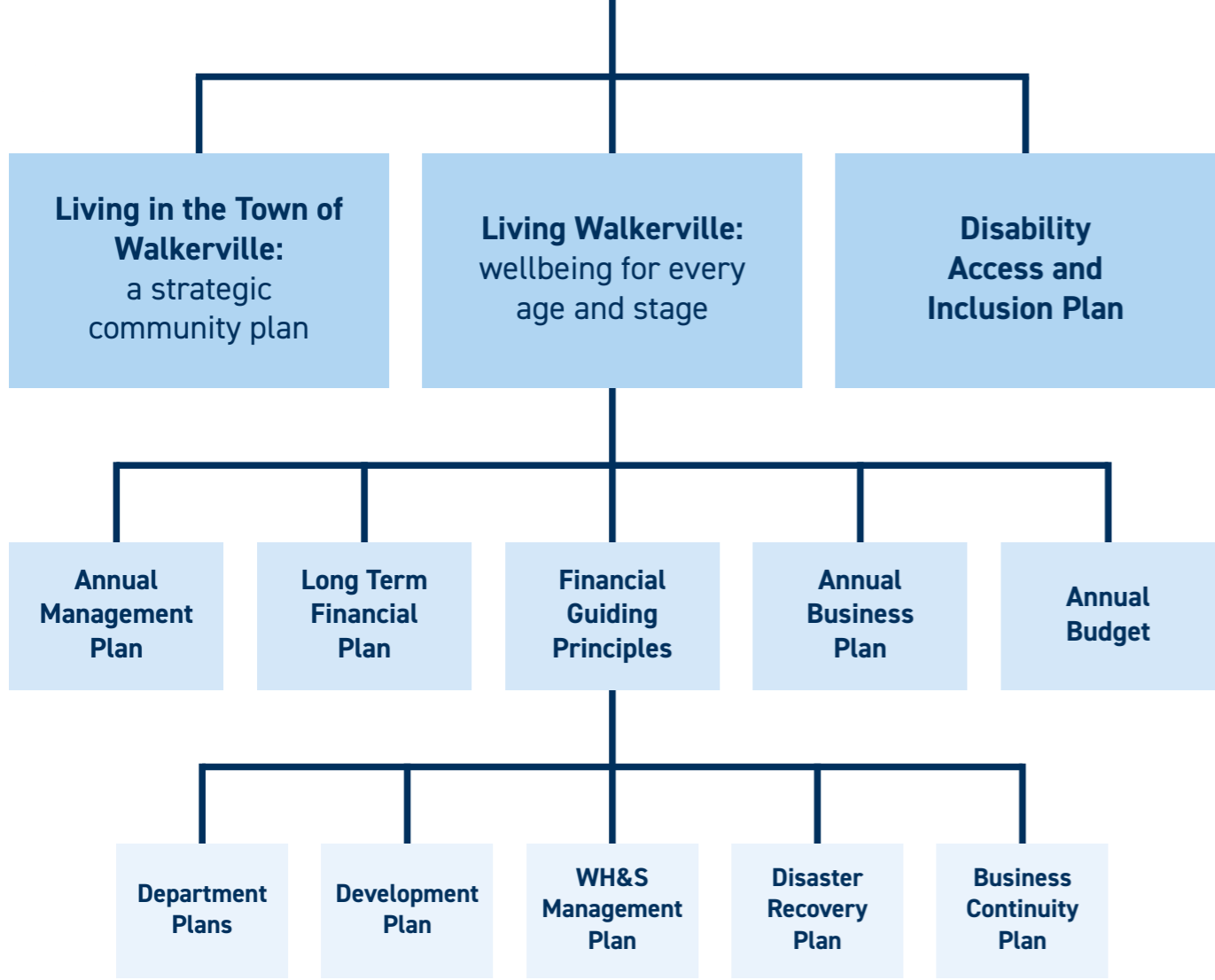
Whilst the 2023/24 Annual Business Plan is the first for the new Council, it marks the last budget process I oversee as Acting CEO. I wish to congratulate Elected Members for their collaboration and consideration in presenting a modest plan. I look forward to seeing what the Council can achieve in the delivery of this budget as representatives of their local community.



