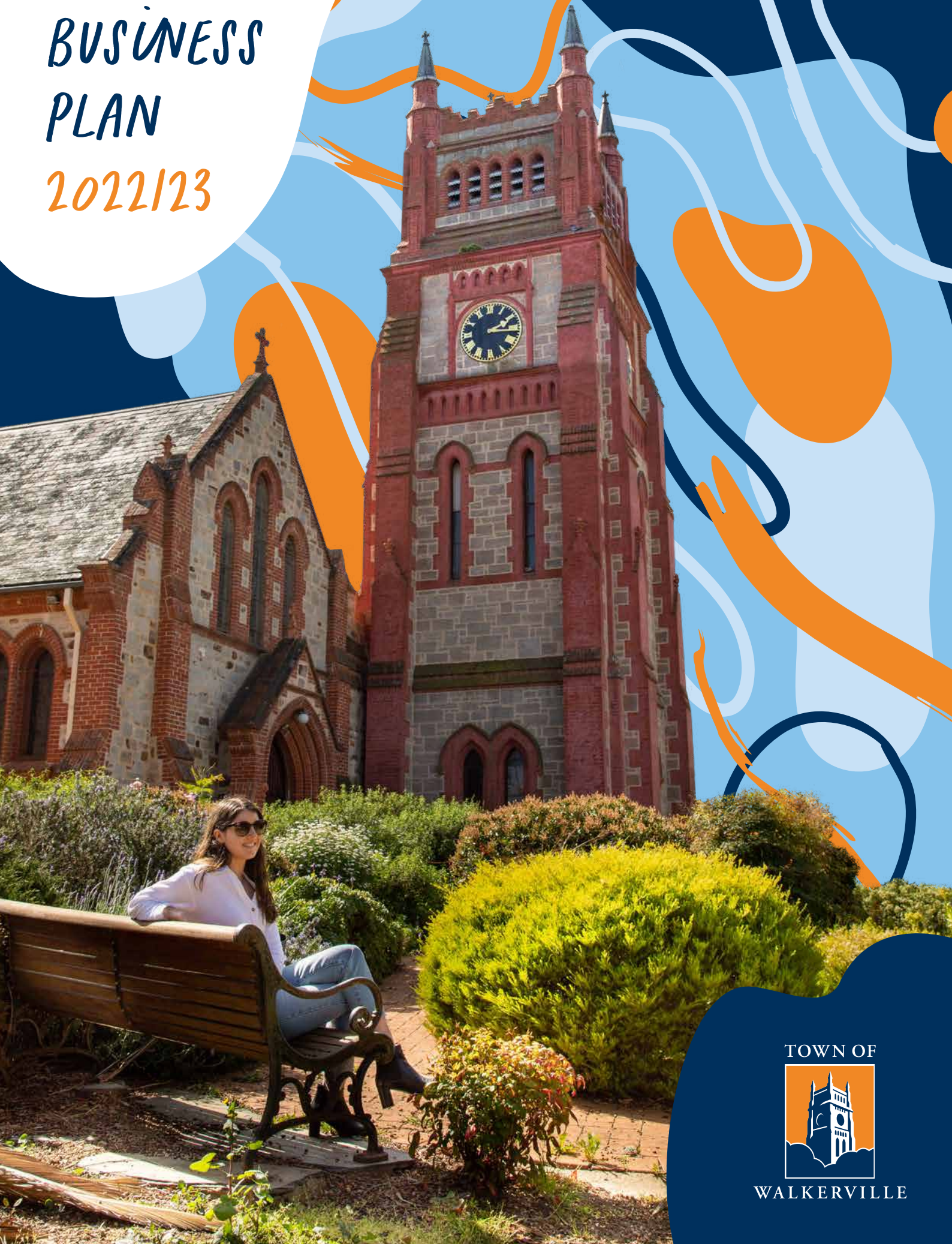


ANNUAL BUSINESS PLAN

2022/23



TOWN OF



WALKERVILLE

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.

Town of Walkerville
66 Walkerville Terrace, Gilberton SA 5081

08 8342 7100

walkerville@walkerville.sa.gov.au

walkerville.sa.gov.au

 [@walkerville5081](https://twitter.com/walkerville5081)

 [@TownOfWalkerville](https://www.facebook.com/TownOfWalkerville)  [@TownOfWalkerville](https://www.instagram.com/TownOfWalkerville)

ANNUAL BUSINESS PLAN

2022/23

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1 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. 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*.

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

Budget review

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

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.

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.

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.

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.

Operating expenditure

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

Capital expenditure

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

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.

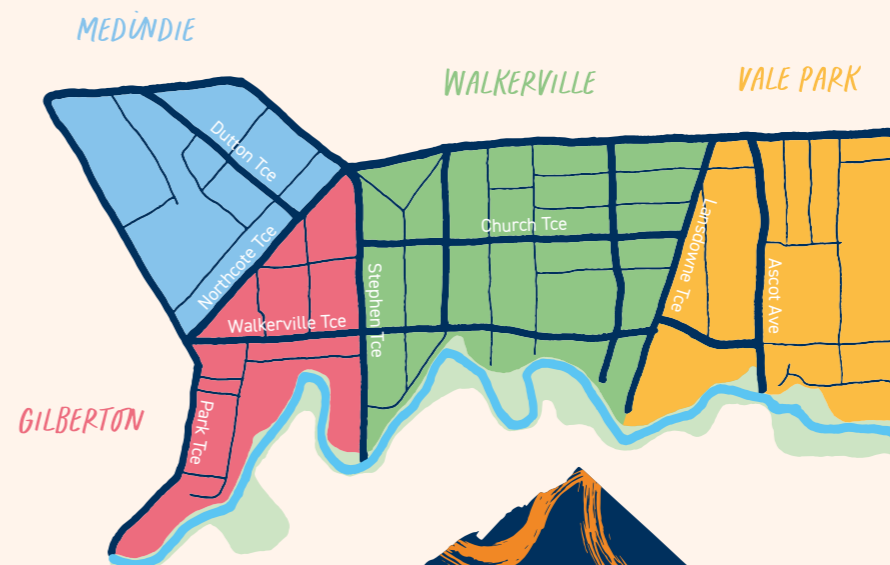
The Annual Business Plan also includes the annual budget, which details operating expenditure (day-to-day recurrent operations and services) and capital expenditure (renewal and acquisition), as well as identifying sources of revenue and rates for the year.