Scott Reardon
Acting Chief
Executive Officer
Town of Walkerville

COUNCIL'S STRATEGIC FRAMEWORK

A Connected Community: The Town of Walkerville Urban Masterplan



Vision:
A liveable, cohesive, safe, active and sustainable Township.

Mission:
We will provide services that are affordable, equitable and sustainable.

Values:
We are fair and ethical in our decision making.

2020-2024 Living in the Town of Walkerville: a strategic community plan

The 2020–2024 strategic plan sets out the direction and aspirations of Council.

Driving strong policy, creating sustainability, securing the wellbeing for all and delivering outcomes in the Town of Walkerville are key tactics, which formulate the overarching strategy. This plan provides a framework for decisions about infrastructure investment, assets, community and corporate services. The basis behind this vision is to build a resilient Township for future generations. This plan grew out of the *2016-2020 Living in the Town of Walkerville: a strategic community plan*.

Future projects and budgets will be assessed on their capacity to deliver the outcomes in the plan, as well as for how they align to the objectives of the seven key pillars:

Places and spaces:
Create useable open space facilities that meet community needs and promote physical activity.

Safety:
Support the provision of a safe and supportive social environment that contributes to people and families feeling safe.

Mobility and movement:
Provide easy traffic and pedestrian movement throughout the Town.

Assets:
Continue to provide for and maintain a good standard of assets and public infrastructure.

Heritage:
Protect and maintain the unique history of the township and its buildings.

Economy:
Create the means to enable economic diversity and encourage business opportunities.

Leadership:
A responsible and influential Local Government organisation.

This plan was adopted on 18 May 2020 as per resolution CNC382/19-20.



Where do your rates go?

- abandoned vehicles
- aged services
- arts and cultural programs
- bicycle tracks
- building applications and approvals
- bus shelters
- By-laws
- cemetery
- community wellbeing programs
- community bus
- dogs/cats
- Emergency Services Levy
- employment/training programs
- fire prevention
- food and health inspections
- footpaths
- free internet in library
- governance/mandatory reporting
- graffiti removal
- gutters
- immunisation
- inspections
- landscaping and maintenance
- Levi Caravan Park
- library
- Linear Park
- linemarking
- neighbourhood amenity
- ovals
- parking regulations and infringements
- parks and gardens
- pest control
- planning
- playgrounds maintenance
- policy development
- public order
- public toilets maintenance
- roads
- reserves and picnic areas
- signage
- stormwater drainage and reuse
- street cleaning
- street lighting
- street signs
- traffic control
- trees
- waste management
- zoning



Total budgeted revenue raised from properties
(excluding the Regional Landscape Levy):

\$10,060,637

Factors that affect rates

- cost increases due to inflation
- increase in the utilities and waste management charges
- finance costs on borrowings for major capital projects
- maintaining and renewing assets to a standard that meet community needs
- growth
- increase to insurance costs
- legislated increase to employee costs (superannuation)



Rating Policy

In setting Council's rates for the 2023/24 financial year, Council has considered the following:

- adhering to Council's financial guiding principles
- achieving the goals and objectives outlined in *2020-2024 Living in the Town of Walkerville: a strategic community plan*
- the budget for the financial year and long term financial planning
- the financial implications of complying with the requirements of the *Local Government Act 1999* and other legislation
- the specific issues faced by the 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.

Ratepayers who are experiencing financial difficulties and who are unable to make payments by the due date, should contact the Customer Services team or Council's Rates Officer at the earliest opportunity to apply for a revised instalment payment scheme that fits their particular circumstances. Applications made after the amounts have fallen into arrears may, in some circumstances, be approved, however, such late applications will normally result in fines and interest being incurred in accordance with the requirements of the *Local Government Act 1999*. Payment of all rates, fines, interest and costs will not, in the absence of exceptional circumstances, be postponed beyond 30 June in the fiscal year in which they were incurred.