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 six kilometres from the Adelaide GPO.

The Town of Walkerville is the smallest Council in inner metropolitan Adelaide and covers a land area of 3.5km². The Township is home to almost 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.



Its street boundaries are:

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

MESSAGE FROM THE MAYOR

Why are communities so important?

Strong communities are critical because they are an important source of social connection and offer a sense of belonging. Participating in a community bonded by attitudes, values and goals is an essential ingredient to enjoying a fulfilling life.

Having a sense of *community* unites us. And having a physical place to unite, strengthens that definition of community.

Author Orson Scott Card once wrote "Every person is defined by the communities she belongs to".

I wish for my legacy as Mayor to be a community where all residents, ratepayers, business owners, students and visitors feel like they belong and can find their purpose through the opportunities this Council has generated, the experiences we have created and the infrastructure we have delivered.

This 2022/23 budget signifies the beginning of another great opportunity to create a foundation of connection through the means of a new community centre, a hub of activity – a place that creates belonging. It will generate opportunities and create experiences through the establishment of new infrastructure – a physical place to unite.

Thanks to the commitment of \$5 million from the Labor Government, Council is embarking on a new project this coming financial year to redevelop the 39 Smith Street site.

The upgrade will reactivate the space as a community facility. Early masterplanning includes updated viewing areas, landscaping for a greater connection to Walkerville Terrace and the improvement of spaces for squash, basketball and gymnastics. It will include creating a fresh façade, refreshing internal services and bringing the entire site up to current compliance standards.

I thank the State Government, particularly State Member for Adelaide Lucy Hood MP, for this momentous contribution as it means the site – which has remained the topic of conversation for this Council for many years – can finally be progressed into a useable and practical space for our community.

This is the last budget for the current Council ahead of the Local Government elections in November. The Annual Business Plan shows what we will do during 2022/23 to continue working towards the overall vision and strategic goals we committed to in our *2020-2024 Living in the Town of Walkerville: a strategic community plan*. It is a modest, yet progressive plan, which aims to support a vibrant, well-connected and healthy community.

To create new opportunities and growth, while remaining considerate of the continuous flow-on effects of COVID-19, Council is proposing an average residential rate increase of 3% (excluding growth from newly created and developed properties). We will continue our excellent maintenance of parks and gardens, progress our road and footpath renewal program, create new opportunities for public art and murals within our operational budget and gather much-needed feedback from the community as part of a Township-wide survey.

In addition, we will progress with the Walkerville Oval redevelopment and finish major park and streetscape upgrades – including Crawford Reserve and Alfred Street.

The 2022/23 Annual Business Plan is forecasting:

- An average residential rate increase of **3%** (excluding growth from newly created and developed properties)
- Total income of **\$11,391,413**
- Total expenditure of **\$11,328,775**

- Total expenditure allocated to capital works (the renewal of existing infrastructure, along with new projects, within the Township) of **\$8,595,000**
- A budgeted operating surplus of **\$62,638**

Key projects for the year include:

- **39 Smith Street site refurbishment:** \$5 million State Government contribution
- **Milne Street and Stewart Avenue, Vale Park, road reseals:** \$476,000
- **Road and footpath condition audit:** \$50,000
- **Walkerville transport strategy:** \$45,000
- **Heritage plaque funding:** \$35,000
- **Additional street sweeping throughout the Township:** \$25,000

It is my responsibility to ensure we are meeting the needs of our community. Therefore, as we deliver the 2022/23 budget, I look forward to working together to ensure the Township continues to be a place where residents, ratepayers and businesses thrive.



Elizabeth Fricker

Elizabeth Fricker
Mayor of the
Town of Walkerville



MESSAGE FROM THE CEO

This year will see some of the Township's biggest and long-awaited redevelopments come to fruition.

The 2022/23 Annual Business Plan represents a conservative budget in order to continue to deliver operational projects, keep rates at a modest increase, progress the Walkerville Oval redevelopment, begin delivery of a major overhaul to the 39 Smith Street site, and transform Alfred Street into a greener gateway connection to the main street.

In line with the long-term financial plan and in consideration of the significant investment in the reactivation of key strategic sites, the budget proposes an operating surplus of approximately \$62,000. We are anticipating a total revenue of \$11.39 million, with 82.3% (or \$9.37 million) to be raised through general rates, and our operating expenditure is budgeted at \$11.33 million.

This year was a particularly difficult budget process due to the unpredictable nature of both inflation and interest rates in the South Australian economy. In addition, a vast array of other factors were taken into consideration for the 2022/23 financial year, including large increases in CPI/LGPI and insurance costs, fuel price hikes and a legislated rise to employee superannuation costs.

Every year, Council makes an informed assessment of how much it needs to maintain financial sustainability and ensure services, infrastructure maintenance, renewal and development can be afforded by the community over the long term.

Put simply – the budget is a balancing act – it is about managing increasing cost pressures and ratepayer expectations.

During engagement processes throughout the past 12 months, community feedback made it clear that there was a desire for an increased investment in roads and footpaths throughout the entire Township.

Council-wide traffic safety and the enhancement of the road and footpath network has therefore been a key driver in developing this budget. We have allocated almost \$600,000 towards improving the quality of local roads, providing greater streetscape amenity, undertaking a footpath audit and investigating issues regarding traffic and parking. This will be completed through:

- the **resurfacing of existing asphalt roads** in accordance with Council's Asset Management Plan;
- a **condition assessment of Council's road and footpath network** to provide a rating score of 1-5 based on engineering standards, which will help to plan for the Township's future road and footpath renewal programs;
- an **integrated strategic transport plan** for the Township looking at issues regarding parking and traffic volumes, as well as vehicle, pedestrian and cycling routes; and
- additional **street sweeping** to deal with extra demand during spring months.

These projects, plans and initiatives enable Council to deliver the key goals of its strategic framework – *Living in Walkerville: 2020-2024 Strategic Plan*. In particular, there is a heightened focus on the pillars of "Places and spaces", "Safety" and "Mobility and movement". As we complete these redevelopments, we will further connect our community and continue to be a prosperous and desirable region for people to live, work and play.