Council and the Office of the Valuer-General

All land within the Council area, except for land specifically exempt (e.g. Crown Land and Council-owned land), is considered subject to rates.

Council does not 'decide' on the valuation of properties within the Town of Walkerville. Valuations are provided by the Valuer-General (State Government). Historically, the Valuer-General's office provided revaluations only on a portion of properties.

Refer to [pages 14 and 15](#) to see how capital value impacts on rates.

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.

Council has no role in this process and the lodgement of an objection does not change the due date for payment.

Objections to the Office of the Valuer-General can be made via:

Email: Send your objection, including any attachments, to OVGobjections@sa.gov.au

Post to: GPO Box 1354, Adelaide SA 5001

Online: Complete the online form at www.valuergeneral.sa.gov.au

In person: Visit Land Services SA, 101 Grenfell Street, Adelaide SA 5000

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 properties within the Council's area. To ensure the achievement of Council's financial goal of delivering an achievable budget, Council has determined to raise **\$10,060,637** in property rates (including rates rebates and excluding the Regional Landscape Levy for the 2023/24 financial year).

Regional Landscape Levy

The Regional Landscape Levy is collected by the Council on behalf of the State Government. Rates figures presented in this report are exclusive of the Regional Landscape Levy unless otherwise stated.

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.

Proposed changes to differential rate 2023/24:

Residential: **0.0016989**

Non-residential: **0.0028032**

Vacant Land: **0.0033129**

Note: The 'rates in the dollar' presented are based on the final property valuations for the Township prepared by the Valuer General as at 30 June 2023.

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: **\$1,382**

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 apply to properties valued less than **\$813,456**.

The minimum rate will affect approximately **22.5%** of the properties. The maximum permitted under Section 158(2)(d) of the *Local Government Act 1999* is 35%.

Objection to land use classification

If a ratepayer believes that their property has been incorrectly classified as to its land use, they can object to that land use classification 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 will 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.



Valuations

Valuations on your property are made by the Valuer-General, not Council.

If your property was valued at **\$850,000** in 2022-23 and does not increase in 2023-24, your rates will decrease by **\$126** in 2023-24.

If your property was valued at **\$1,000,000** in 2022-23 and does not increase in 2023-24, your rates will decrease by **\$148** in 2023-24.

Capital value and rates 2021-2024

Capital value differential rate	2021/22: 0.0022563	2022/23: 0.0018468	2023/24: 0.0016989	Variance	Variance
\$850,000	\$1,918	\$1,570	\$1,444	-\$126	-8.7%
\$1,000,000	\$2,256	\$1,847	\$1,699	-\$148	-8.7%
\$1,250,000	\$2,820	\$2,309	\$2,124	-\$185	-8.7%

Please note that if your property capital value has increased, you will see a rise in your residential rates.

Payment of rates

The Council has determined that the payment of all rates can be either by full payment – due and payable by the 12 September 2023 – or by quarterly instalments due and payable on the following dates:

1st payment: **12 September 2023**

2nd payment: **12 December 2023**

3rd payment: **12 March 2024**

4th payment: **12 June 2024**

Rates may be paid through:

- BPay Service
- telephone **1300 276 468** using Mastercard or Visa card
- Council's [website](#) using Mastercard or Visa card
- in person at the Civic and Community Centre
- cheque, money order, cash, EFTPOS, Mastercard or Visa card facilities are available for payments (American Express and Diners Club cards are not accepted)
- post addressed to the Town of Walkerville PO Box 55, Walkerville SA 5081
- Australia Post

Late payment of rates

The *Local Government Act 1999* provides that a Council may impose a penalty of 2% on any payment for rates (whether by instalment or otherwise) that is received after the due date. A payment that continues to be late is then charged a prescribed interest rate for every overdue month. The *Local Government Act 1999* determines how this rate is calculated.