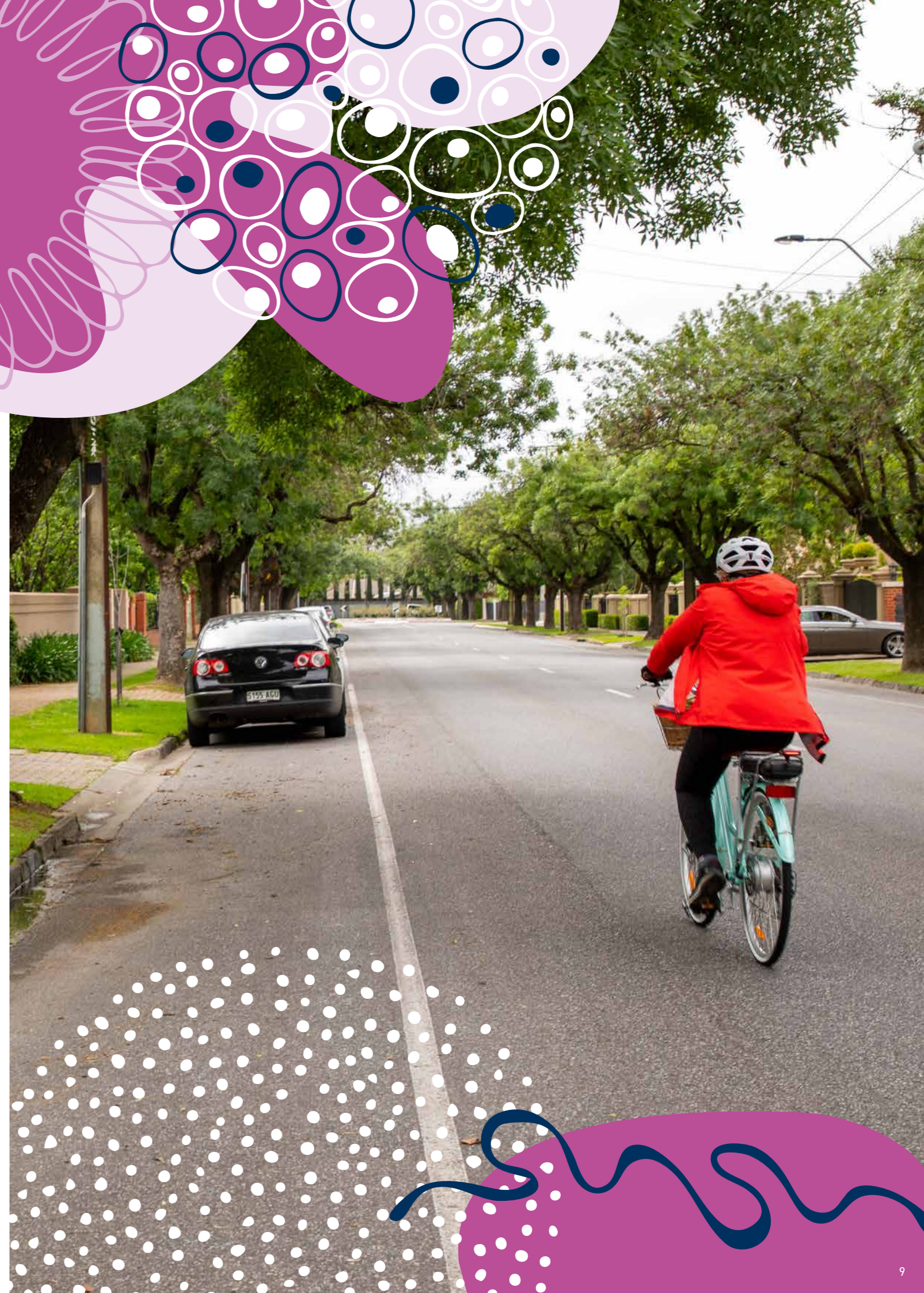
For Administration, our task is clear: delivering the projects and services outlined in this budget in the most effective, efficient and equitable manner. This is done using a constructive working relationship in partnership with our decision-makers; the Town of Walkerville Elected Member body.

With Local Government general elections in November 2022, I would like to take this opportunity to recognise the 2018-2022 Council.

As Acting CEO, I acknowledge Elected Members for their commitment and due diligence in presenting these last four consecutive budgets. I thank them for their collaborative approach and for their powerful advocacy as representatives of their local community.