When rates are unpaid by the due date, Council issues a final notice for payment. Should rates remain unpaid then Council refers the matter to a debt collection agency. The debt collection agency charges collection fees to the ratepayer. If Council receives or recovers an amount in respect of rates, the amount will be applied as follows:

Firstly - in payment of any costs awarded to, or recoverable by, the Council in any court proceedings undertaken by the Council for the recovery of the rates.

Secondly - in satisfaction of any liability for interest.

Thirdly - in payment of any fine.

Fourthly - in satisfaction of liabilities for rates in the order in which those liabilities arose.

Postponement of rates

Seniors

Ratepayers who have a Seniors Card can 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.

Senior ratepayers experiencing hardship should contact the Rates Officer for a confidential discussion.

Remission and postponement of rates due to hardship

The *Local Government Act 1999* 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.

Forms are available from Council's website: www.walkerville.sa.gov.au/services/applicationforms

Rates based on your property value

Capital value range	All assessments	Residential	Percentage of properties
Up to \$500,000	1,063	882	23.28%
\$500,000 – \$750,000	360	321	8.47%
\$750,000 – \$1,000,000	472	436	11.51%
\$1,000,000 – \$1,250,000	596	580	15.31%
\$1,250,000 – \$1,500,000	412	397	10.48%
\$1,500,000 – \$2,000,000	543	537	14.17%
\$2,000,000 – \$3,000,000	391	379	10.00%
\$3,000,000 – \$4,000,000	151	146	3.85%
\$4,000,000+	124	111	2.93%
Total	4,112	3,789	100%

State Government concessions

The State Government offers a single 'cost-of-living payment' provided directly to those who are eligible.

This payment may be used for any purpose, including offsetting Council rates.

To check eligibility, contact the Department for Communities and Social Inclusion (DCSI) Concessions Hotline on 1800 307 758 or www.sa.gov.au/concessions

Regional Landscape Levy (RLL)

Council collects a Regional Landscape Levy on behalf of the State Government. The Landscape Board sets the levy, which helps to fund the operations of regional landscape boards, which have responsibility for the management of the State's natural resources. These responsibilities include regional landscape planning, water allocation planning, community capacity building, education and compliance activities. The RLL for 2023/24 is \$375,101 (2022/23 \$340,301).

For further information regarding this levy, or the work the levy supports, please visit www.landscape.sa.gov.au

Statutory rebate of rates

The *Local Government Act 1999* 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

Council may grant a rebate of service charges or rates 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.

Application forms are available from Council's website, www.walkerville.sa.gov.au

Sale of land for non-payment of rates

The *Local Government Act 1999* 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.

Statutory rebates of rates	2021/22	2022/23	2023/24
100% Religious	\$22,709	\$20,416	\$21,585
75% Education	\$188,205	\$169,689	\$179,561
75% Community services	\$54,419	\$56,246	\$60,117
Statutory rebate	\$265,333	\$246,351	\$261,263



MAKING IT HAPPEN

How Council plans to achieve its objectives

To achieve its objectives for the financial year, Council has adopted a plan 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.

The Long Term Financial Plan allows 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 will assist Council to achieve its objectives.

Council's primary revenue source comes from property rates, which represent 81.90% 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 and LGPI for the 12 months to December 2022
- increase in salaries based on CPI or employment agreements
- increase in insurance costs
- increase in finance costs, waste management charges and utilities