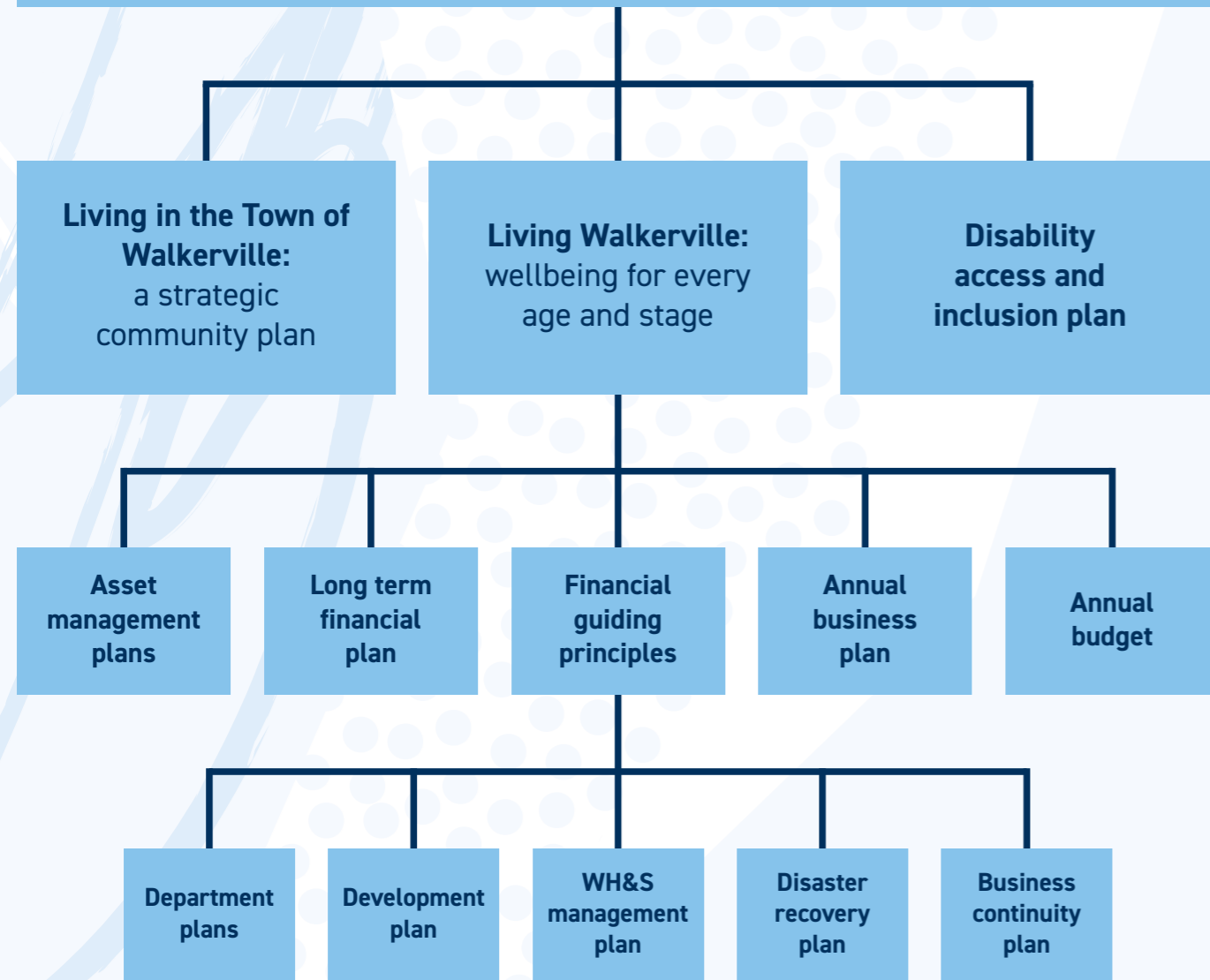


Scott Reardon
Acting Chief
Executive Officer
Town of Walkerville



COUNCIL'S STRATEGIC FRAMEWORK

A connected community: the Town of Walkerville urban master plan



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.

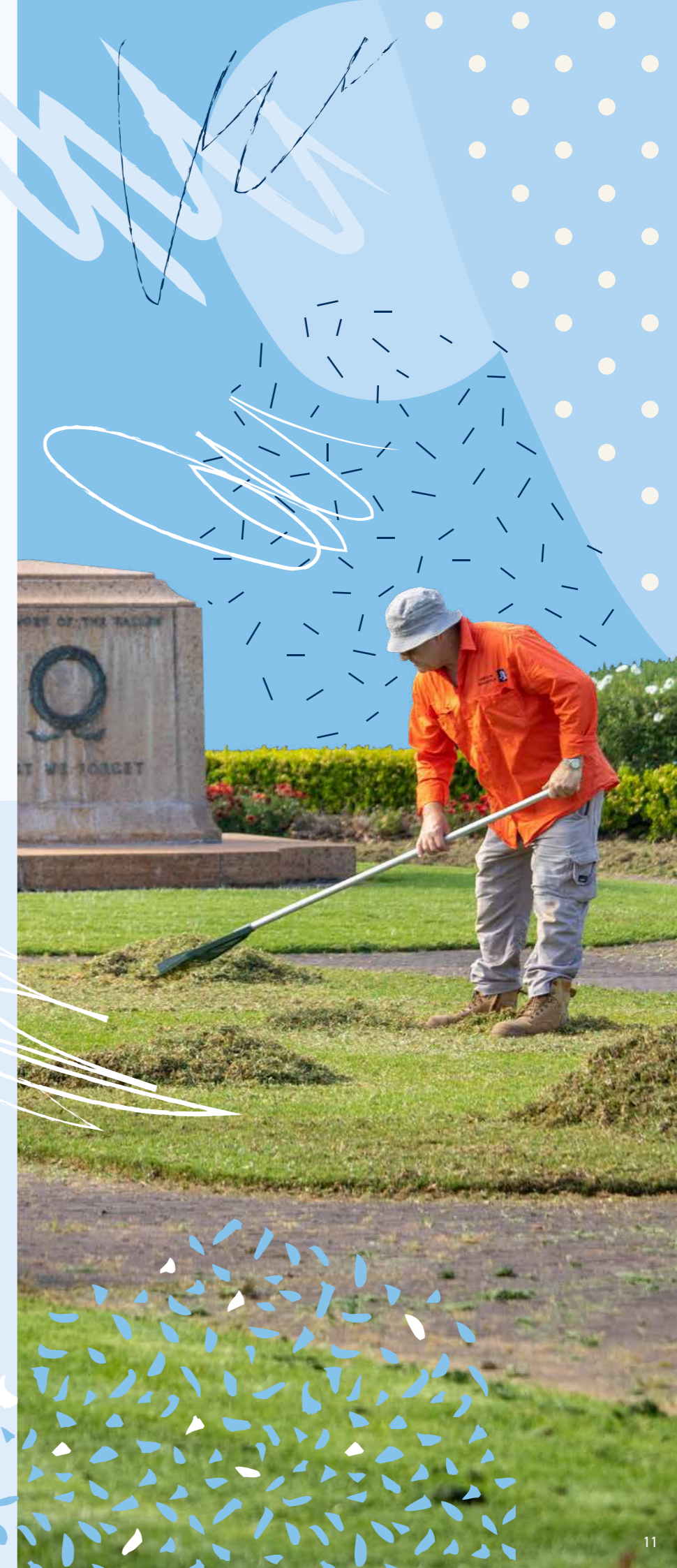
Economy:

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.