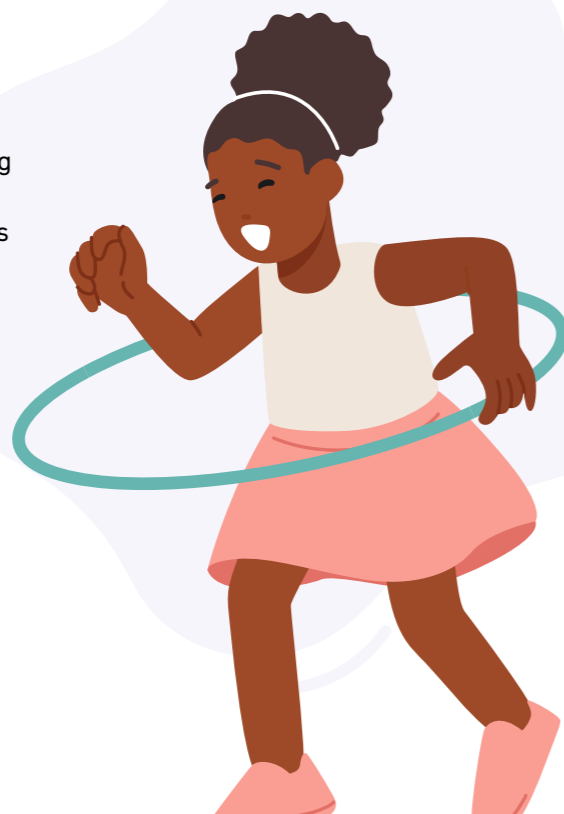
Funding the plan

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.

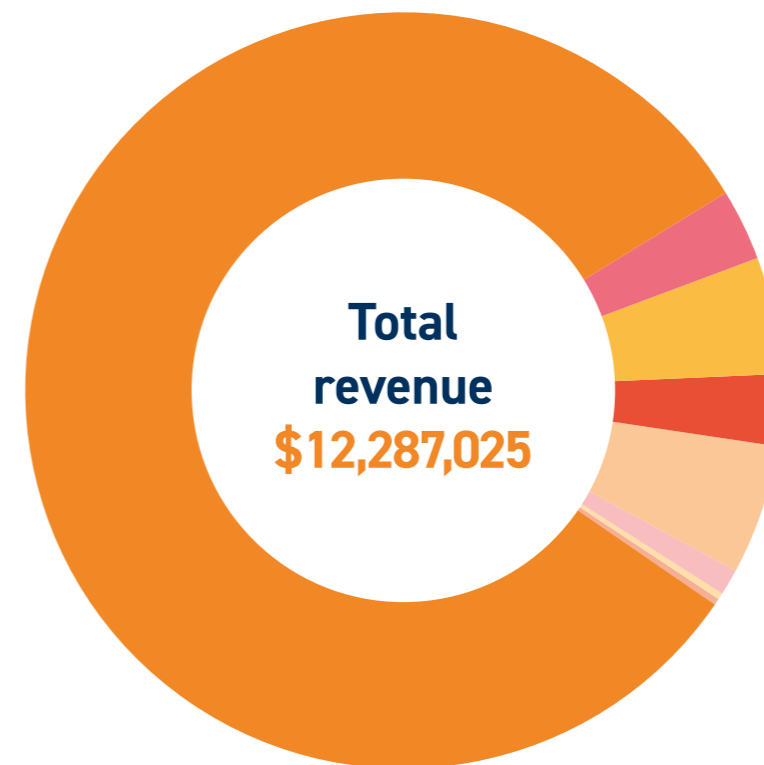
Operational expenditure is impacted by CPI and LGPI together with salary and wages costs, which are adjusted annually in accordance with contractual requirements, performance reviews and incremental increases. Depreciation is adjusted subsequent to additions, disposals and revaluations as appropriate.

Fees and charges

Council sets and reviews its fees and charges pursuant to Section 188 of the *Local Government Act 1999*. The Act 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.