RATES

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):
\$9,374,621



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 2022/23 financial year, Council has considered the following:

- impacts from the COVID-19 pandemic
- 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

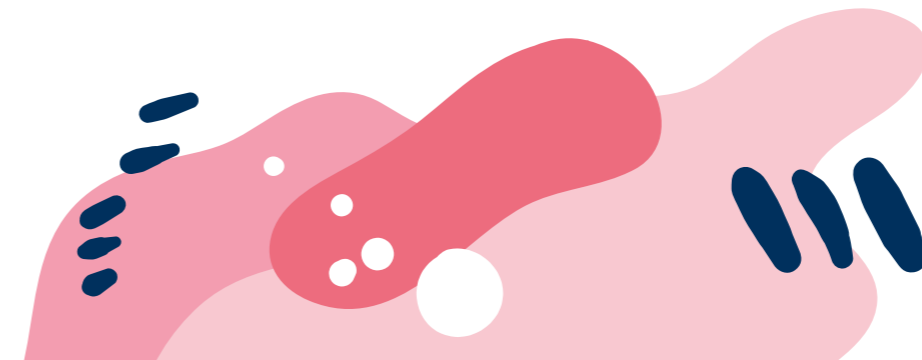
Fax: 08 8115 5709

Online: complete the online form at www.sa.gov.au/landservices

In person: Visit the State Valuation Office, 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 **\$9,374,621** in property rates (including rates rebates and excluding the Regional Landscape Levy for the 2022/23 financial year).



RATES

Regional Landscape Levy

The Regional Landscape Levy (formerly the NRM 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.

Changes to differential rate 2022/23:

Residential: **0.0018468**

Non-residential: **0.0030472**

Non Residential (vacant land): **0.0036013**

Note: The 'rates in the dollar' presented is based on final property valuations for the Township prepared by the Valuer-General as at 25 June 2022.

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: \$1,293

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 **\$700,131**.

The minimum rate will affect approximately **32.80%** 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.



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 2022 – or by quarterly instalments due and payable on the following dates:

1st payment: **12 September 2022**

2nd payment: **12 December 2022**

3rd payment: **12 March 2023**

4th payment: **12 June 2023**

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.

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

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

Valuations

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

If your property was valued at **\$750,000** in 2021/22 and does not increase in 2022/23, your rates will decrease by **\$307** in 2022/23.

If your property was valued at **\$1,000,000** in 2021/22 and does not increase in 2022/23, your rates will decrease by **\$409** in 2022/23.

Capital value and rates 2020-2023

Capital value differential rate	2020/21: 0.002301	2021/22: 0.0022563	2022/23: 0.0018468	Variance	Variance
\$750,000	\$1,726	\$1,692	\$1,385	-\$307	-18.12%
\$1,000,000	\$2,301	\$2,256	\$1,847	-\$409	-18.12%
\$1,250,000	\$2,876	\$2,820	\$2,309	-\$511	-18.12%

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

Rates based on your property value

Capital value range	All assessments	Residential	Percentage of properties
Up to \$500,000	1,218	1,011	26.80%
\$500,000 – \$750,000	485	434	11.50%
\$750,000 – \$1,000,000	619	596	15.80%
\$1,000,000 – \$1,250,000	498	481	12.75%
\$1,250,000 – \$1,500,000	378	375	9.94%
\$1,500,000 – \$2,000,000	419	407	10.79%
\$2,000,000 – \$3,000,000	306	301	7.98%
\$3,000,000 – \$4,000,000	99	93	2.46%
\$4,000,000+	86	75	1.99%
Total	4,108	3,773	100%

RATES

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 1800 307 758 or www.sa.gov.au/concessions

Regional Landscape Levy (RLL)

Council collects a Regional Landscape Levy (previously known as the Natural Resources Management 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 2022/23 is \$340,301 (2021/22: \$334,668).

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

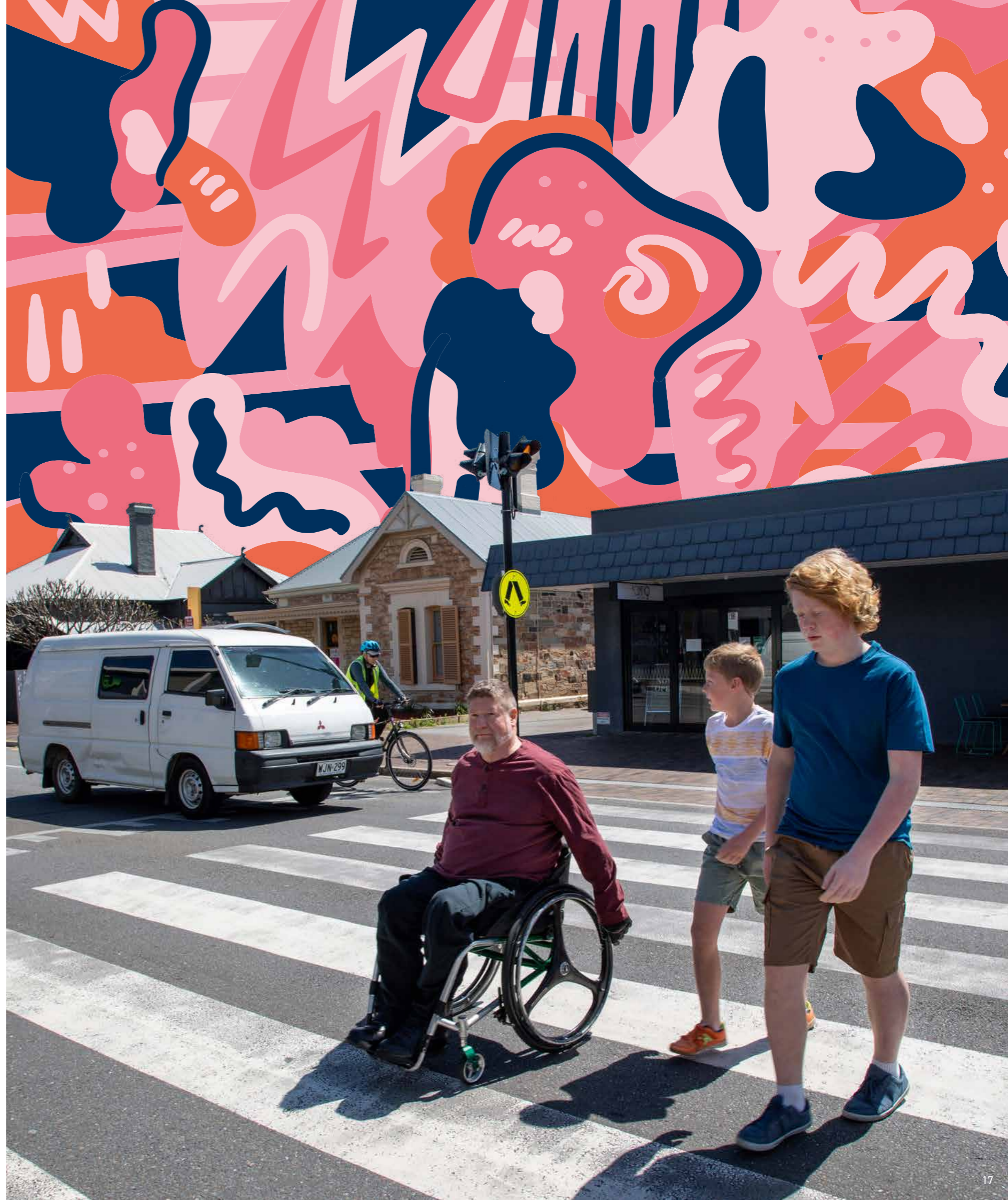
Persons or bodies, which seek a discretionary rebate will be required to submit an application form to the Council.