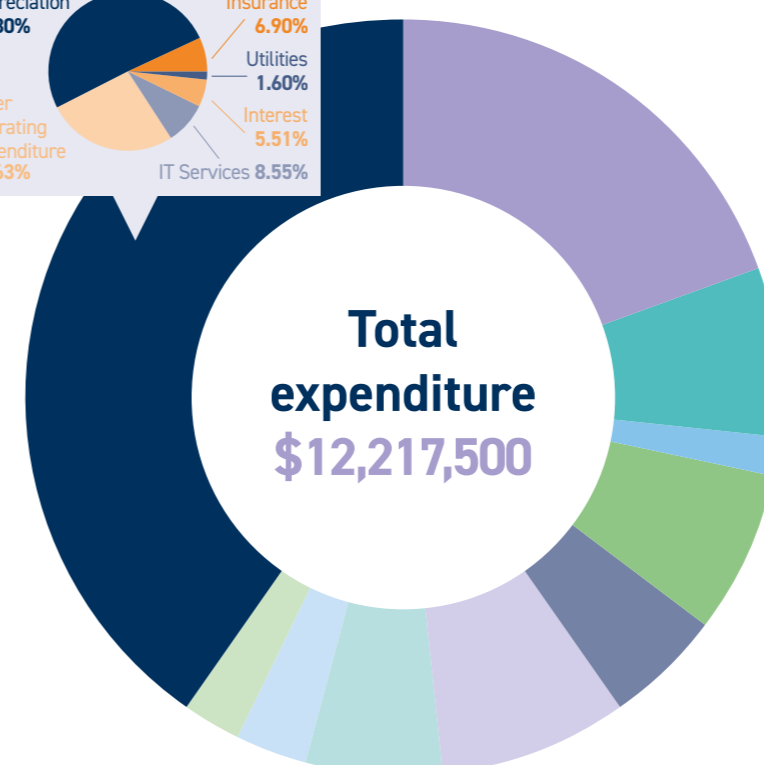
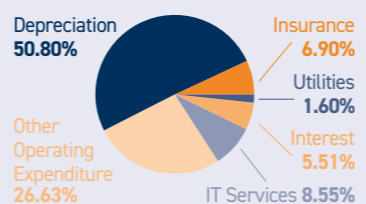
MAKING IT HAPPEN



Estimated revenue by category:

- Rates**
81.88% / \$10,060,637
- Regional Landscape Levy**
3.05% / \$375,101
- Grants, subsidies & other contributions**
5.00% / \$614,564
- Statutory charges**
3.11% / \$382,530
- User charges**
5.31% / \$651,864
- Other income**
1.14% / \$139,660
- Reimbursements**
0.48% / \$58,669
- Investment income**
0.03% / \$4,000

The Corporate Services budget includes:



Estimated expenditure by category:

- Corporate Services**
40.52% / \$4,950,345
- Assets & Infrastructure**
19.24% / \$2,351,166
- Strategy & Governance**
7.37% / \$900,300
- Program & Events**
1.51% / \$184,500
- Planning & Environment**
6.99% / \$854,454
- Public Relations & Community Services**
4.96% / \$605,586
- Environment & Waste**
8.08% / \$987,161
- Customer & Library Services**
5.84% / \$713,483
- Regional Landscape Levy**
3.07% / \$375,101
- Public Order**
2.42% / \$295,404

FINANCIAL INDICATORS

Financial indicators are calculated and provided in accordance with *Information Paper 9 – Local Government Financial Indicators* prepared as part of the 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 2023/24 to ensure the implementation of previous strategies and to maintain Council's focus on its organisational sustainability.

Operating surplus ratio

The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of operating income. The Council target range is between 0-15%.

Net financial liabilities ratio

The Council target for this ratio is between zero and 120%. 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.

Asset renewal funding ratio

The asset renewal funding ratio represents the ratio of new capital expenditure on renewal or replacement of assets, relative to the optimal level of such expenditure proposed in Council's *Asset Management Plan*. Council's target range is between 90-110% over the next five year period.

Key financial indicators 2023/24

Key financial indicators 2023/24	Target range	2022/23 Budget	2023/24 Budget
Operating surplus/(deficit) ratio	0 - 15%	0.52%	0.56%
Net financial liabilities ratio	0 - 120%	93%	65%
Asset renewal funding ratio	90 - 110%	78%	69%



Budgeted statement of comprehensive income

For the year ending 30 June 2024

Income	2022/23 BR2 \$('000)	2023/24 \$('000)
Rates	9,715	10,436
Statutory charges	361	383
User charges	597	650
Grants, subsidies & contributions	574	615
Investment income	0	4
Reimbursements	57	59
Other income	144	140
Net gain - equity accounted Council businesses	0	0
Total revenues	11,449	12,287
Expenses		
Employee costs	3,645	4,055
Materials, contracts & other expenses	5,023	5,128
Finance costs	148	273
Depreciation, amortisation & impairment	2,359	2,516
Net loss - equity accounted Council businesses	214	246
Total expenses	11,389	12,218
Operating surplus/(deficit) before capital amounts	60	69
Asset disposal & fair value adjustments	-	-
Amounts specifically for new/upgraded assets	8,600	9,000
Infrastructure, property, plant & equipment received free of charge	-	-
Net surplus/(deficit)	8,660	9,069
Other comprehensive income		
Changes in revaluation surplus - I,PP&E	2,405	2,545
Movements in other reserves	-	-
Total other comprehensive income	2,405	2,545
Total comprehensive income	11,065	11,614

All figures are rounded.

Budgeted statement of financial position

For the year ending 30 June 2024

Assets	2022/23 BR2 \$('000)	2023/24 \$('000)
Current assets		
Cash and cash equivalents	14	119
Trade and other receivables	443	476
Total current assets	457	595
Non-current assets		
Equity accounted investments in Council business	1,717	1,730
Infrastructure, property, plant & equipment	144,604	143,443
Other non-current assets	-	-
Total non-current assets	146,321	145,173
Total assets	146,778	145,768
Liabilities		
Current liabilities		
Trade & other payables	2,398	1,683
Borrowings	-	-
Provisions	628	670
Other current liabilities	-	-
Total current liabilities	3,027	2,353
Non-current liabilities		
Borrowings	7,284	5,587
Provisions	80	25
Liability - equity accounted Council businesses	266	207
Total non-current liabilities	7,630	5,819
Total liabilities	10,656	8,172
Net assets	136,122	137,596
Equity		
Accumulated surplus	44,198	45,537
Asset revaluation reserve	91,528	91,663
Other reserves	396	396
Net surplus/(deficit) resulting	136,122	137,596

All figures are rounded.

BUDGETED FINANCIAL STATEMENTS

Budgeted cash flow statement

For the year ending 30 June 2024

	2022/23 BR2 \$('000)	2023/24 \$('000)
Cash flows from operating activities		
Receipts		
Operating receipts	11,439	12,253
Investment receipts	-	4
Payments		
Operating payments to suppliers and employees	(7,607)	(8,047)
Finance payments	(148)	(275)
Net cash provided by (or used in) operating activities	3,685	3,934
Cash flows from investing activities		
Receipts		
Amounts received specifically for new/upgraded assets	8,600	9,000
Sale of replaced assets	-	-
Sale of surplus assets	-	-
Repayments of loans by community groups	-	-
Payments		
Expenditure on renewal/replacement of assets	(2,011)	(1,399)
Expenditure on new/upgraded assets	(12,725)	(14,000)
Contributions to equity accounted businesses	(200)	(200)
Net cash provided by (or used in) investing activities	(6,336)	(6,599)
Cash flows from financing activities		
Receipts		
Proceeds from borrowings	2,532	2,691
Payments		
Repayments of borrowings	-	-
Net cash provided by (or used in) financing activities	2,532	2,691
Net increase/(decrease) in cash held	(119)	26
Cash & cash equivalents at beginning of period	108	93
Cash & cash equivalents at end of period	(11)	119

All figures are rounded.

Budgeted statement of changes in equity

For the year ending 30 June 2024

	2022/23 BR2 \$('000)	2023/24 \$('000)
Accumulated surplus		
Balance at end of previous reporting period	35,537	36,468
Net result for the year	8,661	9,069
Balance at the end of the period	44,198	45,537
Asset revaluation reserve		
Balance at end of previous reporting period	89,123	89,118
Gain (loss) on revaluation of infrastructure, property, plant & equipment	2,405	2,545
Balance at the end of the period	91,528	91,663
Other reserves		
Balance at end of previous reporting period	396	396
Transfers from accumulated surplus	-	-
Transfers to accumulated surplus	-	-
Balance at the end of the period	396	396
Total equity at end of reporting period	136,122	137,596

All figures are rounded.