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	2020/21	2021/22	2022/23
100% Religious	\$22,685	\$22,709	\$20,416
75% Education	\$187,806	\$188,205	\$169,689
75% Community Services	\$52,853	\$54,419	\$56,246
Statutory Rebate	\$263,344	\$265,333	\$246,351



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.

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 will assist Council to achieve its objectives.

Council's primary revenue source comes from property rates, which represent 82.30% 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 2021
- 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.

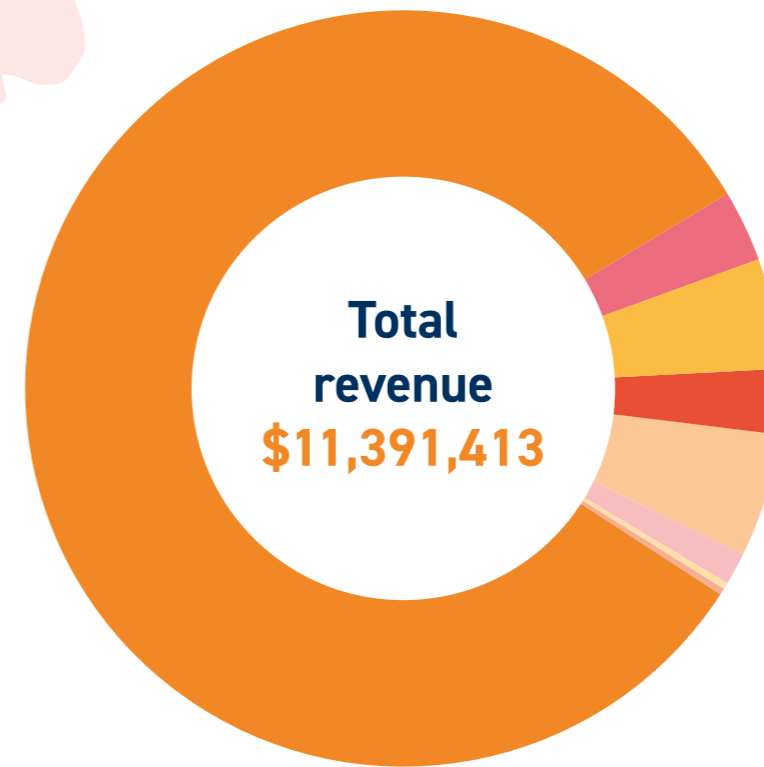
Operational expenditure is impacted by CPI and LGPI together with salary and wages costs, which are adjusted annually in accordance with contractual requirements, performance reviews and incremental increases. Depreciation is adjusted subsequent to additions, disposals and revaluations as appropriate.

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.



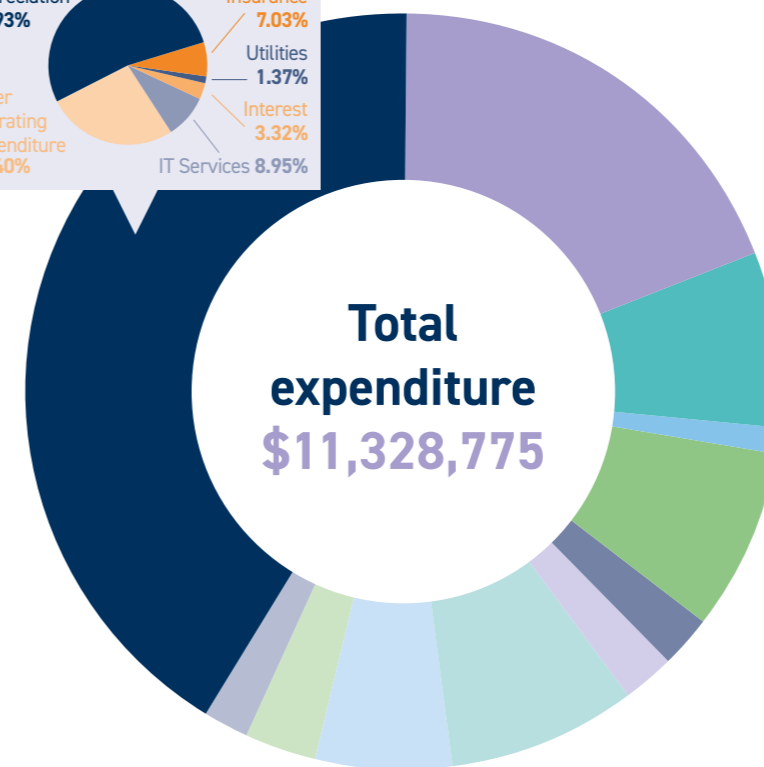
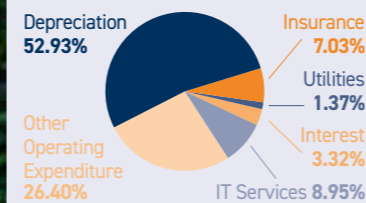
MAKING IT HAPPEN



Estimated revenue by category:

- Rates**
82.30% / \$9,374,622
- Regional Landscape levy**
2.99% / \$340,301
- Grant, subsidies and contributions**
4.89% / \$556,560
- Statutory charges**
2.82% / \$321,463
- User charges**
5.24% / \$597,057
- Other income**
1.25% / \$143,360
- Reimbursements**
0.50% / \$56,850
- Investment Income**
0.01% / \$1,200

The Corporate Services budget includes:



Estimated expenditure by category:

- Corporate Services**
41.44% / \$4,696,402
- Assets & Infrastructure**
18.88% / \$2,138,644
- Strategy & Governance**
7.65% / \$866,691
- Program & Events**
1.05% / \$118,893
- Planning & Environment**
7.68% / \$869,843
- Community Services**
2.28% / \$258,615
- Communications & Marketing**
2.27% / \$256,967
- Environment and Waste**
7.98% / \$903,813
- Customer Experience**
6.04% / \$683,828
- Regional Landscape Levy**
3.04% / \$343,942
- Public Order**
1.69% / \$191,137

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 2022/23 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%.

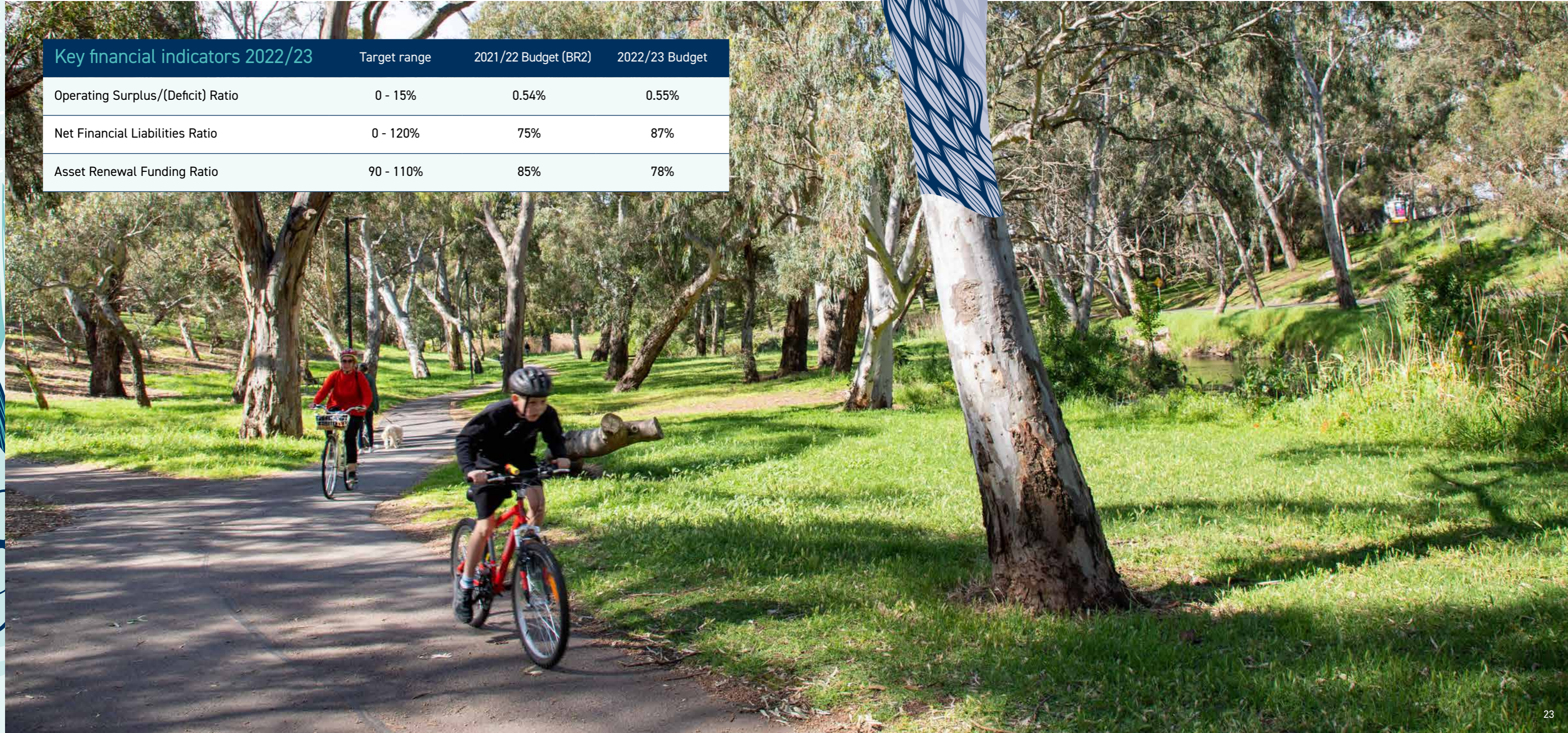
Net financial liabilities ratio

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 2022/23	Target range	2021/22 Budget (BR2)	2022/23 Budget
Operating Surplus/(Deficit) Ratio	0 - 15%	0.54%	0.55%
Net Financial Liabilities Ratio	0 - 120%	75%	87%
Asset Renewal Funding Ratio	90 - 110%	85%	78%



BUDGETED FINANCIAL STATEMENTS

Budgeted statement of comprehensive income

For the year ending 30 June 2023

Income	2021/22 BR2 \$('000)	2022/23 \$('000)
Rates	9,404	9,715
Statutory Charges	358	321
User Charges	629	597
Grants, Subsidies & Contributions	297	556
Investment Income	-	1
Reimbursements	16	57
Other Income	147	144
Net Gain - Equity Accounted Council Businesses	-	-
Total revenues	10,851	11,391
Expenses		
Employee Costs	3,577	3,709
Materials, Contracts & Other Expenses	4,867	4,872
Finance Costs	115	148
Depreciation, Amortisation & Impairment	2,233	2,359
Net Loss - Equity Accounted Council Businesses	-	240
Total expenses	10,792	11,328
Operating surplus/(deficit) before capital amounts	59	63
Asset Disposal & Fair Value Adjustments	-	-
Amounts Specifically for New/Upgraded Assets	400	3,600
Infrastructure, Property, Plant & Equipment Received FOC	-	-
Net surplus/(deficit)	459	3,663
Other comprehensive income		
Changes in Revaluation Surplus - I,PP&E	2,352	2,405
Movements in Other Reserves	-	-
Total other comprehensive income	2,352	2,405
Total comprehensive income	2,811	6,069