BUDGETED FINANCIAL STATEMENTS

Budgeted uniform presentation of finances

For the year ending 30 June 2024

	2022/23 BR2 \$('000)	2023/24 \$('000)
Income	11,449	12,287
Less expenses	(11,389)	(12,218)
Operating surplus/(deficit)	60	69
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(2,011)	(1,399)
Add back depreciation, amortisation and impairment	2,359	2,515
Add back proceeds from sale of replaced assets	-	-
	348	1,116
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets	(12,725)	(14,000)
Add back amounts received specifically for new and upgraded assets	8,600	9,000
	(4,125)	(5,000)
Net lending/(borrowing) for financial year	(3,717)	(3,815)

All figures are rounded.



ASSET MANAGEMENT PLAN



2023/24 Year 1 \$('000)	2024/25 Year 2 \$('000)	2025/26 Year 3 \$('000)	2026/27 Year 4 \$('000)	2027/28 Year 5 \$('000)	2028/29 Year 6 \$('000)	2029/30 Year 7 \$('000)	2030/31 Year 8 \$('000)	2031/32 Year 9 \$('000)	2032/33 Year 10 \$('000)
-------------------------------	-------------------------------	-------------------------------	-------------------------------	-------------------------------	-------------------------------	-------------------------------	-------------------------------	-------------------------------	--------------------------------

To achieve the objectives outlined in Council's strategic framework, Council needs a long term Asset Management Plan, to effectively plan and budget for the ongoing maintenance, renewal and replacement of Council-owned assets and infrastructure in the Township.

The plan ensures that ongoing funding for assets and infrastructure is prioritised and staged concurrent to their expected life span. In accordance with its strategic management plans, Council must adopt a Long Term Financial Management Plan and asset and infrastructure plans that cover a period of no less than 10 years.

Council must review its Long Term Financial Plan as soon as reasonably possible following the adoption of its Annual Business Plan and within the same financial year. When determining the appropriate expenditure levels across various asset classes, a number of factors are taken into consideration. These include: indexation based on **December CPI of 8.6%** (CPI Adelaide, all groups, 12 months to December 2022), condition, age, useful life, degradation/consumption curves, agreed levels of service and intervention markers.

Infrastructure programs										
Infrastructure: Roads, pavements & kerbs	545	598	940	838	839	790	766	752	752	752
Infrastructure: Footpaths	175	200	200	200	200	200	200	200	200	200
Infrastructure: Traffic control devices	52	52	60	60	60	60	60	60	60	60
Infrastructure: Buildings	64	323	550	69	69	69	69	69	69	69
Infrastructure: Stormwater	84	84	84	186	186	186	186	186	186	186
Infrastructure: Lighting	25		25		25		25	25	25	25
Other infrastructure programs										
Plant and equipment	130	140	15	15	15	15	16	16	16	16
Open Space: Reserve structures (including playgrounds)	25	150	25	25	25	150	25	25	25	150
Open Space: Irrigation	35	40	20	25	25	25	25	25	25	25
Other										
Furniture and fittings	52	52	52	52	52	52	52	52	52	52
IT	100	100	250	350	100	100	100	100	100	100
Total	1,287	1,739	2,221	1,820	1,596	1,647	1,524	1,510	1,510	1,635
Upgrades										
Walkerville Oval redevelopment (\$9.5m total project cost, \$4m grant funded)*	-	1,500	-	-	-	-	-	-	-	-
39 Smith Street refurbishment (\$6.5m total project cost, \$5m grant funded)*	1,500	-	-	-	-	-	-	-	-	-
Sub Total	1,500	1,500	-	-	-	-	-	-	-	-
Salary capitalisation	112	114	116	118	121	123	126	129	131	131
Grand total	2,899	3,353	2,337	1,938	1,717	1,770	1,650	1,639	1,641	1,766

* Unspent funds will be carried forward to 2023/24.

All figures are rounded.