Budgeted statement of financial position

For the year ending 30 June 2023

Assets	2021/22 BR2 \$('000)	2022/23 \$('000)
Current assets		
Cash and cash equivalents	26	17
Trade and other receivables	433	443
Total current assets	459	460
Non-current assets		
Equity Accounted Investments in Council Business	2,782	1,717
Infrastructure, Property, Plant & Equipment	120,753	139,604
Other Non-Current Assets	80	-
Total non-current assets	123,615	141,321
Total assets	124,074	141,781
Liabilities		
Current liabilities		
Trade & other payables	1,454	2,398
Borrowings	-	-
Provisions	505	628
Other current liabilities	-	-
Total current liabilities	1,959	3,027
Non-current liabilities		
Borrowings	6,286	7,284
Provisions	65	80
Liability - equity accounted Council businesses	327	266
Total non-current liabilities	6,678	7,630
Total liabilities	8,637	10,656
Net assets	115,437	131,125
Equity		
Accumulated surplus	35,074	39,201
Asset revaluation reserve	79,972	91,528
Other reserves	391	396
Net surplus / (deficit) resulting	115,437	131,125

BUDGETED FINANCIAL STATEMENTS

Budgeted cash flow statement

For the year ending 30 June 2023

	2021/22 BR2 \$('000)	2022/23 \$('000)
Cash flows from operating activities		
Receipts		
Operating receipts	10,843	11,381
Investment receipts	-	-
Payments		
Operating payments to suppliers and employees	(8,414)	(7,520)
Finance payments	(115)	(148)
Net cash provided by (or used in) operating activities	2,314	3,714
Cash flows from investing activities		
Receipts		
Amounts received specifically for new/upgraded assets	400	3,600
Sale of replaced assets	-	-
Sale of surplus assets	-	-
Repayments of loans by community groups	-	-
Payments		
Expenditure on renewal/replacement of assets	(1,895)	(1,595)
Expenditure on new/upgraded assets	(1,462)	(7,000)
Contributions to equity accounted businesses	-	(200)
Net cash provided by (or used in) investing activities	(2,957)	(5,195)
Cash flows from financing activities		
Receipts		
Proceeds from borrowings	600	1,391
Payments		
Repayments of borrowings	-	-
Net cash provided by (or used in) financing activities	600	1,391
Net increase/(decrease) in cash held	(43)	(90)
Cash & cash equivalents at beginning of period	69	108
Cash & cash equivalents at end of period	26	18

Budgeted statement of changes in equity

For the year ending 30 June 2023

	2021/22 BR2 \$('000)	2022/23 \$('000)
Accumulated surplus		
Balance at end of previous reporting period	34,615	35,537
Net result for the year	459	3,664
Balance at the end of the period	35,074	39,201
Asset revaluation reserve		
Balance at end of previous reporting period	77,620	89,123
Gain (loss) on revaluation of infrastructure, property, plant & equipment	2,352	2,405
Balance at the end of the period	79,972	91,528
Other reserves		
Balance at end of previous reporting period	391	396
Transfers from accumulated surplus	-	-
Transfers to accumulated surplus	-	-
Balance at the end of the period	391	396
Total equity at end of reporting period	115,437	131,125

BUDGETED FINANCIAL STATEMENTS

Budgeted uniform presentation of finances

For the year ending 30 June 2023

	2021/22 BR2 \$('000)	2022/23 \$('000)
Income	10,851	11,391
Less expenses	(10,791)	11,328
Operating surplus / (deficit)	59	63
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(1,895)	(1,595)
Add back depreciation, amortisation and impairment	2,233	2,359
Add back proceeds from sale of replaced assets	-	-
	338	764
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets	(1,462)	(7,000)
Add back amounts received specifically for new and upgraded assets	400	3,600
	(1,062)	(3,400)
Net lending / (borrowing) for financial year	(665)	(2,573)



ASSET MANAGEMENT PLAN



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 3.30%** (CPI Adelaide, all groups, 12 months to December 2021), condition, age, useful life, degradation/consumption curves, agreed levels of service and intervention markers.



	2022/23 Year 1 \$('000)	2023/24 Year 2 \$('000)	2024/25 Year 3 \$('000)	2025/26 Year 4 \$('000)	2026/27 Year 5 \$('000)	2027/28 Year 6 \$('000)	2028/29 Year 7 \$('000)	2029/30 Year 8 \$('000)	2030/31 Year 9 \$('000)	2031/32 Year 10 \$('000)
Infrastructure programs										
Infrastructure: Roads, Pavements & Kerbs	476	545	598	940	838	839	790	766	752	752
Infrastructure: Footpaths	175	175	200	200	200	200	200	200	200	200
Infrastructure: Traffic Control Devices	52	52	52	60	60	60	60	60	60	60
Infrastructure: Buildings	179	64	323	550	69	69	69	69	69	69
Infrastructure: Stormwater	106	84	84	84	186	186	186	186	186	186
Infrastructure: Lighting		25		25		25		25	25	25
Other infrastructure programs										
Plant and Equipment	115	130	140	15	15	15	15	16	16	16
Open Space: Reserve Structures (Incl Playgrounds)	170	25	150	25	25	25	150	25	25	25
Open Space: Irrigation	60	35	40	20	25	25	25	25	25	25
Other										
Furniture and fittings	52	52	52	52	52	52	52	52	52	52
IT	100	100	100	250	350	100	100	100	100	100
Total	1,485	1,287	1,739	2,221	1,820	1,596	1,647	1,524	1,510	1,510
Upgrades										
Levi Park - Eden Stage (deferral from 2021-22)	-	300	-	-	-	-	-	-	-	-
Walkerville Oval Redevelopment (\$4m funded via grant income)	7,000	1,500	-	-	-	-	-	-	-	-
Sub Total	7,000	1,800	-	-	-	-	-	-	-	-
Salary Capitalisation	110	112	114	116	118	121	123	126	129	131
Grand total	8,595	3,199	1,853	2,337	1,938	1,717	1,770	1,650	1,639	1,641

TOWN OF



WALKERVILLE

